

ULTRAPAR HOLDINGS INC
Form 6-K
August 02, 2018
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Form 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report Of Foreign Private Issuer

Pursuant To Rule 13a-16 Or 15d-16 Of

The Securities Exchange Act Of 1934

For the month of August, 2018

Commission File Number: 001-14950

ULTRAPAR HOLDINGS INC.

(Translation of Registrant's Name into English)

Avenida Brigadeiro Luis Antonio, 1343, 9º Andar

São Paulo, SP, Brazil 01317-910

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F

Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes

No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes _____

No X

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ULTRAPAR HOLDINGS INC.

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*(Convenience Translation into English from
the Original Previously Issued in Portuguese)*

Ultrapar Participações S.A.

Individual and Consolidated

Interim Financial Information

for the Six-Month Period

Ended June 30, 2018 and

Report on Review of Interim

Financial Information

KPMG Auditores Independentes

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Ultrapar Participações S.A. and Subsidiaries

Individual and Consolidated

Interim Financial Information

for the Six-Month Period Ended June 30, 2018

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(Convenience Translation into English from the Original Previously Issued in Portuguese)

Report on the review of quarterly information ITR

To the Shareholders, Directors and Management of

Ultrapar Participações S.A.

São Paulo, SP

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of Ultrapar Participações S.A. (Company), comprised in the Quarterly Financial Information ITR Form for the quarter ended June 30, 2018, which comprise the balance sheet as of June 30, 2018 and related statements of income, comprehensive income for the three and six-month period then ended and 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 the interim financial information in accordance with Technical Pronouncement CPC 21 (R1) Interim Financial Information and with International Standard IAS 34 Interim Financial Reporting, issued by the International Accounting Standards Board IASB, such as for the presentation of these information in a manner consistent with the standards issued by the Brazilian Securities Commission, applicable to the preparation of the Quarterly Financial Information ITR. Our responsibility is to express a conclusion on these interim financial information based on our review.

Scope of the review

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

Conclusion on the interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the individual and consolidated interim financial information included in the quarterly information referred to above 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 Quarterly Financial Information ITR and presented in accordance with the standards issued by the Brazilian Securities Commission CVM.

Other matters

Interim statements of value added

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The individual and consolidated statements of value added for the six-month 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 these statements are reconciled 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 statements of value added are not prepared, in all material respects, in accordance with the individual and consolidated interim financial information taken as a whole.

São Paulo, August 1st, 2018

KPMG Auditores Independentes

CRC 2SP014428/O-6

Original report in Portuguese signed by

Wagner Bottino

Accountant CRC 1SP196907/O-7

Table of Contents**Ultrapar Participações S.A. and Subsidiaries****Balance Sheets****as of June 30, 2018 and December 31, 2017***(In thousands of Brazilian Reais)*

Assets	Note	Parent		Consolidated	
		06/30/2018	12/31/2017 Restated	06/30/2018	12/31/2017 Restated
Current assets					
Cash and cash equivalents	4	474,503	93,174	3,940,363	5,002,004
Financial investments and hedging instruments	4	579,491	21,657	2,029,689	1,283,498
Trade receivables and reseller financing, net	5			4,403,577	4,147,894
Inventories, net	6			3,076,539	3,513,577
Recoverable taxes, net	7	39,982	33,070	965,672	881,584
Dividends receivable		5,842	27,930	5,842	11,137
Other receivables		3,087	2,404	113,233	44,025
Prepaid expenses, net	10	1,603	1,597	155,192	150,046
Contractual assets with customers exclusive rights, net	11			471,084	456,213
Total current assets		1,104,508	179,832	15,161,191	15,489,978
Non-current assets					
Financial investments and hedging instruments	4			149,215	84,426
Trade receivables and reseller financing, net	5			350,820	329,991
Related parties	8.a	761,454	762,562	490	490
Deferred income and social contribution taxes	9.a	5,181	29,158	727,949	614,061
Recoverable taxes, net	7	48,685	48,685	403,712	313,242
Escrow deposits	21.a		148	839,255	822,660
Indemnity asset business combination	21.c			202,415	202,352
Other receivables				2,119	7,918
Prepaid expenses, net	10	35		372,421	346,886
Contractual assets with customers exclusive rights, net	11			1,012,215	1,046,147
Total long term assets		815,355	840,553	4,060,611	3,768,173

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Investments					
In subsidiaries	12.a	8,923,689	9,268,261		
In joint-ventures	12.a; 12.b	25,589	54,739	101,987	122,061
In associates	12.c			24,116	25,341
Other				2,793	2,792
Property, plant, and equipment, net	13			7,062,571	6,634,528
Intangible assets, net	14	246,163	246,163	2,259,649	2,162,638
		9,195,441	9,569,163	9,451,116	8,947,360
Total non-current assets		10,010,796	10,409,716	13,511,727	12,715,533
Total assets		11,115,304	10,589,548	28,672,918	28,205,511

The accompanying notes are an integral part of the interim financial information.

Table of Contents**Ultrapar Participações S.A. and Subsidiaries****Balance Sheets****as of June 30, 2018 and December 31, 2017***(In thousands of Brazilian Reais)*

Liabilities	Note	Parent		Consolidated	
		06/30/2018	12/31/2017 Restated	06/30/2018	12/31/2017 Restated
Current liabilities					
Loans and hedging instruments	15			3,013,326	1,819,766
Debentures	15.g	34,325	817,654	1,112,508	1,681,199
Finance leases	15.i			2,781	2,710
Trade payables	16	85	461	1,650,995	2,155,498
Salaries and related charges	17	235	244	344,007	388,118
Taxes payable	18	758	343	257,435	221,529
Dividends payable	25.h	13,069	335,930	14,532	338,845
Income and social contribution taxes payable				31,192	86,836
Post-employment benefits	19.b			30,059	30,059
Provision for asset retirement obligation	20			4,416	4,799
Provision for tax, civil, and labor risks	21.a			60,889	64,550
Trade payables – customers and third parties indemnification	22			41,018	72,216
Other payables		6,210	7,439	111,130	125,150
Deferred revenue	23			17,750	18,413
Total current liabilities		54,682	1,162,071	6,692,038	7,009,688
Non-current liabilities					
Loans and hedging instruments	15			5,373,387	6,113,545
Debentures	15.g	1,722,427		5,498,156	3,927,569
Finance leases	15.i			44,576	45,805
Related parties	8.a	5,201	4,003	4,139	4,185
Deferred income and social contribution taxes	9.a			35,761	38,524
Post-employment benefits	19.b			218,334	207,464

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Provision for asset retirement obligation	20			54,319	59,975
Provision for tax, civil, and labor risks	21.a; 21.c	982	982	871,335	861,246
Deferred revenue	23			12,704	12,896
Subscription warrants indemnification	24	97,738	171,459	97,738	171,459
Other payables				202,722	162,834
Total non-current liabilities		1,826,348	176,444	12,413,171	11,605,502
Shareholders equity					
Share capital	25.a; 25.f	5,171,752	5,171,752	5,171,752	5,171,752
Equity instrument granted	25.b	2,180	536	2,180	536
Capital reserve	25.d	545,396	549,778	545,396	549,778
Treasury shares	25.c	(484,085)	(482,260)	(484,085)	(482,260)
Revaluation reserve on subsidiaries	25.e	4,813	4,930	4,813	4,930
Profit reserves	25.f	3,629,851	3,629,851	3,629,851	3,629,851
Retained earnings		315,559		315,559	
Valuation adjustments	25.g	(48,641)	159,643	(48,641)	159,643
Cumulative translation adjustments	25.g	97,449	53,061	97,449	53,061
Additional dividends to the minimum mandatory dividends	25.h		163,742		163,742
Shareholders equity attributable to:					
Shareholders of the Company		9,234,274	9,251,033	9,234,274	9,251,033
Non-controlling interests in subsidiaries				333,435	339,288
Total shareholders equity		9,234,274	9,251,033	9,567,709	9,590,321
Total liabilities and shareholders equity		11,115,304	10,589,548	28,672,918	28,205,511

The accompanying notes are an integral part of the interim financial information.

Table of Contents**Ultrapar Participações S.A. and Subsidiaries****Income Statements****For the six-month period ended June 30, 2018 and 2017***(In thousands of Brazilian Reais, except earnings per share)*

		Parent		Consolidated	
	Note	01/01/2018 to 06/30/2018	01/01/2017 to 06/30/2017 Restated	01/01/2018 to 06/30/2018	01/01/2017 to 06/30/2017 Restated
Net revenue from sales and services	26			43,396,707	37,540,770
Cost of products and services sold	27			(40,416,361)	(34,523,784)
Gross profit				2,980,346	3,016,986
Operating income (expenses)					
Selling and marketing	27			(1,333,919)	(1,212,318)
General and administrative	27			(770,129)	(751,820)
Gain (loss) on disposal of property, plant and equipment and intangibles	28			(4,584)	(150)
Other operating income, net	29	(255)		(227,853)	62,911
Operating income before financial income (expenses) and share of profit of subsidiaries, joint ventures and associates		(255)		643,861	1,115,609
Financial income	30	119,137	55,416	304,599	301,299
Financial expenses	30	(49,275)	(76,367)	(475,983)	(535,319)
Financial result, net		69,862	(20,951)	(171,384)	(234,020)
Share of profit of subsidiaries, joint ventures and associates	12	270,159	602,920	(6,377)	12,087
Income before income and social contribution taxes		339,766	581,969	466,100	893,676
Income and social contribution taxes					
Current	9.b; 9c	(345)	(2,187)	(140,270)	(308,416)
Deferred	9.b	(23,977)	8,322	(12,310)	6,050
		(24,322)	6,135	(152,580)	(302,366)
Net income for the period		315,444	588,104	313,520	591,310

Net income for the period attributable to:

Shareholders of the Company	315,444	588,104	315,444	588,104
Non-controlling interests in subsidiaries			(1,924)	3,206

Earnings per share (based on weighted average number of shares outstanding) R\$

Basic	31	0.5819	1.0855	0.5819	1.0855
Diluted	31	0.5780	1.0777	0.5780	1.0777

The accompanying notes are an integral part of the interim financial information.

Table of Contents**Ultrapar Participações S.A. and Subsidiaries****Income Statements****For the three-month period ended June 30, 2018 and 2017***(In thousands of Brazilian Reais, except earnings per share)*

	Note	Parent		Consolidated	
		04/01/2018 to 06/30/2018	04/01/2017 to 06/30/2017 Restated	04/01/2018 to 06/30/2018	04/01/2017 to 06/30/2017 Restated
Net revenue from sales and services	26			22,645,585	18,996,200
Cost of products and services sold	27			(21,186,536)	(17,536,309)
Gross profit				1,459,049	1,459,891
Operating income (expenses)					
Selling and marketing	27			(662,472)	(615,168)
General and administrative	27			(397,561)	(389,242)
Gain (loss) on disposal of property, plant and equipment and intangibles	28			(2,354)	6,203
Other operating income, net	29	(287)	(1)	34,870	6,576
Operating income before financial income (expenses) and share of profit of subsidiaries, joint ventures and associates		(287)	(1)	431,532	468,260
Financial income	30	99,524	24,662	192,155	136,938
Financial expenses	30	(28,762)	(39,402)	(256,574)	(249,783)
Financial result, net		70,762	(14,740)	(64,419)	(112,845)
Share of profit of subsidiaries, joint ventures and associates	12	195,669	246,239	(3,396)	5,659
Income before income and social contribution taxes		266,144	231,498	363,717	361,074
Income and social contribution taxes					
Current	9.b; 9c	(256)	(1,066)	(18,207)	(118,226)

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Deferred	9.b	(24,299)	5,110	(104,841)	(6,244)
		(24,555)	4,044	(123,048)	(124,470)
Net income for the period		241,589	235,542	240,669	236,604
Net income for the period attributable to:					
Shareholders of the Company		241,589	235,542	241,589	235,542
Non-controlling interests in subsidiaries				(920)	1,062
Earnings per share (based on weighted average number of shares outstanding) R\$					
Basic	31	0.4457	0.4347	0.4457	0.4347
Diluted	31	0.4427	0.4316	0.4427	0.4316

The accompanying notes are an integral part of the interim financial information.

Table of Contents**Ultrapar Participações S.A. and Subsidiaries****Statements of Comprehensive Income****For the six-month period ended June 30, 2018 and 2017***(In thousands of Brazilian Reais)*

		Parent		Consolidated	
		01/01/2018	01/01/2017	01/01/2018	01/01/2017
		Note to 06/30/2018 to 06/30/2017		to 06/30/2018 to 06/30/2017	
		Restated		Restated	
Net income for the period attributable to shareholders of the Company		315,444	588,104	315,444	588,104
Net income for the period attributable to non-controlling interests in subsidiaries				(1,924)	3,206
Net income for the period		315,444	588,104	313,520	591,310
Items that are subsequently reclassified to profit or loss:					
Fair value adjustments of financial instruments of subsidiaries, net	25.g	(210,532)	(5,158)	(210,532)	(5,158)
Fair value adjustments of financial instruments of joint ventures, net	25.g	2,547	3,762	2,547	3,762
Cumulative translation adjustments, net of hedge of net investments in foreign operations and income and social contribution taxes	25.g	44,388	3,944	44,388	3,944
Items that are not subsequently reclassified to profit or loss:					
Losses of post-employment benefits of subsidiaries, net	25.g	(299)	(24)	(299)	(24)
Total comprehensive income for the period		151,548	590,628	149,624	593,834
Total comprehensive income for the period attributable to shareholders of the Company		151,548	590,628	151,548	590,628
				(1,924)	3,206

Total comprehensive income for the period
attributable to non-controlling interest in
subsidiaries

The accompanying notes are an integral part of the interim financial information.

Table of Contents**Ultrapar Participações S.A. and Subsidiaries****Statements of Comprehensive Income****For the three-month period ended June 30, 2018 and 2017***(In thousands of Brazilian Reais)*

	Parent		Consolidated	
	04/01/2018	04/01/2017	04/01/2018	04/01/2017
	Note to 06/30/2018 to 06/30/2017		to 06/30/2018 to 06/30/2017	
	Restated		Restated	
Net income for the period attributable to shareholders of the Company	241,589	235,542	241,589	235,542
Net income for the period attributable to non-controlling interests in subsidiaries			(920)	1,062
Net income for the period	241,589	235,542	240,669	236,604
Items that are subsequently reclassified to profit or loss:				
Fair value adjustments of financial instruments of subsidiaries, net	25.g (198,560)	(53,520)	(198,560)	(53,520)
Fair value adjustments of financial instruments of joint ventures, net	25.g 1,861	3,168	1,861	3,168
Cumulative translation adjustments, net of hedge of net investments in foreign operations and income and social contribution taxes	25.g 63,784	2,622	63,784	2,622
Items that are not subsequently reclassified to profit or loss:				
Losses of post-employment benefits of subsidiaries, net	25.g			
Total comprehensive income for the period	108,674	187,812	107,754	188,874
Total comprehensive income for the period attributable to shareholders of the Company	108,674	187,812	108,674	187,812
			(920)	1,062

Total comprehensive income for the period
attributable to non-controlling interest in
subsidiaries

The accompanying notes are an integral part of the interim financial information.

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Ultrapar Participações S.A. and Subsidiaries

Statements of Changes in Shareholders' Equity

For the six-month period ended June 30, 2018 and 2017

(In thousands of Brazilian Reals)

	Share capital	Equity instrument granted	Capital reserve	Treasury shares	Revaluation reserve on subsidiaries	Legal reserve	Investments statutory reserve	Valuation adjustments	Cumulative translation adjustment	Retained earnings	Additional dividends to the minimum mandatory dividends
2017	5,171,752	536	549,778	(482,260)	4,930	629,144	3,130,935 (130,228)	159,643	53,061		163,742
2018	5,171,752	536	549,778	(482,260)	4,930	629,144	3,000,707	159,643	53,061	315,444	163,742
2017								(207,985)			
2018								(299)			
2017									44,388		
2018								(208,284)	44,388	315,444	

5.b	1,644									
5.c		(4,382)	(1,825)							
5.e				(117)					117	
5.e										(2)
5.h										(163,742)
	5,171,752	2,180	545,396	(484,085)	4,813	629,144	3,000,707	(48,641)	97,449	315,559

The accompanying notes are an integral part of the interim financial information.

Table of Contents**Ultrapar Participações S.A. and Subsidiaries****Statements of Changes in Shareholders' Equity****For the six-month period ended June 30, 2018 and 2017***(In thousands of Brazilian Reals)*

Equity Share instrument capital granted	Capital reserve	Treasury shares	Revaluation reserve		Legal reserve	Profit reserve		Cumulative translation adjustment	Retained earnings	Additional dividends to the minimum mandatory dividends
			on subsidiaries	Investments statutory reserve		Retention of profits	Valuation adjustment			
3,838,686	552,038	(483,879)	5,339	550,428	2,582,898 (82,427)	1,333,066	(23,987)	7,519		165,515
3,838,686	552,038	(483,879)	5,339	550,428	2,500,471	1,333,066	(23,987)	7,519	588,104	165,515
							(1,396)			
							(24)			
								3,944		
1,333,066						(1,333,066)	(1,420)	3,944	588,104	

3,114 3,685

(285)

285

(75)

(165,515)

5,171,752 555,152 (480,194) 5,054 550,428 2,500,471 (25,407) 11,463 588,314