



**Corporate Presentation**  
**November 2015**





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## Summary

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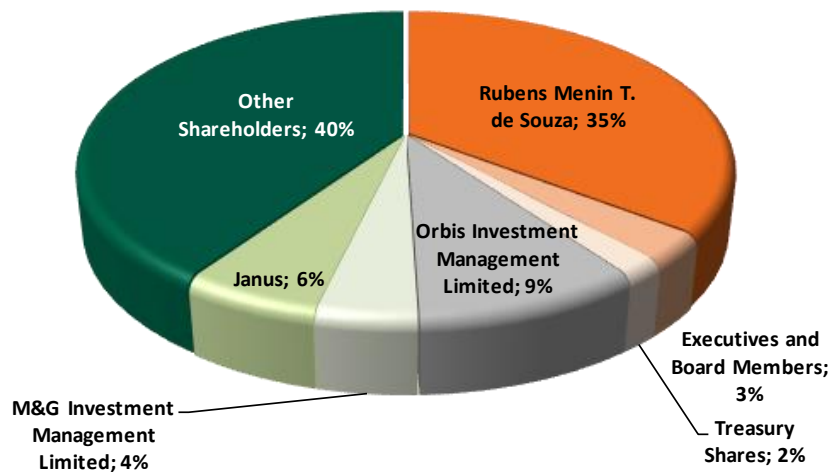
# COMPANY OVERVIEW





## Shareholder Structure

Free float represents  
60% of shareholders' equity



449,139,684 common shares

• September 30, 2015

“Novo Mercado”, the highest  
level of Corporate Governance



BNY MELLON

BM&FBovespa Novo Mercado : **MRVE3**

ADR OTCQX : **MRVNY**

**MRVNY**

Cusip code 553479106

ISIN code US5534791067

Índice do Setor Industrial **INDX**

Índice Imobiliário **IMOB**

Índice Brasil **IBRX**

Índice Brasil 50 **IBRX 50**

Índice de Governança Corporativa Trade **IGCT**

Índice de Ações com Governança Corporativa Diferenciada **IGC**

Índice Brasil Amplo BM&FBovespa **IBRA**

Índice de Ações com Tag Along Diferenciado **ITAG**

Índice Carbono Eficiente **ICO2**

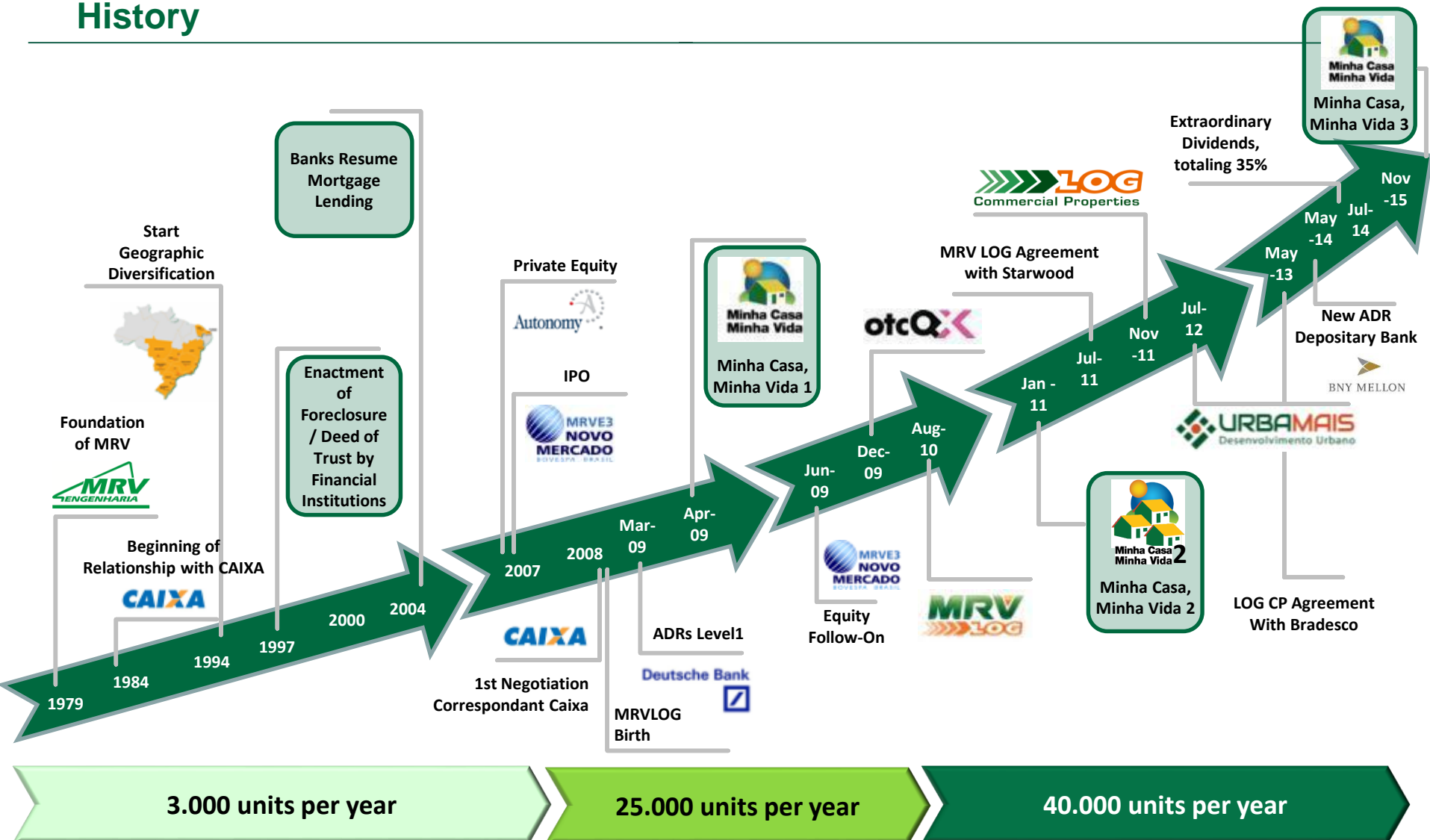
Índice Valor Bovespa **IVBX 2**

Índice Small Cap **SMLL**

Índice Governança Corporativa Novo Mercado **IGC-NM**



## History





## Business, Mission, Vision and Values

### ▼ Business

Development, construction and sale of housing units.

### ▼ Mission

Make the home ownership dream possible by offering houses with the best cost-benefit ratio for clients.

### ▼ Vision

Be the best company in the development, construction and sale of low-income housing projects in Brazil.

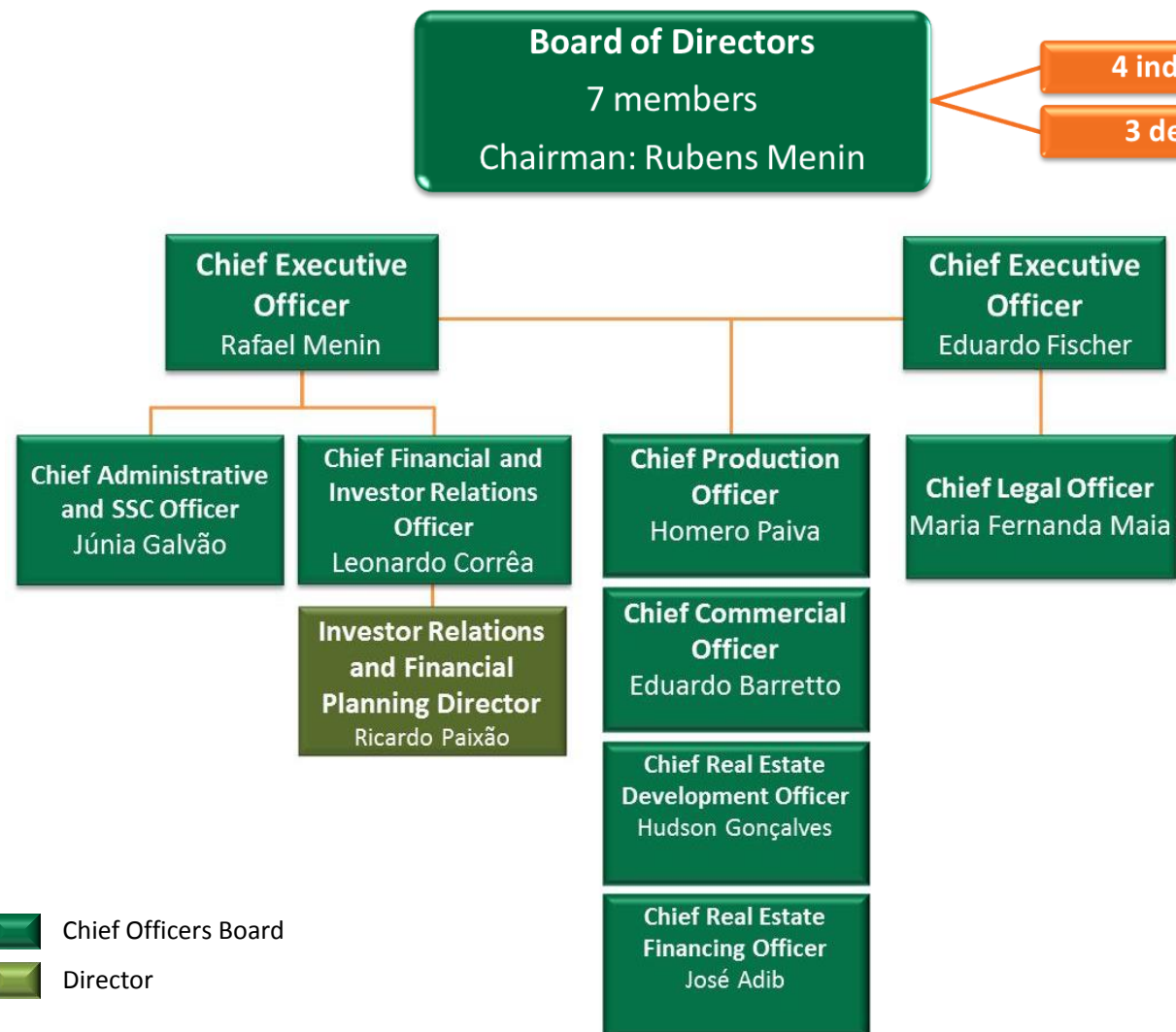
### ▼ Values

- ✓ Ethics and transparency
- ✓ Thinking like the client
- ✓ Creating shareholder value
- ✓ A committed team
- ✓ Sharing success
- ✓ Sustainability





## Organizational Structure







## Our products



Esmeralda Ville – Campinas, SP



Forte Iracema – Fortaleza, CE



Spazio Urano – Uberlândia, MG



Saint Jérôme – São Paulo, SP



## Our investments in urbanization and infrastructure

### Urban paving



Piracicaba - SP



Aracajú - SE

### Sewage treatment station



Americana - SP

### Urbanization



Ribeirão Preto – SP

### Revitalization and maintenance of squares and parks



Uberlândia – MG



Contagem – MG





## Geographic Diversification → Very low competition



### Nationwide Footprint

- Present in 19 States and in the Federal District
- 133 cities attended by the Company

Competition	% Sales 9M15
Very low	81%
Modest	7%
High	12%

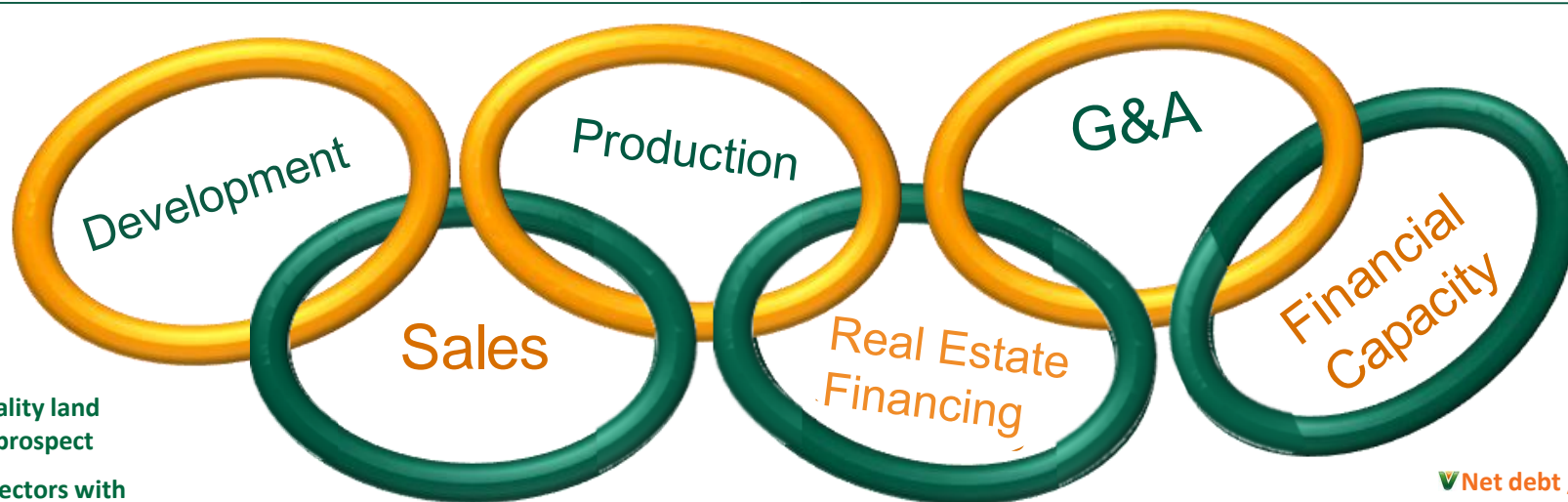
✓ Diluted Competition

✓ Lower Execution Risk





## Focus on processes



▼ **Quality land bank prospect**

- 9 directors with average 16 years at MRV

### ▼ Chanel Effectiveness

- 4,206 brokers \*
- 29% of sales through the internet

▼ Credit quality: Pre-screening process

### ▼ Construction

- # of Employees: 21,648\*
- 388 engineers\*
- 179 sites
- Experienced Management

### ▼ Scale and Margins

- Standardization: bargaining power in supply chain
- At site cost control

▼ 1,469 dedicated professionals\*

▼ Simultaneous Sales – SICAQ / SAC

▼ Shared Services Center MRV

▼ One of the lowest G&A Cost of the sector

▼ IT Systems (SAP, MRV Obras)

▼ Net debt / Equity(1): 15.3%

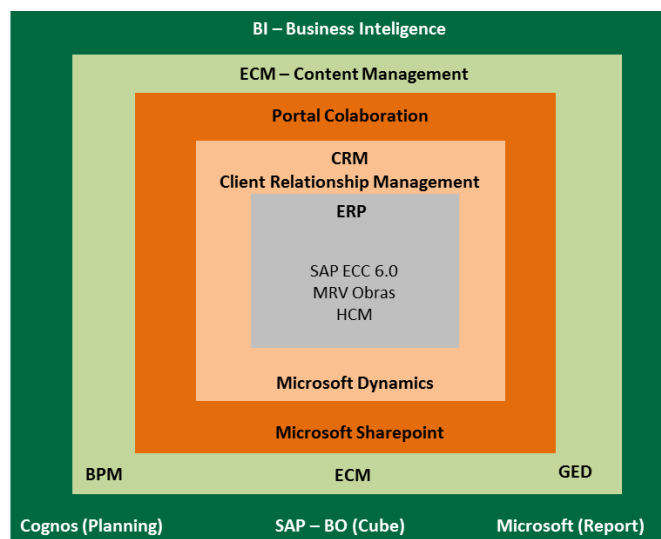
▼ Short cycle

▼ One of the best S&P and Fitch Ratings Corporate Rates in the industry (brAA- , stable outlook)



## Focus on processes: People, IT Frame and Balanced Growth

### Qualified team and investments in infrastructure



### Scale & Cost dilution – Construction DNA

		Pre-IPO <sup>1</sup>	Current <sup>2</sup>	Chg.	Trend
Operational	Construction Sites	109	179	1.6x	➔
	Units per Site	76	413	5.4x	➔
	Operational Management	24	52	2.2x	➔
	Engineering Staff	71	388	5.5x	➔
	Interns	251	553	2.2x	➔
	# Employees for Construction <sup>3</sup>	3,427	22,673	6.6x	➔
Administrative	S, G & A	539	3,014	5.6x	↔
	IT Systems	ERP system	SAP-CRM-HR-Planning	-	-
	Homeowners financing team	34	1,469	43.2x	↔

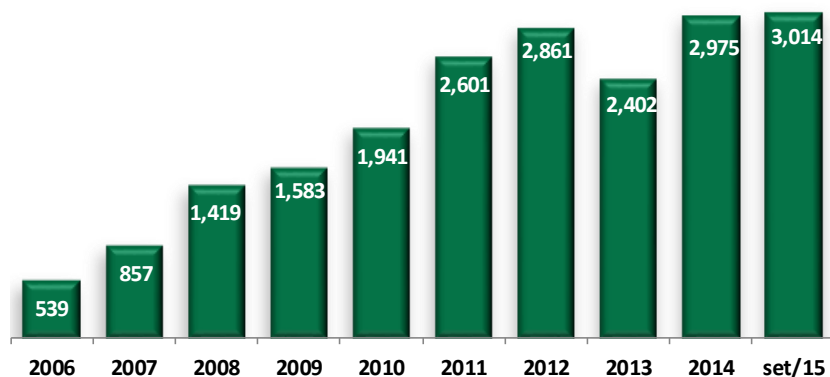
Note:

- (1) As of December 31, 2006
- (2) As of Sept 30, 2015.
- (3) Team numbers are composed by own and outsourced employees.

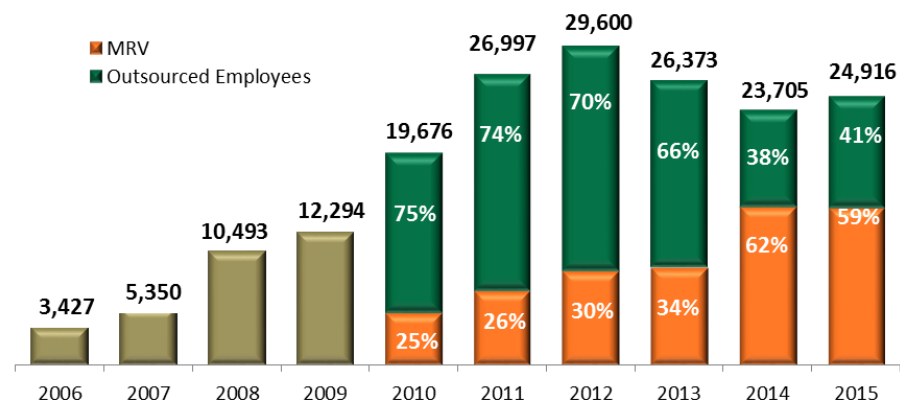


## Organic Growth: metrics

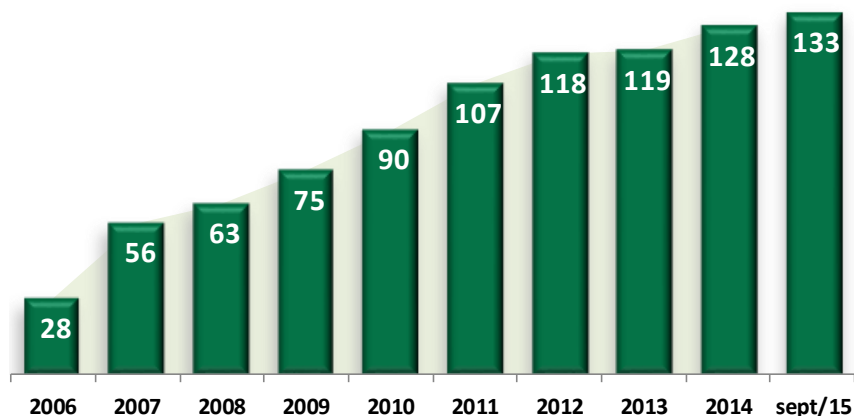
Administrative Headcount <sup>1</sup>



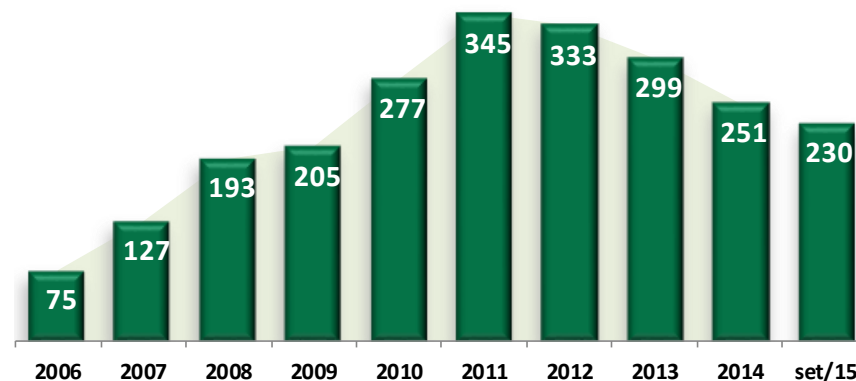
Production Headcount <sup>2</sup>



Geographic Diversification (# cities)



Construction sites in progress



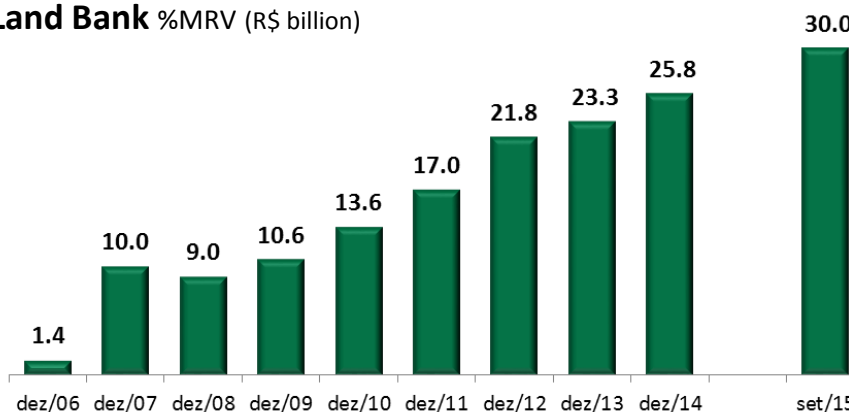
(1) Team numbers are composed by own and outsourced employees.

(2) Annual average employees' number. Last update: September 30, 2015.

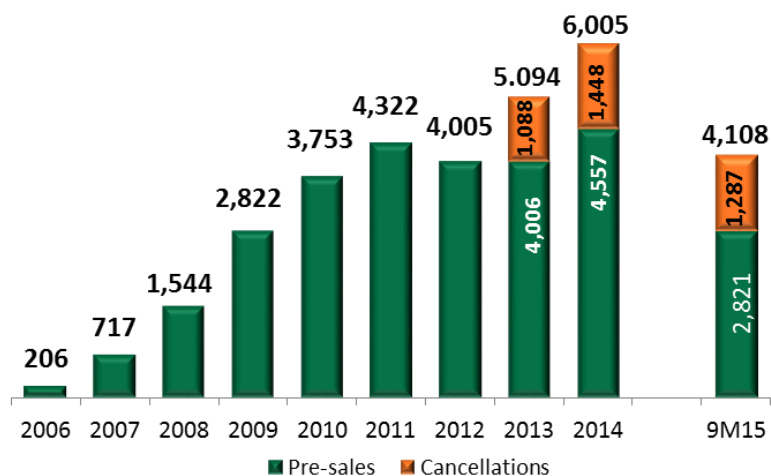


## Performance of Operational Results (R\$)...

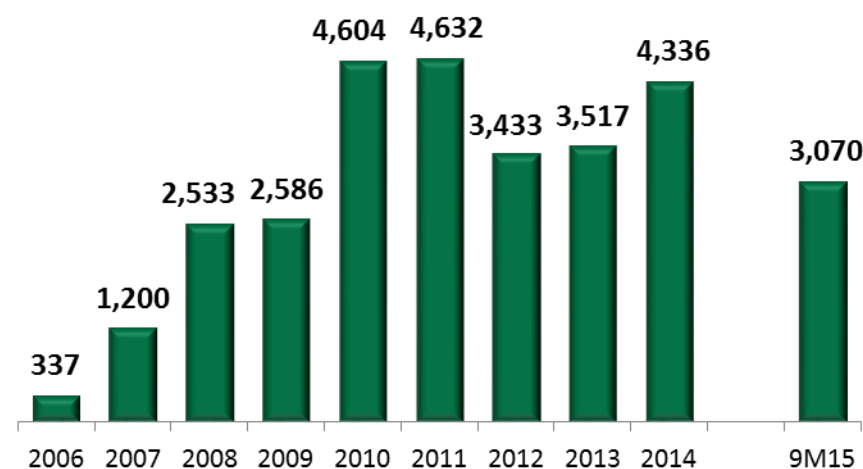
**Land Bank %MRV (R\$ billion)**



**Pre-sales\* %MRV (R\$ million)**



**Launches %MRV (R\$ million)**

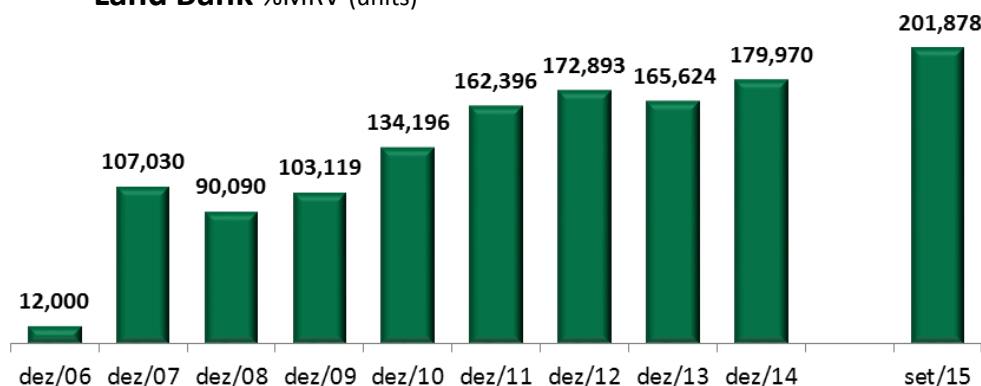


\* Sales net of swaps and gross of cancellations.

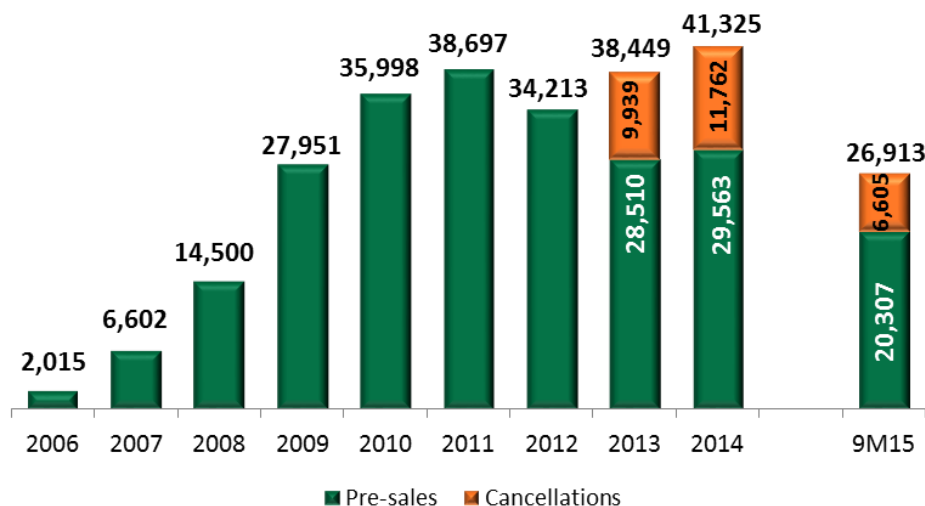


## Performance of Operational Results (units)...

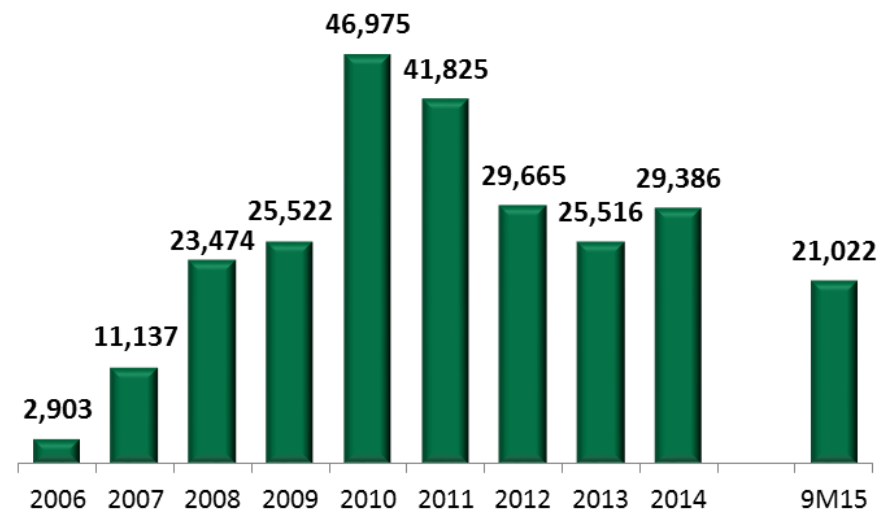
**Land Bank %MRV (units)**



**Pre-sales\* %MRV (units)**



**Launches %MRV (units)**



\* Sales net of swaps and gross of cancellations.



## Cancellations (% MRV)

### Cancellations (%MRV)

(R\$ thousand)	3Q15	2Q15	3Q14	Chg. 3Q15 x 2Q15	Chg. 3Q15 x 3Q14	9M15	9M14	Chg. 9M15 x 9M14
Gross Sales	1,307,685	1,433,663	1,466,936	8.8% ↓	10.9% ↓	4,108,046	4,523,804	9.2% ↓
Cancellations (Contract Value)	421,500	427,201	311,778	1.3% ↓	35.2% ↑	1,286,547	1,051,977	22.3% ↑
Cancellations / Gross Sales	32.2%	29.8%	21.3%	2.43 p.p. ↑	10.98 p.p. ↑	31.3%	23.3%	8.06 p.p. ↑
Net Sales	886,185	1,006,462	1,155,158	12.0% ↓	23.3% ↓	2,821,499	3,471,826	18.7% ↓

(units)	3Q15	2Q15	3Q14	Chg. 3Q15 x 2Q15	Chg. 3Q15 x 3Q14	9M15	9M14	Chg. 9M15 x 9M14
Gross units Sold	8,552	9,321	10,029	8.3% ↓	14.7% ↓	26,913	31,399	14.3% ↓
Cancelled Units	3,034	3,222	2,509	5.8% ↓	20.9% ↑	9,640	8,643	11.5% ↑
Cancellations / Gross Sales	35.5%	34.6%	25.0%	0.92 p.p. ↑	10.47 p.p. ↑	35.8%	27.5%	8.29 p.p. ↑
Net Sales (units)	5,517	6,099	7,520	9.5% ↓	26.6% ↓	17,273	22,756	24.1% ↓





## Simultaneous Sales Project's Benefits

The Project consists in the pre-approval of the client's mortgage with the bank before registering the sale.

### ✓ Benefits:

- Accelerates the client transfer to the bank and, as a consequence, the receivable cycle;
- Strong decrease in the cancellation risk.

### ✓ Flow chart and term until the client transfer:

#### MRV's Credit Policy (up to 2013):



#### Simultaneous Sales (SICAQ/SAC):



Period (in months) between the sale record and transfer

	2012	2013	2014	2015
Credit Policy	12	9	6	7
Simultaneous Sales		1	1	1

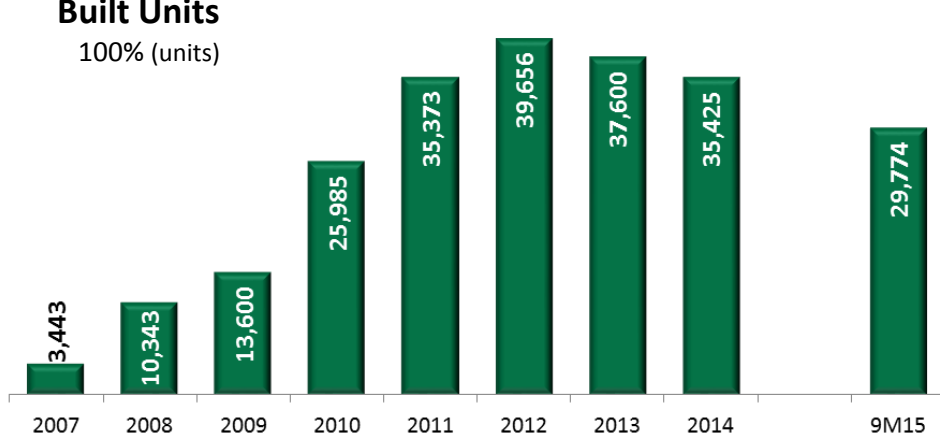




## Performance of Operational Results ...

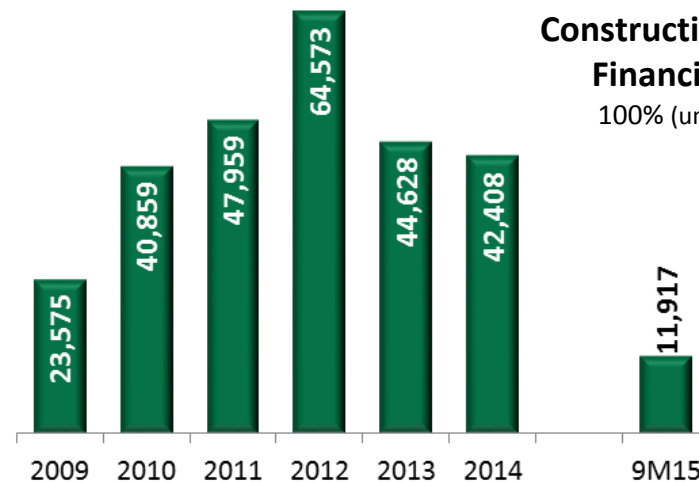
### Built Units

100% (units)



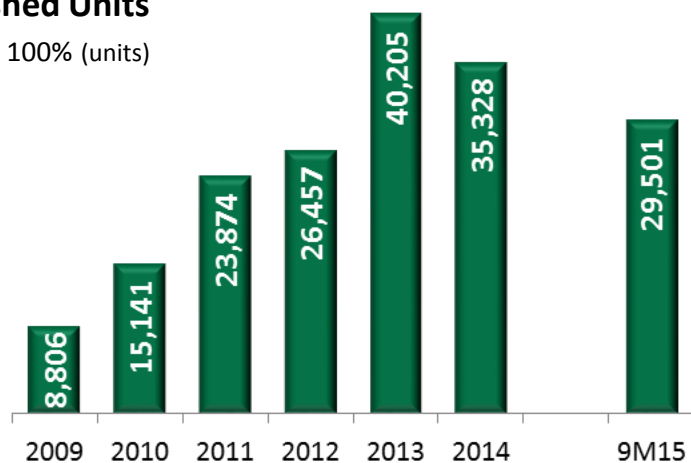
### Construction Financing

100% (units)



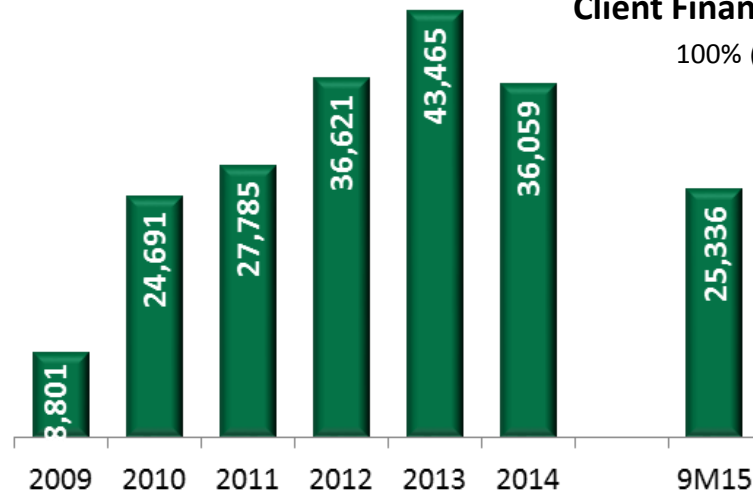
### Finished Units

100% (units)



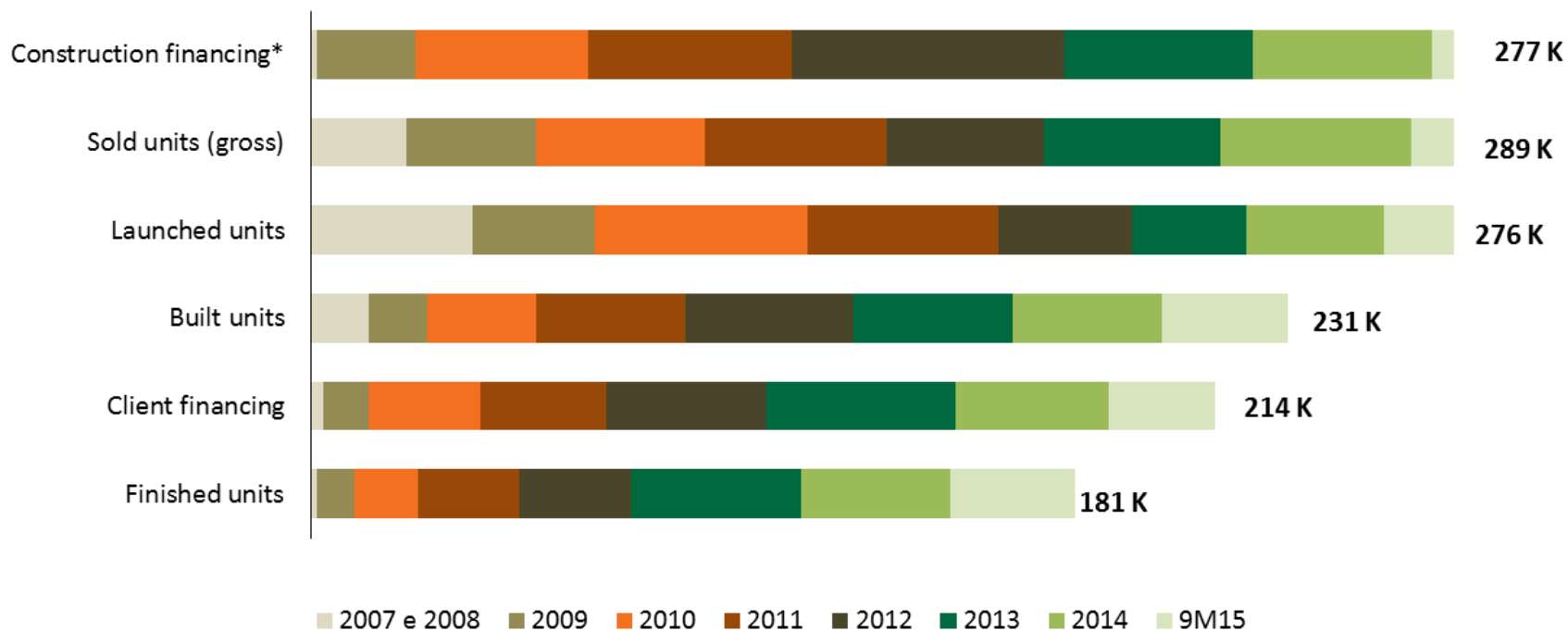
### Client Financing

100% (units)





## Balanced Operations



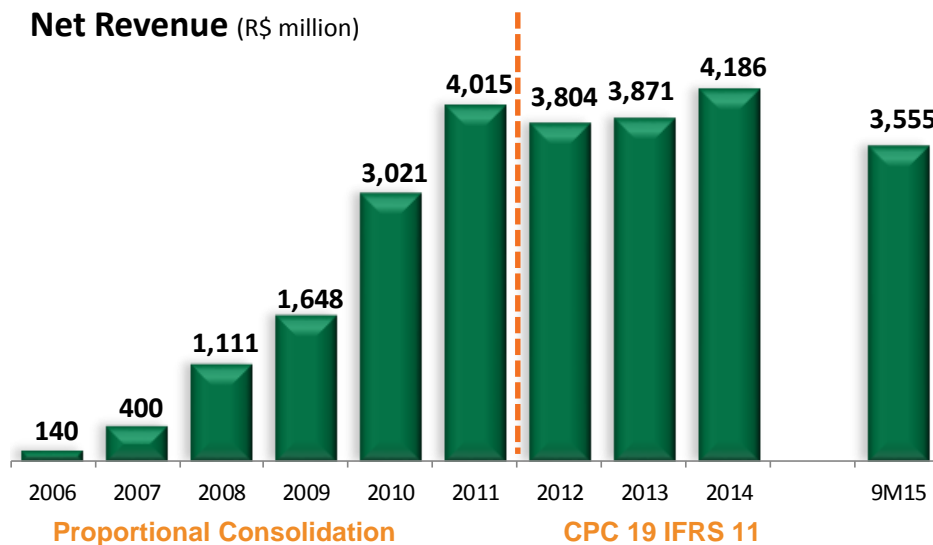
Data 100%.

\*Construction financing: contracted projects at financial institutions.

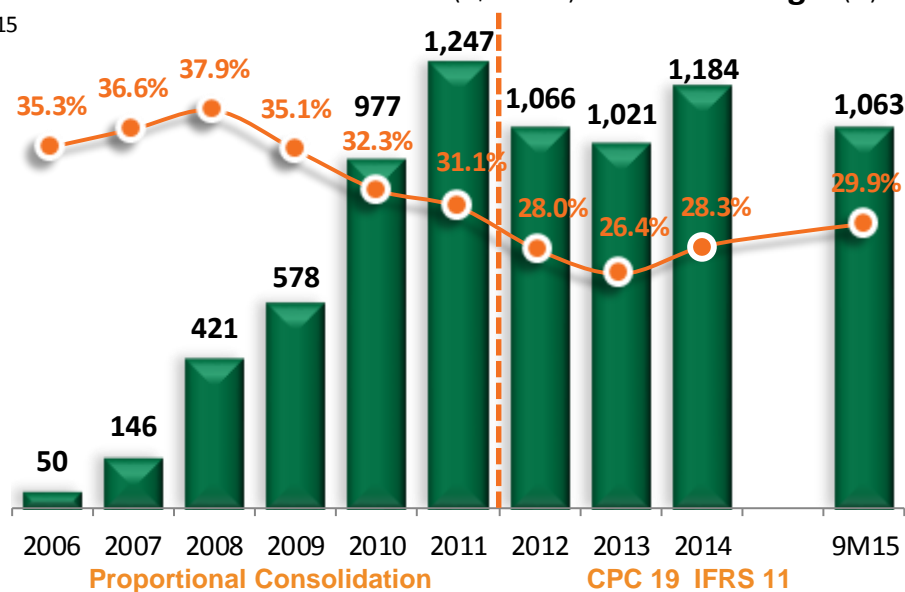


## ... and Financial Results

**Net Revenue** (R\$ million)



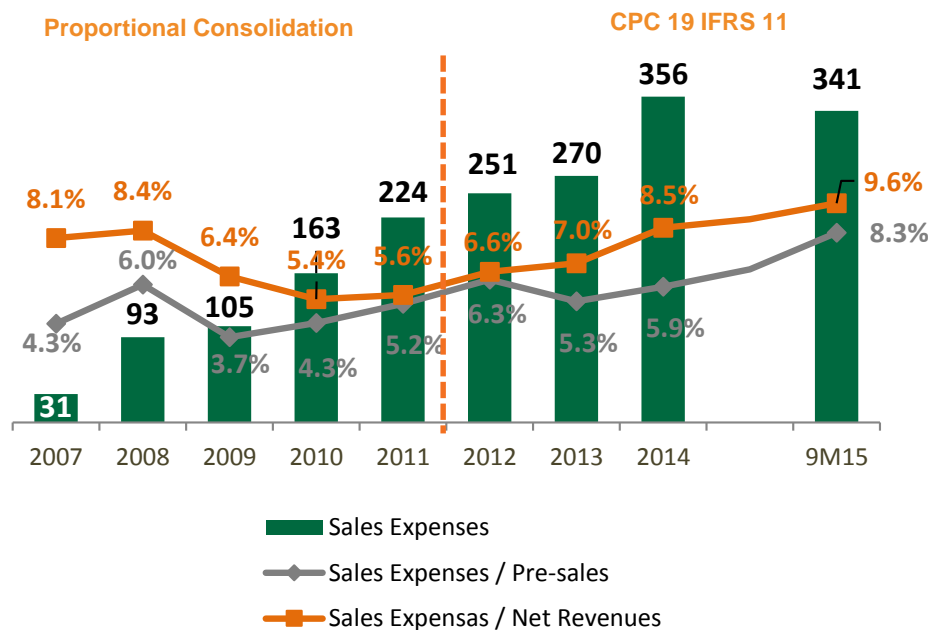
**Gross Profit** (R\$ million) and **Gross Margin** (%)



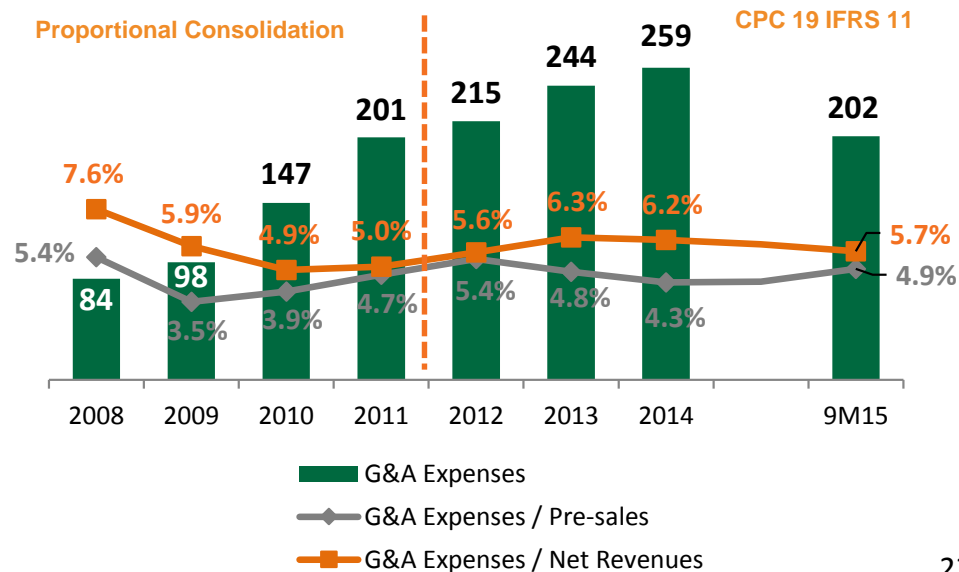


## ... and Financial Results

### Sales Expenses (R\$ million)



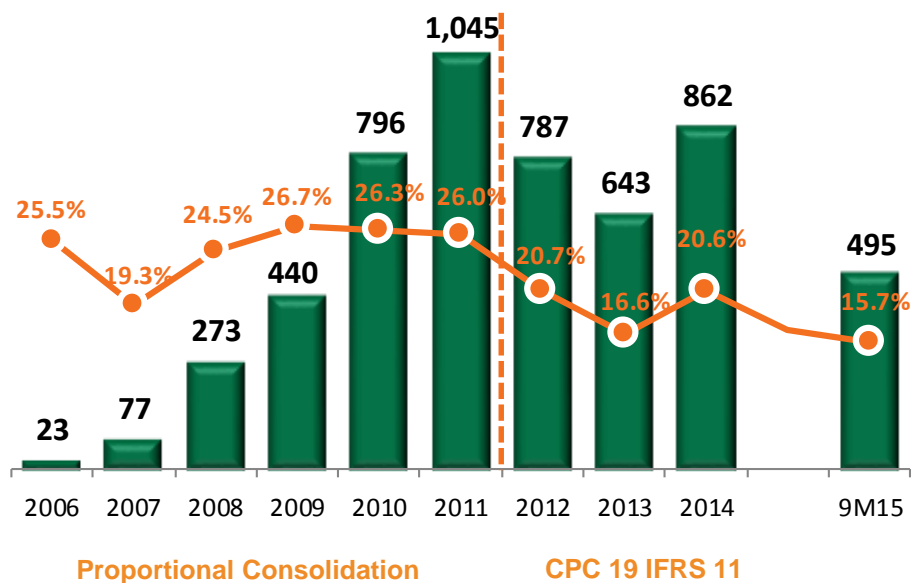
### G&A Expenses (R\$ million)



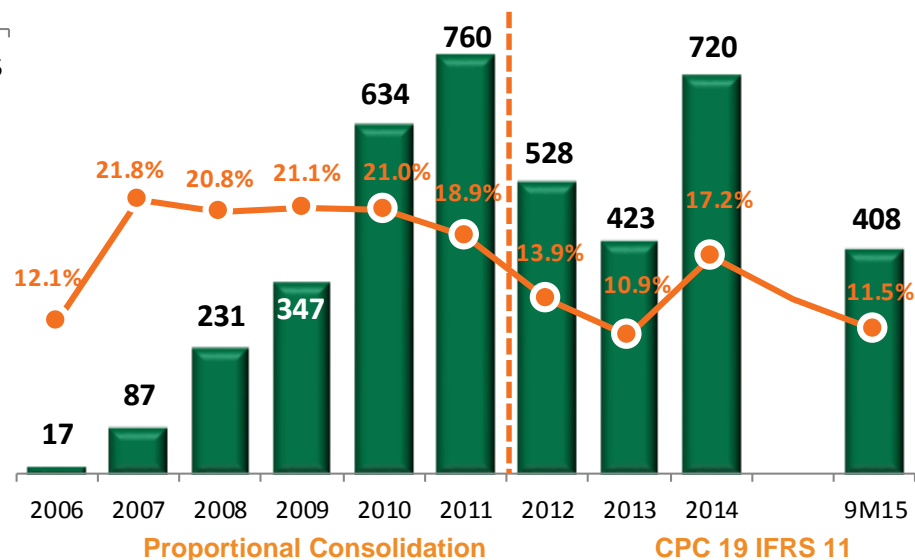


## ... and Financial Results

EBITDA (R\$ million) and EBITDA Margin (%)



Net Income (R\$ million) and Net Margin (%)

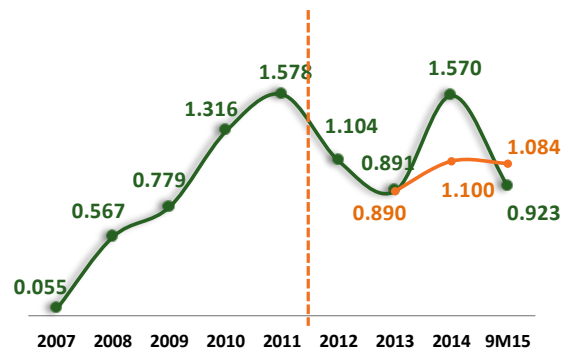


2014 considers fair value gain of R\$ 268 millions from LOG.

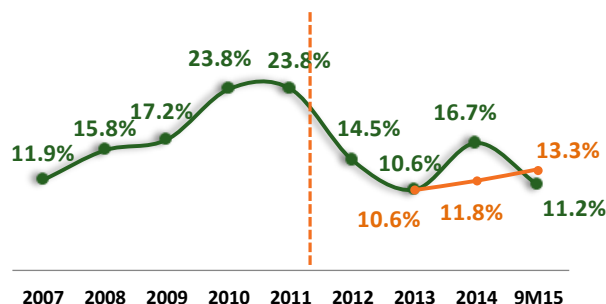


## Profitability Indicators (2007-2011: Proportional Consolidation / 2012-3Q15: CPC 19 IFRS 11)

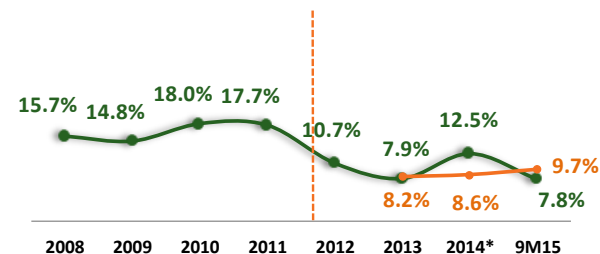
EPS (R\$)



ROE (p.a.)<sup>1</sup>

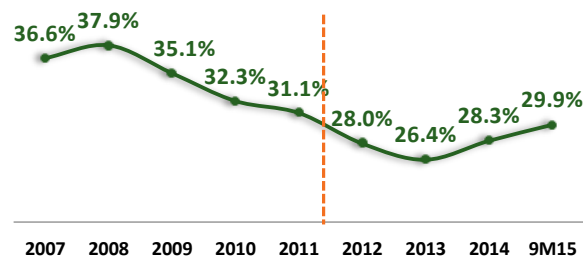


ROIC (p.a.)

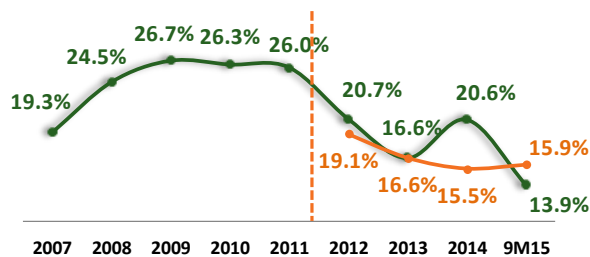


Gross Margin

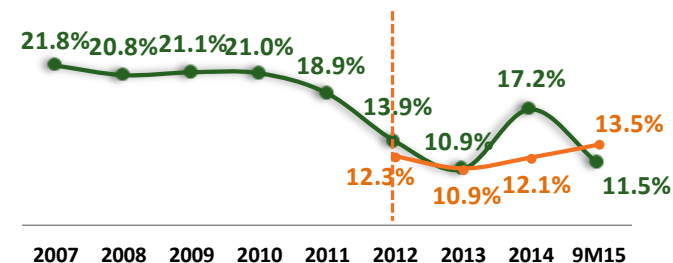
(including financial expenses)



EBITDA Margin



Net Margin



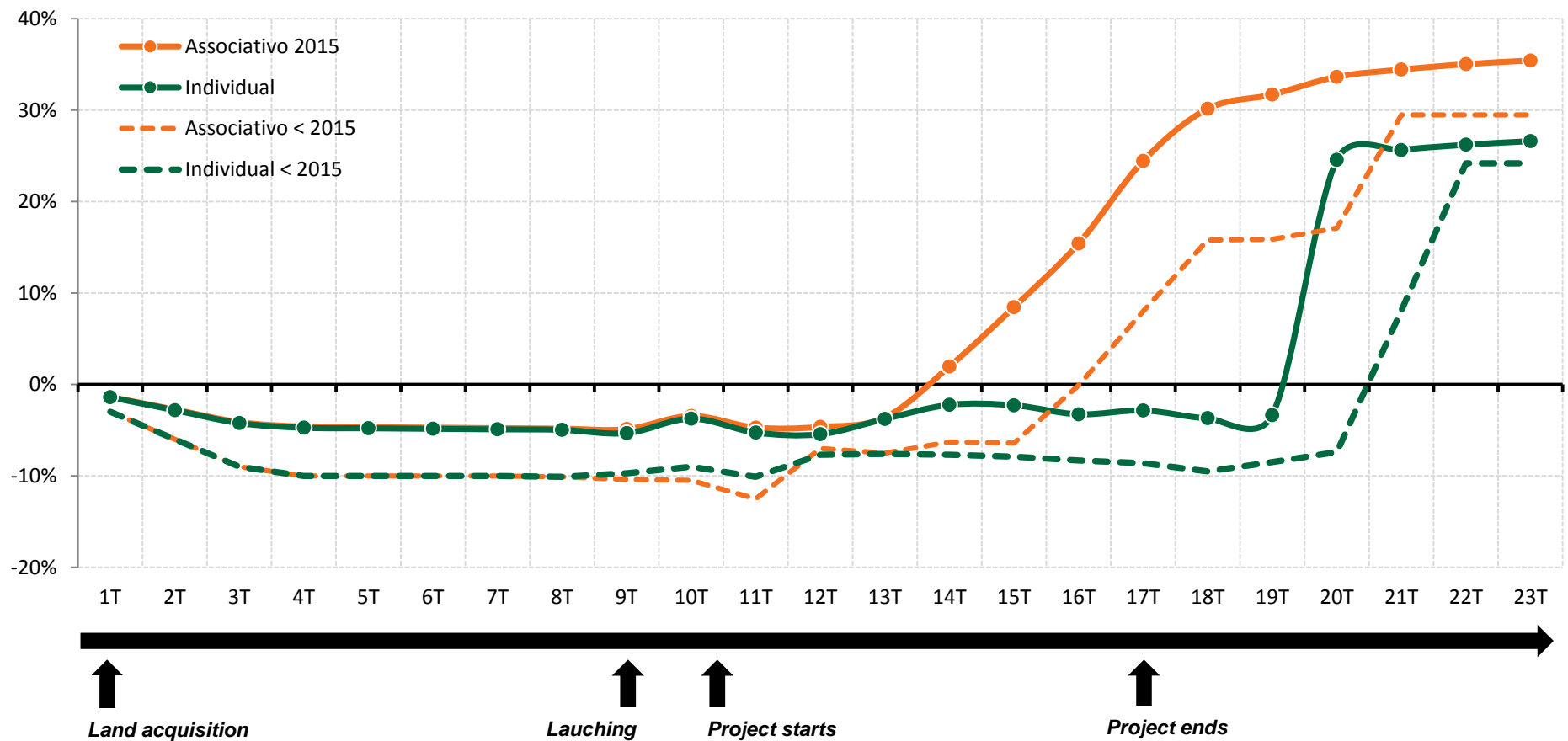
— Ex-LOG

<sup>1</sup> Equity: average of the last 5 quarters.

2015\*: 3Q15 annualized



## MRV's typical project Cash Flow

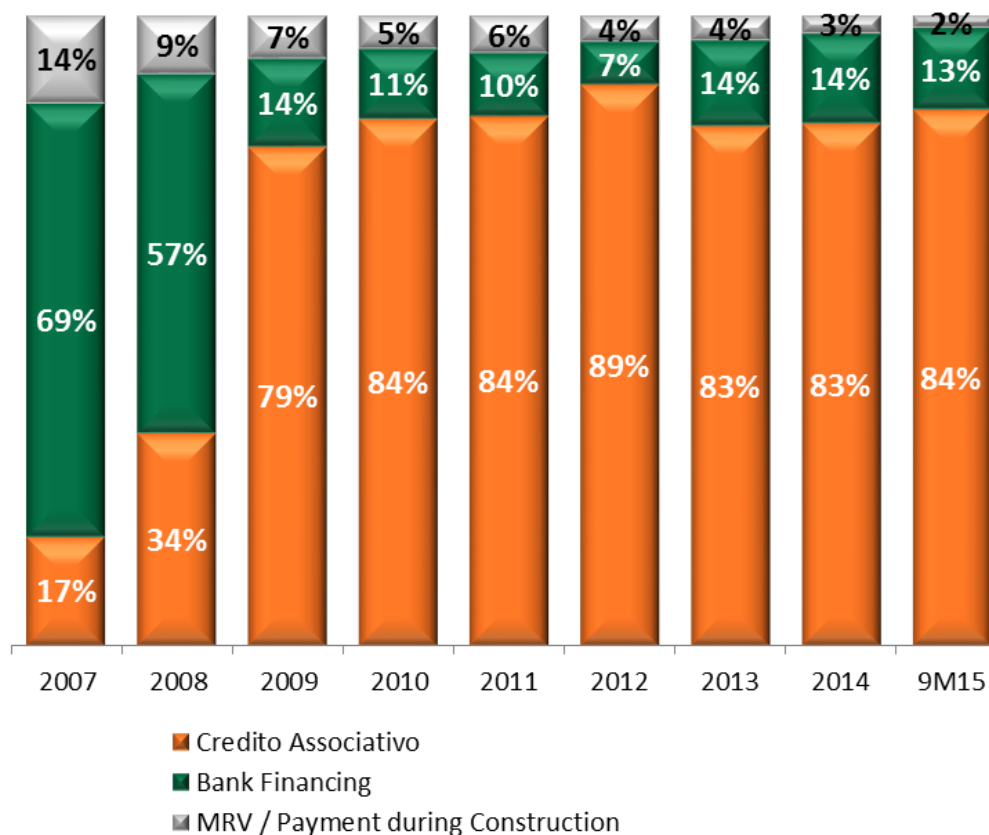






## Pre-sales financing mix

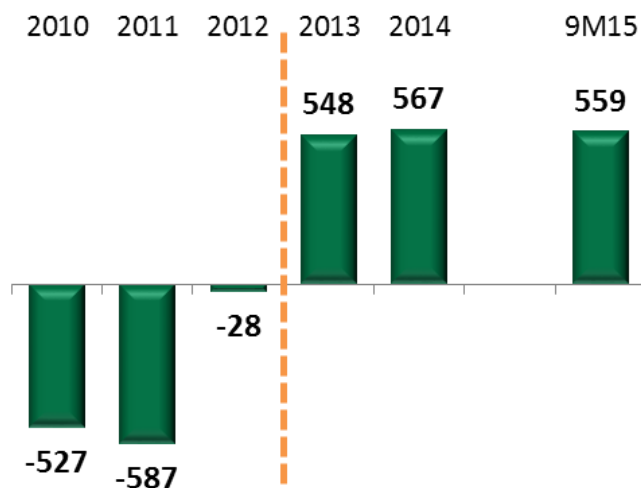
Evolution of Pre-sales by financing means (R\$) - %MRV



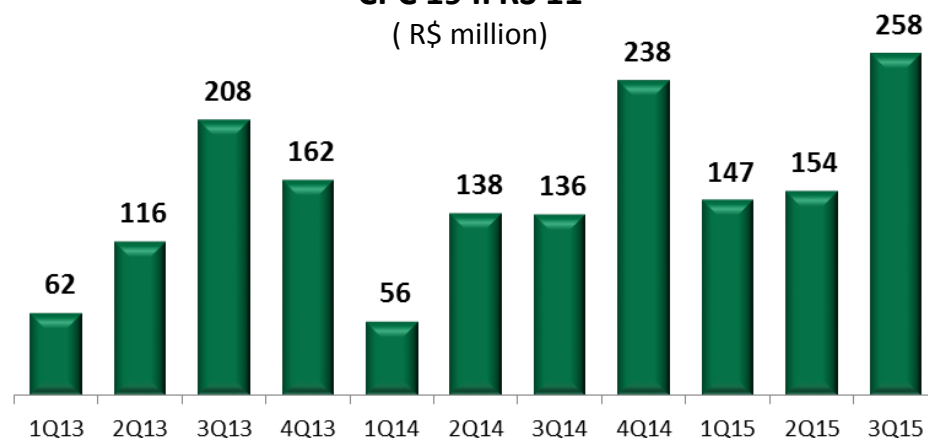


## Focus on Cash Flow

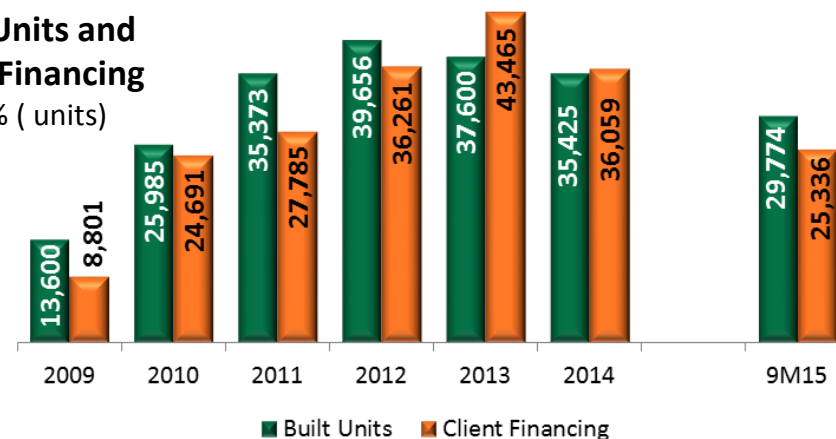
**Cash Generation – Cash Burn**  
2010-2011: Proportional Consolidation / 2012-  
2Q15: CPC 19 IFRS 11 (R\$ million)



**Cash Generation – Cash Burn**  
CPC 19 IFRS 11  
(R\$ million)



**Built Units and Client Financing**  
100% (units)



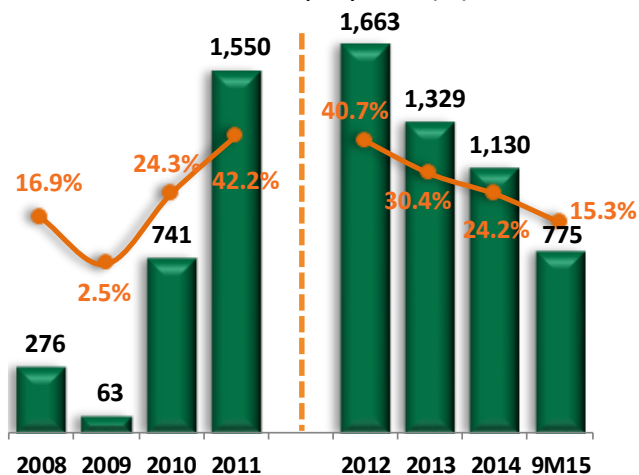
### Important highlights

- ▼ Improvement in CEF's processes and systems in 2011 → benefits from 2012 on
- ▼ Growth of Banco do Brasil in the “Crédito Associativo” mortgage product in 2013.



## Cash Generation (2008-2011: Proportional Consolidation / 2012 – 3Q15: CPC 19 IFRS 11)

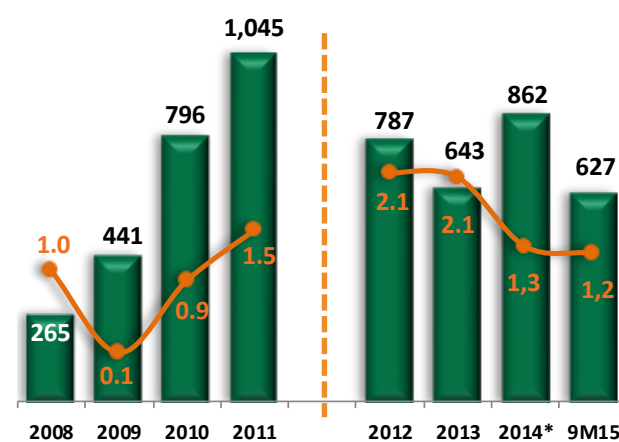
**Net debt (R\$ million) and  
Net debt / equity ratio(%)**



(2008-2011:  
Proportional  
Consolidation /  
2012\* - 2Q15\*: CPC 19  
IFRS 11)

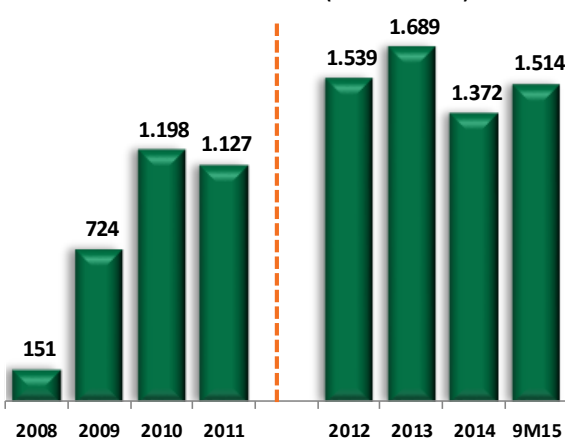
2009 - 2010 in  
accordance with  
International  
Financial Reporting  
Standards (IFRS)

**EBITDA (R\$ million) and  
Net debt / EBITDA LTM\***

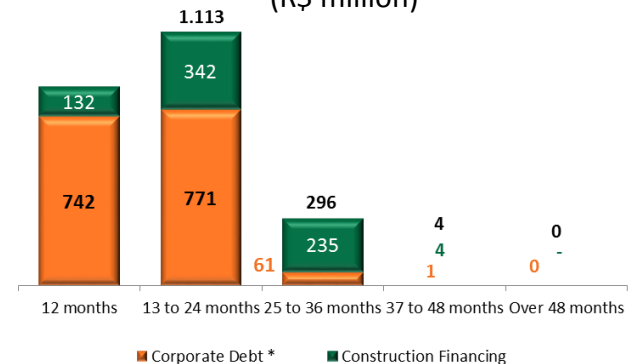


\* 2014  
considers fair  
value gain of  
R\$ 268  
million from  
LOG.

**Cash Position (R\$ million)**



**Debt Repayment Schedule <sup>1</sup>  
(R\$ million)**



**Duration: 15 months <sup>1</sup>**

1) As of September 30, 2015.  
\* Include leases.



## Share Buyback Plan

### Active Share Buyback Plan

**Term:** 06/03/2015 to 06/02/2016

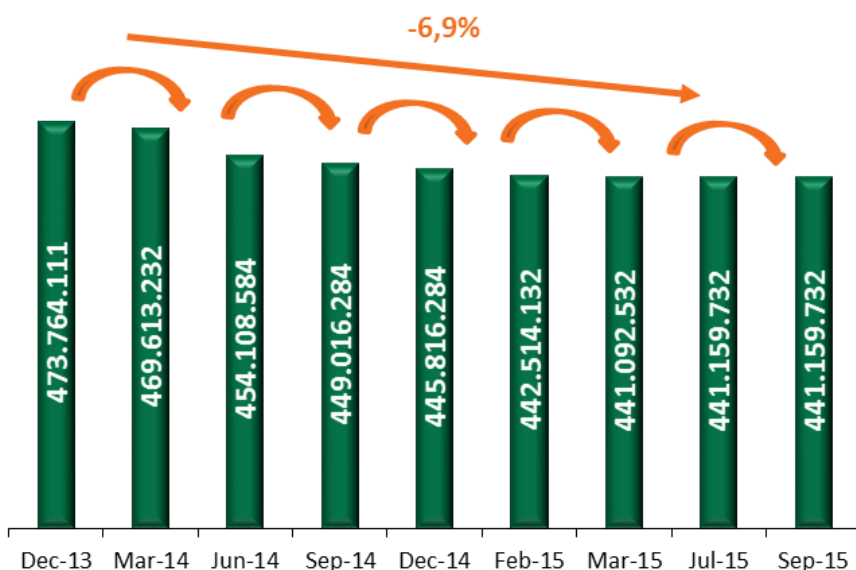
**Approved Quantify:** 12,000,000 of shares

\* As of August 18, 2015.

### Since 2014:

- ➔ 36,784,500 shares were repurchased
- ➔ R\$ 267.7 millions of Financial Volume
- ➔ 34,081,659 shares were cancelled

### # of Shares Eligible Dividends



### Buyback average price (since 2014):

R\$ 7.28

Book Value<sup>1</sup>:

R\$ 11.2370

Discount of 54.3%

<sup>1</sup> As of September 30, 2015.



## Debt Detail and Financial Covenants

### Corporate Rating



**brAA-**



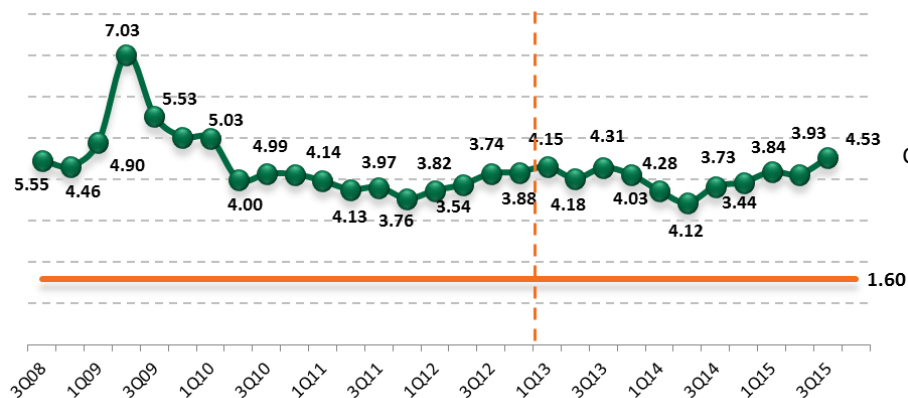
**brAA-**

### Total Debt

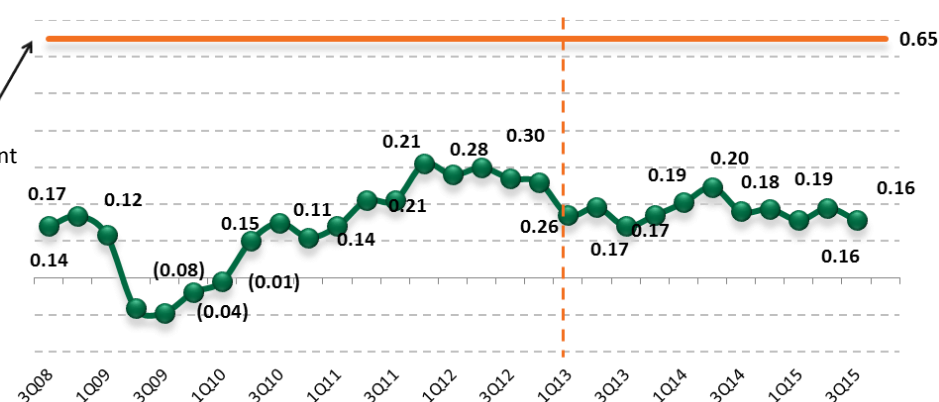
(R\$ million)	Balance Due Sep/15	Balance Due / Total (%)	Average Cost
CDI	1,569	68.5%	CDI + 1.5%
TR	714	31.2%	TR + 8.0%
Others (fixed rate)	6	0.3%	5.3%
<b>Total</b>	<b>2,289</b>	<b>100.0%</b>	<b>13.82%</b>

$$\left( \frac{\text{Receivables} + \text{Unearned Revenue} + \text{Inventories}}{\text{Net Debt} + \text{Properties payable} + \text{Unearned Cost}} \right) > 1,6$$

$$\left( \frac{\text{Net Debt} + \text{Properties payable}}{\text{Net Equity}} \right) < 0,65$$



Covenant

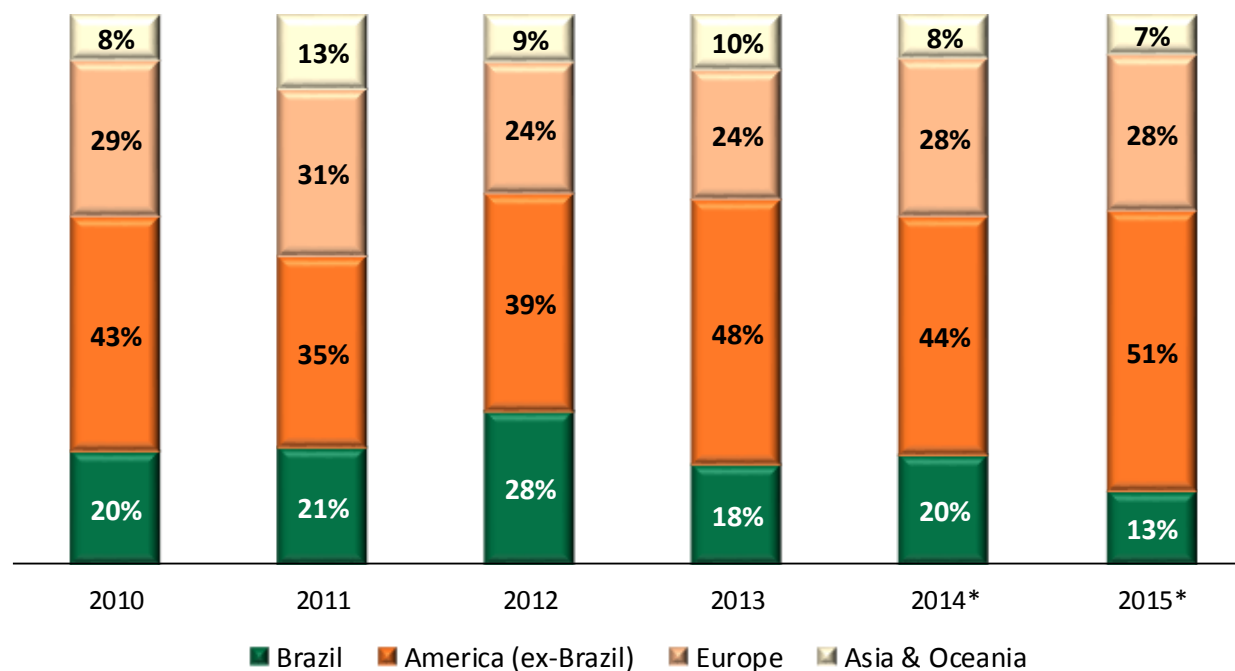


Covenants: 1Q08 to 4Q12 – Proportional consolidation; 1Q13 to 3Q15 – CPC 19 – IFRS 11.  
Note: "Net Debt" excludes SFH financing. "Properties payable" excludes land part relative to swap



## MRV's Shareholders base

Shareholders' base by region  
% of Free float



Source: MRV

\*: Annual shareholders's base average; Last update: September 30, 2015.



## Analysts Estimates – Consensus

Estimates - Analysts Consensus (R\$ million)			
	2015	2016	# institutions
Launches	4,295	4,429	13
Pre-sales	4,497	4,583	6
Net pre-sales	4,176	4,482	7
Net Revenue	4,470	4,517	15
Gross Profit	1,285	1,308	14
Gross Margin	29.3%	29.4%	14
Gross Profit ex-interests	1,320	1,201	2
Gross Margin ex-interests	30.8%	28.0%	2
Net Income	503	540	15
Net Margin	11.2%	11.9%	15
EPS	1.1	1.2	12
ROE	11.3%	11.6%	13
EV/EBITDA	6.4	5.3	9

\*Updated on: November 17, 2015

\* Numbers do not consider the fair value gain from LOG.

Institutions: Bradesco, BTG Pactual, Citi, Credit Suisse, Goldman Sachs, Itaú, JP Morgan, Bank of America Merrill Lynch, Morgan Stanley, Santander, Votorantim, BES, Fator, HSBC e Banco do Brasil.





# Market Opportunities & Company's Strategy



## Housing Sector – Launches and Pre-Sales

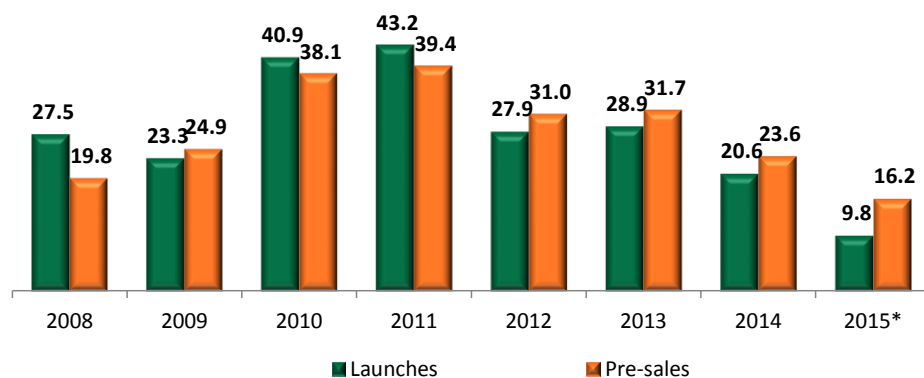
### 2012 shows activity deceleration

Accumulated INCC  
2008 to 9M15: 42.9%

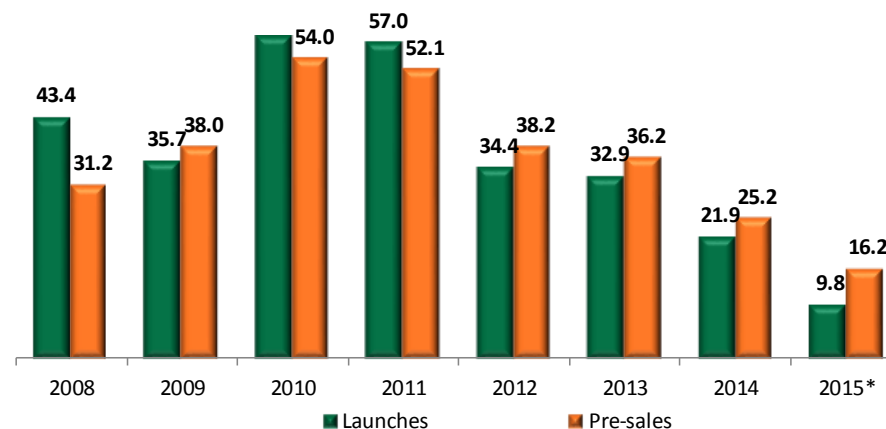
#### Launches x Pre-Sales

(R\$ billion – %company)

#### Nominal Values



#### Inflated Value



2015\*: 3Q15 annualized

Source: Company reports – MRV, Cyrela, Gafisa, PDG, Rossi, Brookfield (up to 9M14), CCDI (up to 2011), Viver, Even, Rodobens, Trisul, Tecnisa, Direcional, Eztec, Helbor, JHSF, João Fortes, CR2.



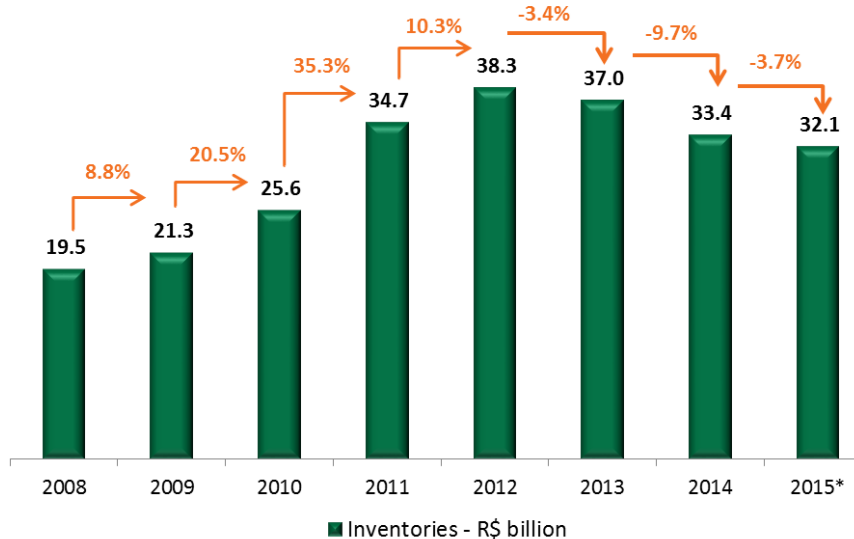
## Housing Sector – Stock

From 2008 to 2014 the sector's inventory grew 15.4% (Inflated Value)

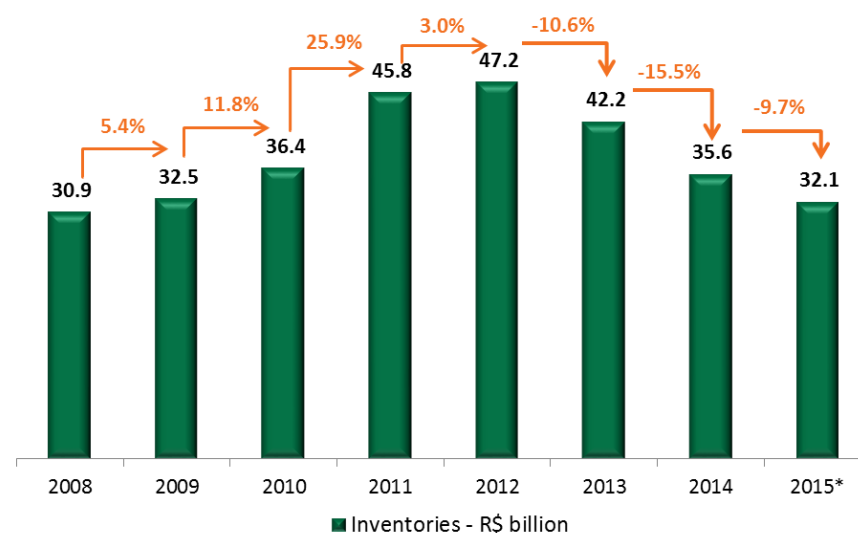
Accumulated INCC  
2008 to 9M15: 55.8%

**Inventories**  
(R\$ billion – %company)

### Nominal Values



### Inflated Value



2015\*: 9M15

Source: Company reports – MRV, Cyrela, Gafisa, PDG, Rossi, Brookfield (up to 9M14), CCDI (up to 2011), Viver, Even, Rodobens, Trisul, Tecnisa, Direcional, Eztec, Helbor, JHSF, João Fortes, CR2.

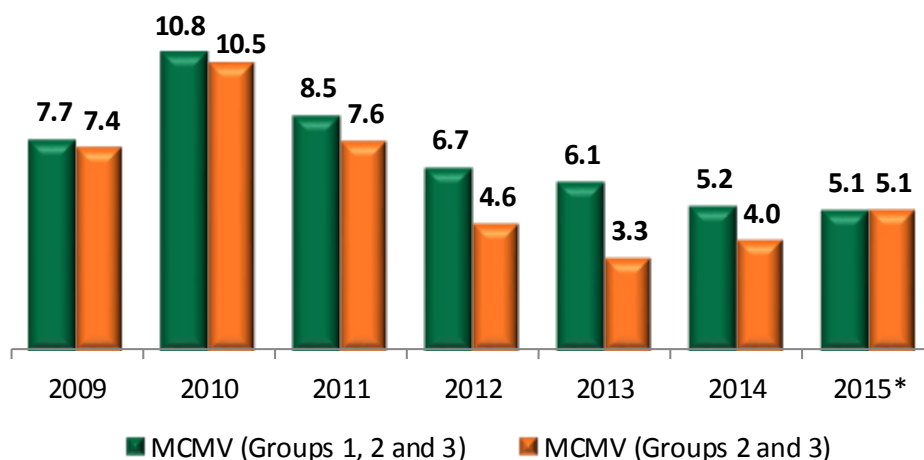


## Reduced Competition in the Low Income Segment ...

### Lower Competition in the MCMV Program

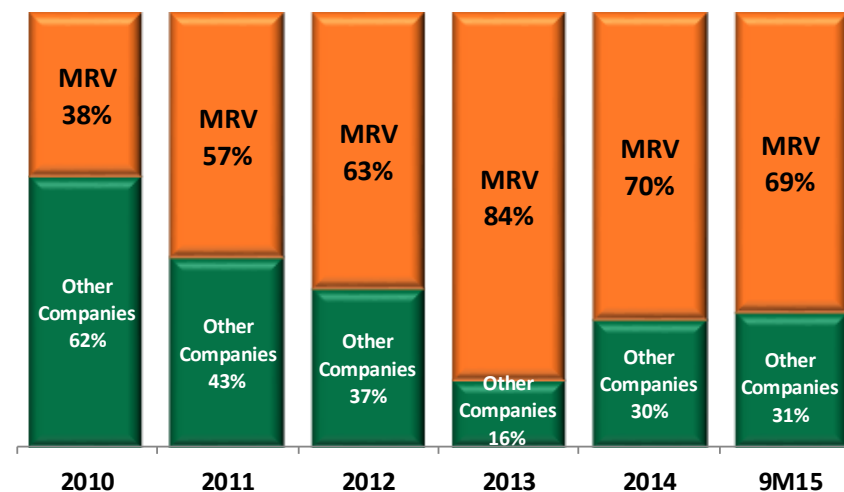
#### Launches Eligible to MCMV

(R\$ billion) (Groups II and III)



#### Change of % of launched units in MCMV

(Groups II and III)



- Other companies: Direcional, PDG, Gafisa, Cyrela, Rodobens, Rossi, Brookfield, CCDI, EVEN, EZ TEC, TECNISA, TRISUL, VIVER and Helbor.

2015\*: 3Q15 annualised

Note: The data are estimated and based on the listed Companies' earnings releases.

Source: Company reports – MRV, Cyrela, Gafisa, PDG, Rossi, Brookfield (up to 9M14), CCDI (up to 2011), Viver, Even, Rodobens, Trisul, Tecnisa, Direcional, Eztec, Helbor, JHSF, João Fortes, CR2.



## Financing Amortization Systems

	PRICE
Family Income	R\$ 2,000
Loan to value	80%
Interest Rates	4.6%
<b>Unit Price</b>	<b>R\$ 140,000</b>
Subsidy*	R\$ 12,500
FGTS*	R\$ 2,600
Down Payment*	R\$ 12,900
<b>Financed value</b>	<b>R\$ 112,000</b>
First Installment	R\$ 579.04

**84% of MRV's sales  
are made through  
PRICE system\***

\* As of September 30, 2015

Note:

Simulation of a new apartment acquisition in São Paulo / SP.

Source: Housing Simulator of Caixa Econômica Federal.

### SAC – Constant Amortization System

Fixed monthly financing amortization and decreasing installments.

### PRICE – Constant Installments

Increasing monthly financing amortization and constant installments.



# MCMV



## The program Minha Casa, Minha Vida (“My House, My Life”)



	MCMV 1 <sup>3</sup> (Abril/09 - Dez/10)		MCMV 2 <sup>3</sup> (Jan/11 - Dez/14)		MCMV 3 - under approval (2016)	
Program Resources (R\$ billion)	34.0		72.6		4.8 <sup>2</sup>	
Units to be built	1,000,000		3,100,000 <sup>1</sup>		400,000 <sup>2</sup>	
	<b>Monthly income</b>	<b>Units</b>	<b>Monthly income</b>	<b>Units</b>	<b>Monthly income</b>	<b>Units</b>
Group I	Up to R\$1,395	400,000	Up to R\$1,600	160,000	Up to R\$1,800	Not announced
Group 1.5	-	-	-	-	Up to R\$2,350	80,000
Group 2	Up to R\$2,790	400,000	Up to R\$3,275	600,000	Up to R\$2,700	250,000
					Up to R\$3,600	250,000
Group 3	Up to R\$4,650	200,000	Up to R\$5,000	200,000	Up to R\$6,500	70,000
Target (term)		Dec-10		Ongoing		Dec/19
Duration		2 years		-		4 years

<sup>1</sup> Included 350,000 units added on September 2014.

<sup>2</sup> Amounts refers to budget of 2016.

<sup>3</sup> MCMV 1 and 2: Amounts referring to each program.

Cost of Financing						
MCMV 2			MCMV 3 - under approval			
	Monthly income	Interest rate		Monthly income	Price Cap	Interest rate
Group 1	Up to R\$1,600	4.0% + TR	Group 1	Up to R\$1,800	Not announced	Not announced
			Group 1.5	Up to R\$ 2,350	R\$ 135,000	5.0% + TR
				Up to R\$ 2,350	R\$ 225,000	5.5% + TR
Group 2	Up to R\$2,455	5.0% + TR	Group 2	Up to R\$2,700	R\$ 225,000	6.0% + TR
	Up to R\$3,275	6.0% + TR		Up to R\$3,600	R\$ 225,000	7.0% + TR
Group 3	Up to R\$5,000	7.16% + TR	Group 3	Up to R\$6,500	R\$ 225,000	8.16% + TR

**MCMV3: Group 1.5 will have subsidies up to R\$ 45,000**

**Group 2 will have subsidies up to R\$ 27,500**





## The program Minha Casa, Minha Vida (“My House, My Life”): Subsidies



MCMV2				MCMV3		
Subsidies				Subsidies		
Group	Monthly income	Metropolitan regions of SP, RJ, DF	Other cities	Monthly income	Metropolitan regions of SP, RJ, DF	Other cities
Group 1	Up to R\$1,600	R\$ 25,000	R\$ 17,960	Up to R\$1,800	Not announced	Not announced
Group 1.5	-	-	-	Up to R\$2,350	R\$ 45,000	R\$ 40,000
Group 2	Up to R\$2,325	R\$ 25,000	R\$ 17,960	Up to R\$2,700	R\$ 27,500	R\$ 25,000
	Up to R\$2,790	R\$ 10,783	R\$ 2,113			
	Up to R\$3,275	R\$ 2,113	R\$ 2,113			
Group 3	Up to R\$5,000	R\$ 0,000	R\$ 0,000	Up to R\$6,500	R\$ 0,000	R\$ 0,000

\*MCMV3: under approval.



## Resources invested in the program

- ✓ Group I – According to Ministry of Planning Budget (PAC)
- ✓ Group II – According to FGTS

	MCMV I (Apr/2009 - Dec/2010)			MCMV II (Jan/2011 - Dec/2014)		
Program Groups	Family Income	Contracted Units	Resources * (R\$ million)	Family Income	Units up to Dec./2014	Resources * (R\$ million)
Group I	Up to R\$1,395	482,741	R\$ 17,999 (OGU)	Up to R\$1,600	1,226,605	R\$ 63,158 (OGU)
Group II	From R\$1,395 to R\$2,790	375,764	R\$ 2,047 (OGU) + R\$ 2,764 (Complement) + R\$ 2.391 (Interest Subsidy)	From R\$1,600 to R\$3,275	1,224,714	R\$ 5,037 (OGU) + R\$ 10,681 (Complement) + R\$ 7,822 (Interest Subsidy)
Group III	From R\$2,790 to R\$4,650	146,623	0	From R\$3,275 to R\$5,000	307,152	0
<b>TOTAL</b>		<b>1,005,128</b>	<b>R\$ 25,201</b>		<b>2,758,471</b>	<b>R\$ 86,698</b>

\* Group II: Subsidy has contribution of 17.5% from National Treasury and 82.5% from FGTS.  
 - FGTS has complementary subsidies (up to R\$ 25,000 per unit) + Interest Rates subsidy.  
 - OGU: National General Budget



## Minha Casa, Minha Vida



MRV has the leadership on the Government Program and good relationship with CEF

### Minha Casa Minha Vida 1 (2009-2010)

MCMV 1 (2009-2010)			
	Total	MRV	%
<b>Contracted Units</b>	<b>1,005,128</b>	<b>50,384</b>	<b>5%</b>
Group I	482,741	0	0%
Groups II and III	522,387	50,384	10%

### Minha Casa Minha Vida 2 (2011-2014)

MCMV 2 (2011 - 06/30/2015)			
	Total	MRV	%
<b>Contracted Units</b>	<b>2,952,064</b>	<b>171,990</b>	<b>6%</b>
Group I	1,234,020	3,180	0%
Groups II and III	1,718,044	168,810	10%

Source: Ministério das Cidades – 06/30/2015

### Ranking MCMV

	Total Contracts (R\$ million)	Nr of Projects	Average (R\$ million)
<b>MRV ENGENHARIA</b>	<b>6,553</b>	<b>519</b>	<b>12.6</b>
DIRECIONAL ENGENHARIA	3,900	50	78.0
EMCCAMP	2,233	71	31.5
CURY CONSTRUTORA	1,900	60	31.7
SERTENGE SERVIÇOS	1,462	58	25.2
CONSTRUTORA TENDA	1,715	137	12.5
GRÁFICO ENGENHARIA	1,073	38	28.2
HF ENGENHARIA	934	28	33.3
CONSTRUTORA EMCASA	860	26	33.1
CANOPUS	846	46	18.4
BROOKFIELD	945	39	24.2
NOVOLAR	895	34	26.3
CASALTA CONSTRUÇÕES	779	56	13.9
AURORA CONSTRUTORA	651	44	14.8
AMORIM COUTINHO	596	30	19.9
L MARQUEZZO	667	46	14.5
BAIRRO NOVO	669	35	19.1
JC GONTIJO	862	7	123.1
REALIZA	674	33	20.4
CCM CONSTRUTORA	682	22	31.0

Source: Ministério das Cidades – Jul/2009 to Apr/14



## MCMV contributed to the reduction of housing deficit in Brazil

### Study from FGV: "Permanent Policies for Housing"

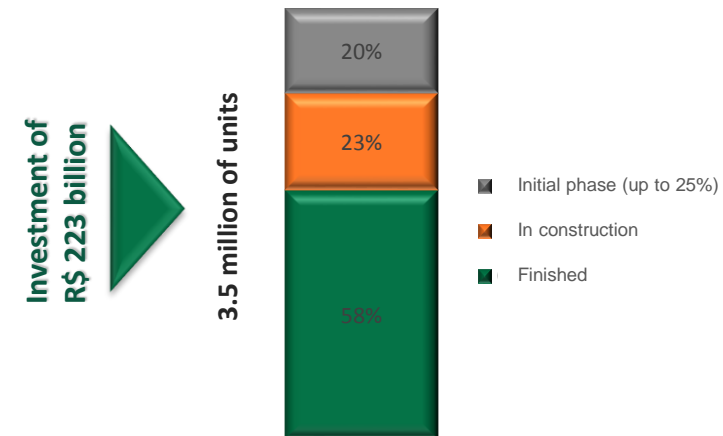
In 5 years of operation, the MCMV:

- Generated important results for the Brazilian economy.
- Contributed to reduce the housing deficit (- **8.04%** from 2009 to 2012).

### DEMAND FOR HOUSING



Pre-sold units up to Jul/2014



MCMV Pre-sold units

### STATE POLICY - Challenges:

- Land price
- Allocation of areas for housing of social interest
- Work force qualification
- Improvement of the construction productivity

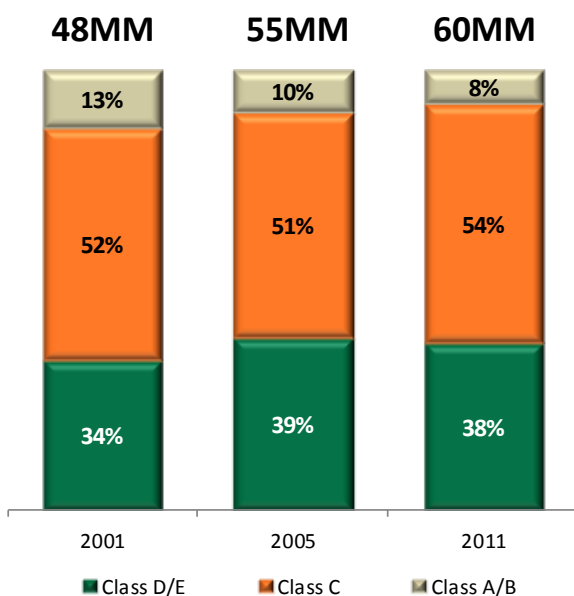


# BRAZILIAN ECONOMY / HOMEBUILDING INDUSTRY



## Structural Demand is there!

**Families per Income Level**



Source : IBGE, 2012

Class A/B: Above 10 M.W.

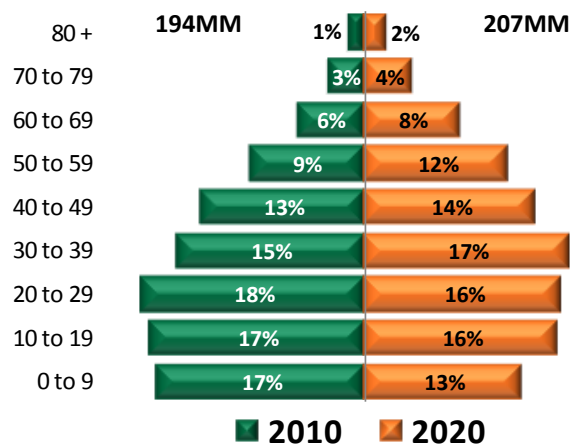
Class C: 2 to 10 M.W.

Class D/E: up to 2 M.W.

M.W. – minimum wages: lowest monthly remuneration that employers must legally pay to workers.

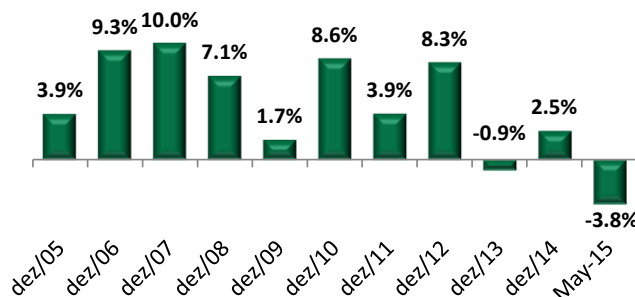
2015 M. W.: R\$ 788.00

**Population per Age Group**



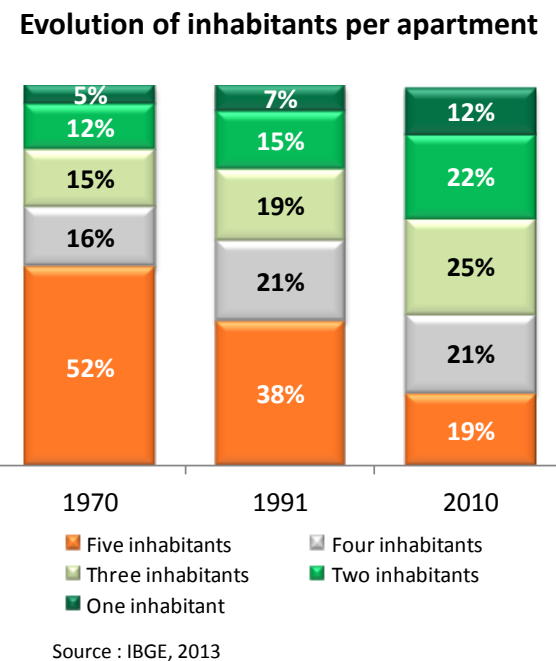
Source : IBGE, 2013

**Real Salary Growth**



Source : IBGE, May 2015

**Smaller families = higher demand**



Source : IBGE, 2013

**Growth, regardless of government program**

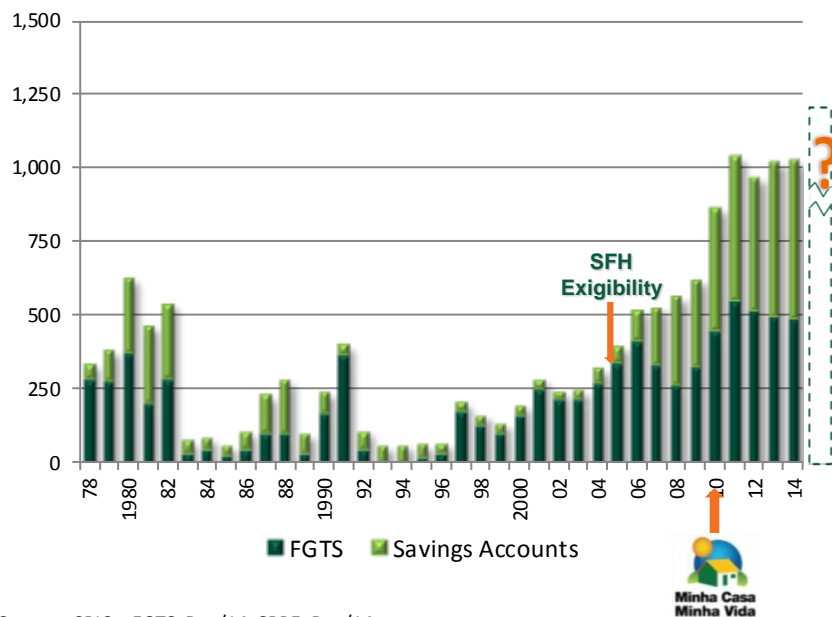




## Credit Supply and stable Economy: keys to the industry's success!



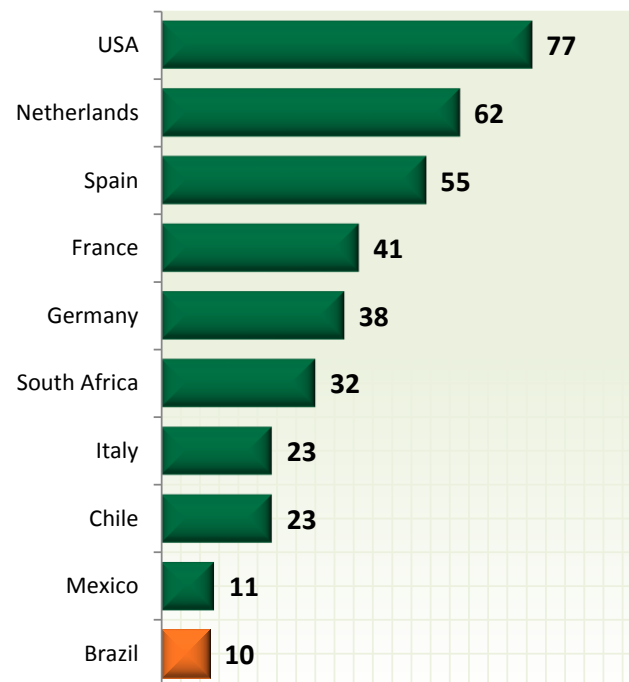
Units (thousand) financed by FGTS (Public Pension Fund)  
+ SBPE (Savings Accounts)



Source : CBIC – FGTS: Dec/14; SBPE: Dec/14

### Mortgage

Real Estate Financing as % of GDP



Source : BCB, Dec/14 and Presentation from Itaú, Jun/15.

**Increase in mortgage offer**

**Housing Deficit of 5.8 million of units in 2012**



## SFH (Brazilian Housing Finance System)

### Contributors

Employers

Until 05/03/2012:  
6% per year+TR

After 05/03/2012:

If SELIC > 8.5% p.a.: TR + 6% p.a.  
If SELIC ≤ 8.5% p.a.: 70% of  
SELIC rate + TR

Savings  
deposits

R\$ 499 billion  
(Set/15)

Other  
Sources

### Source of Funding

3% per year+TR

FGTS

R\$ 438 billion  
(Jun/14)

CEF  
Infrastructure

FGTS  
resources

SBPE  
resources

SFH

80%

Mortgage  
lending

65%

Reserve  
Requirements

30%<sup>3</sup>

Resources  
Available

5%

Outside  
SFH

20%

Loans at market  
rates

From 4% to  
7.16% +TR

Borrowers

From 9.4%<sup>1</sup>  
to 12% +TR

Borrowers

Starting from  
11.0%<sup>2</sup> + TR

Borrowers

Starting from 10%<sup>2</sup> + TR

Borrowers

### Unit Prices

Units up to  
R\$190,000

Units from  
R\$190,000 to  
R\$750,000\*

Units starting  
from  
R\$650,000\*

Notas:

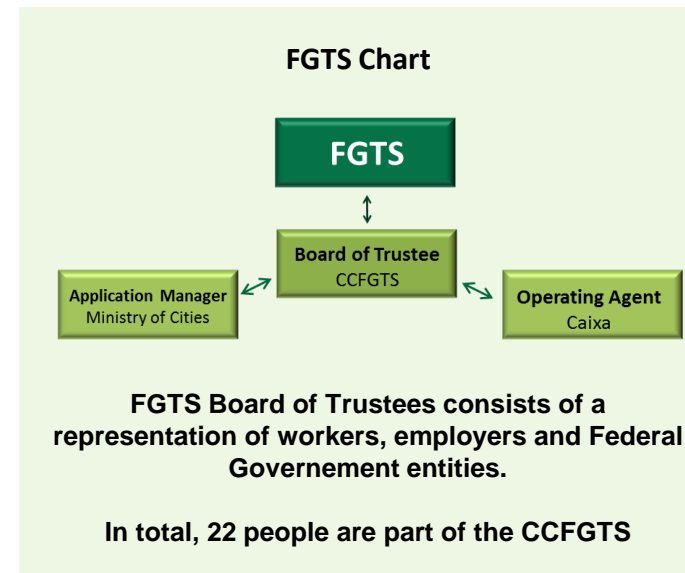
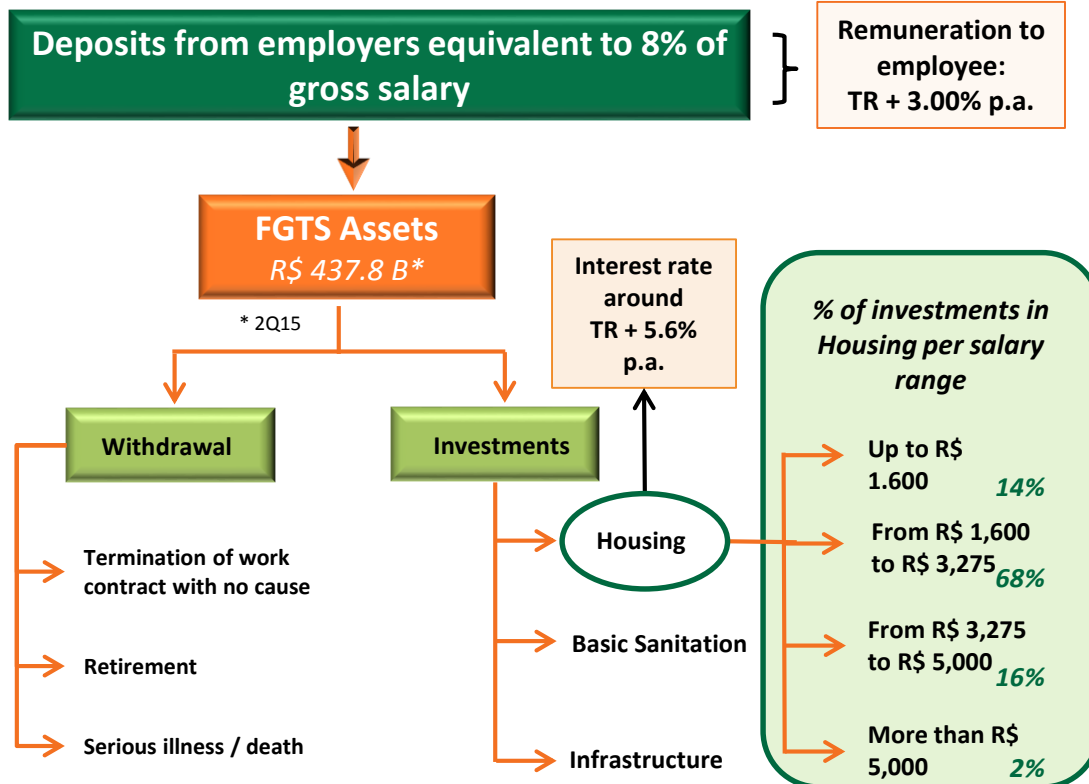
- 1) If the client has a salary account in CEF the interest rate can reach 9.0%+TR. In BB it can reach 9.65%+TR.
- 2) If the client has a salary account in the bank, the interest rate can reach 10.7%+TR.
- 3) 20% for compulsory deposit (remunerated by SELIC) and 10% for additional compulsory (corrected by TR)

\* States of DF, MG, RJ, SP: R\$ 750,000; other states: R\$ 650,000.



## FGTS

- ✓ Created in 1967, the “Fundo de Garantia de Tempo de Serviço” (FGTS) seeks to protect the worker through assistance in cases of:
  - Unfair dismissal
  - Serious illness
  - Emergencies
- ✓ The worker can withdrawal it in cases of emergencies or to acquire/amortize real state.
- ✓ The funds are also used in housing, basic sanitation and infrastructure investments.

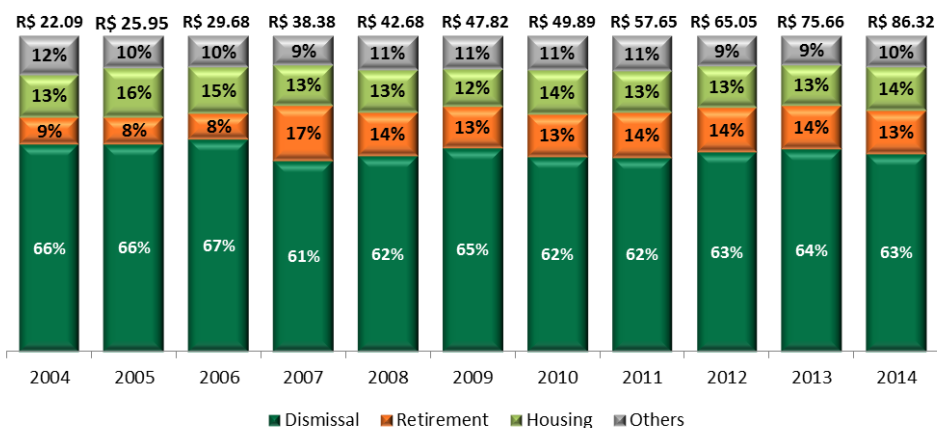


**86% of the investments were directed to financing units that meet the profile of MRV's clients**



## FGTS

### Withdrawals by Type (billion)

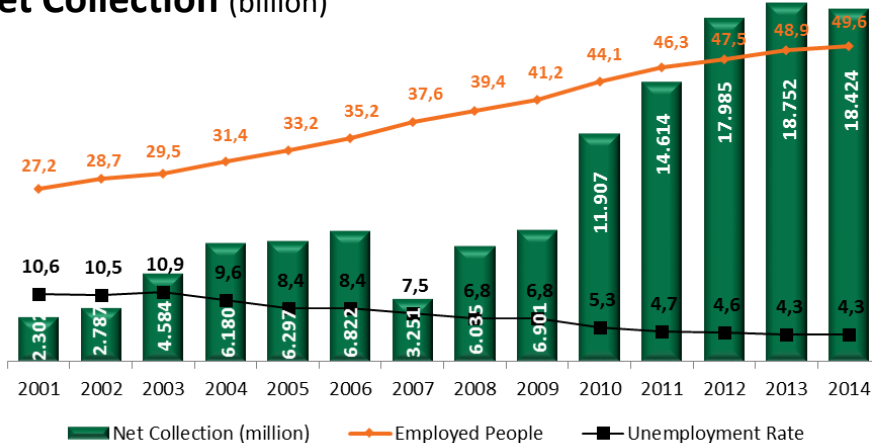


Investments projection of R\$ 203.9 billion in housing until 2018

### FGTS Budget (billion)



### Net Collection (billion)



Obs: In 2007, retirement withdrawals increased significantly due to the spontaneous retirement approval by Federal Supreme Court, reducing the net collection in the period.



## The impact of tighter Monetary Policy on Real Estate Loans is not so relevant...

### Assumptions:

- ▼ Unit value: R\$ 140,000
- ▼ LTV: 80%
- ▼ Income: R\$ 2,000

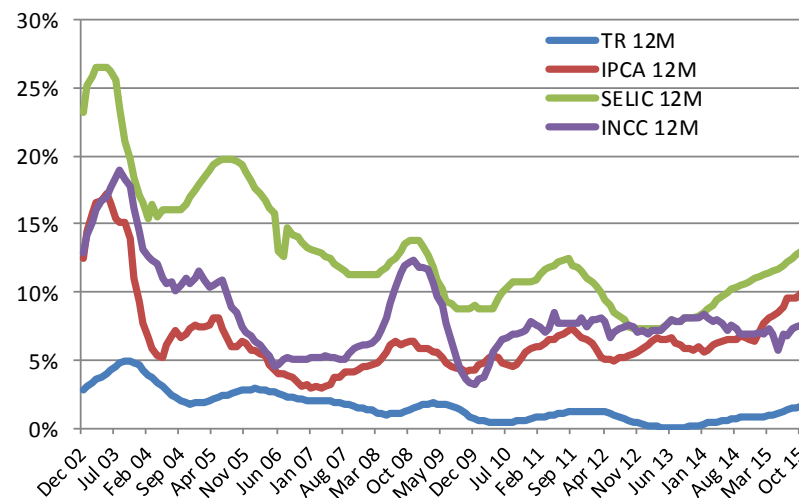
### Monthly Installments (R\$)\*

#### FGTS

Real Interest Rate (% p.a.)	Interest Rate	TR a.a.	Nominal Rate	Price			
				20	% Income	30	% Income
	4.50%	0.60%	5.10%	777.93	38.9%	640.98	32.0%
	4.50%	1.21%	5.71%	816.08	40.8%	683.31	34.2%
	4.50%	1.81%	6.31%	855.43	42.8%	727.16	36.4%
	4.50%	2.43%	6.93%	895.99	44.8%	772.47	38.6%

\* 13th Installment

### Interest rates and Inflation



Source: IBGE, BCB, FGV – September 2015

**FGTS's remuneration of 3%p.a.+ TR allows the low interest rates on mortgages**

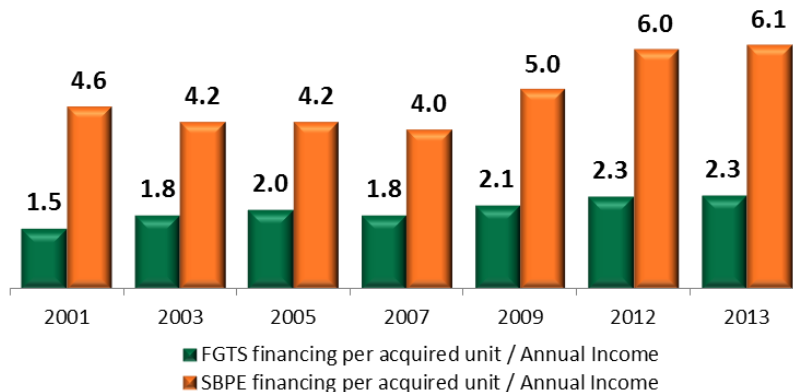
▼ INCC = Construction Inflation Index

▼ IPCA = Brazilian Official Inflation Rate

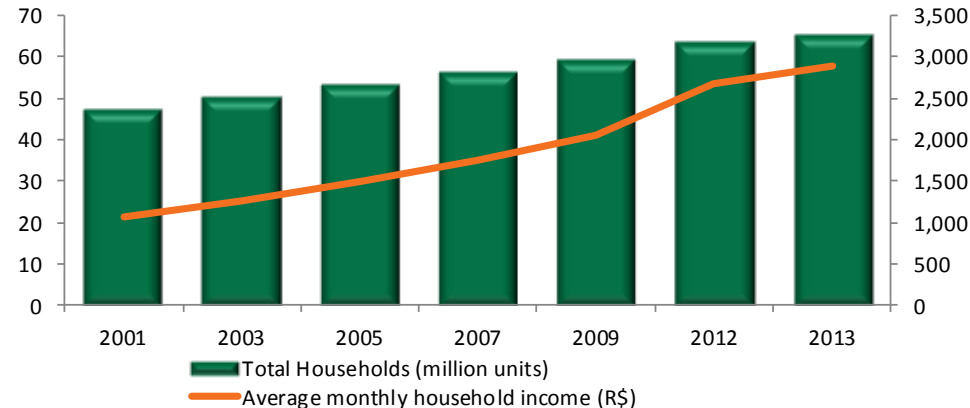


## Housing Credit & Household

**Financing per acquired unit x  
Annual Family Income**



**Number of households x  
Annual Family Income**



	2001	2003	2005	2007	2009	2012	2013
Total Population (thousand)	171,791	176,582	184,865	188,975	193,163	198,806	200,607
Average monthly household income (R\$)	1,075	1,267	1,503	1,758	2,056	2,669	2,876
Average annual household income (R\$)	12,900	15,204	18,036	21,096	24,672	32,028	34,512
Total Households (million units)	47	50	53	56	59	64	65
FGTS financing for new acquired units (R\$)	19,628	28,109	35,541	38,844	51,611	74,138	80,615
FGTS financing per acquired unit / Annual Income	1.5	1.8	2.0	1.8	2.1	2.3	2.3
SBPE financing for new acquired units (R\$)	58,934	63,628	75,464	84,100	122,970	191,801	210,802
SBPE financing per acquired unit / Annual Income	4.6	4.2	4.2	4.0	5.0	6.0	6.1

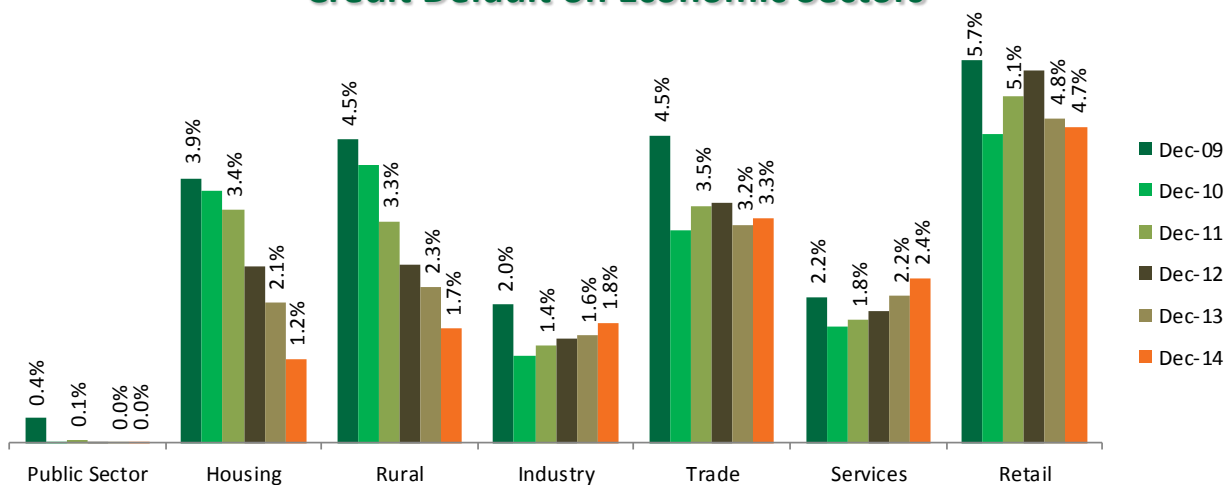




## Housing Credit

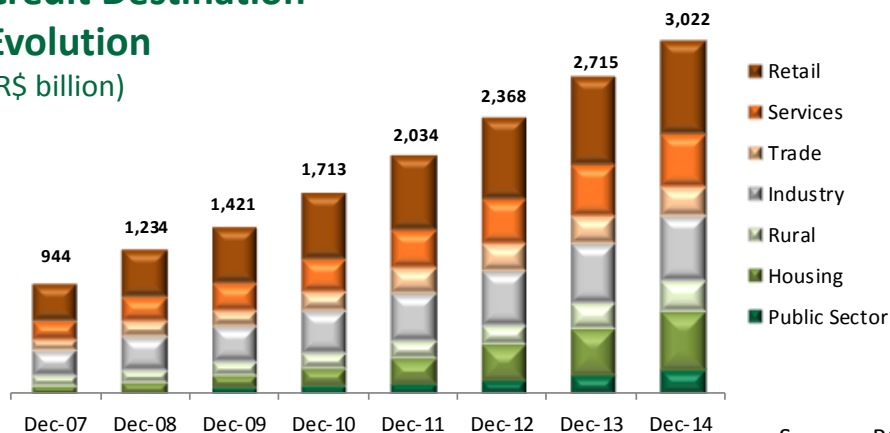
17% of the Credit has the Housing Sector as destination, covering construction, renovation or acquisition of residential units.

### Credit Default on Economic Sectors

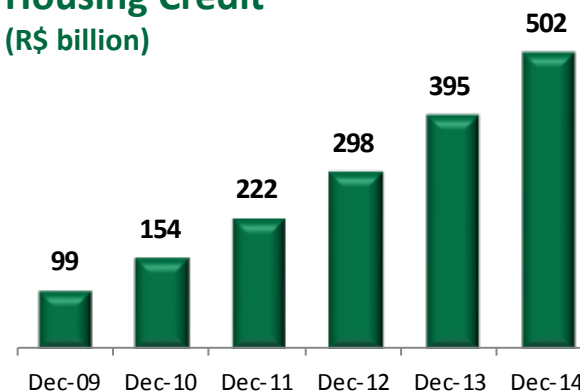


\*Default: Payments more than 180 day late.

### Credit Destination Evolution (R\$ billion)

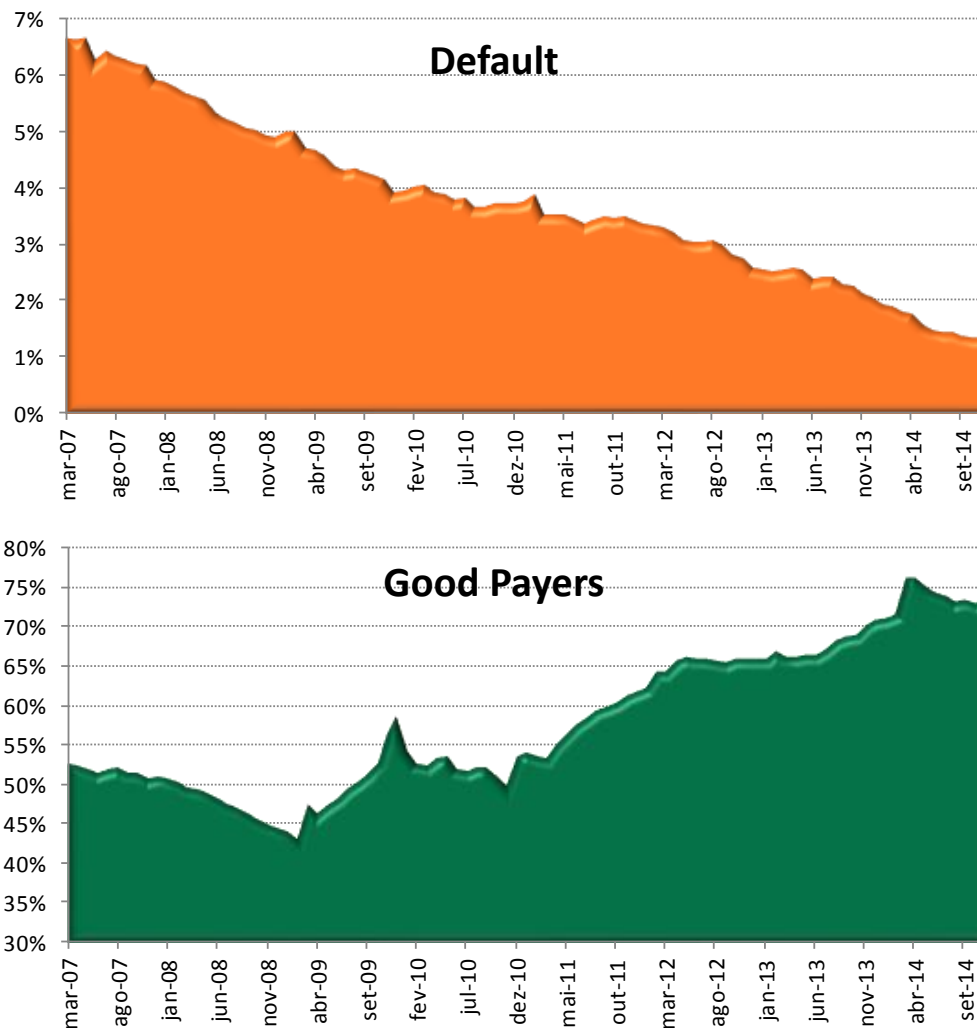


### Housing Credit (R\$ billion)





## Housing Credit



\* Default: Payments more than 180 day late.  
 \*\* Good Payers : Payments without default or payments less than 15 days late.



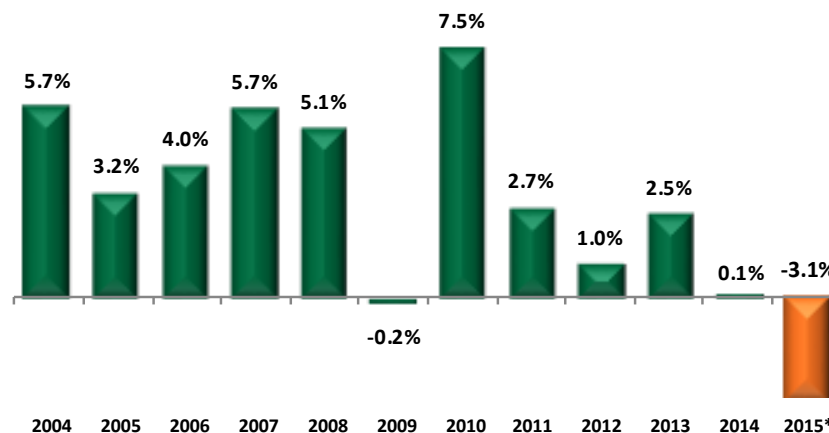
## RET – Special Tax Regime

RET	Special Taxation 6% (up to 2012)	Special Taxation 4% (as of 2013)	Special Taxation 1%	Presumed Income	Taxable Income
<b>PIS / COFINS</b>					
Basis of calculation	Gross revenue received from real estate activities	Gross revenue received from real estate activities	Gross revenue received from real estate activities	Gross revenue received from real estate activities and other revenues	Gross revenue received from real estate activities and other revenues
Rate	3.13%	2.08%	0.53%	3.65%	9.25%
<b>IRPJ/CSLL</b>					
Basis of calculation	Gross revenue received from real estate activities	Gross revenue received from real estate activities	Gross revenue received from real estate activities	Gross revenue received from real estate activities	Adjusted net income. Gross profit in the real estate is taxed as received.
Rate	2.87%	1.92%	0.47%	3.08%	34.00%
<b>TOTAL</b>	<b>6.00%</b>	<b>4.00%</b>	<b>1.00%</b>	<b>6.73%</b>	
<b>Additional Comments</b>					
	Taxation of project subject to "Patrimônio de Afetação"	Taxation of project subject to "Patrimônio de Afetação"	Taxation of project subject to "Patrimônio de Afetação". Only units up to R\$100k and eligible to MCMV are subject to 1%. (Price increase from R\$85k to R\$100k in December 2012)	-	Possibility to establish credit on some costs. Credit estimated at 3.75% of revenue received
	Other revenues are taxed by the tax regime of the developer	Other revenues are taxed by the tax regime of the developer	Other revenues are taxed by the tax regime of the developer	-	-



## Brazilian Economic Outlook

GDP Growth (% yoy)



Indexes	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Nominal GDP (R\$ trillion)	2.369	2.661	3.032	3.185	3.675	4.158	4.403	5.158	5.521	n.d
Real GDP Growth	4.0%	6.1%	5.2%	-0.3%	7.5%	2.7%	0.9%	2.7%	0.1%	-3.1%
Unemployment rate (YTD)	10.0%	9.3%	7.9%	8.1%	6.7%	6.1%	5.5%	5.4%	4.8%	7.6%
Bank Credit (% GDP)	30.7%	33.4%	40.8%	44.4%	46.4%	50.2%	54.2%	56.1%	58.0%	55.0%
Inflation (IPCA)	3.1%	4.5%	5.9%	4.3%	5.9%	6.5%	5.8%	5.7%	6.4%	10.4%
Nominal Interest Rate - TR	2.0%	1.4%	1.6%	0.7%	0.7%	1.2%	0.3%	0.2%	0.9%	1.7%
INCC (Construction inflation)	5.0%	6.2%	11.9%	3.3%	7.8%	7.5%	7.1%	8.1%	6.9%	7.3%
Average Central Bank Target Rate (Selic)	15.3%	12.0%	12.4%	10.0%	9.8%	11.7%	8.5%	8.4%	11.0%	13.6%

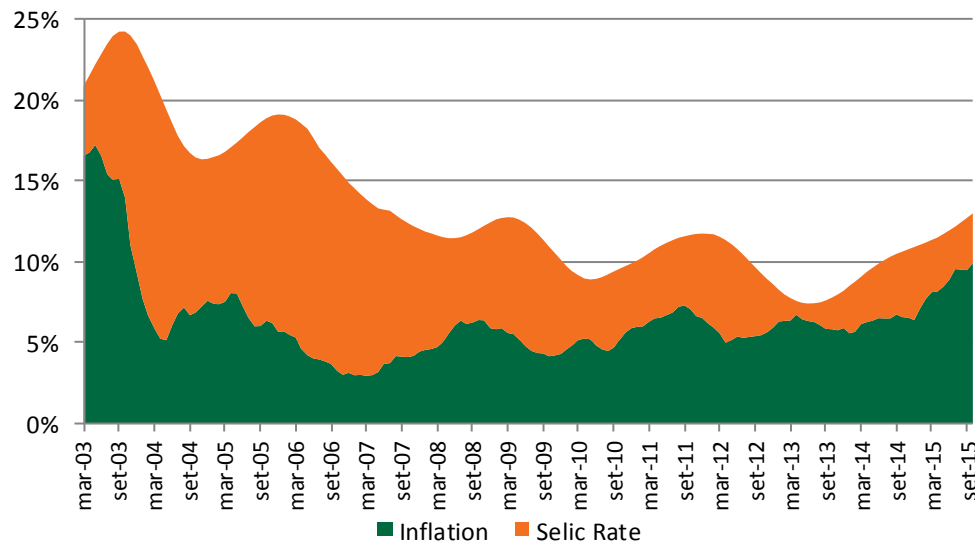
Source: IBGE - Sep/2015; BCB - Oct/2015; FGV e CMN - Oct/2015

\* Estimates : BCB - Focus Report - November 13, 2015

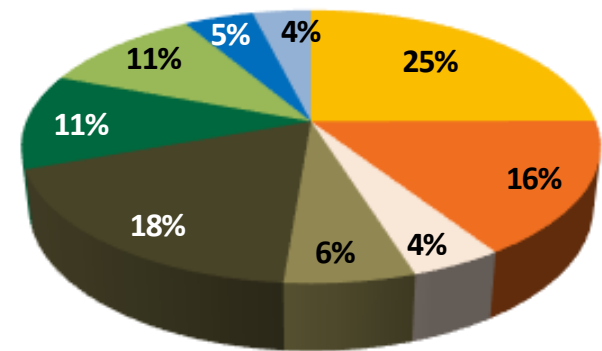


## Brazilian Economic Outlook

**SELIC – Central Bank Target Rate and  
IPCA - Consumer Price Index**



**Inflation – IPCA  
(Consumer Price Index)**



Food and beverage

Housing

Household items

Clothing

Transport

Health and personal care

Personal expenses

Education

Communication

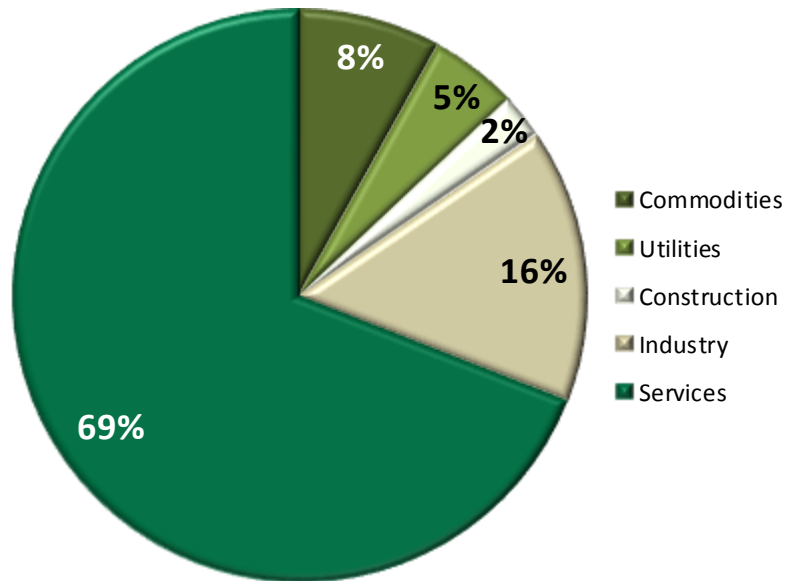
Source: IBGE  
As of August 2015.



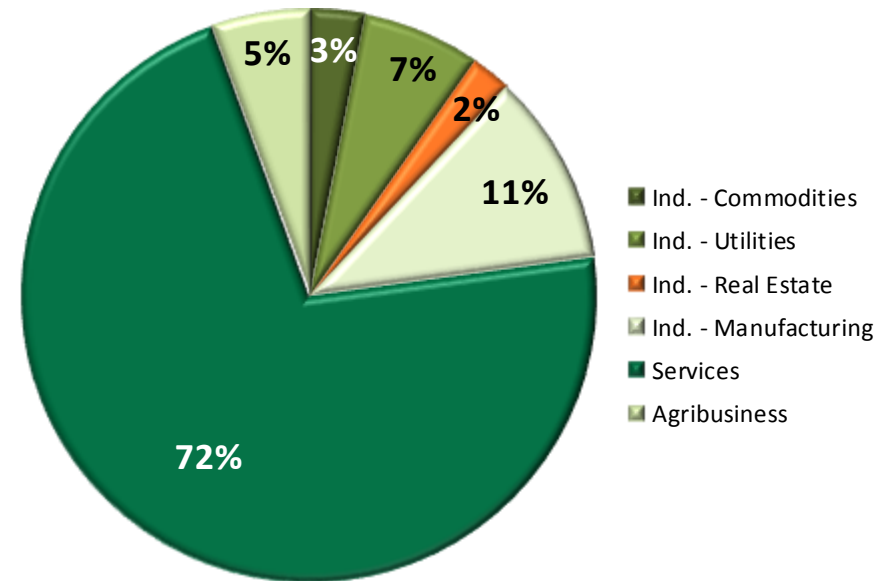
## Brazilian Economic Outlook

A misconception about the Brazilian economy is that its performance is heavily dependent on global commodity markets. The statement is correct for the stock market, but not for the real economy.

Composition of Bovespa index, by Weight<sup>(1)</sup>



Composition of Brazilian GDP, by Sector<sup>(2)</sup>



Note:

(1) Source: BM&F Bovespa (Sep - Dec 2015)

(2) Source: IBGE (excl. taxes, considering GDP Jul/14-Jun/15)





# BUSINESS AREAS



## Corporate Governance – Committees

---

### ▼ Risks and Compliance Committee

- Evaluate and to monitor Company's risk exposures, monitoring and supervising the risk management process.
- Comprised of Chairman, two Chief Executive Officers and two Chief Officers.

### ▼ Governance, Ethics and Sustainability Committee

- Ensure and to disseminate the Company's commitment to management based on the pillars of corporate governance, sustainability and corporate ethics
- Comprised of Chairman, two Chief Executive Officers and two Chief Officers.

### ▼ Human Resources Committee

- Evaluate and to propose improvements to people development, training, remuneration, benefits, incentives and talents retention methods
- Comprised of Chairman, two Chief Executive Officers, one Chief Officer and one Board of Directors member.

### ▼ Commercial and Credit Committee

- Define the commercial and real estate financing strategy of the Company, composed, among others, sales mix, pricing, team profile, market agents mix, etc.
- Comprised of Chairman, two Chief Executive Officers, three Chief Officers and one Director.

### ▼ Real Estate Development Committee

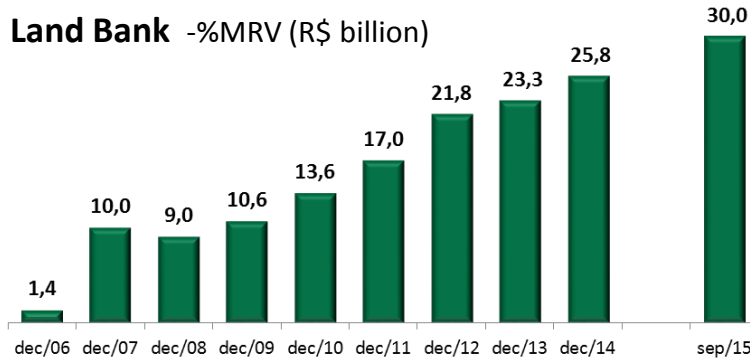
- Define strategies of geographical expansion of the Company's activities and land acquisitions.
- Comprised of Chairman, two Chief Executive Officers and one Chief Officer.

### ▼ Production Committee

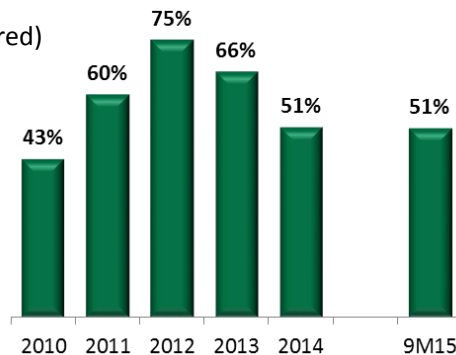
- Ensure the correct production planning and control, evaluating the several elements that need to be managed and their respective impacts, so the Company's goals can be reached.
- Comprised of Chairman, two Chief Executive Officers and one Chief Officer.



## Development



## % of Swaps – (% MRV Land acquired)



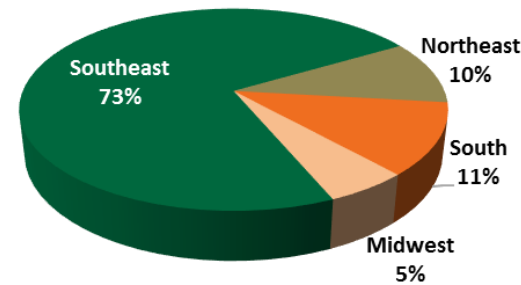
### Reduced competition allows us to:

- ✓ Maintain the % of Swap
- ✓ Dilating installment payments



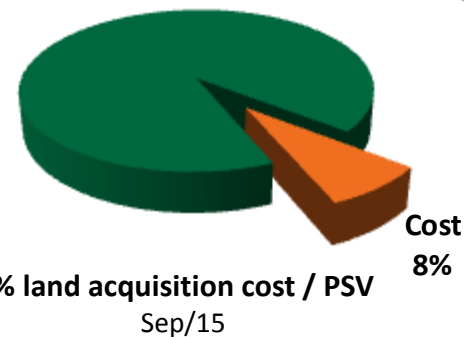
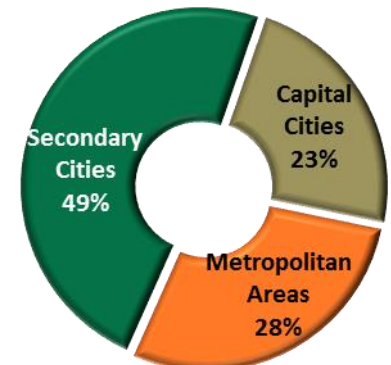
**OPTIMIZATION  
OF CASH FLOW**

## Real Estate Development – Land Bank



**Geographical distribution  
of land bank  
By Brazilian Region  
Sep/15 (R\$)**

**Geographical distribution  
of land bank  
Sep/15 (R\$)**



**% land acquisition cost / PSV  
Sep/15**



## Development

## Development Strategy

Market research and analysis

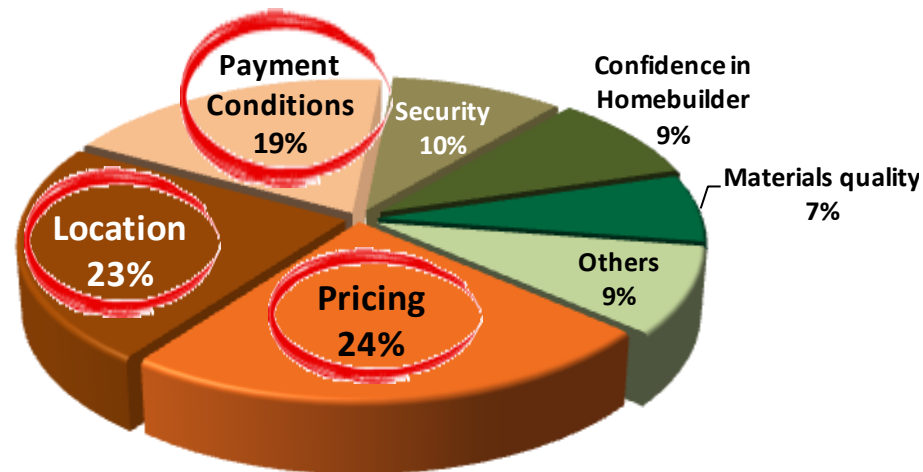


Demography,  
Income,  
Expectations, etc



- Land acquisition
- Development phase
- Sales strategy

What are our clients looking for?



Client oriented strategy





## Development

## Landbank and Project location



Recife, PE – 860 units



Taguatinga, DF – 2,748 units



Cuiabá, MT – 912 units



Valparaíso de Goiás, GO – 2,256 units



## Production



Precast Slabs



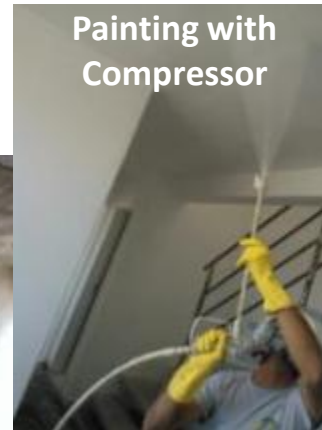
Kit Central



Hoisted Slab



Shaft



Painting with  
Compressor



Metallic Panels

## New Technologies

### Standardization, Mechanization and Intelligent Processes

- ✔ Less labor
- ✔ Less waste
- ✔ Production rationalization increase
- ✔ More organization at the site
- ✔ Project Standardization
- ✔ Faster Production
- ✔ Strategic Equipment team
- ✔ Project Simplification
- ✔ Economically feasible
- ✔ More environmentally sustainable
- ✔ More safety at work





## Production

## Mechanization of the Construction Sites

- ▼ Strategic Procurement Team
- ▼ Construction Sites Mechanization

↳ **R\$ 57.8 MM investment in purchases  
(since July 2007)**



Front Shovel



Telescopic Handler



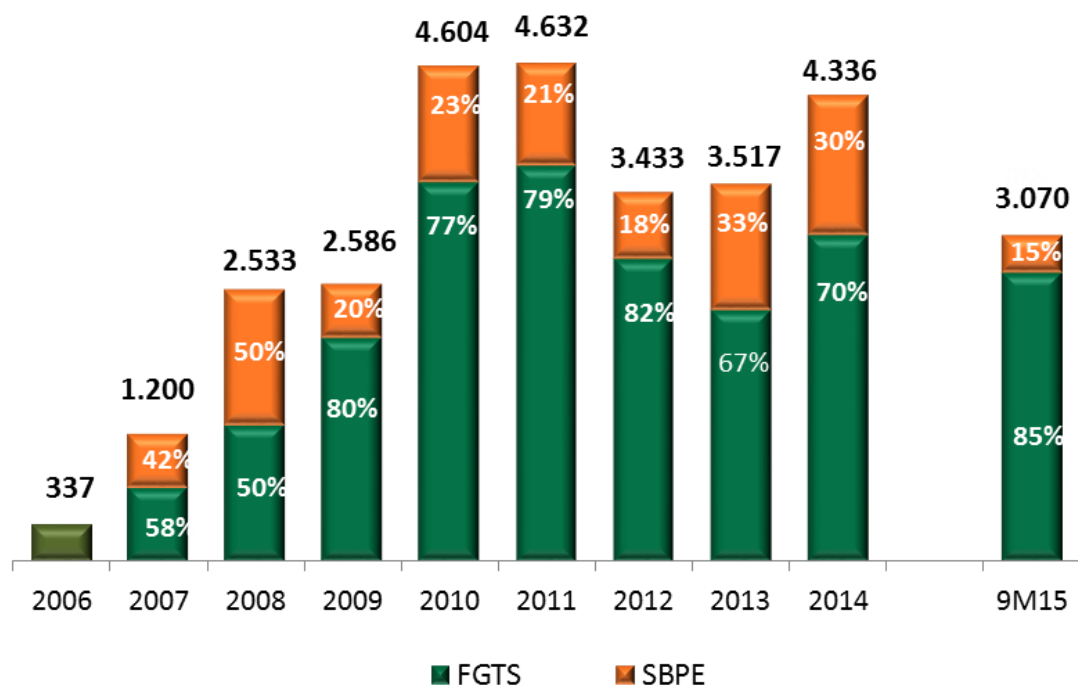
Crane



## Development

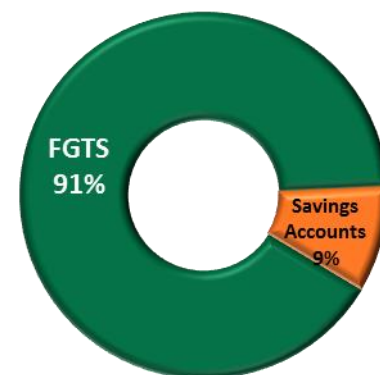
## Launches (%MRV - R\$ million)

Launches - %MRV (R\$ million)



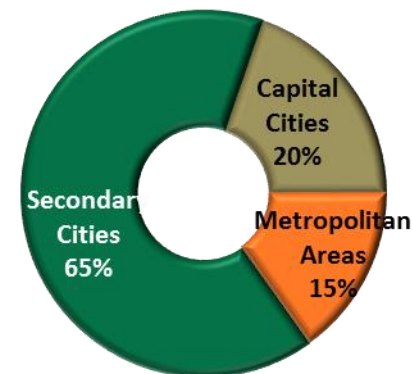
Launches 9M15

By financing source (units)



Launches 9M15

By Geographic Distribution (R\$)

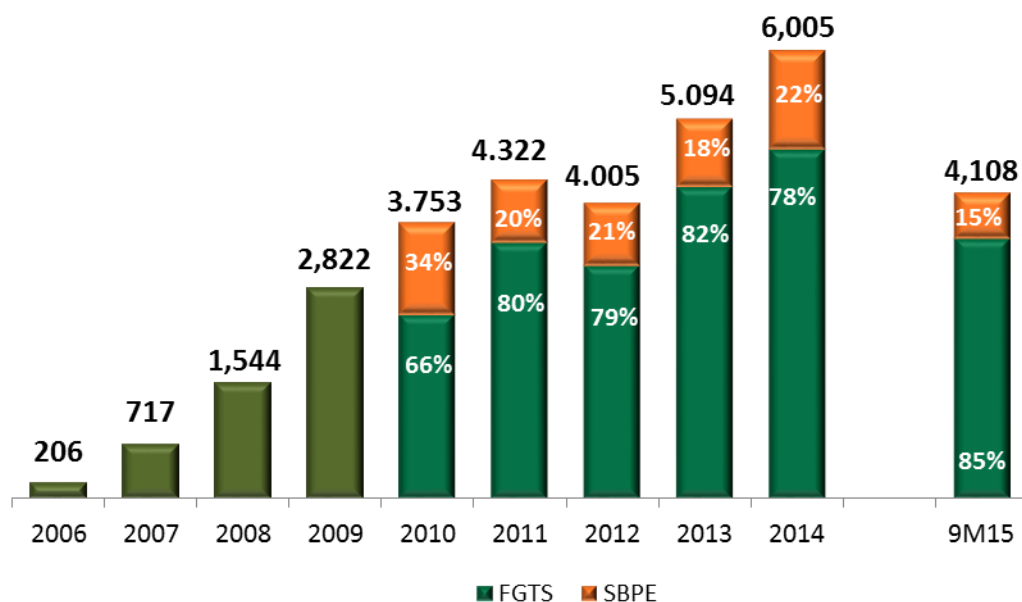




## Sales

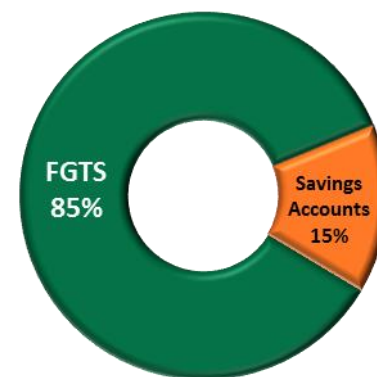
## Pre-sales (%MRV - R\$ million)

Pre-sales – %MRV (R\$ million)



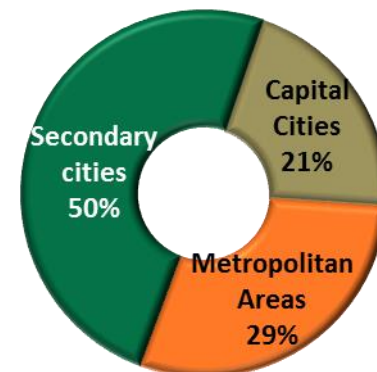
Pre-sales 9M15

By financing source (units)



Pre-sales 9M15

By Geographic Distribution (R\$)

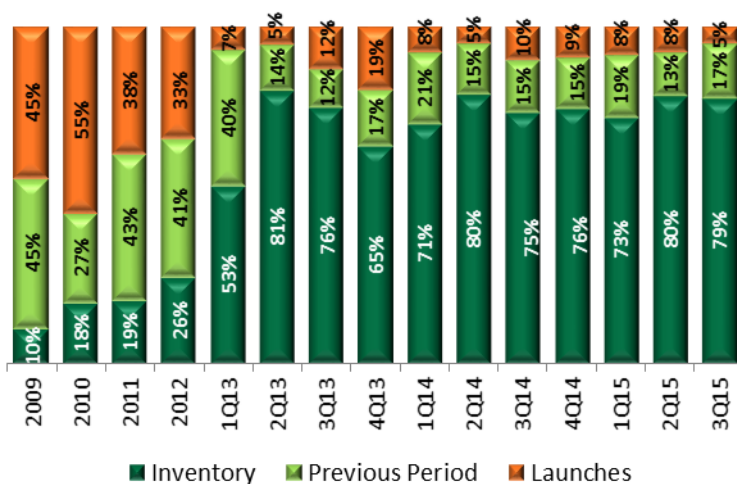




## Sales

## Pre-sales (%MRV – R\$ Million)

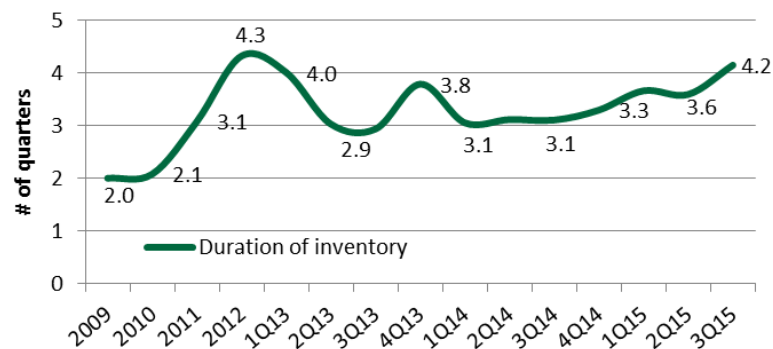
Pre-sales per launching period



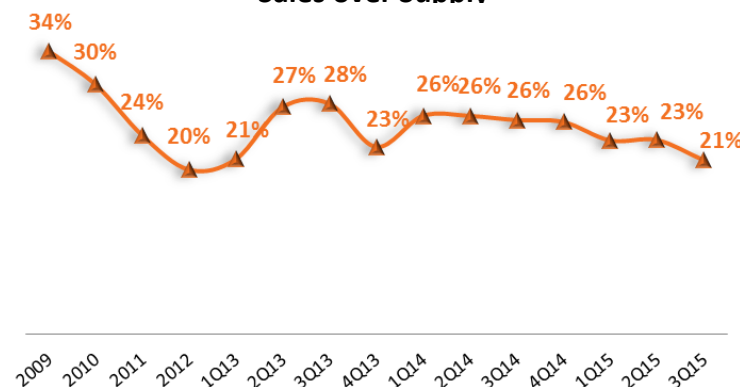
Pre-sales per launching period

Launching Period	Pre-sales %MRV (in %)															
	2009	2010	2011	2012	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	
3Q15															5%	
2Q15														8%	17%	
1Q15													8%	13%	9%	
4Q14												9%	19%	13%	9%	
3Q14											10%	15%	6%	5%	5%	
2Q14										5%	15%	10%	7%	7%	8%	
1Q14									8%	15%	12%	9%	8%	7%	5%	
4Q13								19%	21%	11%	6%	5%	6%	7%	5%	
3Q13							12%	17%	9%	5%	4%	3%	3%	3%	3%	
2Q13						5%	12%	8%	5%	4%	3%	3%	3%	2%	2%	
1Q13					7%	14%	8%	6%	4%	5%	5%	3%	2%	3%	3%	
2012				33%	40%	27%	21%	19%	18%	18%	12%	13%	13%	12%	10%	
2011			38%	41%	26%	25%	24%	14%	15%	17%	16%	15%	13%	12%	11%	
2010		55%	43%	18%	18%	19%	14%	11%	12%	13%	10%	10%	9%	6%	6%	
2009	45%	27%	9%	3%	4%	5%	5%	4%	6%	6%	3%	3%	3%	2%	1%	
Before 2009	55%	18%	10%	4%	5%	4%	4%	4%	2%	2%	2%	1%	1%	1%	1%	
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	

Inventory Duration



Sales over Supply



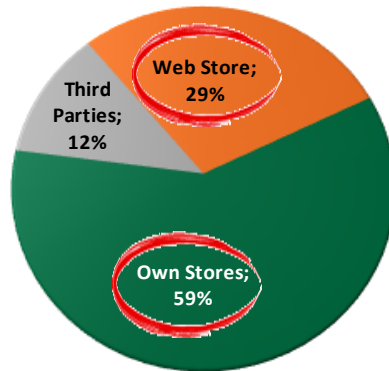
Sales over Supply = Pre-sales / (Beginning Inventory + Launches)



## Sales

## Sales Channels

### Sales Channels

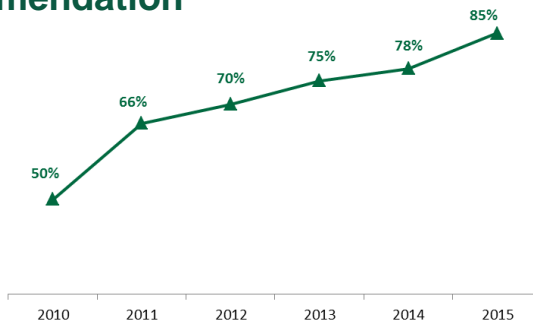


\* 9M15

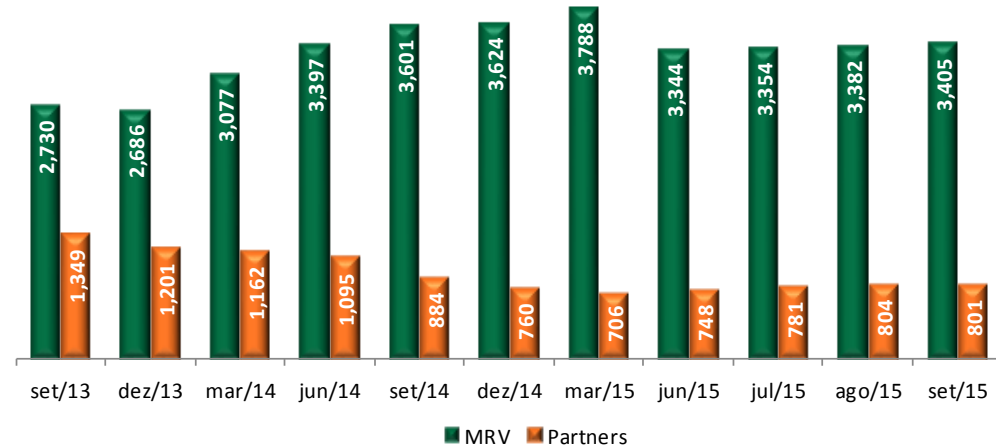
- ✓ 85,6 million Brazilians with internet access.
- ✓ 56% of Class C has internet access

Source: Portal EBC (Apr/2015) and L3CRM (Aug/2015)

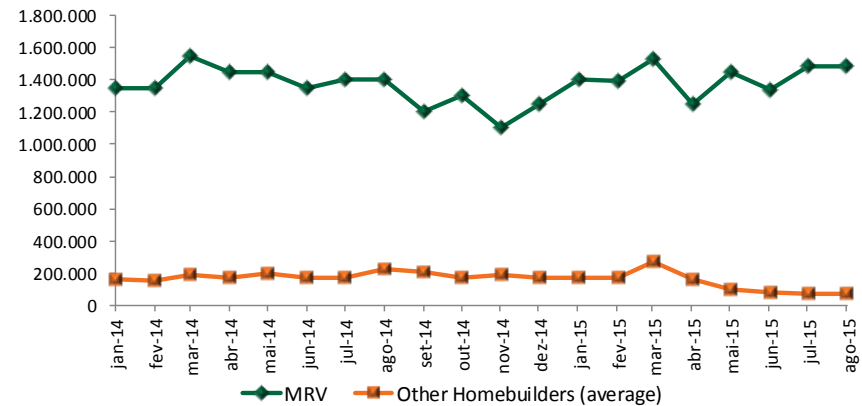
### % of Recommendation MRV



### Sales Force



### Website Visits



Source : Similar Web, August/2015

Other companies: Rossi, Gafisa, PDG, Tenda, Living, Tecnisa, Even, Direcional, Brookfield





## Client Relationship

### Social Mídias



**549** clients served  
in 2015 on the  
Social Mídias

### Customer Service



**55,230**  
Number of  
Answered  
Calls  
Monthly Average

Resolved demands on 1st contact

**90.34%**

Year



Answered Calls on  
4005 1313: **441,839**

In 2015

**"Conexão MRV" +154,837**

Access to the videos  
"Conexão MRV"

**#MeuMundoMelhor**



**+4,000,000**

Access to the videos  
"#MeuMundoMelhor"



**MRV in Mídias**

**300,584** Followers on Twitter

**580,322** Followers no Google+



**2,464,178** Facebook fans

### Relationship Portal

General Access:

**2,400,138**

Year



Client Access:

**62,700**

Monthly Average of Single  
Calls

Complaints:

**0.45%**

Year



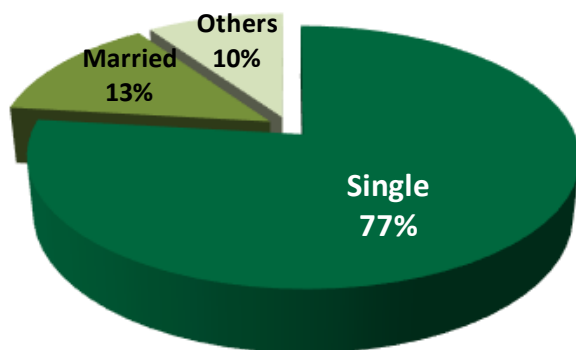
As of August 2015





## Sales

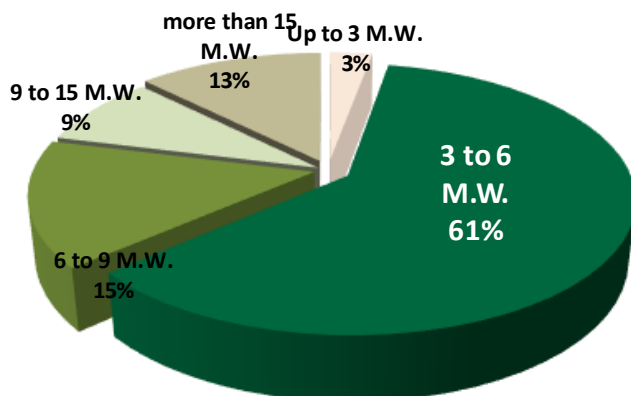
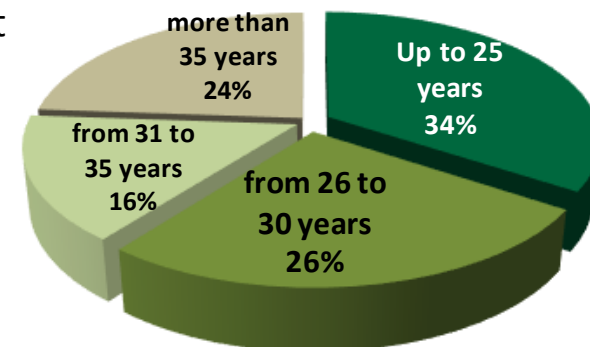
## Who is our client?



... 77% of our clients are single or couple to be.

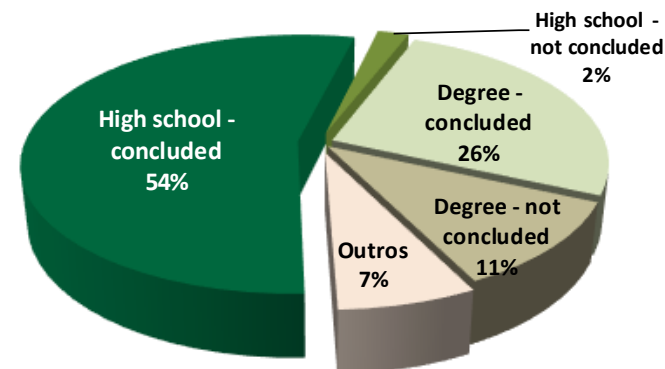
... most of all looking for their first apartment

... MRV's clients are young: 60% of them are up to 30 years old



... 61% of our clients make less than 6 MW<sup>1</sup> per month

... the majority of our clients have at least completed high school

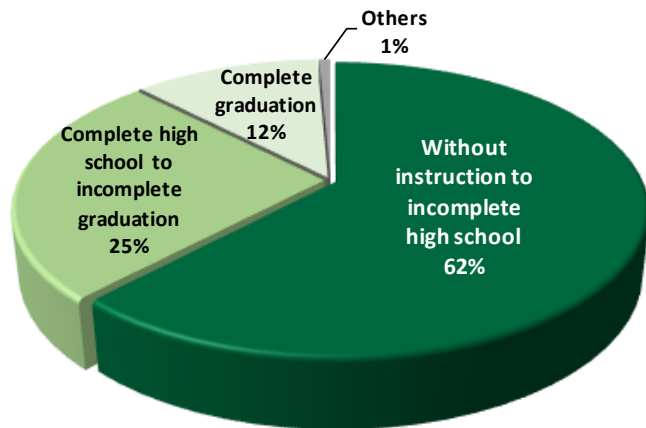




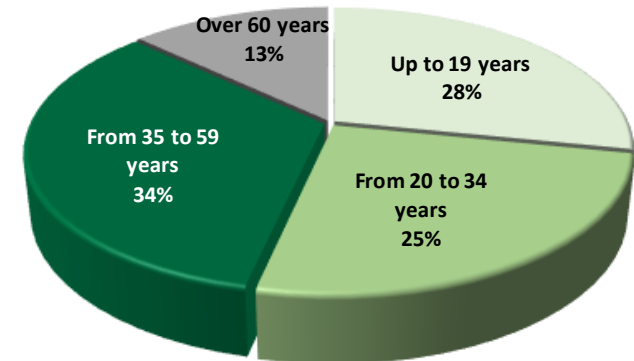
## Cities Characteristics

## Where are us?

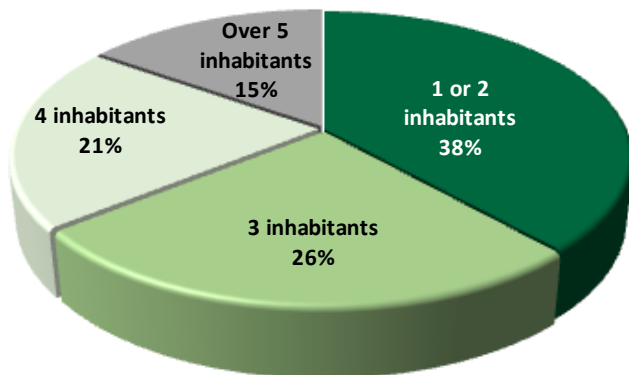
### Education<sup>1</sup>



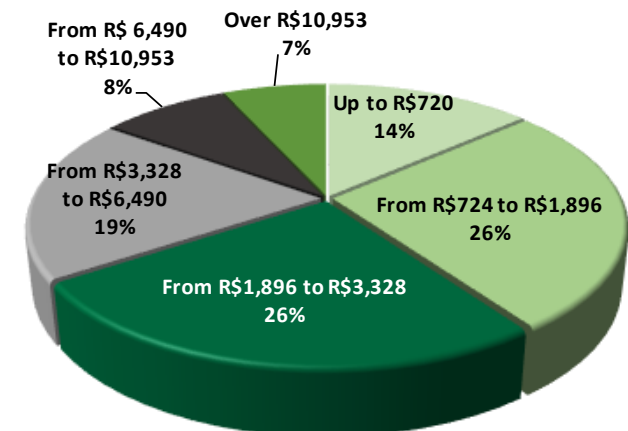
### Age Ranges<sup>1</sup>



### Number of inhabitants per household<sup>2</sup>



### Average household income<sup>1</sup>



1: As of 2014  
2: As of 2012

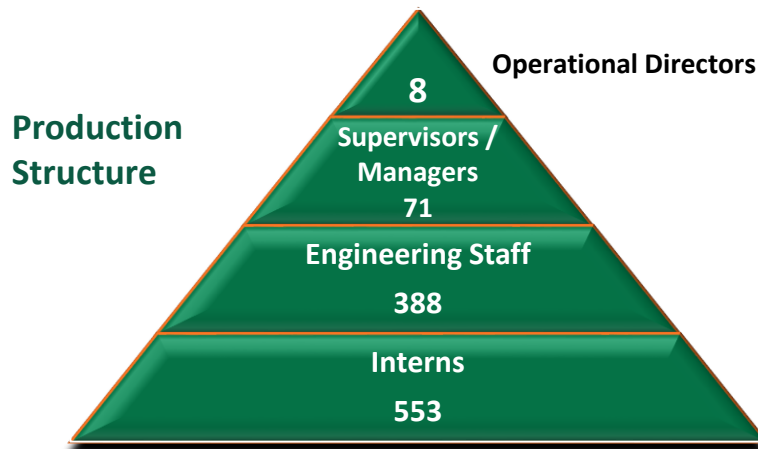
Data from Cities with MRV operation  
Source: Geofusion



## Production

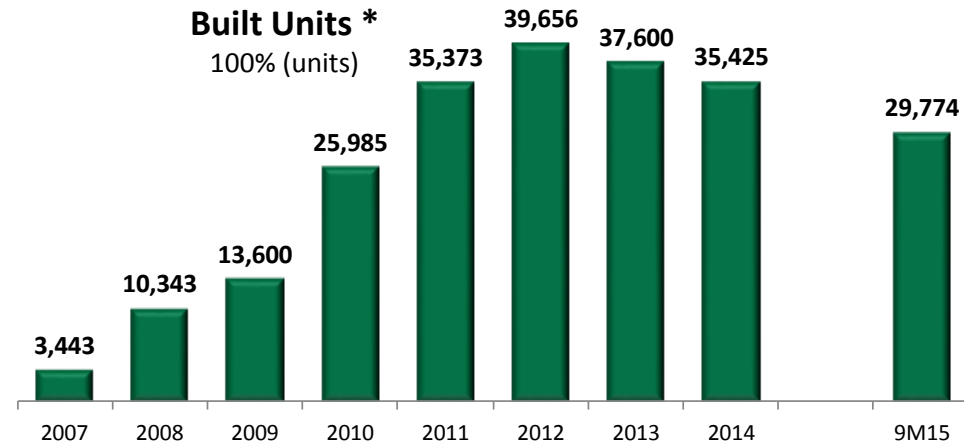
## Structure and Performance Indicators

We have assembled a building machine... and keep improving it...

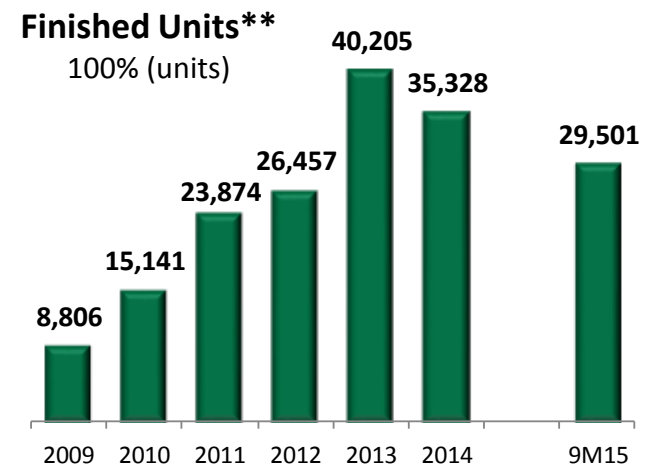


Sept/2015

Note: Team numbers are composed by own and outsourced employees.



\*Built Units = m<sup>2</sup> built / average unit size



\*\*Finished Units = Recorded according to the construction's conclusion, full project at once.



## SSC – Shared Service Center

### Material Facts - SSC

- **325** employees
- Lower Operating Cost
- Qualified workers
- Optimized workspace
- Work in shifts



### Social Responsibility

**30,967** Released units in 2014

**250** new contracts per month



### Administrative

Receive of **29 Thousand** invoices per month

Management of **3,000** mobile accounts

Enter of **3800** invoices per month

Management of **1000** travel request per month

**200** rented vehicles

**4800** monthly processed documents



### Personal Department

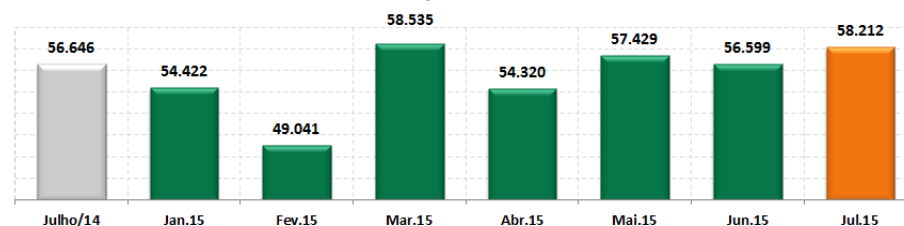
**16,952** payroll managed



### Central de Notas



Volume NF processadas



Observação: Não inclui PRIME E MRL  
Fonte: SAP

### Accounts Payable



**120** Thousand payment per month. **34** payments per minute.

Total transactions of **1 billion** reais per month

In 2014, there were **63 Thousand** of suppliers attendance

**89%** of payment through account credit







## Administration & SSC

## SSC\* Structure

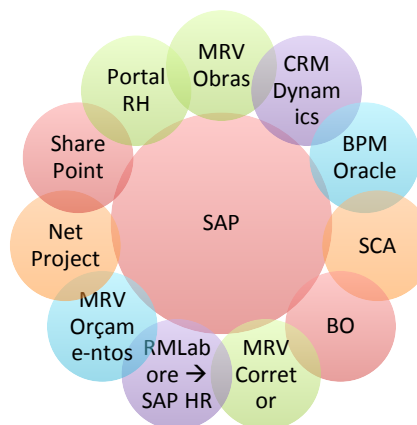


- ✓ Rent in Belo Horizonte is cheaper than other capital cities
- ✓ Qualified labor
- ✓ Lower competition
- ✓ Lower salaries than São Paulo
- ✓ Optimized space
- ✓ Working in Shifts



## Information Technology

### Mapa de Aplicações



### Soluções Implementadas

FI – Financial Accounting  
CO – Cost Accounting  
PS – Project Management  
SD – Sales and Distribution  
MM – Materials Management  
SAP Business Objects  
TRM – Advanced Treasury  
PM – Technical Assistance  
HR – Human Resources

### Recognition



2013 – Winner in Construction and Engineering category.



2012 – Winner in Construction and Materials category.

### MRV Obras

Logistics and execution of production.

**2,467 users**



### Customer Relationship Customer

Access to information from your purchased unit, register and service requests

**+70 thousand accesses / month**



### NF Express

Payment of Suppliers

### MRV Crédito Imobiliário

Credit analysis, feasibility and closing.







# SUSTAINABILITY



## Social Investment

R\$ million

**2011**      **2012**      **2013**      **2014**      **1S15**



**Education**

11.9      6.8      0.2      1.3      0.3



**Health**

3.2      4.7      2.4      0.0      0.0



**Urbanization**

49.3      83.0      80.0      88.2      23.9



**Environment**

1.1      2.8      10.6      13.9      5.8

**R\$ 65.5**

**R\$ 97.3**

**R\$ 93.2**

**R\$ 103.4**

**R\$ 30.1**

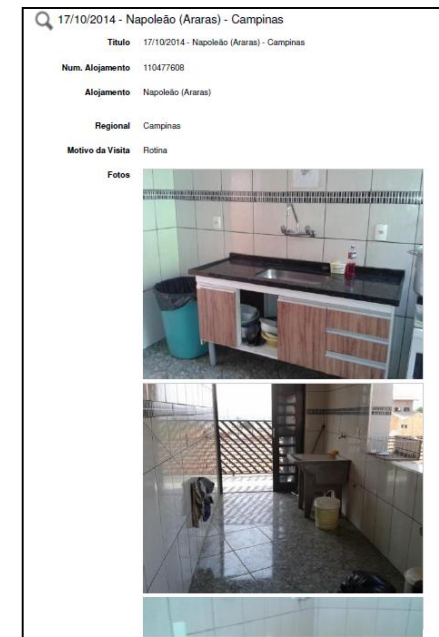
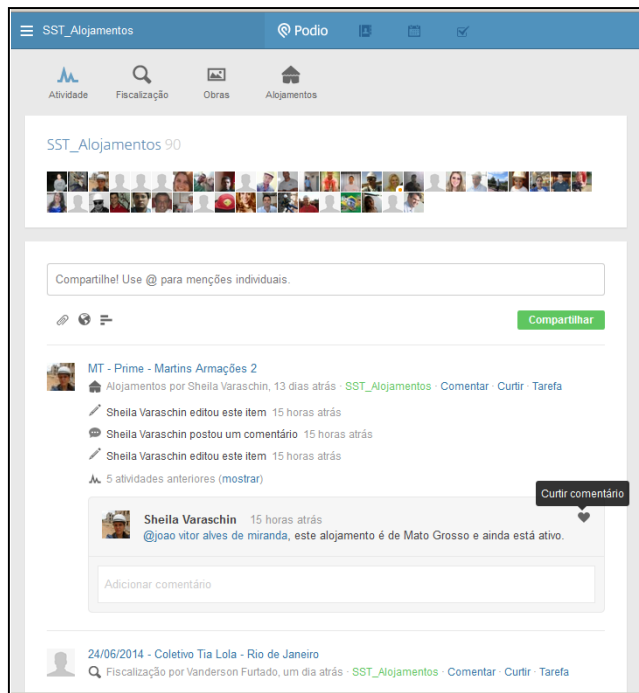


## Work Safety and Health

### ▼ PODIO

**Frequent inspections, with photographic report and integrated electronic record**

**MRV uses the corporate social networking Pódio for the registration and follow-up of construction sites and accommodations where it has employees and accommodation service providers.....**



**... all inspections are available online for research, consultation and follow-up.**



## Work Safety and Health

Contractors admission follows a Standard Operating Procedure requiring complete legal documents from contractors...



- ✔ Security Dialogue
- ✔ Continuous employee training
- ✔ Continuous improvement







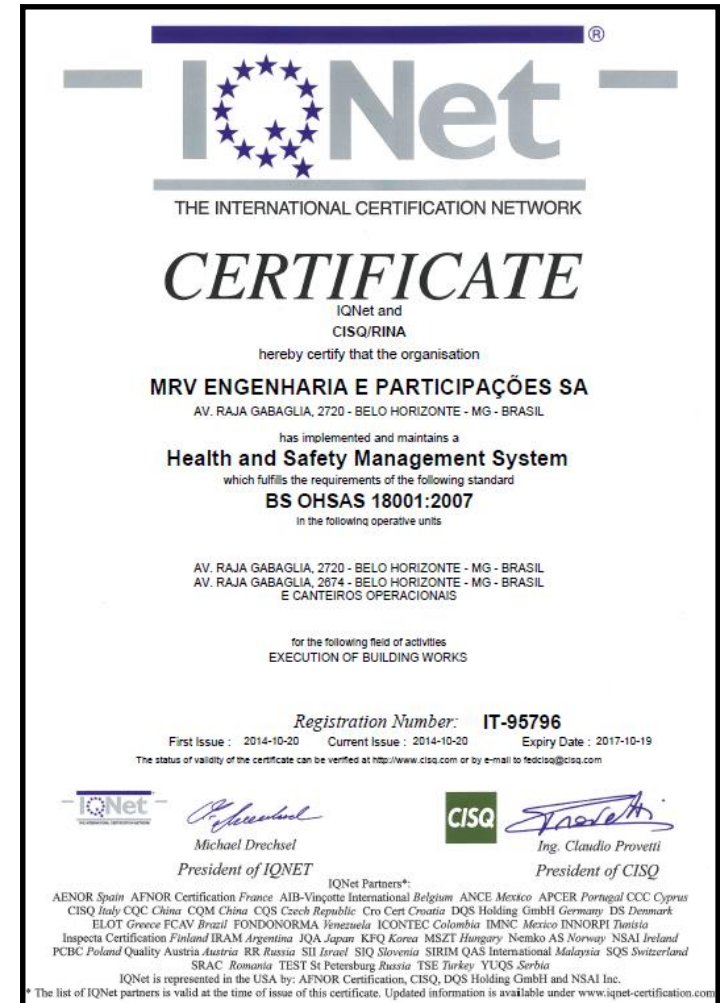
## Work Safety and Health

### OSHAS 18001 Certificate – Occupational Health and Safety

Consists on a management system that the certified company should follow guidelines regarding to occupational health and safety procedures



MRV joined in 2012 and is the only company of lightweight construction in the country to join the National Commitment and is the leader in number of building sites included in the project





## Health and Literacy

### Campaigns

- ✔ Vaccination
- ✔ Oralhealth
- ✔ Tuberculosis Prevention



### MRV Production Schools → Qualification of Labor Force

- ✔ Training Courses

### Education Site

- ✔ Literacy Course



45 literacy/training schools in operation at MRV's construction sites, with more than 2,000 students.

Since 2012, we already maintained more than 112 schools.







## Social Responsibility



Officially launched in December 2014, *MRV Institute* is focused on investments in projects and works aimed to education, health, safety at work, professional training, culture and leisure, always seeking for the well-being of all stakeholders.



- ▼ Sponsorship for *Criança Esperança* Project, in Belo Horizonte.
- ▼ Project *MRV Vida* implementation, intended to promote social-environmental responsibility actions in the cities where MRV operates.
- ▼ Volunteer group development, aiming to promote the engagement of employees in social causes.
- ▼ Sponsorship for *Minas Pela Paz* Institute.
- ▼ Sponsorship for *Junior Achievement*: non-profit educational association that seeks to promote an entrepreneurial spirit in young people.
- ▼ *Escola Nota 10* Program.



## Environmental



**More than 611 thousands of trees  
were planted since 2010\***

## ISO 14001 - Environmental Management

**Certified companies should develop and control  
procedures for relevant issues in the  
environmental area**





## Environmental

## Certification Seal

### Certifications “*Lar Verde Lar*” and “*Obra Viva*”



Our constructions sites certifications have the following purposes:

- ▼ Standartize and monitor the execution of sustainable actions at construction sites;
- ▼ Increase the clients’s satisfaction;
- ▼ Be a homebuilder company recognized as sustainable.

**The construction sites shall follow specificaly items to receive the certifications**



## Environmental

## Certification Seal

### Required items for certification

#### *Lar Verde Lar*



- ✓ Surrounds improvements
- ✓ Landscaping
- ✓ Specific place for selective collection
- ✓ Leisure, social and sportive equipment
- ✓ Thermal performance - Seals
- ✓ Acoustic performance - Seals
- ✓ Land physical conditions adaptations
- ✓ Industrialized components or prefabricated
- ✓ Concrete with optimization dosage
- ✓ Orientation for the residents
- ✓ Low consume lamps
- ✓ Saving devices – Flushing system
- ✓ Saving devices – Outflow system
- ✓ Saving devices – Presence detector
- ✓ Masonry
- ✓ Modular masonry coordination

#### *Obra Viva*



- ✓ Construction and demolition waste management
- ✓ Planted or certified wood
- ✓ Employees environmental education
- ✓ Bicycle Stand
- ✓ Reuse of water from sinks to urinals.
- ✓ Lightning of construction sites through translucent roof tiles
- ✓ Reuse of water from concrete mixer
- ✓ PPE cleaning
- ✓ Rainwater harvesting
- ✓ Anticipated execution of the project division wall

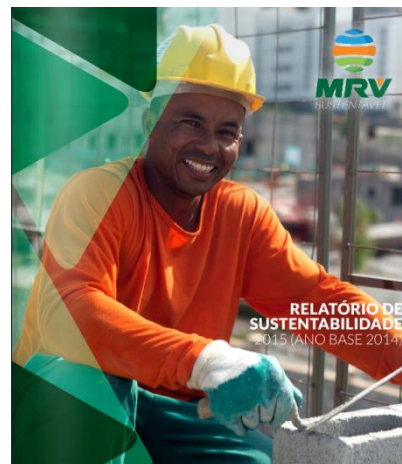
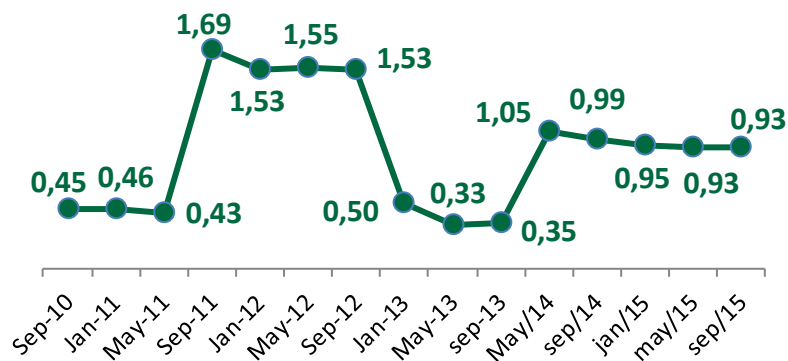




## Sustainability



MRVE3 in the ICO2 Index



**Sustainability Report 2014**  
According to new GRI standards

[www.mrv.com.br/mrvsustentavel](http://www.mrv.com.br/mrvsustentavel)

**Conduct Code and Confidential Channel**  
**More tools to enhance transparency**  
(updated in june/2015)

[Access the Code here](#)





# MANAGEMENT





## MRV's Management

### Board of Directors

#### **Rubens Menin Teixeira de Souza – 59 years old**

Chairman of our board of directors. He holds a degree in civil engineering from the Federal University of Minas Gerais, where he graduated in 1978. He is a founding partner of the MRV group, chairman of the board of directors and was MRV's Chief Executive Officer until March 2014. He is also a founding partner of Banco Intermedium S.A. and has been chairman of its board of directors since the company was established in 1994. Mr. Menin is also the Chairman of the Board of Directors of LOG Commercial Properties S.A. and Urbamais Properties e Participações S.A..

#### **Fernando Henrique da Fonseca – 75 years old**

holds a degree in economics from the Federal University of Minas Gerais, having pursued specialized courses in the areas of finance, economics and business. He is a member of the Board of Directors from Celulose Nipo-Brasileira S.A. (CENIBRA) and he was the chief executive officer from 2001 to 2011. He has 42 years of experience in the financial sectors of public and private companies, having held the following positions: president of the financial companies Intermedium and Credicon from 1994 to 2001; vice president of BEMGE Bank from 1987 to 1988; president of Agrimisa Bank from 1988 to 1993; executive director of Minas Gerais State Financial Policy Committee (Conselho de Política Financeira do Estado de Minas Gerais) from 1983 to 1985, and manager of the Companhia Siderúrgica Belgo-Mineira from 1967 to 1975.

#### **João Batista de Abreu – 72 years old**

holds a graduate degree in economics from the Federal University of Minas Gerais (UFMG), and a master's degree from FGV. He was professor at the Pontifical Catholic University (PUC/RJ) of Rio de Janeiro, and Military Engineering Institute (IME). He joined the Institute of Applied Economic Research (IPEA), under the Ministry of Planning and Budget, acting as technical expert, as Chief Economic Advisor to the Minister of Planning, Executive Secretary of the Treasury, Secretary of State of the Treasury of the State of Minas Gerais, and finally, Minister of State Head of the Department of Planning and Coordination of the Presidency of the Republic. After his career in the federal public sector, he was chairman of the Development Bank of Minas Gerais (BDMG), and for seventeen years, Executive Vice President of BMG Bank S/A.

#### **Levi Henrique – 75 years old**

holds an engineering degree from the Instituto Tecnológico de Aeronáutica – ITA. After graduating, he entered Cofap S.A. in 1959, where he reached the position of director of the shock absorber factory and remained with the company for 19 years. In 1978, he joined Eluma S.A., where he reached the position of superintendent of the non-ferrous division. He worked at that company for 8 years, and then, between 1985 and 1993, he worked as a superintendent at LaFonte Fechaduras S.A., Metalpó Indústria e Comércio Ltda. and Protendit Indústria e Comércio Ltda. He established Geminids, his business management consulting firm, in 1994.



## MRV's Management

### Board of Directors

#### ***Marco Aurélio de Vasconcelos Cançado – 65 years old***

He was elected member of the Board of Directors on Extraordinary Shareholders Meeting on February 20, 2015, position which he holds until today. He received a degree in business administration from Faculdade de Ciências Econômicas, Administrativas e Contábeis at FUMEC in 1974, and received a graduate degree in financial administration from Fundação João Pinheiro/Columbia University in 1975 and a specialization qualification in finance from the Wharton School of the University of Pennsylvania in 1992. He has more than 35 years of professional experience in the financial and capitals markets, having held executive positions in several institutions. He was CFO at Banco Mercantil do Brasil (2000–2007); CEO at Eletrosilex S.A., a manufacturer of metallic silicate (1998–2000); Partner and Chief Officer at MAVC – Consultoria e Participações Ltda. (2007– up to date); member of the Board of Directors at Araújo Fontes, a company operating in the corporate finance industry and mergers and acquisitions (2007– up to date). Moreover, during his career, he worked at other public companies: at Banco do Brasil as Chief Financial and Services Officer (1985–1987), at Eletrosilex as CEO (1997–1998) and MRV.(2008 – up to date) as member of the Board of Directors.

#### ***Marcos Alberto Cabaleiro Fernandez – 64 years old***

graduated with a law degree from the Milton Campos Law School in 1981. He founded Construtora Becker Cabaleiro in 1977, and CVG company in 1986. He was Vice Chairman of the Real Estate Market Chamber (Câmara do Mercado Imobiliário) of Belo Horizonte and the Civil Construction Union (Sindicato da Construção Civil) from 1999 to 2002. He is a founding partner of Banco Intermedium S.A. and has been a member of its board of directors since the company was established in 1994. Mr. Fernandez is the Chief Executive Officer of LOG Commercial Properties S.A. and Urbamais Properties e Participações S.A. e accumulate the position of Chief Executive Officer of both Companies.

#### ***Rafael Nazareth Menin Teixeira de Souza – 35 years old***

Mr. Souza was elected at the meeting of the Board of Directors held on March 08, 2010. Since April 30, 2013 he is a member of the Company's Board of Directors. He holds a degree in civil engineering from Federal University of Minas Gerais in 2003. He joined MRV Serviços de Engenharia Ltda. in 1999, as a civil engineer intern. He has large experience in real estate homebuilding sector. During this period, he worked as site engineer, coordinator of engineering and technical director. He is currently Chief Executive Officer in charge of the regions Midwest and Northeast and States of Minas Gerais, Rio de Janeiro and Espírito Santo of MRV Engenharia e Participações S/A and member of the Board of Directors of Urbamais Properties e Participações S.A..



## MRV's Management

### Executive Officers

***Eduardo Fischer Teixeira de Souza – Chief Executive Officer Regio II – 42 years old***

Mr. Souza was elected MRV's Chief Executive Officer – Region II at the meeting of the Board of Directors held on March 27, 2014. He holds a degree in civil engineering from FUMEC in 2000. He holds a MBA in finance from IBMEC MG in 2003. He joined MRV Serviços de Engenharia Ltda. in 1993, as a civil engineer intern. He has large experience in real estate homebuilding sector. During this period, he worked as site engineer, coordinator of development sites and production director of Campinas and São Paulo. He is currently Chief Executive Officer in charge of the region South and State of São Paulo of MRV Engenharia e Participações S/A.

***Rafael Nazareth Menin Teixeira de Souza – Chief Executive Officer Region I - 35 years old***

See "Board of directors" above.

***Eduardo Paes Barretto – Chief Commercial Officer – 58 years old***

Mr. Barretto was elected our Chief Commercial Officer at the meeting of the Board of Directors held on June 2, 2006. He has a degree in business administration from FMU - Faculdades Metropolitanas Unidas, having specialized in market administration and marketing at both FGV and ESPM. He was director of the **Association** of Sales Managers of Brazil - ADVB and Chairman of the Retail Commission of that association. He is a lecturer and speaker at seminars of the Brazilian Advertisers Association. He was Chief Operating Officer of the Companhia Brasileira de Distribuição - Grupo Pão de Açúcar, from May 1986 to July 1993. He has been working with companies of the MRV group since September 2000, being in charge of commercial policy, supervision of real estate sales, market research, development of new business and corporate strategy.

***Leonardo Guimarães Corrêa – Chief Financial Officer – 58 years old***

Mr. Correa was elected as our Vice-President of the Executive Board, Chief Financial Officer and Investor Relations Officer at the meeting of the Board of Directors held on June 2, 2006. He earned a degree in economics from the Federal University of Minas Gerais – UFMG in 1980, and a post graduate degree in finance from FGV in 1986. He worked from 1982 to 1990 at Lloyds Bank as Treasury Manager. From 1990 to 2000 he worked at JP Morgan, where his last position held was treasury officer for Brazil. He was a partner at Banco Pactual from 2000 to 2003. Between 2003 and 2006 he was a partner at Perfin Administração de Recursos, an independent fund manager, specialized in investment funds. He joined us in March 2006. He is a member of the Board of Directors of LOG Commercial Properties and Urbamais Properties e Participações S.A..

***Homero Aguiar Paiva – Chief Production Officer – 54 years old***

Mr. Paiva was elected our Chief Production Officer at the meeting of the Board of Directors held on June 2, 2006. In 1984, he received a degree in civil engineering from PUC - MG, and in 1991 he received a graduate degree in quality and productivity engineering from the Sociedade Mineira de Engenharia - MG. He earned an MBA in business management from IBMEC/BH in 2000. He joined the MRV Group in 1987 as an engineer, and became supervisor of engineering in 1989. In 1996, he became technical director, and since 2004 he has served as our Chief Production Officer.

***Hudson Gonçalves de Andrade – Chief Real Estate Development Officer – 55 years old***

Mr. Andrade was elected our Chief Real Estate Development Officer at the meeting of the Board of Directors held on June 2, 2006. He earned a degree in civil engineering from the Kennedy School of Engineering in 1993. He began his career in 1980 at the MRV Group as buildings technician. He was appointed Projects Officer in 2000, and occupied the position of Chief Real Estate Development Officer in 2005.



## MRV's Management

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### Executive Officers

***Jose Adib Tomé Simão – Chief Real Estate Financing Officer – 69 years old***

Mr. Simão was elected our Chief Real Estate Credit Line Officer at the meeting of the Board of Directors held on June 2, 2006. He earned a degree in civil engineering in 1969 from the Engineering School of the Federal University of Minas Gerais. In 1972, he was professor of the former Kennedy School of Engineering in Belo Horizonte. From 1973 to 1986, he was the director of the São Paulo branch of Delphos Engenharia S.A., which is based in Belo Horizonte. From 1987 to 1988, he was a special advisor to the Chief Minister for the Secretariat of Planning and Co-ordination of the Presidency of the Republic. He joined the MRV Group in 1989, working in the technical, administrative and commercial sectors, becoming our chief administrative officer in 1999.

***Júnia Maria de Sousa Lima Galvão – Chief Management and Shared Service Center Officer – 45 years old***

Ms. Lima was elected our Chief Management and Shared Service Center Officer at the meeting of the Board of Directors held on January 24, 2007. She holds a degree in accounting and a graduate degree in financial management and international business from the Fundação Dom Cabral, as well as in human resources and in information systems. She worked at RM Sistemas between 1996 and January 2007, recently sold to Totvs S.A., as administrative and financial executive officer, in the administration, finance and accounting sectors, having been the responsible officer and attorney-in-fact for RM Sistemas between 1996 and 2006.

***Maria Fernanda Nazareth Menin Teixeira de Souza Maia – Chief Legal Officer – 36 years old***  
Mrs. Maia was elected MRV's Chief Legal Officer at meeting of the Board of Directors held on May 4, 2010. She earned a law degree from Milton Campos Law School in 2001, and postgraduate in Economics and Business Law from FGV in 2003. She is an effective member of the Commission's Corporate Advocacy OAB / MG. She joined MRV Serviços de Engenharia Ltda. in 1997, as an intern of Billing Department. During this period she held positions as an intern in the Legal Department, Legal Assistant, Coordinator of the Legal Department, Legal Superintendent and Legal Manager. Nowadays she occupies the position of Chief Legal Officer in MRV Engenharia e Participações S/A member of the Board of Directors of Urbamais Properties e Participações S.A..



# FINANCIALS



## Consolidated Income Statement (R\$ million) (CPC 19 – IFRS 11)

R\$ million	3Q15	2Q15	3Q14	Chg. 3Q15 x 2Q15	Chg. 3Q15 x 3Q14	9M15	9M14	Chg. 9M15 x 9M14
<b>NET OPERATING REVENUE</b>	<b>1,205</b>	<b>1,307</b>	<b>1,134</b>	<b>7.8% ↓</b>	<b>6.3% ↑</b>	<b>3,555</b>	<b>3,059</b>	<b>16.2% ↑</b>
COST OF PROPERTIES SOLD AND SERVICES	(831)	(925)	(815)	10.1% ↓	2.1% ↑	(2,491)	(2,217)	12.4% ↑
<b>GROSS PROFIT</b>	<b>374</b>	<b>382</b>	<b>319</b>	<b>2.2% ↓</b>	<b>17.0% ↑</b>	<b>1,063</b>	<b>842</b>	<b>26.3% ↑</b>
<i>Gross Margin</i>	31.0%	29.2%	28.2%	1.8 p.p. ↑	2.8 p.p. ↑	29.9%	27.5%	2.4 p.p. ↑
OPERATING INCOME (EXPENSES)								
Selling expenses	(119)	(113)	(97)	5.3% ↑	22.9% ↑	(341)	(246)	38.6% ↑
General & Administrative Expenses	(72)	(69)	(63)	4.1% ↑	13.6% ↑	(202)	(180)	12.3% ↑
Other operating income (expenses), net	(29)	(23)	(23)	27.1% ↑	28.7% ↑	(78)	(54)	45.8% ↑
Equity Income	(27)	(29)	(18)	6.4% ↓	48.7% ↑	(71)	237	130.1% ↓
<b>INCOME BEFORE FINANCIAL INCOME (EXPENSES)</b>	<b>127</b>	<b>149</b>	<b>119</b>	<b>14.6% ↓</b>	<b>6.9% ↑</b>	<b>371</b>	<b>599</b>	<b>38.1% ↓</b>
FINANCIAL RESULTS								
Financial expenses	(16)	(22)	(32)	30.3% ↓	51.7% ↓	(64)	(89)	28.3% ↓
Financial income	47	51	50	9.4% ↓	7.1% ↓	144	123	17.4% ↑
Financial income from receivables from real estate development	21	22	9	4.1% ↓	127.4% ↑	68	44	55.0% ↑
<b>INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>180</b>	<b>200</b>	<b>146</b>	<b>10.3% ↓</b>	<b>22.7% ↑</b>	<b>519</b>	<b>677</b>	<b>23.3% ↓</b>
Income Tax and Social Contribution	(26)	(28)	(6)	6.9% ↓	370.1% ↑	(77)	(39)	97.6% ↑
<b>NET INCOME</b>	<b>153</b>	<b>172</b>	<b>141</b>	<b>10.9% ↓</b>	<b>8.8% ↑</b>	<b>442</b>	<b>638</b>	<b>30.7% ↓</b>
PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	11	12	6	11.8% ↓	98.0% ↑	34	20	68.9% ↑
<b>PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY</b>	<b>142</b>	<b>159</b>	<b>135</b>	<b>10.8% ↓</b>	<b>5.2% ↑</b>	<b>408</b>	<b>617</b>	<b>34.0% ↓</b>
<i>Net Margin</i>	11.8%	12.2%	11.9%	0.4 p.p. ↓	0.1 p.p. ↓	11.5%	20.2%	8.7 p.p. ↓
<b>BASIC EARNINGS PER SHARE</b>	<b>0.322</b>	<b>0.361</b>	<b>0.299</b>	<b>10.8% ↓</b>	<b>7.7% ↑</b>	<b>0.923</b>	<b>1.334</b>	<b>30.8% ↓</b>

R\$ million	3Q15	2Q15	3Q14	Chg. 3Q15 x 2Q15	Chg. 3Q15 x 3Q14	9M15	9M14	Chg. 9M15 x 9M14
Income before taxes	180	200	146	10.3% ↓	22.7% ↑	519	677	23.3% ↓
Depreciation and Amortization	10	9	10	3.8% ↑	4.6% ↓	27	29	6.2% ↓
Financial Results	(52)	(51)	(27)	2.0% ↑	91.2% ↑	(149)	(78)	91.1% ↑
Financial charges recorded under cost of sales	34	34	31	0.2% ↑	8.4% ↑	97	92	5.2% ↑
<b>EBITDA</b>	<b>171</b>	<b>192</b>	<b>160</b>	<b>11.1% ↓</b>	<b>6.5% ↑</b>	<b>495</b>	<b>720</b>	<b>31.3% ↓</b>
<i>EBITDA Margin</i>	14.2%	14.7%	14.1%	0.5 p.p. ↓	0.0 p.p. ↑	13.9%	23.5%	9.6 p.p. ↓
<b>EBITDA Adjusted (ex. Equity Income)</b>	<b>197</b>	<b>220</b>	<b>178</b>	<b>10.5% ↓</b>	<b>10.7% ↑</b>	<b>566</b>	<b>483</b>	<b>17.1% ↑</b>
<i>EBITDA Margin adjusted (ex. Equity Income)</i>	16.4%	16.9%	15.7%	0.5 p.p. ↓	0.7 p.p. ↑	15.9%	15.8%	0.1 p.p. ↑





## Consolidated Balance Sheet (R\$ million) (CPC 19 – IFRS)

ASSETS	30/09/2015	30/06/2015	30/09/2014	Chg. Sep/15 x Jun/15	Chg. Sep/15 x Sep/14
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	1,371	1,394	1,038	1.6% ↓	32.0% ↑
Short-term investments	143	133	195	7.6% ↑	26.6% ↓
Receivables from real estate development	2,123	2,236	2,300	5.1% ↓	7.7% ↓
Receivables from services provided	6	6	1	2.5% ↑	497.7% ↑
Real estate for sale and development	2,546	2,480	1,907	2.7% ↑	33.5% ↑
Recoverable current taxes	189	181	213	4.0% ↑	11.2% ↓
Deferred expenses	42	43	3	1.5% ↓	1254.0% ↑
Other assets	51	48	38	5.7% ↑	36.4% ↑
<b>Total Current Assets</b>	<b>6,471</b>	<b>6,521</b>	<b>5,695</b>	<b>0.8% ↓</b>	<b>13.6% ↑</b>
<b>NONCURRENT ASSETS</b>					
Receivables from real estate development	1,306	1,448	1,853	9.8% ↓	29.5% ↓
Real estate for sale and development	2,192	2,049	1,667	7.0% ↑	31.5% ↑
Due from related parties	87	83	56	4.4% ↑	53.4% ↑
Deferred expenses	38	37	55	0.7% ↑	30.9% ↓
Other noncurrent assets	66	69	48	4.7% ↓	37.9% ↑
Investment property	767	798	856	3.9% ↓	10.4% ↓
Property and equipment	109	109	79	0.2% ↓	38.2% ↑
Intangible Assets	84	80	75	5.1% ↑	12.6% ↑
<b>Total Noncurrent Assets</b>	<b>4,648</b>	<b>4,674</b>	<b>4,688</b>	<b>0.6% ↓</b>	<b>0.9% ↓</b>
<b>TOTAL ASSETS</b>	<b>11,119</b>	<b>11,195</b>	<b>10,383</b>	<b>0.7% ↓</b>	<b>7.1% ↑</b>



## Consolidated Balance Sheet (R\$ million) (CPC 19 – IFRS 11) – cont.

LIABILITIES AND SHAREHOLDERS' EQUITY	30/09/2015	30/06/2015	30/09/2014	Chg. Sep/15 x Jun/15	Chg. Sep/15 x Sep/14
<b>CURRENT LIABILITIES</b>					
Trade accounts payable	263	294	251	10.4% ↓	4.8% ↑
Payables for purchase of investments	39	39	-	0.6% ↑	-
Loans and financing	874	1,014	991	13.8% ↓	11.8% ↓
Payables for purchase of land	375	360	276	4.2% ↑	35.7% ↑
Advances from customers	826	879	759	6.0% ↓	8.7% ↑
Labor and social liabilities	142	134	130	6.4% ↑	9.4% ↑
Tax liabilities	47	50	71	6.4% ↓	33.7% ↓
Accrual for maintenance of real estate	37	36	33	1.7% ↑	10.9% ↑
Deferred tax liabilities	72	70	79	1.8% ↑	9.0% ↓
Other payables	26	18	14	40.4% ↑	84.7% ↑
<b>Total Current Liabilities</b>	<b>2,701</b>	<b>2,895</b>	<b>2,604</b>	<b>6.7% ↓</b>	<b>3.7% ↑</b>
<b>NONCURRENT LIABILITIES</b>					
Payables for purchase of investments	41	50	-	17.6% ↓	-
Loans and financing	1,414	1,547	1,577	8.5% ↓	10.3% ↓
Payables for purchase of land	980	873	666	12.3% ↑	47.2% ↑
Advances from customers	708	695	577	1.9% ↑	22.7% ↑
Accrual for maintenance of real estate	96	94	88	1.9% ↑	9.3% ↑
Accrual for civil, labor, and tax risks	73	67	40	8.1% ↑	80.4% ↑
Deferred tax liabilities	46	56	57	17.8% ↓	20.1% ↓
Other liabilities	13	13	13	0.0% ↑	0.1% ↑
<b>Total Noncurrent Liabilities</b>	<b>3,371</b>	<b>3,395</b>	<b>3,018</b>	<b>0.7% ↓</b>	<b>11.7% ↑</b>
<b>SHAREHOLDERS' EQUITY</b>					
Equity attributable to the shareholders of the Company	4,764	4,621	4,480	3.1% ↑	6.3% ↑
Non-controlling Interests	283	285	281	0.8% ↓	0.6% ↑
<b>Total Shareholders' Equity</b>	<b>5,047</b>	<b>4,906</b>	<b>4,761</b>	<b>2.9% ↑</b>	<b>6.0% ↑</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>11,119</b>	<b>11,195</b>	<b>10,383</b>	<b>0.7% ↓</b>	<b>7.1% ↑</b>

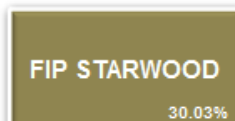
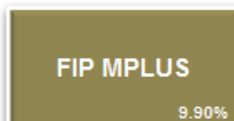
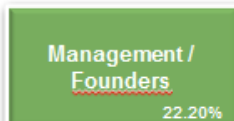


## Consolidated Statement of Cash Flow (R\$ million) (CPC 19 – IFRS 11)

Consolidated (R\$ million)	3Q15	3Q14	Chg. 3Q15 x 3Q14	9M15	9M14	Chg. 9M15 x 9M14
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net income	153	141	8.8% ↑	442	638	30.7% ↓
Adjustments to reconcile net income to cash used in operating activities	75	63	18.6% ↑	242	(43)	666.7% ↓
Decrease (increase) in operating assets	197	(24)	908.8% ↓	358	30	1088.7% ↑
Increase (decrease) in operating liabilities	(124)	6	2218.3% ↓	(311)	(254)	22.0% ↑
<b>Net cash used in operating activities</b>	<b>301</b>	<b>185</b>	<b>62.4% ↑</b>	<b>731</b>	<b>371</b>	<b>97.3% ↑</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Decrease (increase) in investment securities	(6)	(6)	11.8% ↓	24	87	72.0% ↓
Advances to related parties	(193)	(12)	1539.3% ↑	(256)	(65)	293.3% ↑
Receipts from related parties	193	13	1351.2% ↑	233	63	271.5% ↑
Decrease in (acquisition of/contribution to) investments	5	(15)	131.7% ↓	(13)	13	197.2% ↓
Acquisition of property and equipment and intangible assets	(18)	(38)	53.0% ↓	(68)	(59)	14.4% ↑
Payment for acquisition of subsidiary	(10)	-	-	(28)	-	-
<b>Net cash used in investing activities</b>	<b>(28)</b>	<b>(58)</b>	<b>51.1% ↓</b>	<b>(107)</b>	<b>38</b>	<b>378.8% ↓</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Proceeds from shares issuance	-	-	-	-	0	100.0% ↓
Proceeds from stock options' exercise	-	-	-	3	1	213.5% ↑
Treasury shares	-	(35)	100.0% ↓	(39)	(195)	80.0% ↓
Proceeds from loans and financing	254	158	60.3% ↑	922	633	45.6% ↑
Proceeds from debentures	-	-	-	-	-	-
Payment of loans, financing and debenture	(537)	(259)	107.6% ↑	(1,154)	(1,088)	6.0% ↑
Capital transaction	0	0	93.9% ↓	0	(0)	433.3% ↓
Dividends paid	-	-	-	(171)	(141)	21.6% ↑
Contributions to non-controlling shareholders	(13)	7	288.1% ↓	(36)	(4)	885.3% ↑
Advanced payment from related companies	0	-	-	3	-	-
<b>Net cash (used in) generated by financing activities</b>	<b>(296)</b>	<b>(129)</b>	<b>129.8% ↑</b>	<b>(471)</b>	<b>(793)</b>	<b>40.6% ↓</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, NET</b>	<b>(23)</b>	<b>(1)</b>	<b>n.a.</b>	<b>153</b>	<b>(384)</b>	<b>139.9% ↑</b>
<b>CASH AND CASH EQUIVALENTS</b>						
Cash and cash equivalents at beginning of the period	1,394	1,039	34.1% ↑	1,217	1,423	14.4% ↓
Cash and cash equivalents at end of the period	1,371	1,038	32.0% ↑	1,371	1,038	32.0% ↑



# LOG COMMERCIAL PROPERTIES



Valuation\*: R\$ 1.3 billion  
P/BV: 1.81

As of May/13



MRVLOG  
Birth

Delivered 1st  
Warehouse  
Contagem - MG

... Increasing  
Investments

Private Equity  
Proceed



BRMALLS

Shopping  
Contagem  
agreement

Change of  
Corporate Name



3rd  
Debentures  
issuance

FIP MPLUS

2nd Private  
Equity Proceed

5th Debentures  
issuance

2014

6th  
Debentures  
issuance

4rd  
Debentures  
issuance

Registration  
in B category  
in CVM.

Present in 26  
cities  
and 9 states

2st  
Debentures  
issuance

+ 500 employees  
in construction  
sites

1st Debentures  
issuance

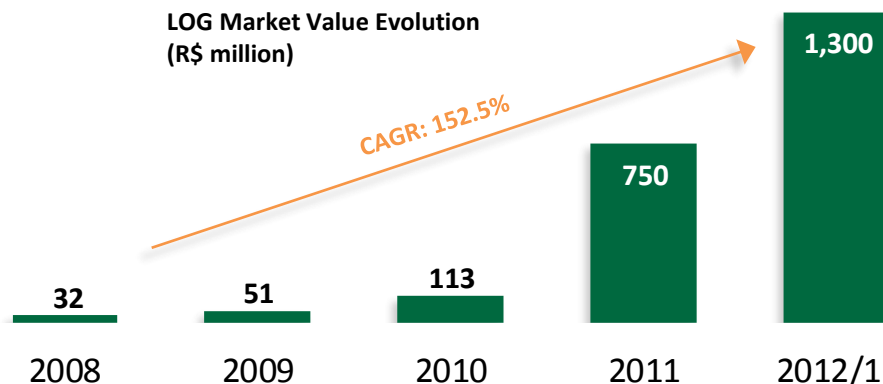
Present in  
18 cities  
and 8 states

Present in 11  
cities  
and 4 states

Present in 3  
cities  
and 2 states

LOG Market Value Evolution  
(R\$ million)

CAGR: 152.5%



• Valuation post-money.

1) Equity as of 2Q11 + R\$ 350 million

2) Equity as of 1Q13 + R\$ 278 million



# LOG Commercial Properties business



LOG CP is a commercial properties Company that has in its portfolio beyond the projects for logistics and industry,  
the Company's core business, Shopping Centers, Strip Mall and Industrial Lots.

## Logistics Complexes

- » 100% Greenfield
- » Full control of cycle, from land acquisition to project delivery.
- » Multi-tenant
- » Projects in modules
- » Flexible architecture
- » 2 to 10 year contracts



## Shopping Centers

- » 100% Greenfield
- » Comprehensive shopping centers
- » Operated by specialized companies



## Strip Malls

- » 100% Greenfield
- » Regional Strip Malls

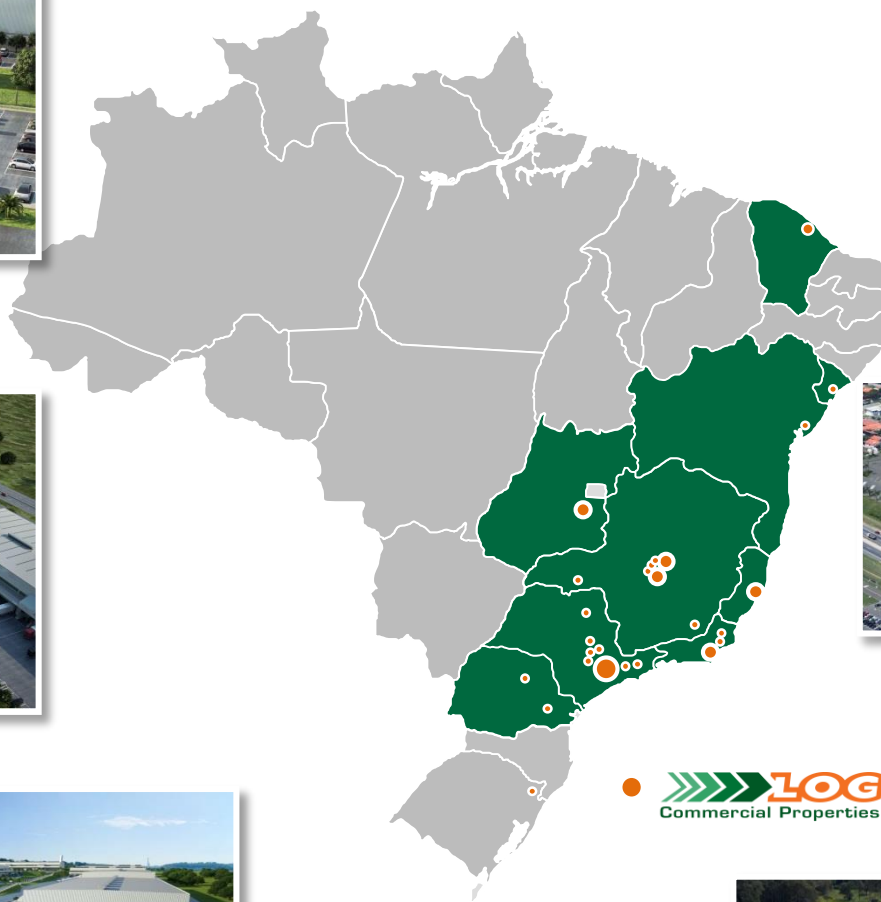


## Industrial Lots

- » 100% Greenfield
- » Full control of cycle, from land acquisition to project delivery



Present in 25 cities and 9 states



Extended experience in creating business and developing assets. Our integrated model is unique in the market, from land identification to project delivery.

### Asset Creation – Integrated Business Model

#### Identification of Demand

- » Experience
- » Dedicated Team of Professionals

#### Land Acquisition

- » Dedicated Team to capture new opportunities
- » Extended shared data base with MRV.

#### Construction

- » Know-how and experience
- » LOG CP – MRV synergy
- » Cost reduction by material acquisition with MRV

#### Delivery of Project

- » Multitenant strategy to maximize returns
- » Retail strategy

#### Managing

- » Tenant managed
- » Condominium administrated by specialized companies.

### Logistics Complexes



Warehouses

Offices

Development

Acquisition

Highly Competitive Environment

Global Logistic Properties  
普洛斯

WTGoodman+

CCP  
FUNDING PARTNER

SÃO CARLOS

BRProperties

Financial Players

Pension funds

FUNCEF

PETROS

AUTONOMY  
INVESTIMENTOS

CAIXA DE PREVIDÊNCIA  
DO RANCHO DO BRASIL

BRAZILIAN  
FUNDING & REAL ESTATE

LOG Commercial Properties controls complete cycle of development, construction and administration of its assets



Factors of Success:

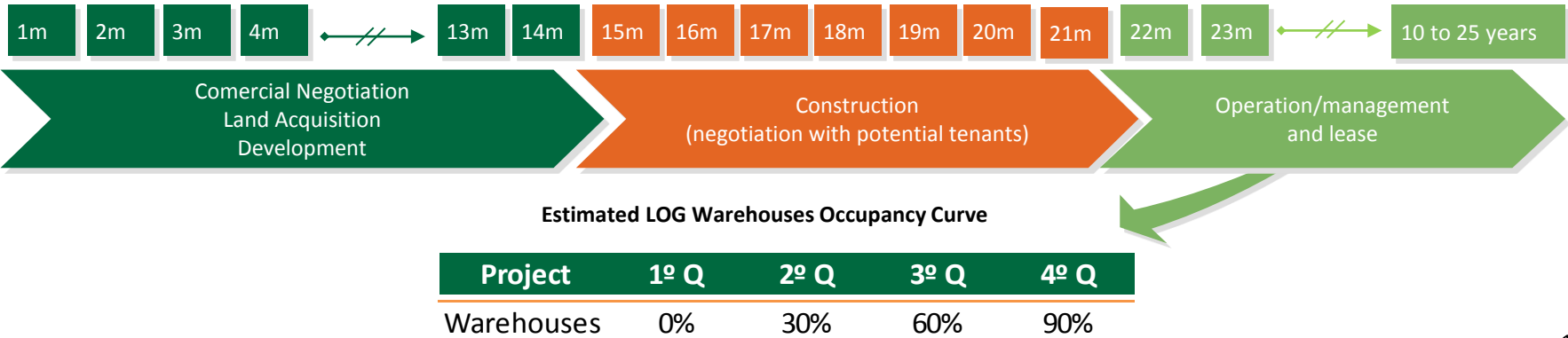
- I. Strong demand and lack of available infrastructure
- II. Experience in the distribution center market – 35 years experience in Brazil and abroad
- III. Expertise in land acquisition
- IV. Low costs & integrated supply chain
- V. Nationwide coverage: one-stop-shop for clients seeking logistics solutionlogísticas



LOG Jundiaí



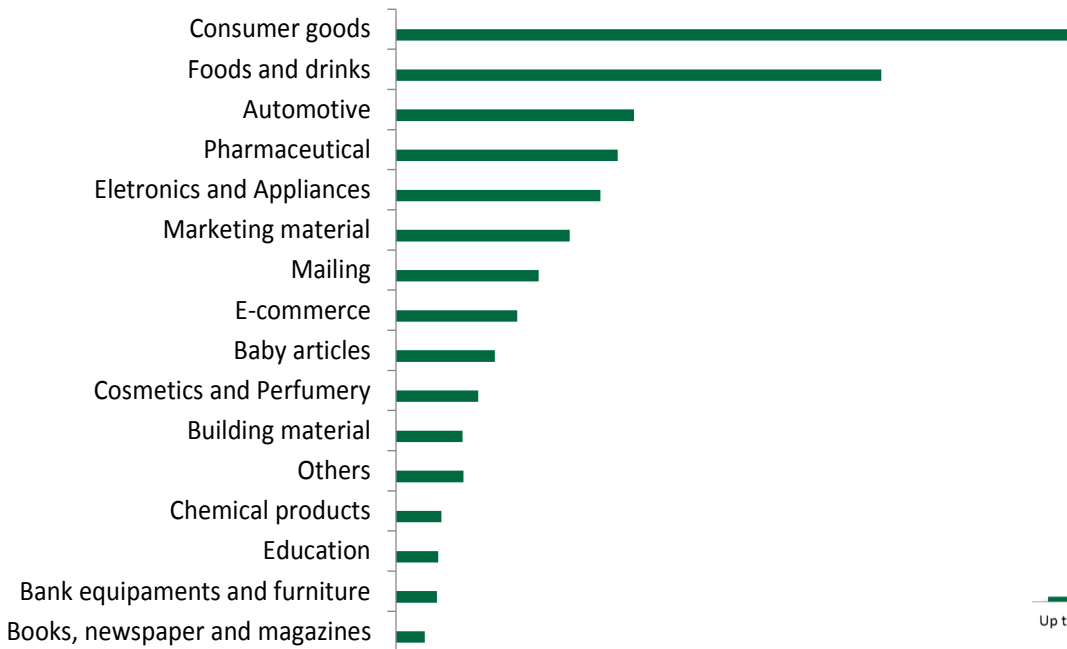
Business Model



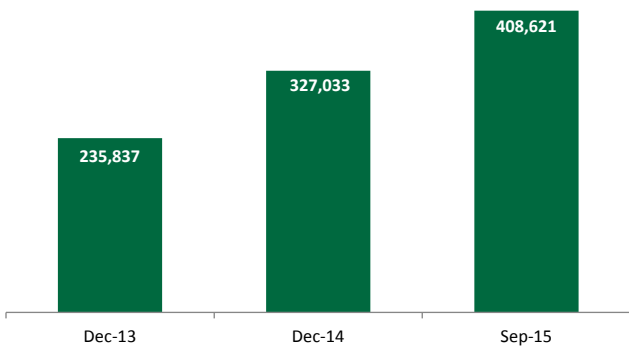
# Commercial Activity



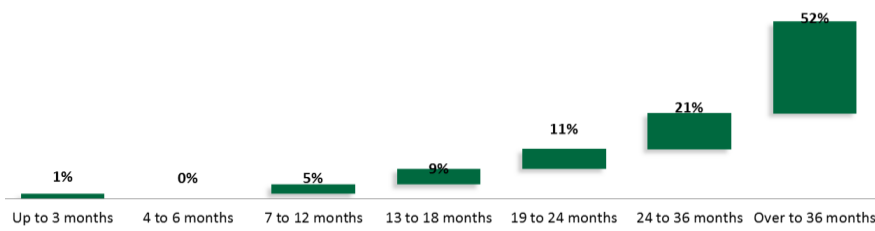
## Portfolio by warehouses sector Renters(in GLA sq.m)



## Backlog – in R\$ thousand

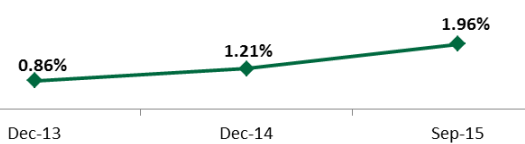


## Contracts Maturity



- » The current lease of Log, ranging from 2 to 10 years with an average of 54 months;
- » Lease contracts are indexed to “IGPM” or “IPCA” and have contractual review every three years.
- » 1 atypical rental model Built to suit (BTS).

## Net Default

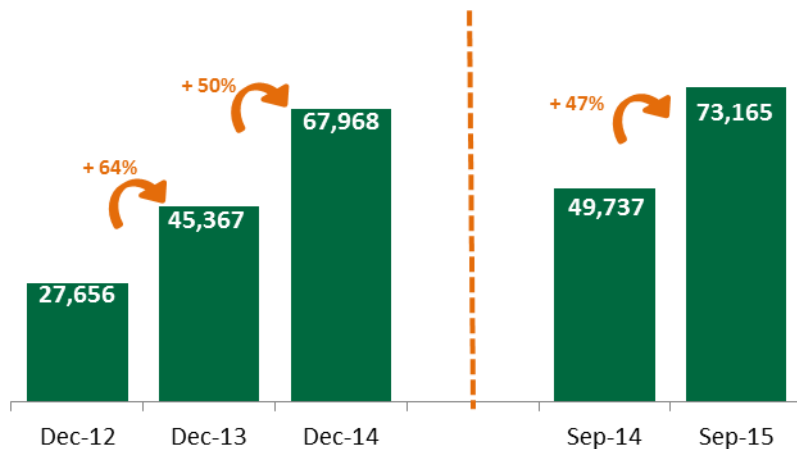


## Some of LOG Renters

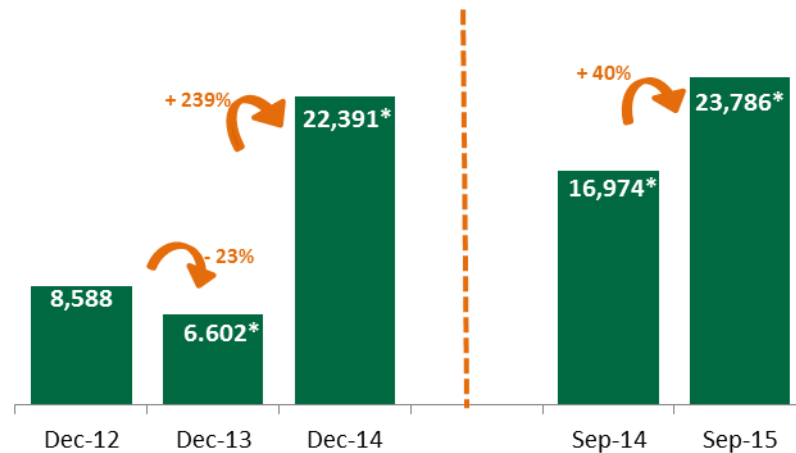




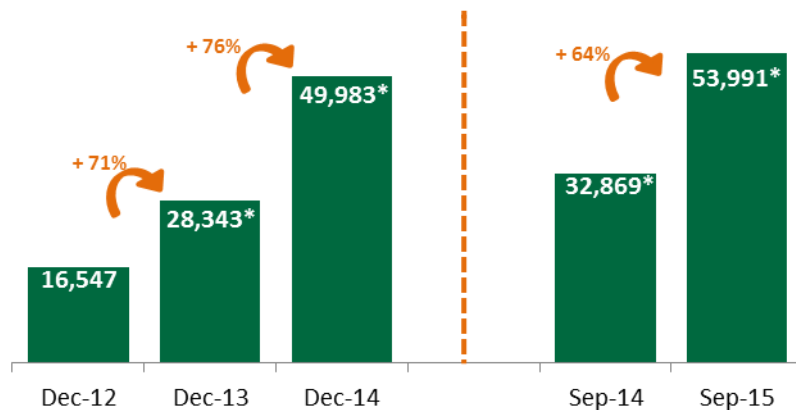
**Net Operating Revenue**  
(in R\$ thousand)



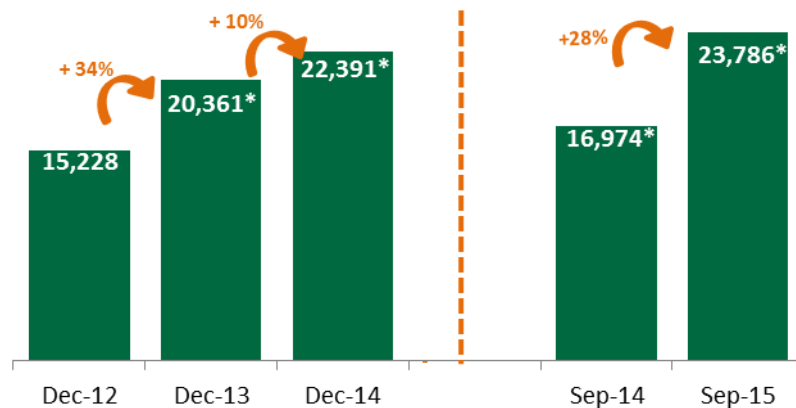
**Net Income Adjusted\***  
(in R\$ thousand)



**Adjusted EBITDA\***  
(in R\$ thousand)



**Adjusted FFO \***  
(em R\$ mil)

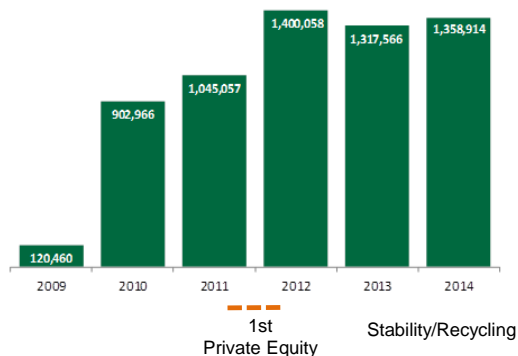


\* Does not consider non recurrent events as land sale, SPE sale and gain/loss with investment properties Fair Value.

# LOG' Growth

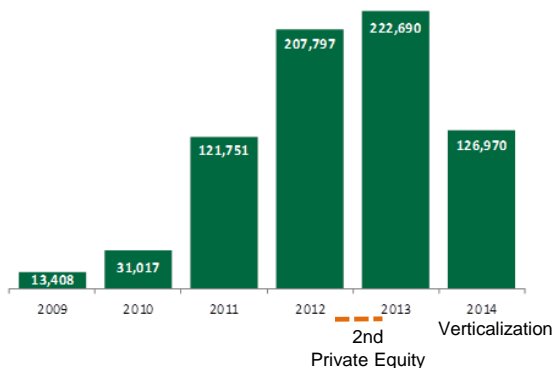


Portfolio (in GLA, %LOG)



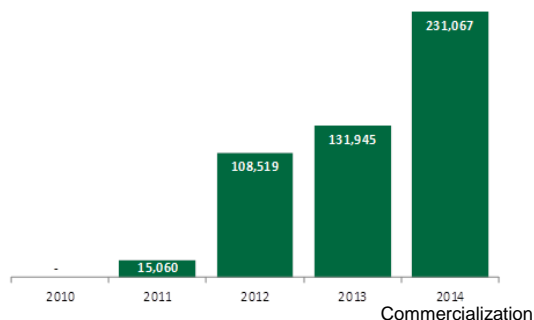
»»» High Growth capacity and new areas identification.

Built GLA (in GLA, 100%)



»»» Experienced construction team and with scale for growth and cost control.

GLA Leased (in GLA, %LOG)



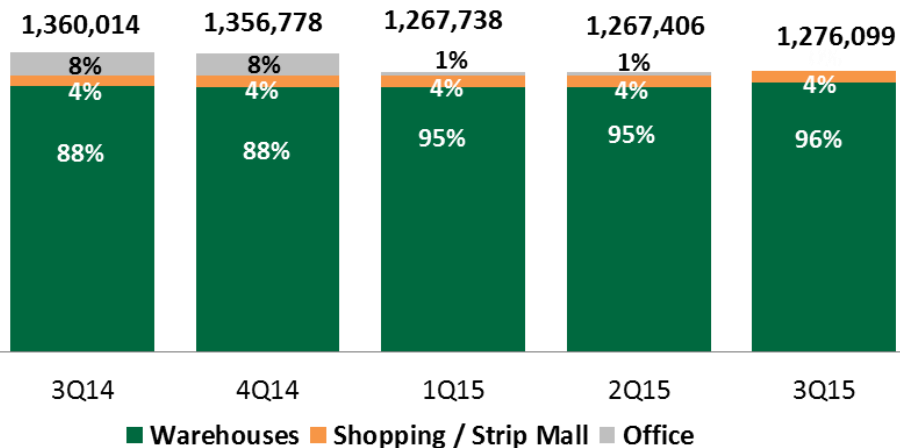
»»» Quality and premium location in attention with the brazilian market growing.

\*Considers pre-leases, in other words, leasing of areas not delivered.

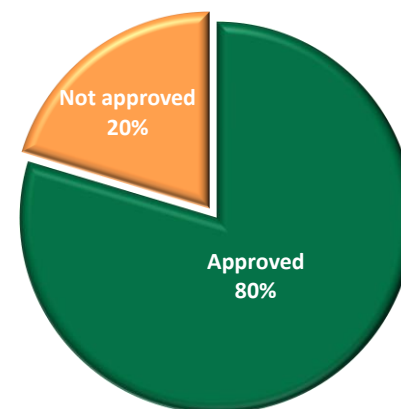
# Portfolio Evolution



**LOG Portfolio Evolution - % LOG  
(in GLA sq.m.)**

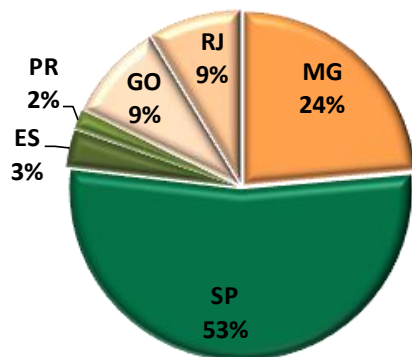


... In June 2015 LOG had 80% of its Portfolio approved

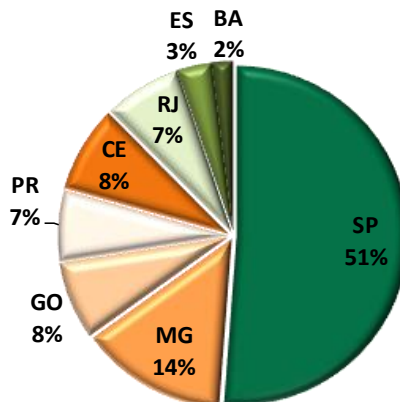


**LOG Portfolio Geographical Distribution (sq.m.)**

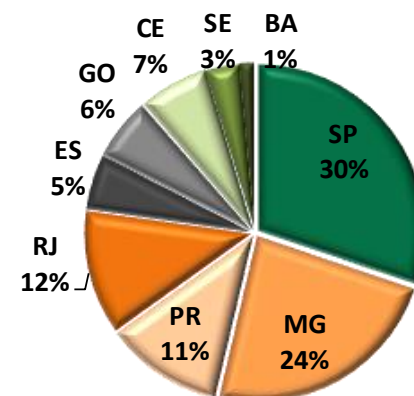
.... in 2010



... in 2011



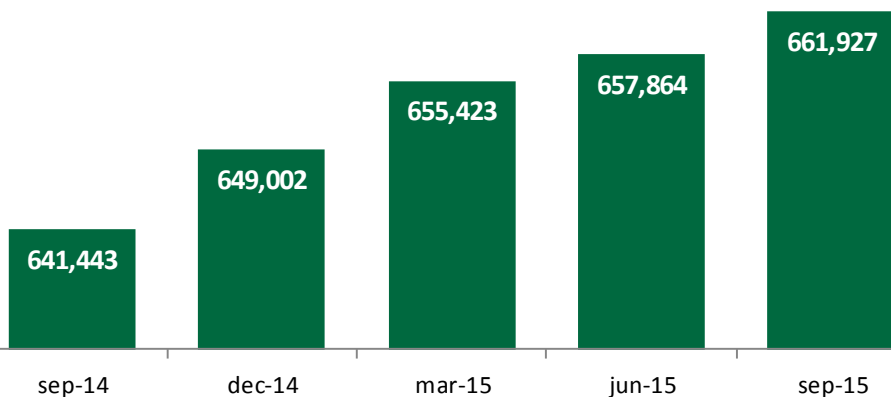
**LOG Portfolio in 30-Sep-15**



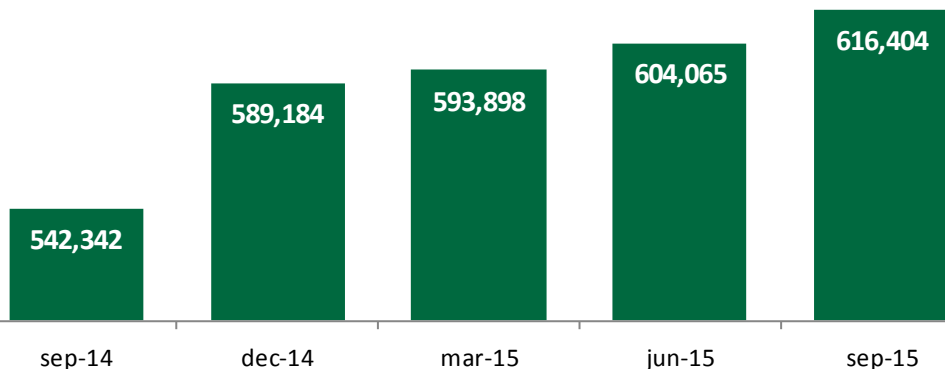
# Operational Information



Accumulated Built GLA ( in sq.m ) %LOG



Accumulated Delivered GLA ( in sq.m ) - % LOG



## LOG Drivers Value generation

LOG's high cap rate compression capacity

LOG delivers higher return rates to the shareholders

Assets evaluated in September 30, 2015 in R\$2.1 billion.

## Some Projects delivered until 30-Sep-15



**LOG I, in Contagem/MG**  
GLA: 58,417 sq.m



**LOG Goiânia (G1, G2, G3, G7 e G8), in GO**  
GLA: 40,365 sq.m



**LOG São José dos Pinhais, in PR**  
GLA: 24,929 sq.m



**LOG Fortaleza, in CE**  
GLA: 17,132 sq.m

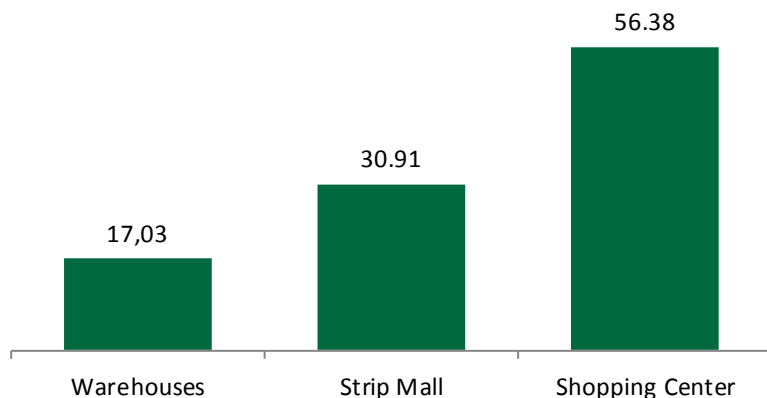
**LOG Hortolândia, in SP**  
GLA: 53,492 sq.m

**LOG Feira de Santana, in BA**  
GLA: 17,725 sq.m

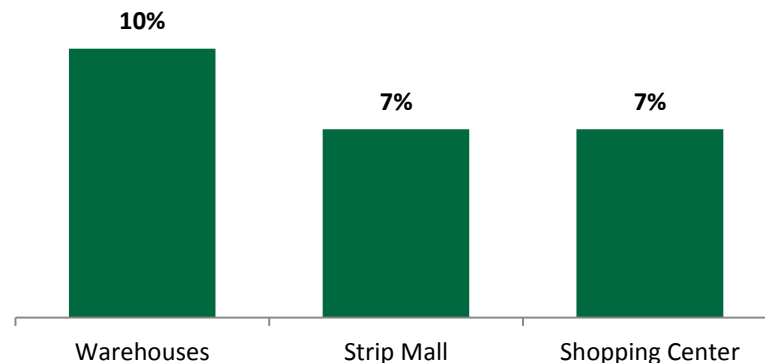
# Operating Indicators - Commercialization



**Portfolio's Average Price  
(R\$/GLA/Month)**



**Portfolio's physical vacancy  
by Segment (%)**



**Commercialization of the lots (PIB)  
(sq.m. and R\$ thousand)**

Project	Marketable Area%LOG (sq.m)	Sales Speed (month)	GSV %LOG (R\$ thousand)
Lots	1,064,380	5%	235,135

**Leased GLA = approximately 5,515.93  
sq.m average by tenant  
(based 30-jun-15, only warehouses)**

## LOG Portfolio:

... currently has **30**  
logistics complexes,  
with **40,678** sq.m of  
average GLA

+ 2 Shopping Malls  
with **14,485** sq.m of  
average GLA

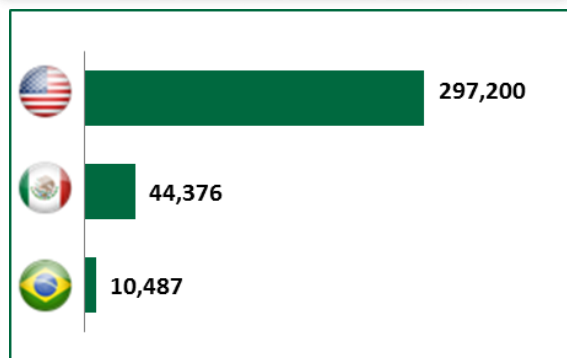
+ 7 Strip Malls with  
**3,826** sq.m average  
GLA



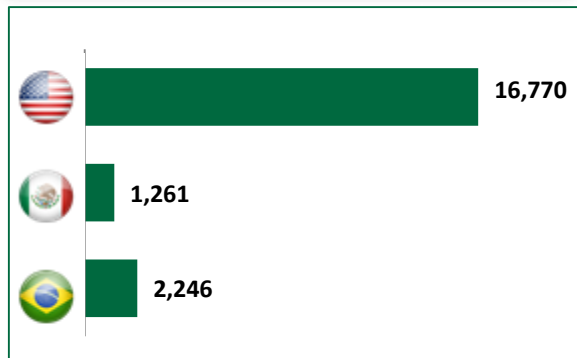
# The global context and growth potential of the Brazilian

## The global context

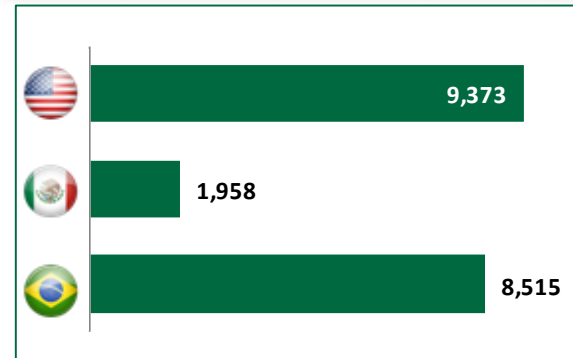
Industrial Condominium Inventory + Isolated warehouses (thousand sq.m.)



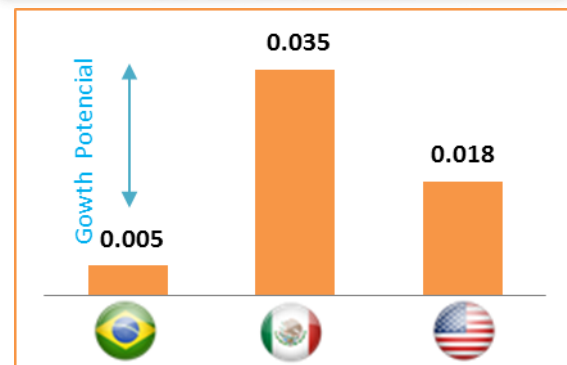
GDP (US\$ billion)



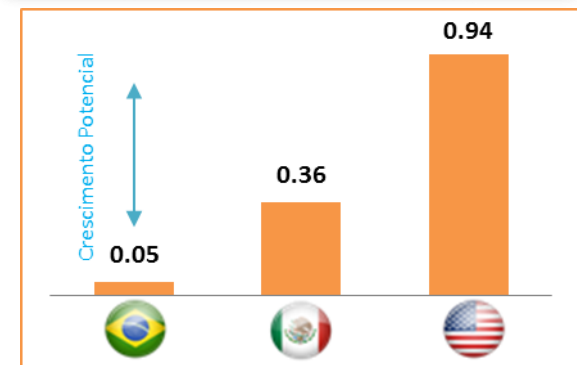
Territorial Extension (thousand km²)



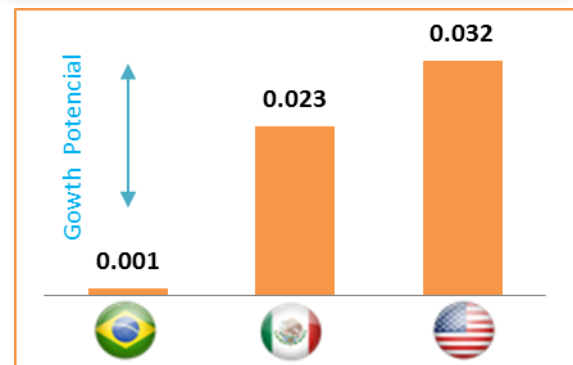
Logistics Inventory (sq.m.) per GDP (US\$ million)



Logistics Inventory (sq.m.) per Population (# habitants)



Logistics Inventory (sq.m.) per Territorial Extension (km²)



## Growth potential to be explored

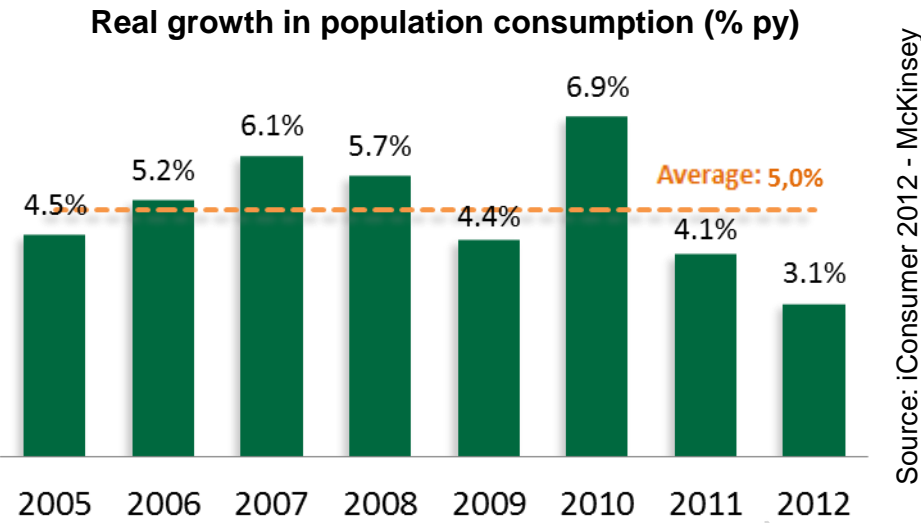
The Brazilian logistics and infrastructure market has great potential of growth..

The road modal is the major type in Brazil, with nearly 60% of the total...

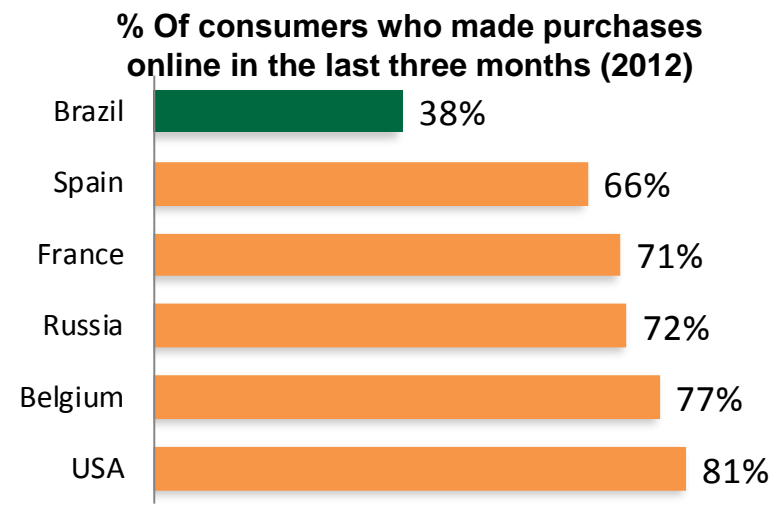
The Union's budget 2013-2016 for infrastructure of roads is expected approximately R\$42 billion

Elevated index of growth in the BRICS, upcoming sport events in the next years, PAC/PAC2.

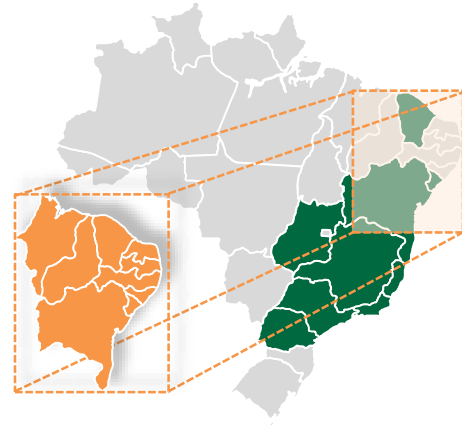
» Economic growth and higher income levels have contributed to the market of consumer goods.



» The e-commerce in Brazil is still in its beginning and has huge potential for expansion.



» According to McKinsey, in addition to the expected consumption growth of 7% -8% in the Southeast, the map of the consumer market growth in Brazil should focus off the main economic axis/capitals. The Northeast region is expected to grow about 11% annually over the next 10 years.



States in which the LOG has projects in its portfolio

Challenges:

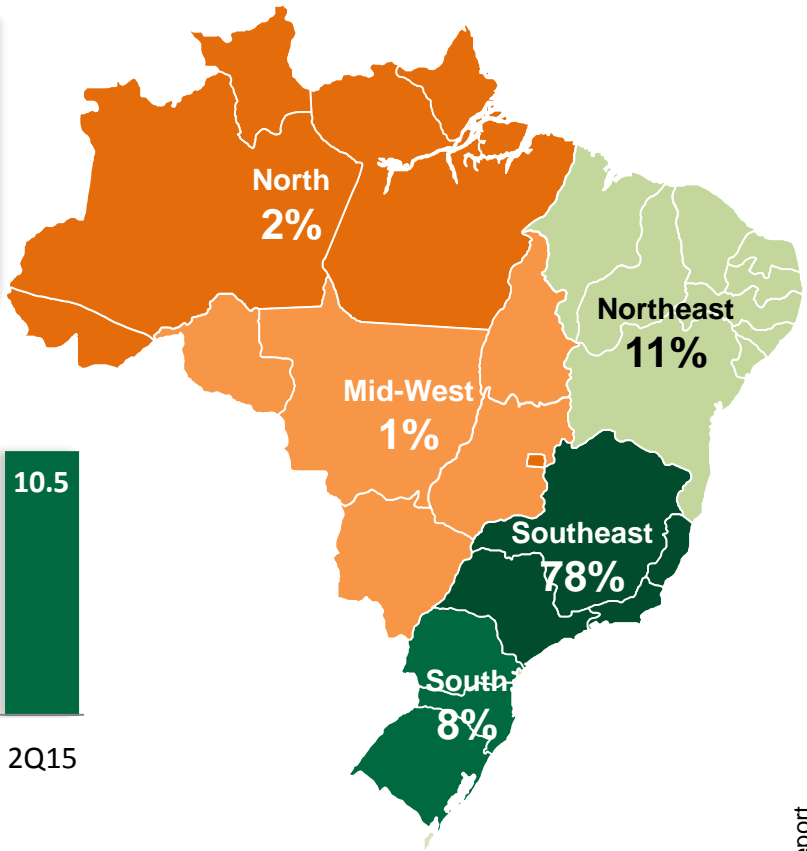
- Promote the development of logistics infrastructure of consumer goods market operations
- Identifying opportunities in growing markets



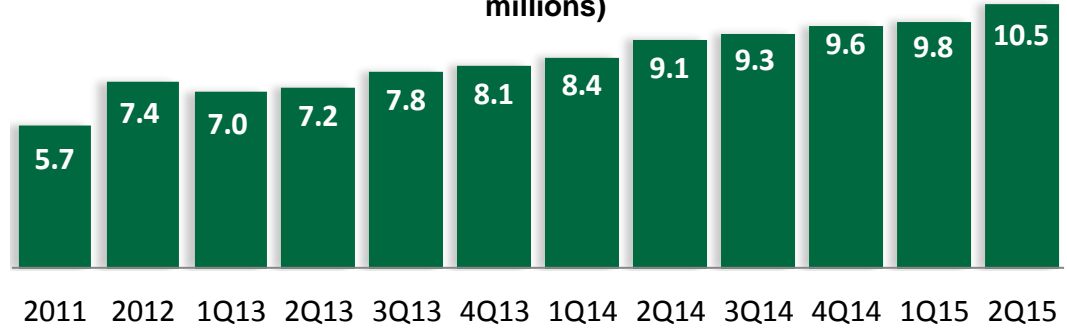
# The current industrial condominiums market



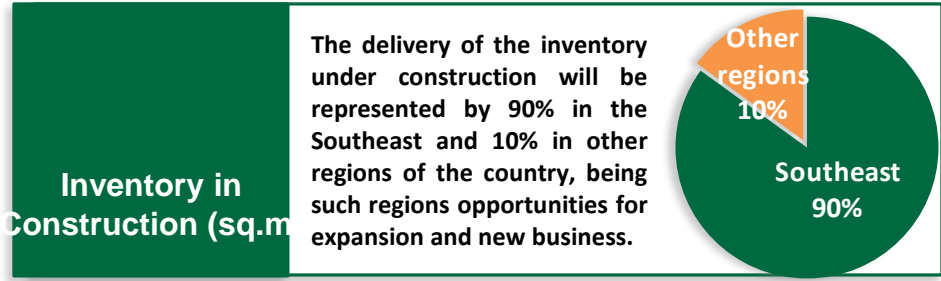
The Brazilian market of industrial parks is highly concentrated in the Southeast, with 78% of the total. The other regions of the country lack for commercial/industrial areas, and with investment in infrastructure being made in these states, the market to industrial condominiums will expand.



Evolution of industrial condominiums in Brazil (sq.m millions)



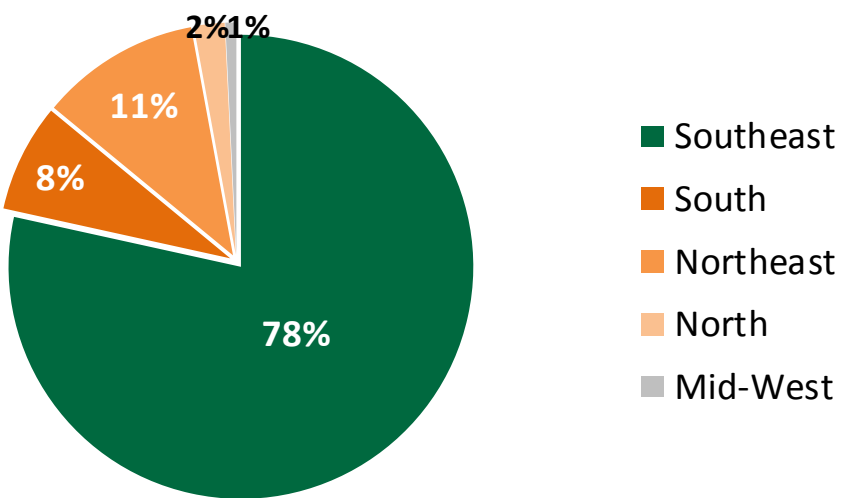
The five regions in Brazil has existing inventory of condominiums class A logistics of 10.5 million sq.m versus 9.1 million sq.m in the second quarter of 2014.



The delivery of the inventory under construction will be represented by 90% in the Southeast and 10% in other regions of the country, being such regions opportunities for expansion and new business.

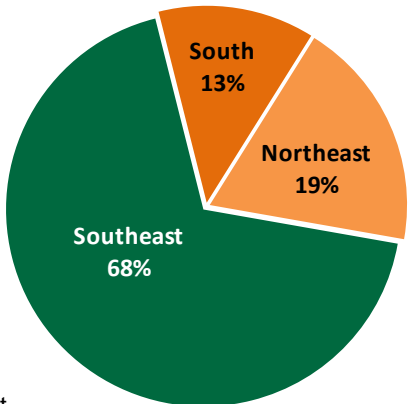
Inventory in Construction (sq.m)

Distribution of existing inventory by region (%) in 2Q15

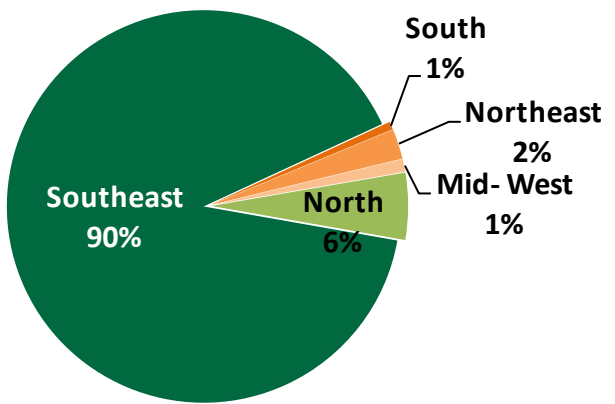


According to Colliers International for the year of 2015 is expected to be delivered 1,654 thousand sq.m of GLA

Distribution of the inventory in project phase by region (%) – 2Q15



Distribution of the inventory under construction by region (%) in 2Q15

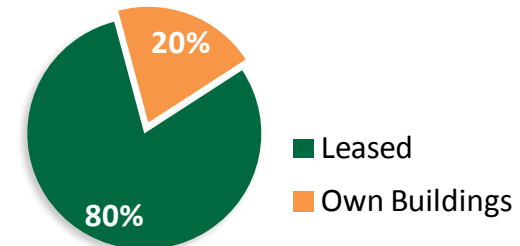
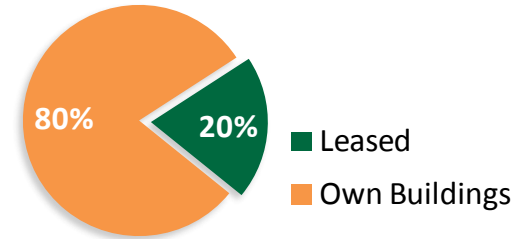
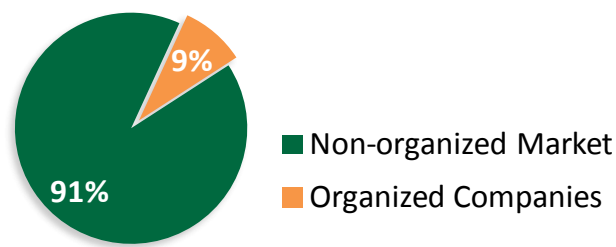


# The current industrial condominiums market (cont.)

Fragmented Industry in Brazil  
(in terms of GLA):

The large majority of the companies in  
Brazil still own their real estate...

... and in the USA, only 20% of the  
companies own their real estate assets



Fonte: Itaú Securities e outras fontes



LOG | Warehouse

The warehouses market in Brazil has International Class specs. They have from 1,000 to 50,000 sq.m. average size, ceiling height from 11 to 12 meters and floor capacity from 5 to 6 ton/sq.m. Location, freight costs and bigger leaseable areas are the main features requested by the actual costumers.

Existing warehouses average size (in sq.m.)	Share in existing inventory (%)
< 1,000	0.3%
1,000 to 5,000	9.7%
5,001 to 10,000	6.7%
10,001 to 50,000	48.8%
> 50,000	34.5%

Source: Colliers Industrial Market Report





## Betim Industrial lots:

- Total area: + 6 million sqm
- Lots intended for sale
- Strategic Location
- Possibility of developing warehouses

[www.parqueindustrialbetim.com.br](http://www.parqueindustrialbetim.com.br)



» Construction of roads and infrastructure at a rapid pace.



» Potential vendible area of + 2.8 million sqm.



» Potential area for construction of more than 1 million GLA;

» The only LOG project whose units are intended for sale: **shorter cash cycle**;

Operating Highlights (in GLA sq.m., in %LOG)	3Q15	2Q15	3Q14	3Q15 x 2Q15	3Q15 x 3Q14	9M15 Accum.	9M14 Accum.	1H15 x 1H14
<b>Portfolio</b>	<b>1,276,099</b>	<b>1,267,406</b>	<b>1,360,014</b>	<b>0.7%</b>	<b>-6.2%</b>	<b>1,276,099</b>	<b>1,360,014</b>	<b>-6.2%</b>
Warehouses	1,220,346	1,201,802	1,204,522	1.5%	1.3%	1,220,346	1,204,522	1.3%
Retail *	55,754	51,136	51,056	9.0%	9.2%	55,754	51,056	9.2%
Office	-	14,469	104,436	-100.0%	-100.0%	-	104,436	-100.0%
<b>Approved GLA</b>	<b>8,692</b>	<b>67,476</b>	<b>20,985</b>	<b>-87.1%</b>	<b>-58.6%</b>	<b>1,018,084</b>	<b>937,912</b>	<b>8.5%</b>
Warehouses	18,543	53,008	19,513	-65.0%	-5.0%	997,318	922,832	8.1%
Retail *	4,618	-	1,472	0.0%	-1082.9%	20,766	15,079	37.7%
Office	(14,469)	14,469	-	0.0%	0.0%	-	-	0.0%
<b>Built GLA</b>	<b>4,063</b>	<b>2,441</b>	<b>13,899</b>	<b>66.4%</b>	<b>-70.8%</b>	<b>661,927</b>	<b>641,443</b>	<b>3.2%</b>
Warehouses	4,063	2,441	12,771	66.4%	-68.2%	646,736	628,542	2.9%
Retail *	-	-	1,128	0.0%	-100.0%	15,191	12,902	17.7%
Office	-	-	-	0.0%	0.0%	-	-	0.0%
<b>Delivered GLA</b>	<b>12,339</b>	<b>10,167</b>	<b>71,792</b>	<b>21.4%</b>	<b>-82.8%</b>	<b>616,404</b>	<b>542,342</b>	<b>13.7%</b>
Warehouses	12,339	10,167	62,775	21.4%	-80.3%	601,213	530,704	13.3%
Retail *	-	-	9,017	0.0%	-100.0%	15,191	11,638	30.5%
Office	-	-	-	0.0%	0.0%	-	-	0.0%

Financial Highlights (in R\$ thousand)	3Q15	2Q15	3Q14	3Q15 x 2Q15	3Q15 x 3Q14	9M15 Accum.	9M14 Accum.	1H15 x 1H14
Net Operating Revenues	23,861	22,394	17,056	6.6%	39.9%	68,742	46,664	47.3%
EBITDA	20,813	19,740	12,989	5.4%	60.2%	34,522	272,018	-87.3%
EBITDA Margin (%)	87.2%	88.1%	76.2%	-0.9 p.p.	11.1 p.p.	50.2%	582.9%	-532.7 p.p.
Adjusted EBITDA **	17,514	18,372	12,251	-4.7%	43.0%	53,991	32,869	64.3%
Adjusted EBITDA Margin (%)	73.4%	82.0%	71.8%	-8.6 p.p.	1.6 p.p.	78.5%	70.4%	8.1 p.p.
FFO	10,822	8,389	5,004	29.0%	116.3%	3,384	260,660	-98.7%
FFO Margin (%)	45.4%	37.5%	29.3%	7.9 p.p.	16.0 p.p.	4.9%	558.6%	-553.7 p.p.
Adjusted FFO **	8,150	8,640	4,783	-5.7%	70.4%	23,786	16,974	40.1%
Adjusted FFO Margin (%)	34.2%	38.6%	28.0%	-4.4 p.p.	6.1 p.p.	34.6%	36.4%	-1.8 p.p.

\* Retail: Shopping Centers and Strip Malls.

\*\* Adjusted EBITDA and FFO does not consider non recurrent events as Shopping Contagem stake sale, part of land sale, SPE sale and gain/loss with investment properties Fair Value.

\*\*\* The operating highlights considers LOG's JV's.

# Consolidated Financial Statements Balance Sheet (in R\$)



INCOME STATEMENT	3Q15	2Q15	2Q14	Chg. % 3Q15 x 2Q15	Chg. % 3Q15 x 3Q14	9M15	9M14	Chg. % 9M15 x 9M14
<b>NET OPERATING REVENUES</b>	<b>23,861</b>	<b>22,394</b>	<b>17,056</b>	<b>6.6%</b>	<b>39.9%</b>	<b>68,742</b>	<b>46,664</b>	<b>47.3%</b>
Cost	-	-	-	0.0%	0.0%	-	-	0.0%
<b>GROSS PROFIT</b>	<b>23,861</b>	<b>22,394</b>	<b>17,056</b>	<b>6.6%</b>	<b>39.9%</b>	<b>68,742</b>	<b>46,664</b>	<b>47.3%</b>
<b>OPERATING EXPENSES</b>								
Selling expenses	(2,434)	(2,796)	(2,983)	-12.9%	-18.4%	(7,927)	(7,499)	5.7%
General & Administrative expenses	(2,335)	(2,204)	(2,304)	5.9%	1.3%	(6,921)	(7,319)	-5.4%
Other operatin expenses, net	(2,359)	(133)	(195)	1673.7%	1109.7%	(2,659)	129	-2161.2%
Investment Property Fair Value Variation	627	1,402	510	-55.3%	22.9%	(22,131)	171,201	-112.9%
Equity in subsidiaries and JV's	3,453	1,077	905	220.6%	281.5%	5,418	68,842	-92.1%
<b>OPERATING INCOME BEFORE FINACIAL RESULTS</b>	<b>20,813</b>	<b>19,740</b>	<b>12,989</b>	<b>5.4%</b>	<b>60.2%</b>	<b>34,522</b>	<b>272,018</b>	<b>-87.3%</b>
<b>FINANCIAL RESULTS</b>								
Financial expenses	(15,087)	(15,059)	(8,482)	0.2%	77.9%	(45,210)	(22,346)	102.3%
Financial income	6,689	6,590	906	1.5%	638.3%	16,451	5,889	179.4%
<b>INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>12,415</b>	<b>11,271</b>	<b>5,413</b>	<b>10.1%</b>	<b>129.4%</b>	<b>5,763</b>	<b>255,561</b>	<b>-97.7%</b>
<b>INCOME TAX AND SOCIAL CONTRIBUTION</b>								
Current	(1,547)	(1,572)	(1,212)	-1.6%	27.6%	(4,631)	(4,392)	5.4%
Deferred	(46)	(1,310)	803	-96.5%	-105.7%	2,252	9,491	-76.3%
<b>NET INCOME</b>	<b>10,822</b>	<b>8,389</b>	<b>5,004</b>	<b>29.0%</b>	<b>116.3%</b>	<b>3,384</b>	<b>260,660</b>	<b>-98.7%</b>
<b>PROFIT ATRIBUTABLE TO</b>								
Shareholder's of the company	10,819	8,386	5,024	29.0%	115.3%	3,377	260,595	-98.7%
Non-controlling interests	3	3	(20)	0.0%	-115.0%	7	65	-89.2%

# Consolidated Financial Statements Income Statement



INCOME STATEMENT	3Q15	2Q15	2Q14	Chg. % 3Q15 x 2Q15	Chg. % 3Q15 x 3Q14	9M15	9M14	Chg. % 9M15 x 9M14
<b>NET OPERATING REVENUES</b>	<b>23,861</b>	<b>22,394</b>	<b>17,056</b>	<b>6.6%</b>	<b>39.9%</b>	<b>68,742</b>	<b>46,664</b>	<b>47.3%</b>
Cost	-	-	-	0.0%	0.0%	-	-	0.0%
<b>GROSS PROFIT</b>	<b>23,861</b>	<b>22,394</b>	<b>17,056</b>	<b>6.6%</b>	<b>39.9%</b>	<b>68,742</b>	<b>46,664</b>	<b>47.3%</b>
<b>OPERATING EXPENSES</b>								
Selling expenses	(2,434)	(2,796)	(2,983)	-12.9%	-18.4%	(7,927)	(7,499)	5.7%
General & Administrative expenses	(2,335)	(2,204)	(2,304)	5.9%	1.3%	(6,921)	(7,319)	-5.4%
Other operatin expenses, net	(2,359)	(133)	(195)	1673.7%	1109.7%	(2,659)	129	-2161.2%
Investment Property Fair Value Variation	627	1,402	510	-55.3%	22.9%	(22,131)	171,201	-112.9%
Equity in subsidiaries and JV's	3,453	1,077	905	220.6%	281.5%	5,418	68,842	-92.1%
<b>OPERATING INCOME BEFORE FINACIAL RESULTS</b>	<b>20,813</b>	<b>19,740</b>	<b>12,989</b>	<b>5.4%</b>	<b>60.2%</b>	<b>34,522</b>	<b>272,018</b>	<b>-87.3%</b>
<b>FINANCIAL RESULTS</b>								
Financial expenses	(15,087)	(15,059)	(8,482)	0.2%	77.9%	(45,210)	(22,346)	102.3%
Financial income	6,689	6,590	906	1.5%	638.3%	16,451	5,889	179.4%
<b>INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>12,415</b>	<b>11,271</b>	<b>5,413</b>	<b>10.1%</b>	<b>129.4%</b>	<b>5,763</b>	<b>255,561</b>	<b>-97.7%</b>
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Shareholder's of the company	10,819	8,386	5,024	29.0%	115.3%	3,377	260,595	-98.7%
Non-controlling interests	3	3	(20)	0.0%	-115.0%	7	65	-89.2%

CASH FLOW STATEMENT	9M15	9M14	Chg. % 9M15 x 9M14
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income	3,384	260,660	-98.7%
Adjustments to reconcile profit to net cash used in operating activities	57,259	(226,853)	-125.2%
Decrease (increase) in operating assets	(13,030)	(9,200)	41.6%
Increase (decrease) in operating liabilities	3,481	3,190	9.1%
Income tax and social contribution paid	(4,137)	(4,339)	-4.7%
Land sale receiving	36,041	6,967	417.3%
Dividends received from subsidiaries	20,000	-	0.0%
<b>Net cash used in operating activities</b>	<b>102,998</b>	<b>30,425</b>	<b>238.5%</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Decrease (Increase) of investments	(5,163)	(63,196)	-91.8%
Acquisition of investment property	(28,729)	(169,753)	-83.1%
Other	(1,013)	(242)	318.6%
<b>Net cash used in investing activities</b>	<b>(34,905)</b>	<b>(233,191)</b>	<b>-85.0%</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from loans and debentures, net	4,093	477,778	-99.1%
Payment of loans	(39,929)	(270,603)	-85.2%
Derivative financial instrument redemption	6,073	-	0.0%
Interest paid	(85,912)	(51,025)	68.4%
Contributions from shareholders	25,856	2,938	780.1%
Dividend payments	(25,856)	(2,938)	780.1%
Contributions from noncontrolling shareholders	(114)	(3)	3700.0%
<b>Net cash provided by financing activities</b>	<b>(115,789)</b>	<b>156,147</b>	<b>-174.2%</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, NET</b>	<b>(47,696)</b>	<b>(46,619)</b>	<b>2.3%</b>
<b>CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalents at beginning of year	77,334	151,200	-48.9%
Cash and cash equivalents at end of year	29,638	104,581	-71.7%



## Board of Directors

### ***Rubens Menin Teixeira de Souza – Chairman of our board of directors.***

He holds a degree in civil engineering from the Federal University of Minas Gerais, where he graduated in 1978. He is a founding partner of the MRV group and currently serves as chairman of the board of directors of MRV Engenharia e Participações S.A. He is also a founding partner of Intermedium and has been chairman of its board of directors since the company was established in 1994.

### ***Marcos Alberto Cabaleiro Fernandez.***

Graduated in law degree from the Milton Campos Law School in 1981. He founded Construtora Becker Cabaleiro in 1977, and CVG company in 1986. He was Vice Chairman of the Real Estate Market Chamber (Câmara do Mercado Imobiliário) of Belo Horizonte and the Civil Construction Union (Sindicato da Construção Civil) from 1999 to 2002. He is a founding partner of Intermedium and has been a member of its board of directors since the company was established in 1994. Mr. Fernandez is a member of the Board of Directors of MRV Engenharia e Participações S.A and LOG Commercial Properties Participações S.A and accumulate the position of Chief Executive Officer at LOG Commercial Properties Participações S.A and Urbamaís.

### ***Barry Stuart Sternlicht***

Mr. Barry is Starwood's Capital Group President and founder. He is Chairman of the Board of Societe du Louvre. Was responsible, in the last 20 years, for the structuring of over 400 investment transactions totaling more than \$ 40 billion in assets. Were also the president and founder of Starwood Hotels & Resorts Worldwide, Company that is one of the biggest Hotel Companies in the world with 800 properties in 80 countries employing more than 115,000 people. Is graduated from Brown University and holds a MBA from Harvard Business School.

## Executive Officers

***Marcos Alberto Cabaleiro Fernandez – Chief Executive Officer. (See above)***

### ***Sérgio Fischer Teixeira de Souza – Chief Operations Officer***

Graduated in Civil Engineering at the Federal University of Minas Gerais (2002), with postgraduate studies in Finance at Fundação Dom Cabral (2004). Worked in MRV 1997-2004 in the department of Engineering and Supply. After he became Vice President of MIC Corporation, responsible for developing commercial character projects, industrial and residential areas in Florida, USA.

### ***Leonardo Guimarães Corrêa***

Graduated in Economics from the Federal University of Minas Gerais (1980), with post-graduate in Finance from FGV (1986). Was treasury manager at Lloyds Bank from 1982 to 1990 and Treasurer of JP Morgan from 1990 to 2000. Ex-partner of Banco Pactual (2000-2003) and Perfin Resource Management (2003-2006). It is CFO of MRV Engenharia e Participações S.A since 2006.

### ***Marcelo Martins Patrus***

Graduated in Business Administration (1985) and Accounting (1987) from the Pontifical Catholic University of Minas Gerais (PUC). Is Shareholder and CEO of Patrus Transportes Urgentes, a leader in the logistics industry in Brazil, with more than 1,700 employees and a fleet of 2,100 vehicles, covering 9 Southern States, Southeast and Northeast. Has over 35 years of experience in the logistics industry, and is a member of several industry associations.

### ***Ryan William Hawley***

He graduated in Economics from the University of Berkeley (CA) and a master's degree at the London School of Economics. Specialist in building financial models, structuring and due diligence Road show for advising transactions acquisitions, mergers and refinancings.

### ***Manuel Maria Pulido Garcia Ferrão de Sousa***

Graduated in Business Administration from the Catholic University of Portugal in 1988, with MBA from Columbia Business School in 1995. He was Managing Director responsible for the corporate finance area of BESI Brasil from 2001 to 2006 and Associate and Vice President of M&A in the J.P. Morgan between 1995 to 2001 in Nova York and São Paulo. It was responsible by private equity area of Banco Espírito Santo in Brasil between 2007 to 2010 and it is responsible for 2BCapital since 2010. It is currently responsible for the Bradesco private equity area. Beyond LOG, participate of the director board of other companies: Aramis, Smartia and Brennand Cimentos.

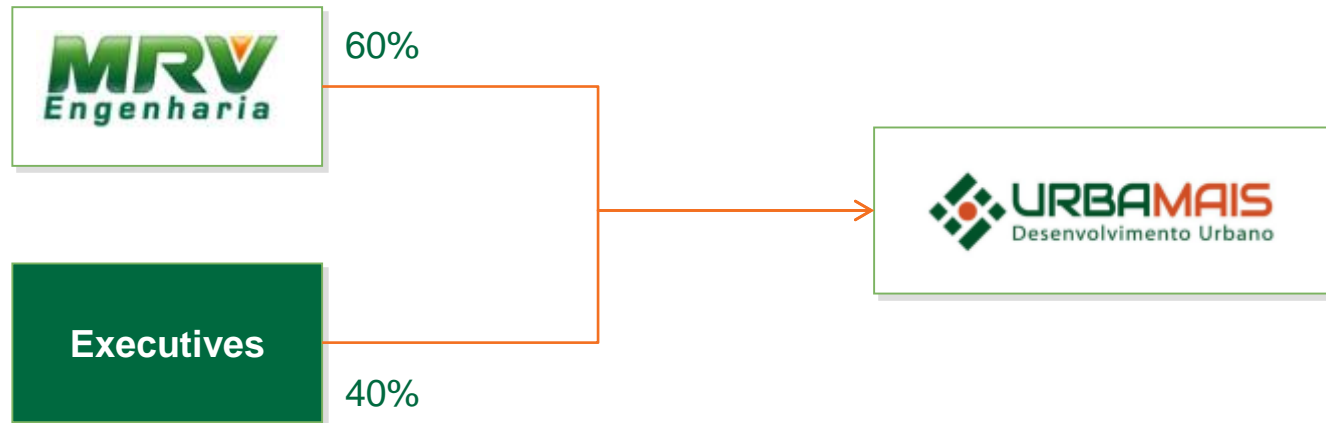
### ***Felipe Enck Gonçalves – Chief Financial and Investors Relation Officer***

Graduated in Economics at the Pontifical Catholic University of Minas Gerais in 2002 and graduated in Accounting at Fundação Mineira de Educação e Cultura in 2007. From 2002 to 2007 he worked at Ernst & Young in Brazil, from 2007 to 2009 worked at Ernst & Young in London. He joined MRV in 2010 as Executive Manager of Investor Relations and in 2011 he became Chief of Finance and Investor Relation Officer of LOG Commercial Properties.

# **URBAMAIS**

# **DESENVOLVIMENTO URBANO**

# Shareholders Structure



- ❖ Capital contribution amounting to R\$ 50 million, of which MRV is responsible for 60%.
- ❖ The project's natural maturation will require more capital injection, to be supplied by external investors.

Development and commercialization of urban lots in residential, commercial and industrial segments, all sustainably developed.

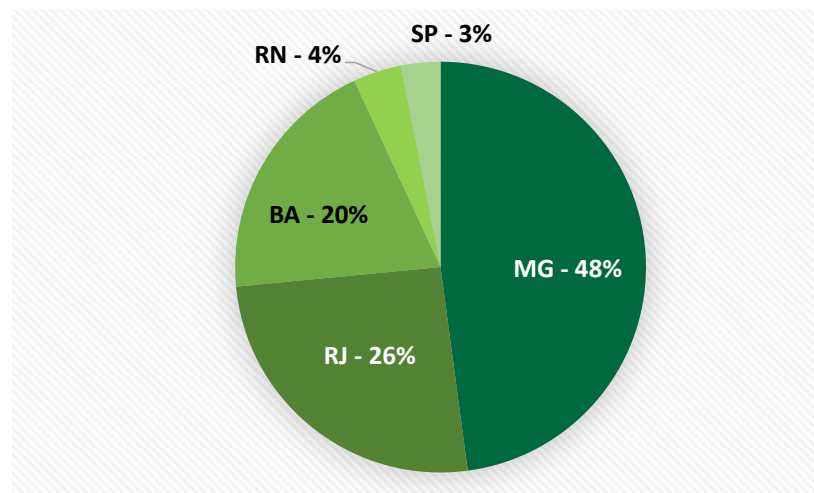
## Operational Numbers

Urbamaís (100%)	3Q15	2Q15	3Q14	Chg. 2Q15 x 3Q14	Chg. 3Q15 x 3Q14
<b>Land bank (R\$ million)</b>	<b>2.137</b>	1.959	-	9,1% ↑	
<b>PSV Launched (R\$ million)</b>	-	73	23	100,0% ↓	100,0% ↓
Number of units	-	1.105	246	100,0% ↓	100,0% ↓
Average price per sq.m. (R\$)	-	389	450	n.a.	n.a.
Launched area - sq.m.	-	189	52	100,0% ↓	100,0% ↓
<b>Pre-sales (R\$ million)</b>	<b>10,7</b>	38,7	7,8	72,4% ↓	36,9% ↑
Number of units	<b>140</b>	592	82	76,4% ↓	70,7% ↑
Average price per unit (R\$ thousand)	<b>76</b>	65	95	16,7% ↑	19,8% ↓
Area sold - sq.m.	<b>154</b>	168	74	8,3% ↓	107,0% ↑
% Urbamaís	3Q15	2Q15	3Q14	Chg. 2Q15 x 3Q14	Chg. 3Q15 x 3Q14
<b>Land bank (R\$ million)</b>	<b>1.380</b>	1.263	-	9,2% ↑	
<b>PSV Launched (R\$ million)</b>	-	33	17	100,0% ↓	100,0% ↓
Number of units	-	478	183	100,0% ↓	100,0% ↓
Launched area - sq.m.	-	83	39	100,0% ↓	100,0% ↓
<b>Pre-sales (R\$ million)</b>	<b>7,0</b>	25,9	5,0	72,9% ↓	41,0% ↑
Number of units	<b>93</b>	397	52	76,7% ↓	76,7% ↑
Average price per unit (R\$ thousand)	<b>101</b>	111	48	8,4% ↓	113,3% ↑

\* 100% = Total Units (Urbamaís + Partners)

\*\* %MRV = The amount equivalent to 100% of Urbamaís

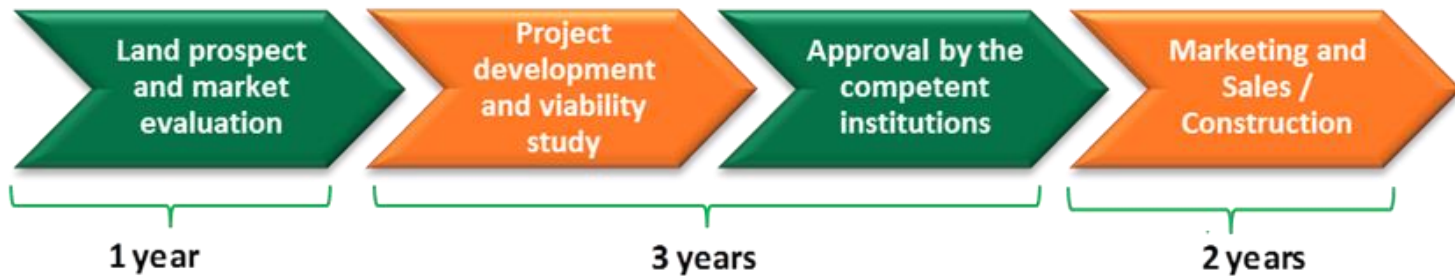
## Land Bank (R\$) – by state



- ❖ Urbamais operates (i) researching and identifying distinguished areas, aiming to boost the success of its allotments, and (ii) planning and executing the infrastructure and urbanism with high quality and environmental awareness.
- ❖ The company's advantages are based on the following pillars: strategic location of its allotments, operational excellence, cost-benefit of the projects, quality of infrastructure and urbanism, relationship with its clients and professional management.

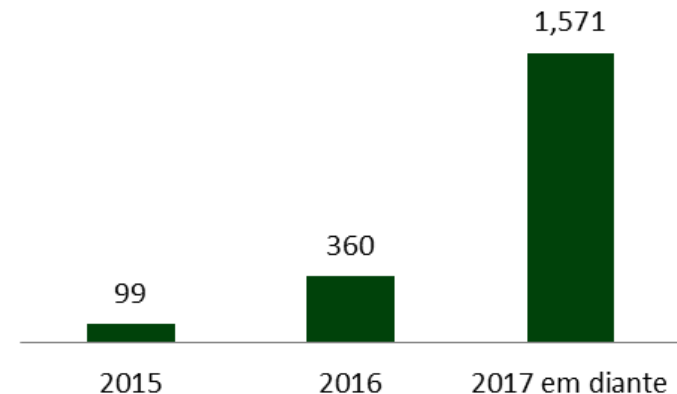






The land development segment has a long business cycle, but it needs little working capital. The approval process and development of projects is extensive, usually reaching more than six years.

Land bank potential PSV distribution per year of launch (R\$ mm)



# Clients

## Residential Lots

- ❖ Customers: **B and C classes**
- ❖ Homebuilders

## Commercial and industrial lots

- ❖ Commercial and Industrial Companies
- ❖ Real Estate Developers

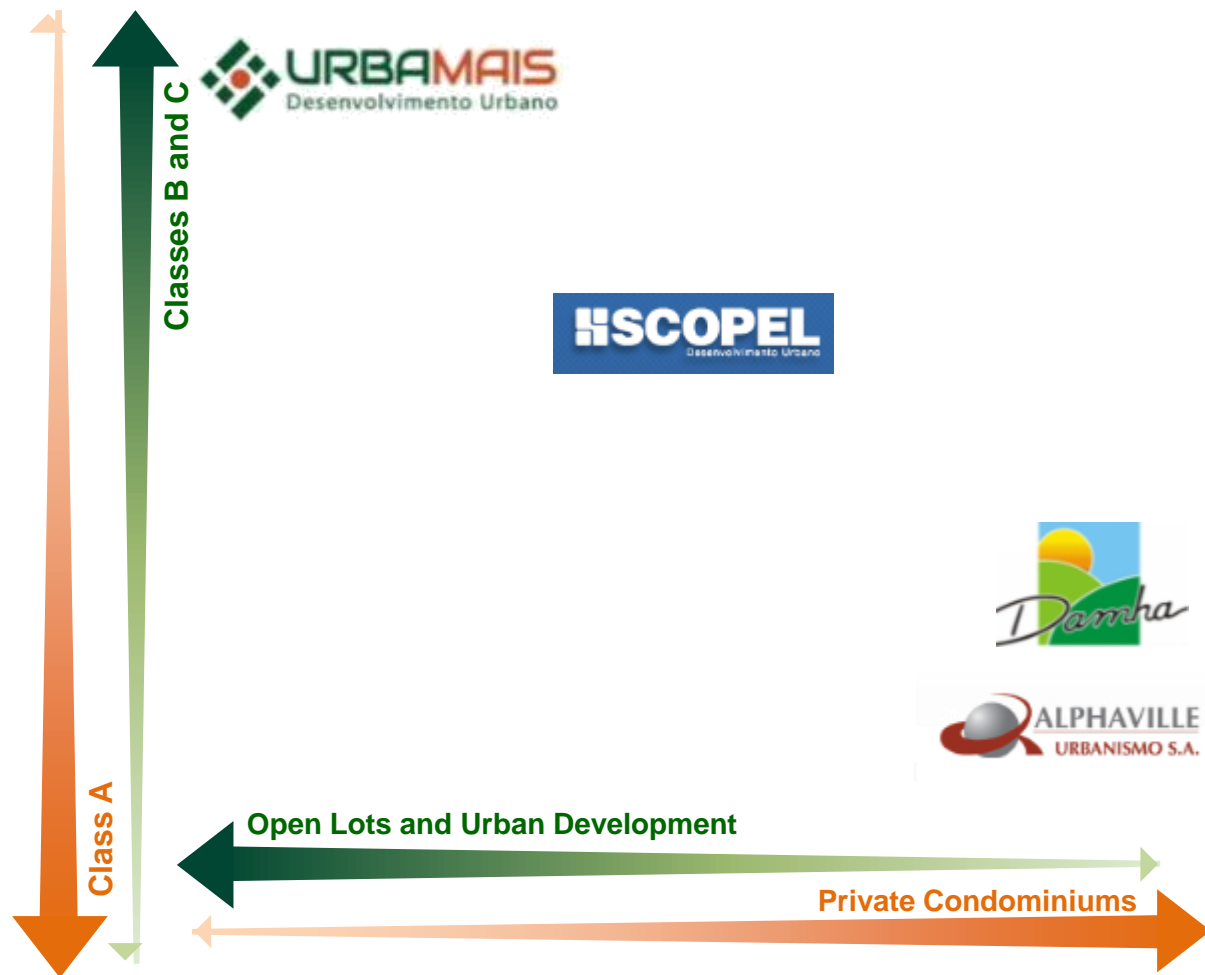


# Products

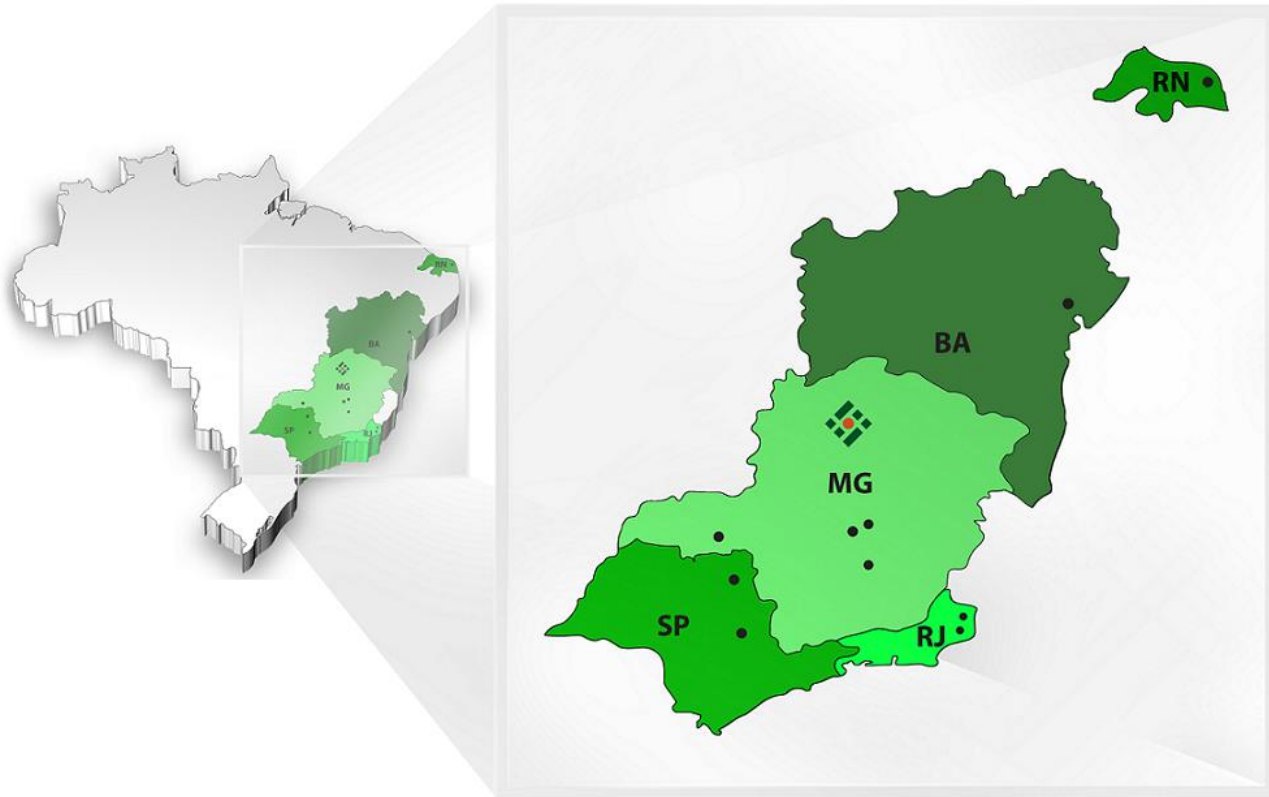
## Competitive Scope



- ❖ Open Lots
- ❖ Urban development
- ❖ Private Condominiums



# Target Market



- ❖ Operation in the main Brazilian states, where MRV already has operations.
- ❖ Areas larger than 300 thousand sq. m.

# Opportunities

- 1 Strong demand for new urban areas
- 2 Attractive margins and returns
- 3 Fragmented market: small players with regional operations
- 4 High capabilities for originating opportunities in the sector, leveraging on MRV's countrywide coverage.
- 5 Professionalized Management team with focus on cost, profitability and cash flow generation supported by MRV's structure and expertise.
- 6 Growing securitization market and MRV's strong image in the capital market.



## Board of Directors

### **Rubens Menin Teixeira de Souza - Chairman**

He holds a degree in civil engineering from the Federal University of Minas Gerais, where he graduated in 1978. He is a founding partner of the MRV Group and main Executive, currently serves as both Chief Executive Officer and Chairman of the Board of Directors of MRV Engenharia e Participações S.A. and Chairman of the Board of Directors of LOG Commercial Properties. He is also a founding partner of Intermedium and has been chairman of its board of directors since the company was established in 1994.

### **Marcos Alberto Cabaleiro Fernandez**

Graduated with a law degree from the Milton Campos Law School in 1981. He founded Construtora Becker Cabaleiro in 1977, and CVG company in 1986. He was Vice Chairman of the Real Estate Market Chamber (Câmara do Mercado Imobiliário) of Belo Horizonte and the Civil Construction Union (Sindicato da Construção Civil) from 1999 to 2002. He is a founding partner of Intermedium and has been a member of its board of directors since the company was established in 1994. He is a member of the Board of Directors of MRV Engenharia e Participações S.A., member of the Board of Directors and Chief Executive Officer of LOG Commercial Properties and Chief Executive Officer of Urbamaís.

### **Leonardo Guimarães Corrêa**

Mr. Corrêa earned a degree in economics from the Federal University of Minas Gerais – UFMG in 1980, and a graduate degree in finance from FGV in 1986. He worked from 1982 to 1990 at Lloyds Bank as Treasury Manager. From 1990 to 2000 he worked at JP Morgan, where his last post held was treasury officer for Brazil. He was a partner at Banco Pactual from 2000 to 2003. Between 2003 and 2006 he was a partner at Perfin Administração de Recursos, an independent fund manager, specialized in investment funds. He is Chief Financial Officer of MRV Engenharia e Participações S.A. and member of the Board of Directors of LOG Commercial Properties.

### **Maria Fernanda Nazareth Menin Teixeira de Souza Maia**

Mrs. Maia earned a law degree from Milton Campos Law School in 2001, and postgraduate in Economics and Business Law from FGV in 2003. She is an effective member of the Commission's Corporate Advocacy OAB / MG. She joined MRV Serviços de Engenharia Ltda. in 1997, as an intern of Billing Department. During this period she held positions as an intern in the Legal Department, Legal Assistant, Coordinator of the Legal Department, Legal Superintendent and Legal Manager. Nowadays she occupies the position of Chief Legal Officer in MRV Engenharia e Participações S/A.

### **Rafael Nazareth Menin Teixeira de Souza**

Mr. Souza holds a degree in civil engineering from Federal University of Minas Gerais in 2003. He joined MRV Serviços de Engenharia Ltda. in 1999, as a civil engineer intern. He has large experience in real estate homebuilding sector. During this period, he worked as site engineer, coordinator of engineering and technical director. He is currently Chief Operations Officer – Region I and a member of the Board of Directors of MRV Engenharia e Participações S/A.

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## Executive Officers

**Marcos Alberto Cabaleiro Fernandez – Chief Executive Officer. (See above)**

### **Flávio Araújo – Operations Director**

Elected as Operations Director at the Meeting of the Board of Directors held in July, 2012. Mr. Araújo holds a degree in civil engineering from Faculdade de Engenharia Kenedy in 1994, with emphasis in road engineering. He began his civil engineering career at Forenge Engenharia, subsequently he has worked in the heavy construction, at mid-sized and large-sized companies, such as LIBE Construtora and FIDENS Engenharia S.A..



## Contacts

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### **Leonardo Corrêa**

Chief Financial and Investor Relations Officer

### **Ricardo Paixão**

Investor Relations and Financial Planning Director

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