

**São Paulo, May 6<sup>th</sup>, 2015:** PDG Realty S.A. (PDGR3) announces **today** its results for the first quarter of 2015. Founded in 2003, PDG develops projects for different segments and publics, operating in the development, construction and sale of residential and commercial units, as well as land development.

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## Conference Call

Date:  
Thursday, May 7<sup>th</sup>, 2015

### ➤ Portuguese

07:30 a.m. (NY)  
08:30 a.m. (Brasília)

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08:30 a.m. (local)

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## Highlights and Recent Events

- ❖ **Operational cash generation of R\$410 million.** PDG recorded positive cash generation for the third consecutive quarter, totaling R\$814 million in the last nine months. (page 17)
- ❖ **Costs to be incurred came to R\$1.5 billion at the close of the quarter, 17% down on 4Q14 and 53% less than in 1Q14;** the cost to be incurred from legacy projects stood at R\$594 million, 36% less than in the previous quarter and 76% down year-on-year. (page 15)
- ❖ **Total leverage** (cost to be incurred plus net financial debt), **has fallen by R\$5.3 billion** since new management took over, continuing to reduce the Company's execution risk. (page 16)
- ❖ **General and administrative expenses maintained their downward trajectory, reaching R\$70 million,** 21% less than in the previous quarter and 23% down on 1Q14. (page 14)
- ❖ **The *Na Ponta do Lápis* sales campaign** at the beginning of March was highly successful, with 6,000 visits to our sales stands, 23,000 online consultations and R\$389 in sales, relative to **1,500 units sold nationwide.** (page 5)
- ❖ **Sales speed (VSO) in the last 12 months remained flat at 36%,** identical to the previous quarter. (page 9)
- ❖ **Thanks to the approval of the capital increase by the Extraordinary Shareholders' Meeting of April 15, we made progress in the negotiations to extend the terms of our corporate debt due this year.** Given continuous cash generation throughout 2015, we will proceed with the Company's deleveraging strategy. (page 16)
- ❖ **In April, we sold our stake in the Argentinian real estate developer TGLT for R\$25 million.**

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## Message from Management

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In 1Q15, PDG showed once again that it was on the right path in its restructuring process, having managed to execute the plan drawn up in 2012 of concluding, delivering and transferring the legacy projects and beginning the cash generation and financial deleveraging cycle. For the third consecutive quarter, we recorded positive and growing cash generation, reaching R\$410 million in the period.

Thanks to strict execution discipline, control over costs and adjustment of the Company's structure to its operations, general and administrative expenses maintained their downward trajectory, totaling R\$70 million in the quarter, 21% down on 4Q14 and 23% less than in 1Q14.

In 2015, we entered the final stage of concluding the legacy projects. At the end of 2012, we had R\$7.1 billion in costs to be incurred and 330 ongoing projects – today we have only R\$594 million in costs to be incurred and 46 legacy projects to conclude.

Although the number of mortgages transferred remained flat over the previous quarter, our disbursements, especially those related to construction works, have been falling systematically, helping increase cash generation.

Given the more turbulent macroeconomic scenario and a more difficult sales environment, we are focusing even more on our efforts to monetize our inventory. We launched only one project, the Spazio Ouro Verde land plot, in Campinas, in the countryside of São Paulo. Aiming to fuel inventory sales, we reinitiated our *Na Ponta do Lápis* sales campaign at the beginning of March, recording 6,000 visits to our sales stands, 23,000 on-line consultations and around 1,500 units sold nationwide.

Despite these important achievements, as we mentioned in our last release, the Company has prepared a tactical plan to confront the challenges imposed by the macroeconomic scenario in 2015, and we have already secured progress on each of the three fronts defined:

- (i) A capital increase, which was unanimously approved by the Extraordinary Shareholders' Meeting of April 15 and must be concluded by the end of June;
- (ii) The anticipated rescheduling of corporate debt due in 2015, with highly positive initial acceptance by the creditor banks; and
- (iii) The accelerated sale of non-core assets, with progress in several sets of negotiations, especially the conclusion of the sale of our stake in the Argentinian developer TGLT for R\$25 million in April.

## Operating and Financial Indicators



- ❖ As of the beginning of 2014, we began disclosing our operating results in IFRS10, as well as proportionally to PDG's interest in each project. All the financial information is disclosed in IFRS10.

| Launches                                    | 1Q15    | 1Q14    | 1Q15 vs.<br>1Q14 | 4Q14    | 1Q15 vs.<br>4Q14 | 1Q15<br>(IFRS) |
|---|---------|---------|------------------|---------|------------------|----------------|
| Total Launches - R\$ mm                     | 23      | 130     | -82.3%           | 556     | -95.9%           | 23             |
| PDG % Launches - R\$ mm                     | 23      | 130     | -82.3%           | 491     | -95.3%           | 23             |
| # of Launched Projects                      | 1       | 2       | -50.0%           | 7       | -85.7%           | 1              |
| # of Launched Units - PDG                   | 187     | 258     | -27.5%           | 1,446   | -87.1%           | 187            |
| Sales and Inventory                         | 1Q15    | 1Q14    | 1Q15 vs.<br>1Q14 | 4Q14    | 1Q15 vs.<br>4Q14 | 1Q15<br>(IFRS) |
| Total Sales - R\$ mm                        | 502     | 563     | -10.9%           | 624     | -19.6%           | 493            |
| PDG % Sales - R\$ mm                        | 248     | 418     | -40.7%           | 444     | -44.2%           | 241            |
| # of Net Sold Units                         | 907     | 1,956   | -53.6%           | 1,722   | -47.3%           | 854            |
| Inventory at Market - R\$ mm                | 3,000   | 3,519   | -14.7%           | 3,268   | -8.2%            | 2,934          |
| Operational Result <sup>(1)</sup>           | 1Q15    | 1Q14    | 1Q15 vs.<br>1Q14 | 4Q14    | 1Q15 vs.<br>4Q14 |                |
| Net Operational Revenues - R\$ mm           | 661     | 1,120   | -41.0%           | 1,117   | -40.8%           |                |
| Gross Profit - R\$ mm                       | 103     | 236     | -56.2%           | 206     | -49.8%           |                |
| Gross Margin - %                            | 15.6    | 21.1    | -550 bps         | 18.4    | -280 bps         |                |
| Adjusted Gross Margin - %                   | 23.9    | 28.8    | -490 bps         | 23.3    | 60 bps           |                |
| EBITDA Margin - %                           | 7.2     | 17.4    | n.m.             | 3.1     | 410 bps          |                |
| Net Earnings (Losses) - R\$ mm              | (161.7) | 2.8     | n.m.             | (222.0) | -27.2%           |                |
| Net Margin - %                              | (24.5)  | 0.2     | n.m.             | (19.9)  | n.m.             |                |
| Backlog Results (REF) <sup>(1)</sup>        | 1Q15    | 1Q14    | 1Q15 vs.<br>1Q14 | 4Q14    | 1Q15 vs.<br>4Q14 |                |
| Gross Revenues (REF) - R\$mm                | 1,444   | 3,308   | -56.3%           | 1,805   | -20.0%           |                |
| COGS - R\$ mm                               | (1,022) | (2,334) | -56.2%           | (1,263) | -19.1%           |                |
| Gross Profit - R\$ mm                       | 422     | 974     | -56.7%           | 542     | -22.1%           |                |
| Gross Backlog Margin - %                    | 29.2    | 29.4    | -20 bps          | 30.0    | -80 bps          |                |
| Balance Sheet <sup>(1)</sup>                | 1Q15    | 1Q14    | 1Q15 vs.<br>1Q14 | 4Q14    | 1Q15 vs.<br>4Q14 |                |
| Cash - R\$mm                                | 881     | 1,035   | -14.9%           | 1,092   | -19.3%           |                |
| Net Debt -R\$mm                             | 6,367   | 7,089   | -10.2%           | 6,777   | -6.0%            |                |
| Shareholders Equity -R\$mm                  | 4,969   | 5,298   | -6.2%            | 5,062   | -1.8%            |                |
| Net Debt (ex. SFH) / Shareholder Equity (%) | 46.7    | 42.0    | 470 bps          | 44.6    | 210 bps          |                |
| Total Assets - R\$ mm                       | 15,185  | 16,589  | -8.5%            | 15,924  | -4.6%            |                |

Obs: (1) Financial Results in IFRS 10.

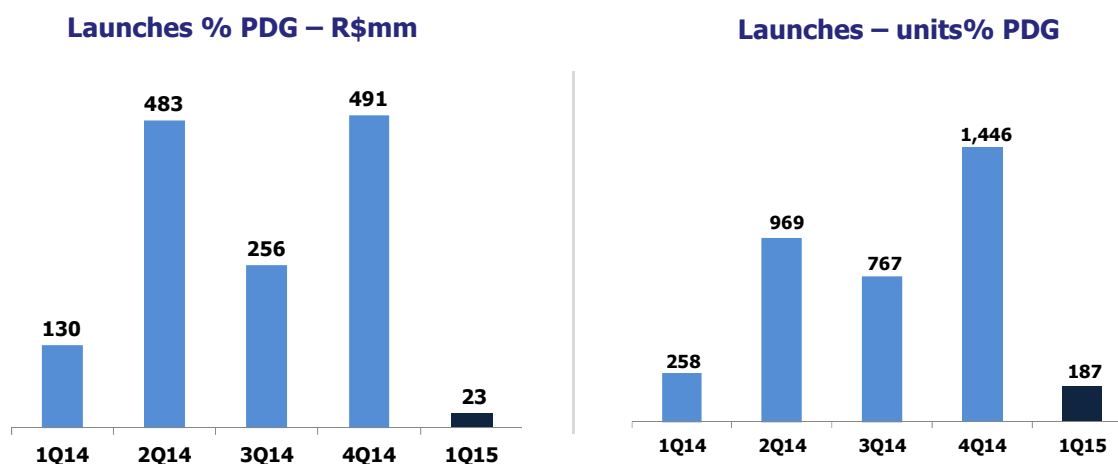
(2) Includes Partnerships and excludes TGLT.

(3) PSV PDG excludes partnerships.

(4) Gross Sales and Cancelled Sales exclude sales cancelled and resold during the quarter.

## Operating Performance – Launches

- Alert to the sector and macroeconomic scenarios, we launched only one project in the first quarter of 2015, the Spazio Ouro Verde land plot, in Campinas. Launched in March, with total PSV of R\$23 million and 187 units, the project has already been 70% sold so far.
- The Company reduced its volume of launches in 1Q15, focusing more on inventory sales and the conclusion of ongoing works, crucial factors for the continuation of the cash generation and financial deleveraging cycle.



### Projects Launched

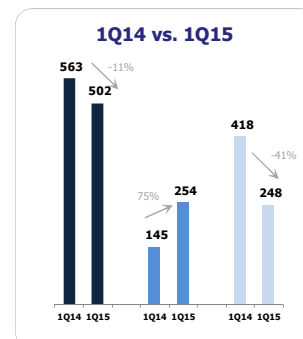
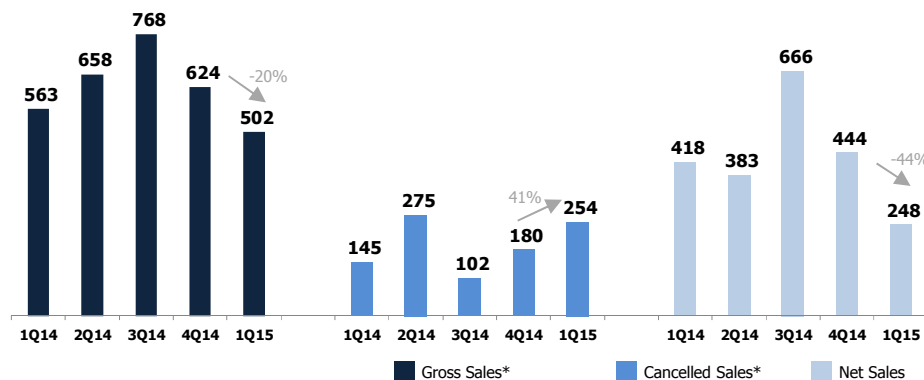
| Launches 1Q15     |          |               |           |                    |                  |            |                           |
|-------------------|----------|---------------|-----------|--------------------|------------------|------------|---------------------------|
| Project           | Launch   | Region        | Segment   | Total PSV (R\$ mm) | PSV PDG (R\$ mm) | PDG Units  | Average Price (R\$ thous) |
| Spazio Ouro Verde | Mar-15   | Campinas - SP | Land Plot | 23.0               | 23.0             | 187        | 122.8                     |
| <b>Total 1Q15</b> | <b>1</b> | <b>-</b>      | <b>-</b>  | <b>23.0</b>        | <b>23.0</b>      | <b>187</b> | <b>122.8</b>              |

## Operating Performance – Sales

- The Company recorded gross sales of R\$502 million in 1Q15, in line with the same period last year, with a total focus on inventory sales, especially of concluded units and units to be concluded this year.
- Cancellations increased over the previous quarters due to the higher volume of recent deliveries and the tightening up of mortgage lending conditions for individuals, reaching a net total of R\$254 million in 1Q15, within the expected range for 2015. As a result, first-quarter net sales totaled R\$248 million.
- Sales speed (VSO) in the last 12 months remained flat at 36%, identical to the 4Q14 12-month figure. VSO in the quarter came to 7.5%.
- Aiming to fuel inventory sales, given the more turbulent macroeconomic scenario and a more difficult sales environment, we reinitiated our *Na Ponta do Lápis* sales campaign at the beginning of March, recording 6,000 visits to our sales stands, 23,000 on-line consultations and R\$389 million in sales, representing around 1,500 units sold nationwide.

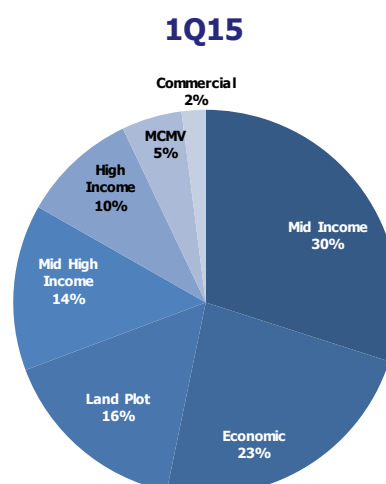
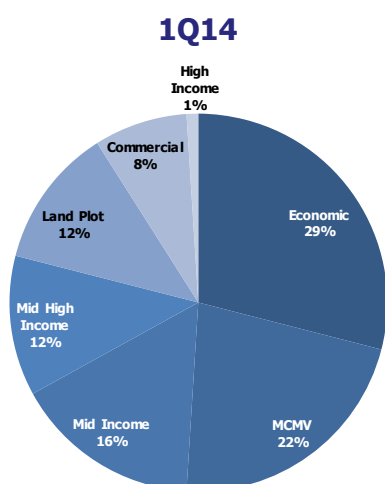
## Operating Performance – Sales

### Sales Performance – PSV R\$mm

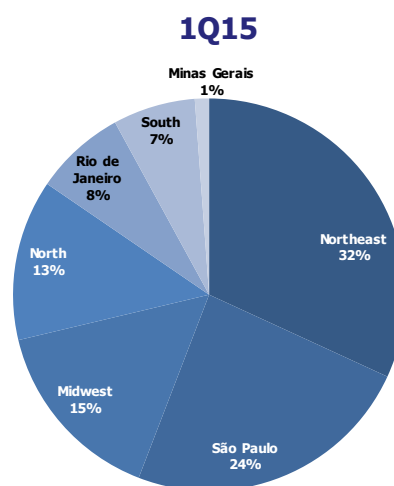
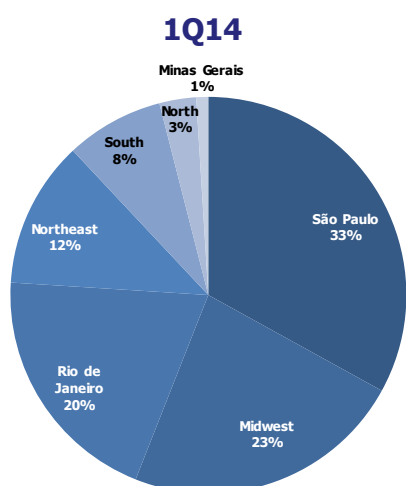


(\*) The data about sales and cancelled sales do not include units resold in the quarter

## Net sales by product % PDG – PSV



## Net sales by Region – % PSV



## Operating Performance – Cancellations and Resale

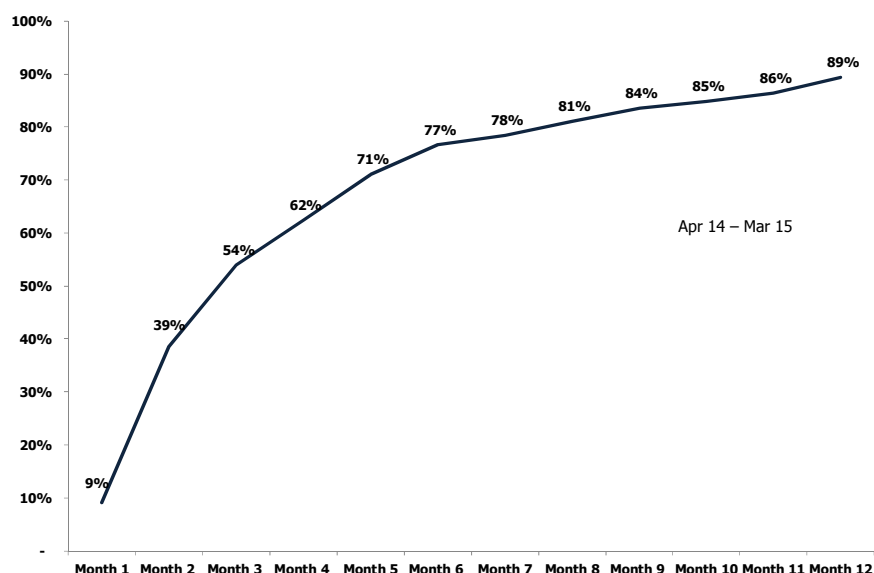
- Of total cancellations in 1Q15, 81% corresponded to projects with more than 80% of their units sold, i.e. cancellations are continuing to occur in projects with high commercial liquidity, helping maintain the resale speed at high levels despite the less favorable economic and sector scenario.
- As can be seen in the graph below, the average resale curve reached 89% 12 months after cancellation, 4 p.p. up on 4Q14 and in line with 1Q14.
- At the beginning of the year, we continued to focus on inventory sales and the resale of cancelled sales. As mentioned above, we managed to maintain a high resale speed and pass through a substantial amount of inflation accrued between the original sale and the resale, with an average price of 6.5% above the original cancelled sale price, as shown in the Resale Price graph.

### Cancellations in 1Q15 by Percentage of Resale and Year of Delivery

R\$ million

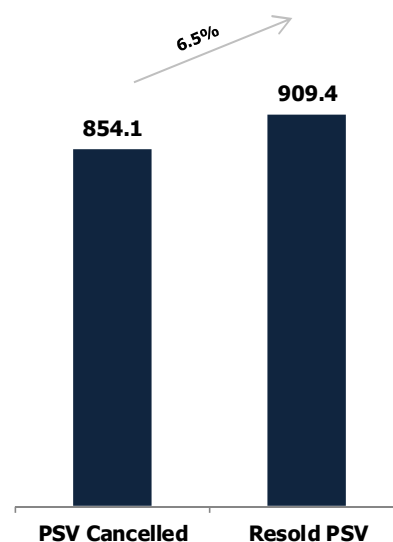
| Percentage Sold | Concluded  |              | 2015 Delivery |             | 2016 Delivery |             | 2017 Delivery |            | TOTAL      |              |
|-----------------|------------|--------------|---------------|-------------|---------------|-------------|---------------|------------|------------|--------------|
|                 | Units      | PSV          | Units         | PSV         | Units         | PSV         | Units         | PSV        | Units      | PSV          |
| 20% or less     | -          | -            | -             | -           | -             | -           | -             | -          | -          | -            |
| 21% to 40%      | 17         | 3.9          | -             | -           | 1             | 2.8         | -             | -          | 18         | 6.7          |
| 41% to 60%      | -          | -            | -             | -           | 6             | 1.5         | -             | -          | 6          | 1.5          |
| 61% to 80%      | 118        | 22.3         | 29            | 9.0         | 9             | 5.1         | -             | -          | 156        | 36.3         |
| 81% to 99%      | 660        | 179.4        | 78            | 19.5        | 21            | 8.3         | 10            | 2.4        | 769        | 209.6        |
| <b>TOTAL</b>    | <b>795</b> | <b>205.6</b> | <b>107</b>    | <b>28.5</b> | <b>37</b>     | <b>17.6</b> | <b>10</b>     | <b>2.4</b> | <b>949</b> | <b>254.1</b> |

### Average Resale Aging



### Resale Price

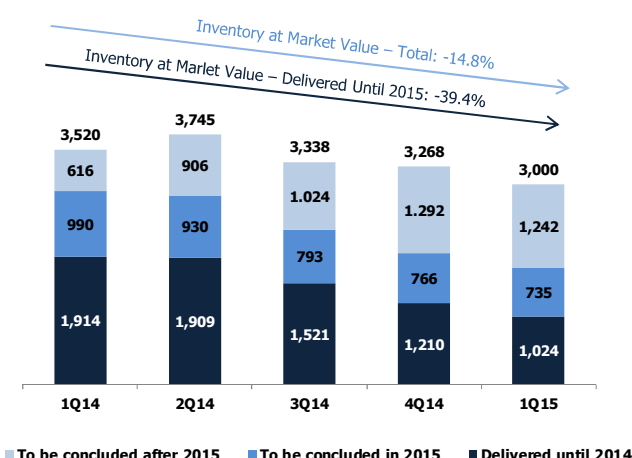
12 months accumulated – R\$m



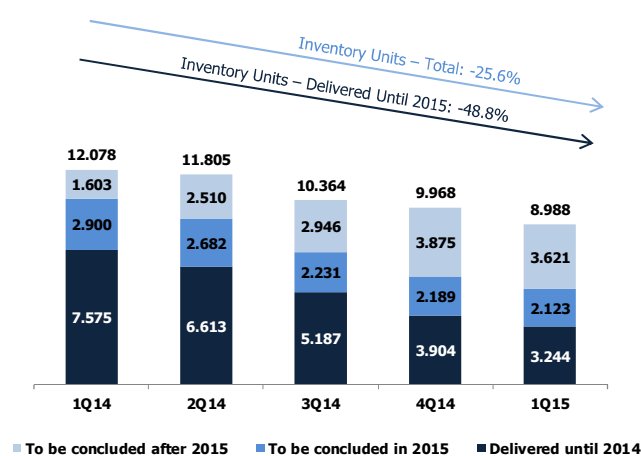
## Operating Performance - Inventory

- ❖ Total inventory at market value closed 1Q15 at R\$3.0 billion, 8% down on the R\$3.3 billion recorded at the end of 2014, while the number of units declined by 10%, from 9,968, in 4Q14, to 8,988. In relation to 1Q14, total inventory PSV fell by 15% and the number of units by 26%.
- ❖ If we consider only those units delivered until 2014, inventory PSV declined by 46% from 1Q14 to 1Q15, and the number of units by 57%, in line with the reduction tendency in previous quarters. In regard to inventory to be delivered by the end of 2015, PSV and the number of units fell by 39% and 49% year-on-year, respectively, reflecting the Company's successful efforts to monetize its immediate-cash-generating inventory.

### Inventory at Market Value (R\$mn)



### Inventory Units



### Inventory by Percentage Sales and Geography

| REGION       | 20% OR LESS  |              | 21% TO 40% |              | 41% TO 60%   |              | 61% TO 80%   |              | 81% TO 99%   |                | TOTAL INVENTORY |                |
|--------------|--------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|-----------------|----------------|
|              | UNITS        | PSV          | UNITS      | PSV          | UNITS        | PSV          | UNITS        | PSV          | UNITS        | PSV            | UNITS           | PSV            |
| Southeast    | 1,251        | 334.2        | 548        | 215.2        | 1,255        | 442.3        | 978          | 344.2        | 2,027        | 725.2          | 6,059           | 2,061.1        |
| Northeast    | -            | -            | -          | -            | -            | -            | 131          | 40.2         | 339          | 108.6          | 470             | 148.8          |
| Midwest      | -            | -            | -          | -            | -            | -            | 368          | 69.6         | 178          | 29.5           | 546             | 99.1           |
| North        | -            | -            | 334        | 87.4         | -            | -            | 99           | 108.2        | 656          | 222.1          | 1,089           | 417.7          |
| South        | -            | -            | -          | -            | 113          | 40.7         | 472          | 131.5        | 239          | 101.1          | 824             | 273.3          |
| <b>TOTAL</b> | <b>1,251</b> | <b>334.2</b> | <b>882</b> | <b>302.6</b> | <b>1,368</b> | <b>483.1</b> | <b>2,048</b> | <b>693.6</b> | <b>3,439</b> | <b>1,186.5</b> | <b>8,988</b>    | <b>3,000.0</b> |

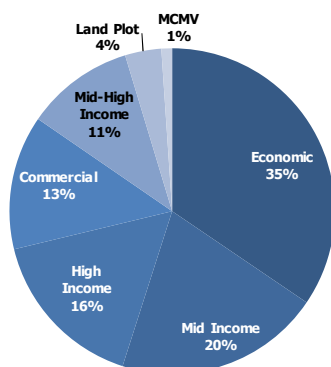
### Inventory by Percentage Sales and Year of Delivery

| PERCENTAGE SOLD | BUILT        |                | 2015 DELIVERY |              | 2016 DELIVERY |              | POST 2016    |              | TOTAL        |                | %           |
|-----------------|--------------|----------------|---------------|--------------|---------------|--------------|--------------|--------------|--------------|----------------|-------------|
|                 | UNITS        | PSV            | UNITS         | PSV          | UNITS         | PSV          | UNITS        | PSV          | UNITS        | PSV            |             |
| 20% or less     | 94           | 25.0           | -             | -            | 531           | 73.1         | 626          | 236.1        | 1,251        | 334.2          | 14%         |
| 21% to 40%      | 363          | 98.9           | 145           | 12.4         | 21            | 54.3         | 353          | 137.0        | 882          | 302.6          | 10%         |
| 41% to 60%      | 149          | 18.3           | 15            | 49.3         | 373           | 107.0        | 831          | 308.4        | 1,368        | 483.1          | 15%         |
| 61% to 80%      | 1,202        | 379.6          | 485           | 191.5        | 361           | 122.4        | -            | -            | 2,048        | 693.6          | 23%         |
| 81% to 99%      | 2,388        | 834.1          | 526           | 149.4        | 288           | 118.6        | 237          | 84.5         | 3,439        | 1,186.5        | 38%         |
| <b>TOTAL</b>    | <b>4,196</b> | <b>1,355.8</b> | <b>1,171</b>  | <b>402.6</b> | <b>1,574</b>  | <b>475.5</b> | <b>2,047</b> | <b>766.1</b> | <b>8,988</b> | <b>3,000.0</b> | <b>100%</b> |

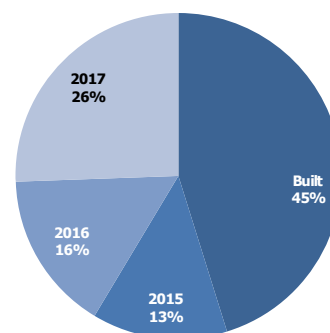


## Operating Performance – Inventory

**Inventory by Product - % PSV**



**Inventory Delivery Schedule - % PSV**



## Operating Performance – Sales Speed (VSO)

- ❖ In 1Q15, sales speed in the last 12 months stood at 36%, in line with the 2014 figures. In the first quarter itself, it came to 7.5%, below the previous periods given that virtually all sales were from the inventory.

R\$ million

|                                   | 2Q14         | 3Q14         | 4Q14         | 1Q15         | VSO          |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Initial Inventory</b>          | <b>3,519</b> | <b>3,744</b> | <b>3,338</b> | <b>3,267</b> | <b>3,519</b> |
| <b>(+) Launches</b>               | <b>483</b>   | <b>256</b>   | <b>491</b>   | <b>23</b>    | <b>1,253</b> |
| <b>(-) Net Sales</b>              | <b>383</b>   | <b>666</b>   | <b>444</b>   | <b>248</b>   | <b>1,741</b> |
| <b>(+) Adjusts <sup>(1)</sup></b> | 125          | 4            | -118         | -42          |              |
| <b>Final Inventory</b>            | <b>3,744</b> | <b>3,338</b> | <b>3,267</b> | <b>3,000</b> |              |
| <b>Sales Speed (12 mos.)</b>      | <b>33%</b>   | <b>42%</b>   | <b>36%</b>   | <b>36%</b>   | <b>36%</b>   |

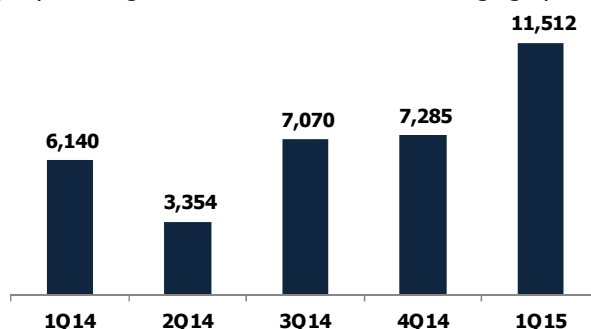
(1) The negative adjustment of R\$ 42 mm is mainly due to discount applied to the inventory.

Sales Speed: Net sales in 12 months / (Effective Inventory 1Q14 + Launches in 12 months)

## Operating Performance – De-risking Panel

### Concluded Works - units

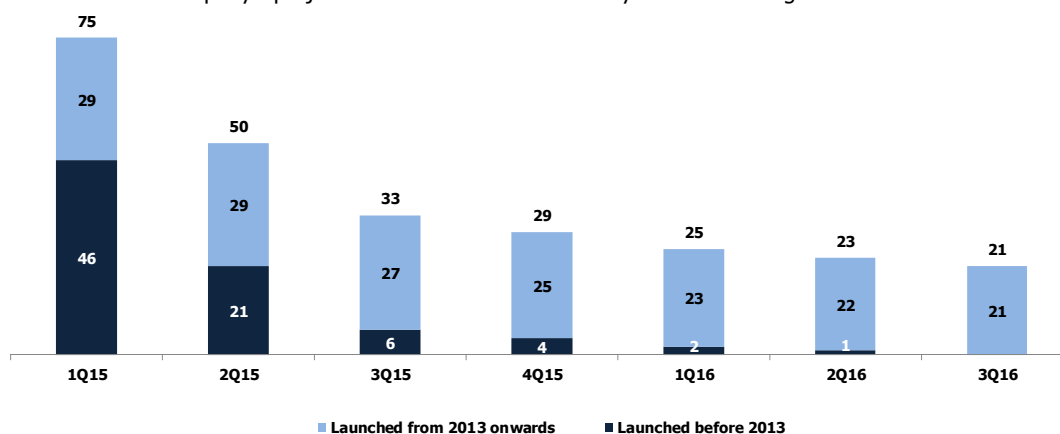
- ❖ In 1Q15, PDG concluded the construction works of 35 projects, representing 11,512 units, continuing with the high volume of deliveries begun in the second half of 2014. This number accounts for almost 50% of all the units concluded in 2014 and should continue to feed the title individualizations, mortgage transfers and, especially, the continuation of the Company's cash generation and financial deleveraging cycle.



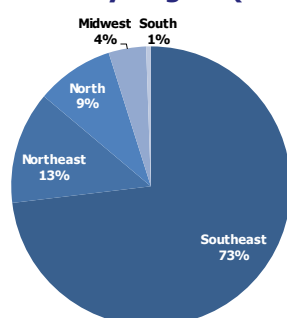
## Operating Performance – De-risking Panel

### Projects in Progress – Occupancy Permit Schedule

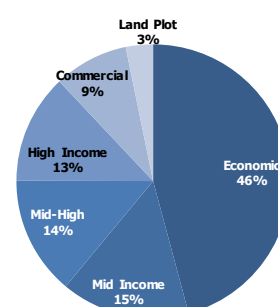
- ❖ We obtained occupancy permits for 13 projects under PDG's financial management and 5 projects managed by partners in 1Q15, further reducing the number of ongoing projects, which totaled 75 at the end of the period.
- ❖ We closed the quarter with 46 legacy projects under way, virtually all of which will be delivered by the end of 2015, by which time all the Company's projects will have been launched by the new management.



### Breakdown by Region (% PSV)



### Breakdown by Product (% PSV)



## Operating Performance – Projects Delivered with Occupancy Permit in 1Q15

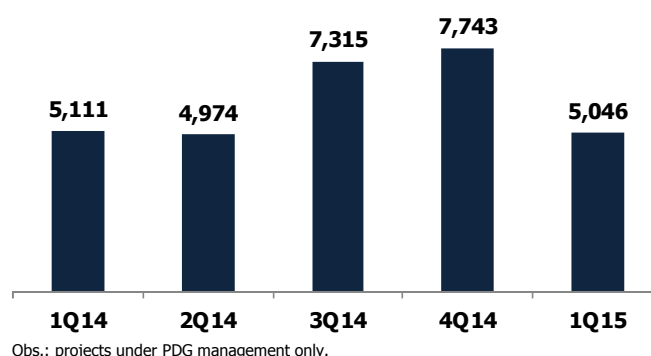
| 2015 Deliveries - Occupancy Permits |                  |                    |                 |                    |                  |           |                           |
|-------------------------------------|------------------|--------------------|-----------------|--------------------|------------------|-----------|---------------------------|
| Project                             | Occupancy Permit | Region             | Segment         | Total PSV (R\$ mm) | PDG PSV (R\$ mm) | PDG Units | Average Price (R\$ thous) |
| Projects Managed by PDG             |                  |                    |                 |                    |                  |           |                           |
| TREND                               | 1Q15             | São Paulo          | Economic        | 127.5              | 114.8            | 464       | 247.1                     |
| FAMILY CLUB                         | 1Q15             | Rio de Janeiro     | Economic        | 61.1               | 61.1             | 317       | 192.8                     |
| SOUL JARDIM ICARAI                  | 1Q15             | Rio de Janeiro     | Mid Income      | 95.3               | 47.6             | 94        | 506.8                     |
| RESIDENCIAL MERIDIAN                | 1Q15             | São Paulo          | Mid High Income | 173.6              | 173.6            | 200       | 867.8                     |
| RESIDENCIAL BELA VISTA              | 1Q15             | Mato Grosso do Sul | MCMV            | 60.0               | 60.0             | 490       | 122.4                     |
| MAGNUM RESIDENCIAL                  | 1Q15             | São Paulo          | Economic        | 113.8              | 113.8            | 584       | 194.8                     |
| CHAMPAGNAT 2340 - RESIDENCE         | 1Q15             | Paraná             | Economic        | 88.8               | 88.8             | 558       | 159.1                     |
| BUONA VITA SIENA                    | 1Q15             | São Paulo Interior | Land Plot       | 78.5               | 78.5             | 461       | 170.3                     |
| VITE CONDOMINIUM - FASE 1           | 1Q15             | Maranhão           | Mid Income      | 74.7               | 74.7             | 336       | 222.3                     |
| MAIS VIVER SÃO JOSÉ DO RIO PRETO    | 1Q15             | São Paulo Interior | Land Plot       | 28.8               | 28.8             | 610       | 47.2                      |
| JARDIM AMARILIS                     | 1Q15             | Minas Gerais       | Economic        | 36.2               | 36.2             | 203       | 178.5                     |
| NEO JUIZ DE FORA - FASE 10          | 1Q15             | Minas Gerais       | MCMV            | 7.3                | 7.3              | 116       | 62.7                      |
| BUONA VITA PETROLINA                | 1Q15             | Pernambuco         | Land Plot       | 45.9               | 45.9             | 683       | 67.2                      |
| TOTAL PDG 1Q15                      | 13               | -                  | -               | 991.5              | 931.1            | 5,116     | -                         |
| Projects Managed by Partners        |                  |                    |                 |                    |                  |           |                           |
| VILA NOVA SABARÁ - PRAÇA ALVORADA   | 1Q15             | São Paulo          | Mid Income      | 97.8               | 48.9             | 102       | 479.3                     |
| VILA NOVA SABARÁ - PRAÇA FLORA      | 1Q15             | São Paulo          | Mid Income      | 97.8               | 48.9             | 102       | 479.3                     |
| EKOARA                              | 1Q15             | Pará               | Mid High Income | 124.6              | 87.2             | 174       | 502.4                     |
| PARADISE RIVER                      | 1Q15             | Amazonas           | Mid Income      | 56.6               | 45.3             | 163       | 277.5                     |
| TORRE TRIVENTO                      | 1Q15             | Pará               | Mid Income      | 81.8               | 57.3             | 210       | 272.7                     |
| TOTAL 1Q15                          | 5                | -                  | -               | 458.5              | 287.5            | 751       | -                         |
| TOTAL 2015                          | 18               | -                  | -               | 1,450.0            | 1,218.6          | 5,867     | -                         |

## Operating Performance – Title Individualization



- ❖ We individualized 5,046 units in 1Q15, distributed through 19 projects, in line with the same period last year. If we include individualizations in projects managed by partners, the figure came to 5,874 units in 23 projects.

**Title Individualizations - units**



## Launches, Projects Concluded and in Progress

- ❖ At the close of 1Q15, the Company had 75 projects in progress, equivalent to 21,026 units, 4,156 of which (20%) related to the Minha Casa Minha Vida program and 16,870 (80%) financed by the National Housing Financing Program (SFH).

|                               | # Projects | # Total Units | # PDG Units |
|-------------------------------|------------|---------------|-------------|
| <b>Launches<sup>(1)</sup></b> | 715        | 159,797       | 153,221     |
| <b>Finished<sup>(2)</sup></b> | 640        | 138,771       | 133,792     |
| <b>Ongoing<sup>(3)</sup></b>  | 75         | 21,026        | 19,429      |

(1) Historical launches until Mar. 2015 - net of cancellations

(2) Projects with Occupancy Permit until Mar. 2015

(3) Ongoing projects until Mar. 2015

| Finished Projects | # Projects | # Total Units | # PDG Units |
|-------------------|------------|---------------|-------------|
| <b>SFH</b>        | 381        | 83,154        | 82,248      |
| <b>MCMV</b>       | 259        | 55,617        | 51,544      |
| <b>Total</b>      | 640        | 138,771       | 133,792     |

| Ongoing Projects | # Projects | # Total Units | # PDG Units |
|------------------|------------|---------------|-------------|
| <b>SFH</b>       | 62         | 16,870        | 15,380      |
| <b>MCMV</b>      | 13         | 4,156         | 4,049       |
| <b>Total</b>     | 75         | 21,026        | 19,429      |

\* Projects under PDG management.

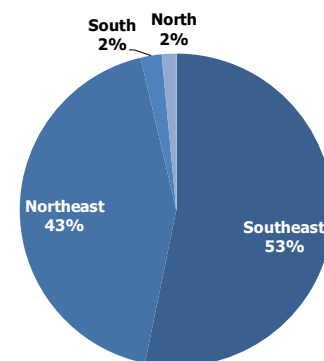


## Operating Performance – Landbank

### Landbank by Unit and PSV

| Product            | Units (%PDG)  | %            | PSV PDG (R\$ mm) | %            | PSV (R\$ mm)  | %            | Average Price (R\$) |
|--------------------|---------------|--------------|------------------|--------------|---------------|--------------|---------------------|
| High Income        | 2,534         | 5.5%         | 2,974            | 18.9%        | 3,706         | 19.6%        | 1,402,525           |
| Mid-High Income    | 3,130         | 6.8%         | 2,271            | 14.4%        | 3,438         | 18.2%        | 827,917             |
| Mid Income         | 9,794         | 21.2%        | 4,429            | 28.2%        | 5,162         | 27.3%        | 529,901             |
| Economic           | 16,834        | 36.4%        | 3,448            | 21.9%        | 3,494         | 18.5%        | 227,906             |
| <b>Residential</b> | <b>32,292</b> | <b>69.9%</b> | <b>13,122</b>    | <b>83.5%</b> | <b>15,800</b> | <b>83.6%</b> | <b>485,552</b>      |
| <b>Commercial</b>  | <b>1,369</b>  | <b>3.0%</b>  | <b>488</b>       | <b>3.1%</b>  | <b>915</b>    | <b>4.8%</b>  | <b>487,503</b>      |
| <b>Land Plot</b>   | <b>12,546</b> | <b>27.2%</b> | <b>2,105</b>     | <b>13.4%</b> | <b>2,177</b>  | <b>11.5%</b> | <b>192,558</b>      |
| <b>Total</b>       | <b>46,207</b> |              | <b>15,715</b>    |              | <b>18,892</b> |              | <b>399,980</b>      |

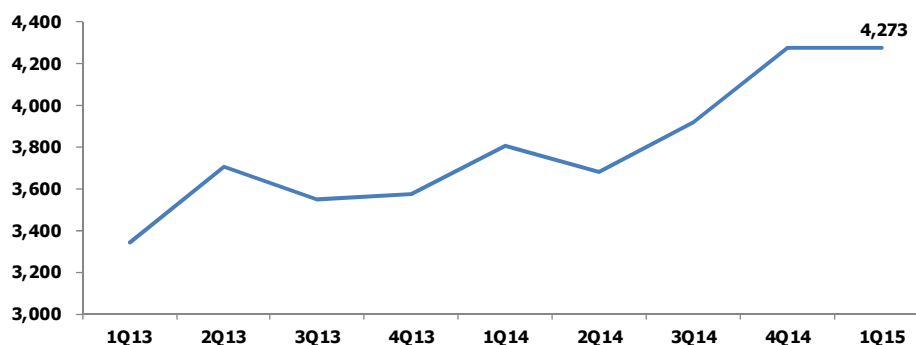
### Landbank by Region -%PSV



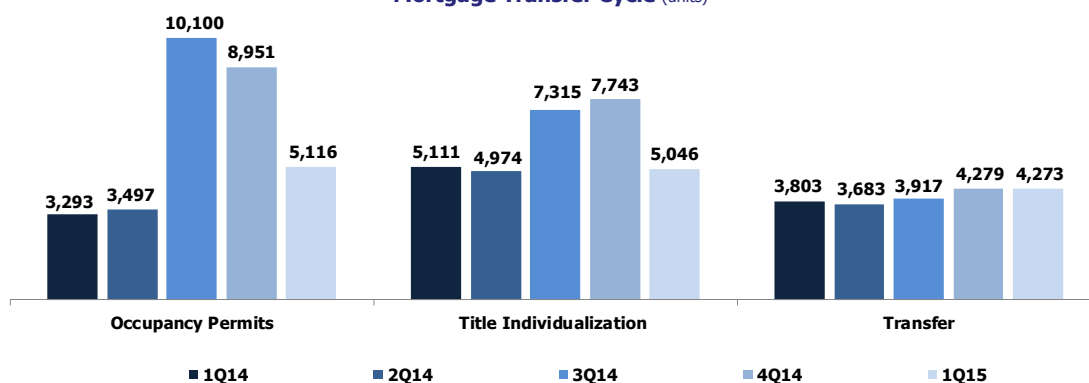
## Operating Performance – Mortgage Transfers

- ❖ In 1Q15, 4,273 unit mortgages were transferred, in line with 4Q14 and 12% up on 1Q14.
- ❖ The Company expects the number of transfers to speed up throughout 2015 thanks to the deliveries in recent quarters.
- ❖ We expect to transfer between 17,000 and 19,000 units this year.

### Transfers by Quarter



### Mortgage Transfer Cycle (units)



## Gross Margin

- The 1Q15 gross margin stood at 15.6%, 5.5 percentage points (p.p.) below the 21.1% recorded in 1Q14, primarily due to the discounts granted during the *Na Ponta do Lápis* sales campaign in March of this year.

| R\$ million                  |              |              |                |
|------------------------------|--------------|--------------|----------------|
| Gross Margin                 | 1Q15         | 1Q14         | (%) Var.       |
| Net Revenues                 | 661          | 1,120        | -41%           |
| Cost                         | (558)        | (884)        | -37%           |
| Gross Profit (Loss)          | 103          | 236          | -56%           |
| (+) Capitalized Interest     | 55           | 84           | -35%           |
| (+) Goodwill                 | -            | 2            | -100%          |
| Adjusted Profit (Loss)       | 158          | 323          | -51%           |
| <b>Gross Margin</b>          | <b>15.6%</b> | <b>21.1%</b> | <b>-5.5 pp</b> |
| <b>Adjusted Gross Margin</b> | <b>23.9%</b> | <b>28.8%</b> | <b>-4.9 pp</b> |

## Backlog Result (REF)

- The gross backlog margin stood at 29.2% in 1Q15, 0.8 p.p. and 0.2 p.p. down on 4Q14 and 1Q14, respectively, mainly because of the discounts applied to the inventory during the *Na Ponta do Lápis* sales campaign.
- The backlog recognition schedule is estimated at 69.3% in 2015, 23.2% in 2016 and 7.5% in 2017.

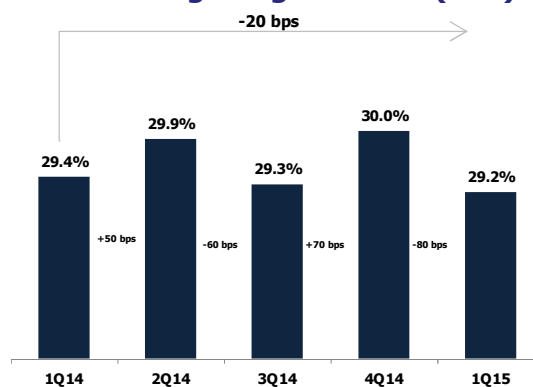
| Backlog Results (REF)           | 1Q15         | 4Q14         | 1Q14         |
|---------------------------------|--------------|--------------|--------------|
| Gross Revenues                  | 1,476        | 1,848        | 3,402        |
| (-) Taxes *                     | (32)         | (43)         | (94)         |
| Net Revenues - REF              | 1,444        | 1,805        | 3,308        |
| (-) COGS                        | (1,022)      | (1,263)      | (2,334)      |
| Gross Profit - REF              | 422          | 542          | 974          |
| <b>Gross Backlog Margin</b>     | <b>29.2%</b> | <b>30.0%</b> | <b>29.4%</b> |
| Capitalized Interest            | 113          | 115          | 193          |
| Agre Goodwill                   | 10           | 18           | 63           |
| <b>Adjusted Gross margin **</b> | <b>20.7%</b> | <b>22.7%</b> | <b>21.7%</b> |

\* Estimate

\*\* Backlog margin differs from reported margin in that it does not include capitalized interest effect, future guarantees and goodwill amortization.

| Backlog result recognition schedule | 2015         | 2016         | 2017        |
|-------------------------------------|--------------|--------------|-------------|
|                                     | <b>69.3%</b> | <b>23.2%</b> | <b>7.5%</b> |

## Backlog Margin Trends (REF)



## Financial Performance

### Backlog Result – Pre and Post 2013

- ❖ Projects launched after 2012, with an average gross margin of 29.5%, already represent 53.8% of total gross backlog profit and will account for a larger share as projects launched before 2013 are delivered in 2015.
- ❖ In 1Q15, the D'Oro, Gran and Spazio Ouro Verde projects complied with their condition precedent and were therefore included in the Company's results.

R\$ million in IFRS

| Backlog Results (REF)<br>(Until and Post 2012 Projects) | Until<br>2012 | Post<br>2012 | 1Q15         |
|---|---------------|--------------|--------------|
| Net Revenues - REF                                      | 674           | 770          | 1,444        |
| (-) COGS  | (479)         | (543)        | (1,022)      |
| Gross Profit - REF                                      | 195           | 227          | 422          |
| <b>Gross Backlog Margin</b>                             | <b>28.9%</b>  | <b>29.5%</b> | <b>29.2%</b> |
| Capitalized Interest                                    | 110           | 3            | 113          |
| Agre Goodwill   | 10            | -            | 10           |
| <b>Adjusted Gross margin</b>                            | <b>11.1%</b>  | <b>29.1%</b> | <b>20.7%</b> |

### Selling, General and Administrative Expenses (SG&A)

- ❖ Thanks to our cost control policy and the adaptation of the Company's structure to its operations, G&A expenses continued to decline, reaching R\$70 million in 1Q15, 21% down on 4Q14 and 23% less than in 1Q14.
- ❖ Despite the expenses with the *Na Ponta do Lápis* sales campaign, sales expenses fell by 46% over 4Q14 and 23% over 1Q14.

R\$ million in IFRS

| Commercial Expenses              | Quarter     |             |             |
|----------------------------------|-------------|-------------|-------------|
|                                  | 1Q15        | 1Q14        | Var. %      |
| <b>Total Commercial Expenses</b> | <b>32.5</b> | <b>42.2</b> | <b>-23%</b> |

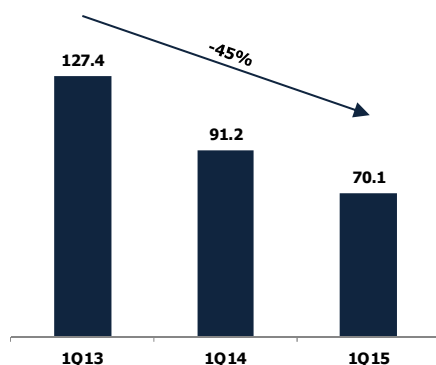
  

| G&A Expenses          | 1Q15         | 1Q14         | Var. %      |
|-----------------------|--------------|--------------|-------------|
| Salaries and Benefits | 37.0         | 43.4         | -15%        |
| Profit Sharing        | 5.6          | 15.3         | -63%        |
| Third Party Services  | 15.0         | 15.4         | -3%         |
| Other Admin. Expenses | 12.5         | 17.1         | -27%        |
| <b>Total G&amp;A</b>  | <b>70.1</b>  | <b>91.2</b>  | <b>-23%</b> |
| <b>Total SG&amp;A</b> | <b>102.6</b> | <b>133.4</b> | <b>-23%</b> |

### General and Administrative Expenses (G&A)

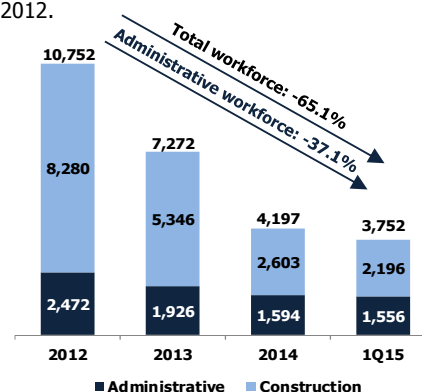
#### Trends

- ❖ General and administrative expenses maintained their downward trajectory, recording a 45% reduction in the last 24 months. In relation to 1Q14, they fell by 23%.



### Administrative Headcount

- ❖ Management continues to adjust the size of the Company in accordance with operational needs and long-term strategic guidelines. The workforce fell by 65% between the end of 2012 and 1Q15 and by 11% in 1Q15 over the previous quarter. The administrative workforce has shrunk by 37% since the close of 2012.



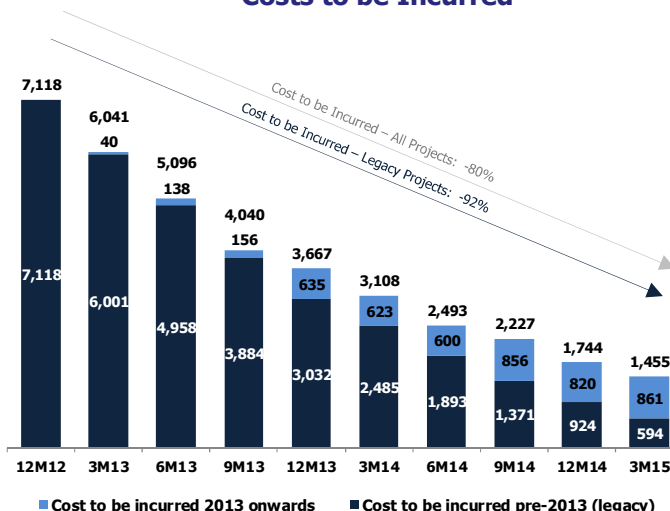
## On and Off Balance Sheet Receivables

- ❖ We closed 1Q15 with net receivables of R\$7.5 billion, 7% down on the previous quarter, while the total cost to be incurred fell by 17% to R\$1.5 billion.
- ❖ In relation to the end of 2012, the total cost to be incurred declined by 80%.
- ❖ Excluding projects launched after 2012, the legacy cost to be incurred ended the quarter at R\$594 million, 36% down on the R\$924 million recorded in 4Q14 and 92% less than the R\$7.1 billion registered at the close of 2012.

### Accounts Receivable

| R\$ million in IFRS                     |                |                |             |
|---|----------------|----------------|-------------|
| On and Off Balance Receivables (R\$ mm) | 1Q15           | 4Q14           | (%) Var.    |
| Receivables                             | 7,610          | 8,155          | -7%         |
| Gross Backlog Revenues - REF            | 1,476          | 1,848          | -20%        |
| Advances from Clients                   | (135)          | (161)          | -16%        |
| <b>Total Receivables (a)</b>            | <b>8,951</b>   | <b>9,842</b>   | <b>-9%</b>  |
| Cost to be Incurred - Sold Units        | (1,022)        | (1,263)        | -19%        |
| Cost to be Incurred - Inventory Units   | (433)          | (481)          | -10%        |
| <b>Total Costs to be Incurred (b)</b>   | <b>(1,455)</b> | <b>(1,744)</b> | <b>-17%</b> |
| <b>Total Net Receivables (a+b)</b>      | <b>7,496</b>   | <b>8,098</b>   | <b>-7%</b>  |
| ST                                      | 4,459          | 4,495          | -1%         |
| LT                                      | 3,151          | 3,660          | -14%        |
| <b>Total Receivables (on balance)</b>   | <b>7,610</b>   | <b>8,155</b>   | <b>-7%</b>  |

### Costs to be Incurred



## Financial Result

- ❖ The increase in financial expenses was mainly due to the 41% reduction in capitalized interest related to the inventory, as well as higher interest on loans.
- ❖ The mark to market of the debentures, which had reached R\$2 million revenue in 1Q14, did not impact the financial result this quarter.

| R\$ million in IFRS               |                |                |             |
|-----------------------------------|----------------|----------------|-------------|
| Financial Results (R\$ mm)        | 1Q15           | 1Q14           | (%) Var     |
| Investment Income                 | 18.2           | 19.6           | -7%         |
| Debentures - fair value           | -              | 2.0            | -100%       |
| Interest and fines                | 44.9           | 40.1           | 12%         |
| Other financial revenue           | 3.2            | 17.0           | -81%        |
| <b>Total financial revenues</b>   | <b>66.3</b>    | <b>78.7</b>    | <b>-16%</b> |
| Interest                          | (232.1)        | (209.8)        | 11%         |
| Bank Expenses                     | (1.0)          | (1.1)          | -9%         |
| Other                             | (5.3)          | (8.5)          | -38%        |
| <b>Gross Financial Expenses</b>   | <b>(238.4)</b> | <b>(219.4)</b> | <b>9%</b>   |
| Capitalized Interest on Inventory | 47.7           | 80.4           | -41%        |
| <b>Total Financial Expenses</b>   | <b>(190.7)</b> | <b>(139.0)</b> | <b>37%</b>  |
| <b>Total Financial Result</b>     | <b>(124.4)</b> | <b>(60.3)</b>  | <b>106%</b> |

## Indebtedness

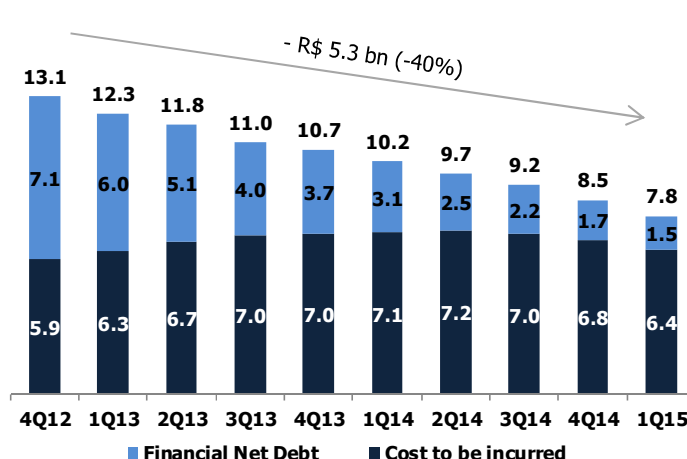
- As we mentioned in the previous quarter, refinancing needs until the end of 1Q15 have been fully resolved and we are in the final phase of resolving maturities due in 2Q15, always with the ongoing support of our partner banks, and simultaneously with the capital increase.
- Within the concept of "extended indebtedness", considering the cost to be incurred to complete the current projects, our leverage has been falling consistently since 2012, recording a decline of 40%, or R\$5.3 billion, between 4Q12 and 1Q15, also reducing operational complexity and the execution risk of our assets.
- The Extraordinary Shareholders' Meeting of April 15 approved a capital increase that will add between R\$300 million and R\$500 million to the Company's account and help further reduce net debt.

### Net Debt

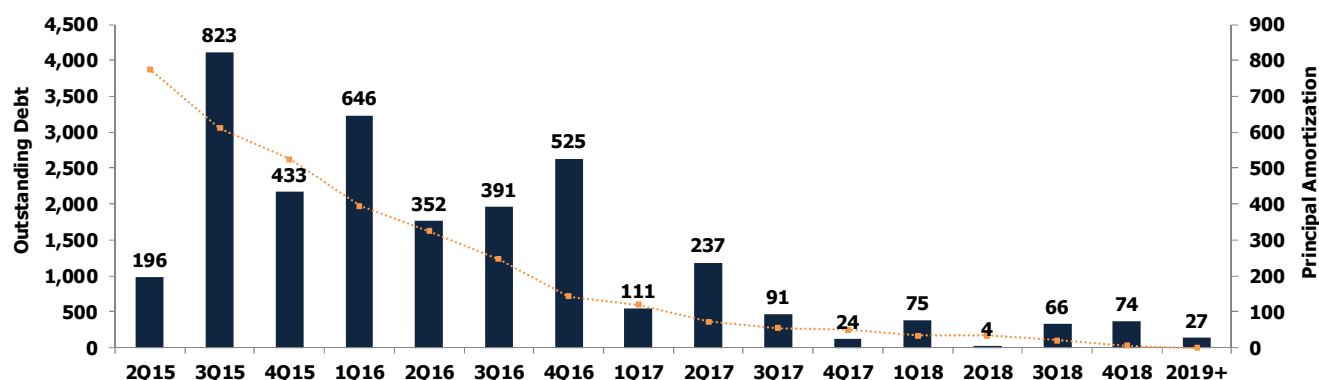
| R\$ million in IFRS                        |              |              |               |
|--|--------------|--------------|---------------|
| Indebtedness                               | 1Q15         | 4Q14         | (%) Var.      |
| <b>Disponibilidades</b>                    | <b>881</b>   | <b>1,092</b> | <b>-19%</b>   |
| SFH  | 2,652        | 2,975        | -11%          |
| Debentures                                 | 431          | 591          | -27%          |
| CCB/CRI                                    | 964          | 951          | 1%            |
| <b>Construction Financing</b>              | <b>4,047</b> | <b>4,517</b> | <b>-10%</b>   |
| Working Capital & SFI                      | 465          | 477          | -3%           |
| Finep/Finame                               | 135          | 142          | -5%           |
| Debentures                                 | 796          | 809          | -2%           |
| CCB/CRI                                    | 1,621        | 1,708        | -5%           |
| Obligation for the issuance of CCB and CCI | 184          | 216          | -15%          |
| <b>Corporate Debt</b>                      | <b>3,201</b> | <b>3,352</b> | <b>-5%</b>    |
| <b>Gross Debt</b>                          | <b>7,248</b> | <b>7,869</b> | <b>-8%</b>    |
| <b>Net Debt</b>                            | <b>6,367</b> | <b>6,777</b> | <b>-6%</b>    |
| <b>Net Debt (ex. SFH)</b>                  | <b>2,320</b> | <b>2,260</b> | <b>3%</b>     |
| <b>Shareholders Equity (1)</b>             | <b>4,969</b> | <b>5,062</b> | <b>-2%</b>    |
| <b>Net Debt (ex. SFH)/ Equity</b>          | <b>46.7%</b> | <b>44.6%</b> | <b>2.0 pp</b> |

(1) Includes non-controlling equity

### Net Debt + Cost to be Incurred (R\$bn)



### Debt Amortization Schedule (excluding SFH)



Notes:

- The above graph considers only the principal of loans and financings, excluding SFH debt and including debentures, CCBs (bank credit bills) and CRIs. Interest payments are not reflected in the graph.
- Excluding the co-obligation liability, given that it has no maturity date and is automatically written off in line with the entry of the receivables.
- Considers debt of PDG management only, excluding that of REP and partners.



### Net Debt Variation

- Although the volume of mortgage transfers remained flat over the previous quarter, cash generation continues to move up, primarily due to the reduction in disbursements with construction works, as a result of the conclusion of projects, as well as the high volume of cash sales from the *Na Ponta do Lápis* sales campaign. We recorded positive cash generation for the third consecutive quarter, totaling R\$410 million in the period and R\$814 million in the last nine months.
- Also in 1Q15, REP reversed its cash consumption cycle, contributing positive cash generation of R\$13 million.

| R\$ million in IFRS                  |       |       |       |       |         |       |       |       |       |       |       |
|--------------------------------------|-------|-------|-------|-------|---------|-------|-------|-------|-------|-------|-------|
| Net Debt Variation (R\$ mm)          | 1Q13  | 2Q13  | 3Q13  | 4Q13  | 2013    | 1Q14  | 2Q14  | 3Q14  | 4Q14  | 2014  | 1Q15  |
| Availability                         | 1,833 | 2,007 | 1,525 | 1,353 | 1,353   | 1,035 | 884   | 1,038 | 1,092 | 1,092 | 881   |
| Cash Variation                       | 12    | 174   | (482) | (172) | (468)   | (318) | (151) | 154   | 54    | (261) | (211) |
| Debt                                 | 8,108 | 8,714 | 8,521 | 8,367 | 8,367   | 8,124 | 8,065 | 8,046 | 7,869 | 7,869 | 7,248 |
| SFH Debt                             | 4,273 | 5,392 | 5,260 | 5,215 | 5,215   | 4,864 | 4,653 | 4,560 | 4,517 | 4,517 | 4,047 |
| Corporate Debt                       | 3,835 | 3,322 | 3,261 | 3,152 | 3,152   | 3,260 | 3,412 | 3,486 | 3,352 | 3,352 | 3,201 |
| Var. Net Debt                        | 343   | 606   | (193) | (154) | 602     | (243) | (59)  | (19)  | (177) | (498) | (621) |
| Net Debt Variation                   | (331) | (432) | (289) | (18)  | (1,070) | (75)  | (92)  | 173   | 231   | 237   | 410   |
| Adjustments                          | 36    | (66)  | (26)  | (30)  | (86)    | (2)   | 2     | -     | -     | -     | -     |
| Mark to market of PDGR D81 (warrant) | 36    | (66)  | (26)  | (30)  | (86)    | (2)   | 2     | -     | -     | -     | -     |
| Net Debt Variation (+adjustments)    | (295) | (498) | (315) | (48)  | (1,156) | (77)  | (90)  | 173   | 231   | 237   | 410   |

### REP

- In 1Q15, REP reversed the cash consumption cycle of recent periods and contributed with positive cash generation of R\$13 million.
- REP continues to invest in improving the structure of two important shopping malls in its portfolio – Shopping Bay Market and Shopping Valinhos.
- REP recorded 1Q15 net revenue of R\$10.9 million, 5% up year-on-year. The EBITDA margin adjusted for non-cash items stood at 66%, 18 p.p. higher than in 1Q14.
- Total 1Q15 sales came to R\$160 million, 8% more than in the same period last year.

## Quarters ended on March 31st, 2015 and 2014

| Income Statements (R\$ '000) - IFRS                                       |                  |                  |                 |
|---|------------------|------------------|-----------------|
|   | 1Q15             | 1Q14             | (%) Var.        |
| <b>Operating Gross Revenue</b>  |                  |                  |                 |
| Real State sales  | 666,868          | 1,139,370        | -41%            |
| Other Operating Revenues  | 29,367           | 18,715           | 57%             |
| (-) Revenues Deduction  | (35,371)         | (37,726)         | -6%             |
| <b>Operating Net Revenue</b>  | <b>660,864</b>   | <b>1,120,359</b> | <b>-41%</b>     |
| Cost of Sold Units  | (502,793)        | (797,747)        | -37%            |
| Interest Expenses   | (54,780)         | (84,459)         | -35%            |
| Recognition of goodwill of identifiable assets in the acquisition of Agre | -                | (1,726)          | n.m.            |
| <b>Cost of sold properties</b>  | <b>(557,573)</b> | <b>(883,932)</b> | <b>-37%</b>     |
| <b>Gross Income</b>   | <b>103,291</b>   | <b>236,427</b>   | <b>-56%</b>     |
| <b>Gross margin</b>   | <b>15.6%</b>     | <b>21.1%</b>     | <b>-5.5 pp</b>  |
| <b>Adjusted gross margin <sup>(1)</sup></b>                               | <b>23.9%</b>     | <b>28.8%</b>     | <b>-4.9 pp</b>  |
| <b>Operating Revenues (expenses):</b>                                     |                  |                  |                 |
| Equity Income   | 28,611           | 9,240            | 210%            |
| General and Administrative  | (70,069)         | (91,229)         | -23%            |
| Commercial  | (32,486)         | (42,226)         | -23%            |
| Taxes   | (2,824)          | (1,787)          | 58%             |
| Depreciation & Amortization   | (13,748)         | (10,099)         | 36%             |
| Other   | (10,629)         | (7,606)          | 40%             |
| Financial Result  | (124,387)        | (60,337)         | 106%            |
| <b>Total operating revenues (expenses)</b>                                | <b>(225,532)</b> | <b>(204,044)</b> | <b>11%</b>      |
| <b>Income before taxes</b>  | <b>(122,241)</b> | <b>32,383</b>    | <b>n.m.</b>     |
| Income Taxes and Social Contribution                                      | (32,761)         | (16,536)         | 98%             |
| <b>Income before minority stake</b>                                       | <b>(155,002)</b> | <b>15,847</b>    | <b>n.m.</b>     |
| Minority interest   | (6,649)          | (13,094)         | -49%            |
| <b>Net Income (loss)</b>  | <b>(161,651)</b> | <b>2,753</b>     | <b>n.m.</b>     |
| <b>Net margin</b>   | <b>-24.5%</b>    | <b>0.2%</b>      | <b>-24.7 pp</b> |

(1) Adjusted by interest expenses in cost of sold units and recognition of goodwill

| EBITDA  |               |                |                 |
|---|---------------|----------------|-----------------|
|   | 1Q15          | 1Q14           | (%) Var.        |
| Income (loss) before taxes  | (122,241)     | 32,383         | n.m.            |
| (-/+ ) Financial Result   | 124,387       | 60,337         | 106%            |
| (+) Depreciation and Amortization   | 13,748        | 10,099         | 36%             |
| (+) Stock Option Plan   | 5,587         | 15,283         | -63%            |
| (+) Interest Expenses - Cost of Sold Units                                    | 54,780        | 84,459         | -35%            |
| (+) Recognition of goodwill of identifiable assets in the acquisition of Agre | -             | 1,726          | n.m.            |
| (-/+ ) Equity Income result   | (28,611)      | (9,240)        | n.m.            |
| <b>EBITDA</b>   | <b>47,650</b> | <b>195,047</b> | <b>-76%</b>     |
| <b>ADJUSTED EBITDA Margin</b>   | <b>7.2%</b>   | <b>17.4%</b>   | <b>-10.2 pp</b> |

## Consolidated Balance Sheet - ASSETS



Quarters ended on March 31th 2015 and December 31th 2014

| ASSET (R\$ '000)                                  | 1Q15              | 4Q14              | (%) Var.    |
|---|-------------------|-------------------|-------------|
| <b>Current Assets</b>                             |                   |                   |             |
| Cash, cash equivalents and short-term investments | 880,763           | 1,091,948         | -19%        |
| Accounts receivable                               | 4,459,429         | 4,495,579         | -1%         |
| Properties held for sale                          | 2,152,793         | 1,927,392         | 12%         |
| Prepaid expenses                                  | 15,145            | 17,243            | -12%        |
| Accounts with related parties                     | 68,056            | 67,229            | 1%          |
| Taxes to recover                                  | 126,605           | 127,858           | -1%         |
| Deferred income and social contribution taxes     | 4,131             | 3,946             | 5%          |
| Others  | 210,724           | 245,340           | -14%        |
| <b>Total Current Assets</b>                       | <b>7,917,646</b>  | <b>7,976,535</b>  | <b>-1%</b>  |
| <b>Noncurrent Assets</b>                          |                   |                   |             |
| <b>Long-Term</b>                                  |                   |                   |             |
| Accounts receivable                               | 3,150,935         | 3,659,662         | -14%        |
| Properties held for sale                          | 2,175,232         | 2,364,729         | -8%         |
| Accounts with related parties                     | 228,673           | 231,703           | -1%         |
| Others  | 71,710            | 70,510            | 2%          |
| <b>Total Long-Term Assets</b>                     | <b>5,626,550</b>  | <b>6,326,604</b>  | <b>-11%</b> |
| <b>Permanent Assets</b>                           |                   |                   |             |
| Investments                                       | 481,232           | 456,677           | 5%          |
| Investment Properties                             | 559,477           | 555,611           | 1%          |
| Property and Equipment                            | 44,071            | 50,312            | -12%        |
| Intangible  | 556,325           | 558,486           | 0%          |
| <b>Total Permanent Assets</b>                     | <b>1,641,105</b>  | <b>1,621,086</b>  | <b>1%</b>   |
| <b>Total Noncurrent Assets</b>                    | <b>7,267,655</b>  | <b>7,947,690</b>  | <b>-9%</b>  |
| <b>Total Assets</b>                               | <b>15,185,301</b> | <b>15,924,225</b> | <b>-5%</b>  |



## Consolidated Balance Sheet - LIABILITIES



Quarters ended on March 31th 2015 and December 31th 2014

| LIA BILITIES AND SHAREHOLDERS' EQUITY (R\$ '000)  |                   |                   |             |
|---|-------------------|-------------------|-------------|
|   | 1Q15              | 4Q14              | (%) Var.    |
| <b>Current</b>                                    |                   |                   |             |
| Loans and financings                              | 1,429,822         | 1,258,415         | 14%         |
| Debentures  | 597,258           | 496,659           | 20%         |
| Obligation for the issuance of CCB & CCI          | 1,513,482         | 1,402,668         | 8%          |
| Co-obligation for the issuance of CRI             | 184,111           | 215,775           | -15%        |
| Suppliers   | 214,162           | 225,044           | -5%         |
| Property acquisition obligations                  | 354,055           | 369,689           | -4%         |
| Advances from clients                             | 193,248           | 212,503           | -9%         |
| Taxes and contributions payable                   | 180,847           | 181,690           | 0%          |
| Deferred taxes                                    | 270,344           | 295,279           | -8%         |
| Income and social contribution taxes              | 77,793            | 58,157            | 34%         |
| Accounts with related parties                     | 31,150            | 32,040            | -3%         |
| Others  | 476,823           | 473,964           | 1%          |
| <b>Total Current</b>                              | <b>5,523,095</b>  | <b>5,221,883</b>  | <b>6%</b>   |
| <b>Long-Term</b>                                  |                   |                   |             |
| Loans and financings                              | 1,822,221         | 2,336,634         | -22%        |
| Debentures  | 629,606           | 902,150           | -30%        |
| Obligation for the issuance of CCB & CCI          | 1,071,667         | 1,256,956         | -15%        |
| Property acquisition obligations                  | 200,957           | 174,582           | 15%         |
| Advances from clients                             | 336,762           | 359,392           | -6%         |
| Deferred taxes                                    | 143,409           | 154,117           | -7%         |
| Other Provision                                   | 263,944           | 245,943           | 7%          |
| Other   | 224,277           | 210,819           | 6%          |
| <b>Total Long-Term</b>                            | <b>4,692,843</b>  | <b>5,640,593</b>  | <b>-17%</b> |
| <b>Shareholders' equity</b>                       |                   |                   |             |
| Subscribed capital                                | 4,907,843         | 4,907,843         | 0%          |
| Capital reserve                                   | 747,249           | 744,162           | 0%          |
| Equity valuation adjustments                      | (65,248)          | (66,592)          | -2%         |
| Accumulated losses                                | (1,564,842)       | (1,403,191)       | 12%         |
| <b>Minority interest</b>                          | <b>944,361</b>    | <b>879,527</b>    | <b>7%</b>   |
| <b>Total Shareholders' equity</b>                 | <b>4,969,363</b>  | <b>5,061,749</b>  | <b>-2%</b>  |
| <b>Total liabilities and shareholders' equity</b> | <b>15,185,301</b> | <b>15,924,225</b> | <b>-5%</b>  |

