# CYRELA

Presentation June, 2015



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## REAL ESTATE

Brazil's scenario worsened and the situation in June, 2015 is tougher than it used to be in December, 2014.

The most solid companies tend to be benefit in this new scenario.

## **AGENDA**

## **Market situation**

- Gross sales
- > Sales cancellations
- > Finished units

## **Credit**

> Banks

## Cyrela

> Company's performance in the new environment

## **MARKET SITUATION**

Gross sales (ex-swap)

- Gross sales reduction vs. same period of 2014;
- April and May are performing better than 1Q15, but are lower vs. same period of 2014.

Cancellations / Deliveries (LTM)

- It is in the same level vs. 1 year ago and it's lower than 2013;
- We are delivering the last projects in regions where the demand is lower (Salvador and Florianópolis are 100% delivered).

**Finished Units** 

- Finished inventory might reach the peak by late 2015;
- 2015 is a record year for deliveries for Cyrela;
- Banks' selectivity in terms of new mortgages generates a lower speed of sales for inventories.

## **CREDIT**

#### Banks restrictions

- More restricted scenario since April, lead by pela Caixa Econômica Federal ("CEF"):
  - LTV1 reduction;
  - Increase in mortgages rates.

### Funding

- Banks are still financing a LTV¹ of 80%;
- For new projects, the LTV¹ tends to be 70%.

#### **CEF**

- Priority for transfers in projects which the project finance was made by CEF;
- There is an effort in order to honor financing that was signed previously, but it is virtually out for new real estate financing.

## **CYRELA**

#### **Funding**

- R\$ 200 millions of corporate debt already concluded (savings accounts funding);
- More R\$ 200 million to be done in the upcoming months.

#### Launches

- Only very liquid products are going to be launched;
- Our internal team of Market Inteligence is a key differential in this moment of the market.

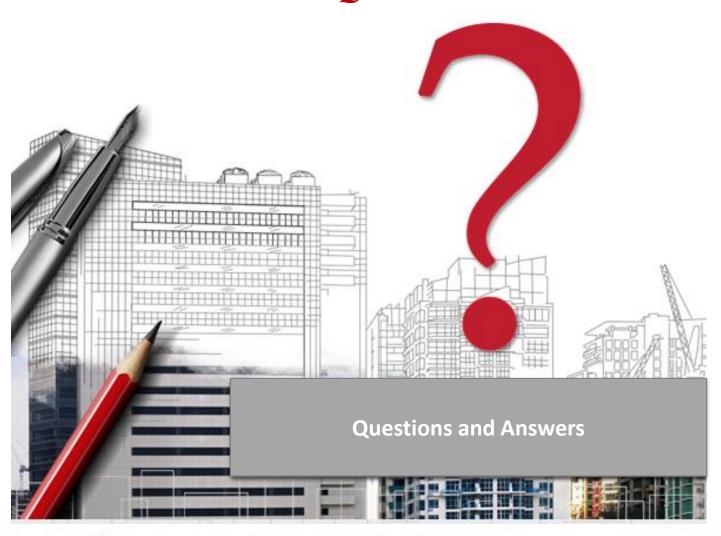
## Credit alternatives

- Agreements with securitization companies, mortgages with proprietary funding, etc.
- Proprietary funding reduces the problem.

#### Land

- We are more selective on land purchase (we are well positioned in São Paulo and Rio de Janeiro).

Q&A



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