CYRELA BRAZIL REALTY S.A. EMPREENDIMENTOS E PARTICIPAÇÕES

Publicly-held company
CNPJ/MF nº 73.178.600/0001-18
NIRE - 35.300.137.728

NOTICE TO THE MARKET

São Paulo, October 23, 2015 – Cyrela Brazil Realty S.A. Empreendimentos e Participações ("Company"), a company operating in the real estate development sector, informs its shareholders and the market in general that on October 1, 2015, within a business reorganization with its partners in Plano & Plan, acquired the totality of the shares issued by Plano & Plano Incorporações Ltda. ("P&P Incorporações"), which holds 21% of the share capital of Plano & Plano Construções e Participações Ltda. ("P&P JV"). Hence, the Company and its controlled company's share in P&P JV increases from 79% to 100%.

In the same agreement, the Company and the shareholders sellers of the shares of P&P Incorporações agreed on the establishment of a new company, whose equity will be held in the ratio of 50% by the company and 50% by the sellers, and whose corporate purpose will be the same as of this of P&P JV.

The Company explains that its acquisition of the shares of P&P Incorporações does not include it in any of the assumptions established in article 256 of Law 6,404/76, which is why it does not require approval in the Company's general meeting and does not give its shareholders the right of recess.

São Paulo, October 23, 2015

Eric Alexandre Alencar
Chief Financial and Investor Relations Officer