BRAZILIAN SECURITIES AND EXCHANGE COMMISSION (CVM)

Publicly-held Corporation

REFERENCE FORM 2016 v04

Base date: December 31, 2015

Pursuant to Annex 24 of CVM Instruction nº 480, of December 7, 2009 (CVM Instruction 480)

Identification	MRV Engenharia e Participações S.A., a publicly-held corporation, enrolled with CNPJ/MF under n° 08.343.492/0001-20, with its articles of incorporation duly filed with the Board of Trade of the State Minas Gerais ("JUCEMG") under NIRE 31.300.023.907, registered as a publicly-held corporation with the Brazilian Securities and Exchange Commission ("CVM") under nº 02091-5 ("Company" or "MRV Engenharia").
Head Office	The Company's head office is located at Avenida Professor Mario Werneck, nº 621, Belo Horizonte, Minas Gerais.
Investor Relations Department	The Company's investor relations department is located in our head office. The Investor Relations Officer is Mr. Leonardo Guimarães Corrêa. The telephone number of our investor relations department is (55**31) 3615-8153 and our facsimile number is (55**31) 3348-7155 and our e-mail is: ri@mrv.com.br.
Company's Independent Auditors	Ernst & Young Terco Auditores Independentes S/S
Custodian Institution	Banco Bradesco S.A.
Securities Issues	Shares listed on the *Novo Mercado* segment of the BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros ("BM&FBOVESPA") under the symbol "MRVE3".
Newspapers where the Company discloses Information	The publications, by operation of Law Lei nº 6,404, of December 15, 1976, as amended ("Brazilian Corporate Law"), are disclosed in the Official Gazette of the State of Minas Gerais and in the "*Estado de Minas Gerais*" newspaper.
Website	ri.mrv.com.br. The information contained on the Company's website is not an integral part hereof.
Shareholders' Service	The service to the shareholders is carried out by the Company, in its head office, through the telephone number and e-mail indicated above, and by Banco Bradesco S.A., which head office is located at Avenida Yara, s/n, Cidade de Deus, Osasco, SP. The telephone number and e-mail of the shareholders' department of Banco Bradesco S.A. is (0xx11) 3684-9441 and 4010acecustodia@bradesco.com.br , respectively.

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1. Identification of the people responsible for the form content

1.1. Declaration and identification of those responsible

I, Rafael Nazareth Menin Teixeira de Souza, Chief Executive Officer Region I of MRV Engenharia e Participações S.A., declare that I reviewed the reference form, that all information contained herein is in compliance with CVM Instruction nº 480, in particular Articles 14 to 19 and that, the set of information contained herein truly, accurately and completely reflects the financial and economic condition of MRV Engenharia e Participações S.A. and the risks inherent to its activities and securities issued.

I, Eduardo Fischer Teixeira de Souza, Chief Executive Officer Region II of MRV Engenharia e Participações S.A., declare that I reviewed the reference form, that all information contained herein is in compliance with CVM Instruction nº 480, in particular Articles 14 to 19 and that, the set of information contained herein truly, accurately and completely reflects the financial and economic condition of MRV Engenharia e Participações S.A. and the risks inherent to its activities and securities issued.

I, Leonardo Guimarães Corrêa, Chief Financial and Investor Relations Officer of MRV Engenharia e Participações S.A., declare that I reviewed the reference form, that all information contained herein is in compliance with CVM Instruction nº 480, in particular Articles 14 to 19 and that, the set of information contained herein truly, accurately and completely reflects the financial and economic condition of MRV Engenharia e Participações S.A. and the risks inherent to its activities and securities issued.

2. Auditors

2.1 / 2. Identification and Compensation of the independent auditors

a) Corporate Name CVM code CNPJ	Ernst & Young Terco Auditores Independentes S/S 471-5 61.366.936/0014-40
b) Persons in charge, CPF and contact information	Flávio de Aquino Machado CPF: 685.128.306-97 tel: (55**31) 3232-2121 fax: (55**31) 3232-2106 email: flavio.a.machado@br.ey.com 26/06/2012 –
c) Date of engagement	26/06/2012
d) Description of services	The services provided by the independent auditors were: (i) Audit of the financial statetements for the year ended on 12/31/2015, review of the quarters ended on 06/30/2015, 09/30/2015, 03/31/2016 and issuance of quarterly reports about procedures implementation previously agreed about financial indexes for the following dates: 06/30/2015, 09/30/2015, 12/31/2015 and 03/31/2016. (ii) Audit of the financial statetements for the year ended on 12/31/2014, review of the quarters ended on 06/30/2014, 09/30/2014, 03/31/2015 and issuance of quarterly reports about procedures implementation previously agreed about financial indexes for the following dates: 06/30/2014, 09/30/2014, 12/31/2014 and 03/31/2015. (iii) Audit of the financial statetements for the year ended on 12/31/2013, review of the quarters ended on 06/30/2013, 09/30/2013, 03/31/2014 and issuance of quarterly reports about procedures implementation previously agreed about financial indexes for the following dates: 06/30/2013, 09/30/2013, 12/31/2013 and 03/31/2014.
Total amount of remuneration of the indepedent auditors segregated by service	The remuneration for the services dercribed above is as follows: (i) R$ 370 thousand (ii) R$ 355 thousand (iii) R$ 325 thousand
e) Substitution of auditor	Not applicable
Reason for substitution	Not applicable
Reason for the auditor	Not applicable

The services referred to in item 2.1 (d) above include any and all services rendered by our independent auditors.

2.3. Other material information

All material information relating to this subject matter was disclosed in the items above

3. Selected financial information

3.1. Selected financial information

Year	31.12.2015	31.12.2014	31.12.2013
Shareholders' equity (R$ thousand)	5,049,873	4,672,918	4,365,400
Total Assets (R$ thousand) - Consolidated	11,392,309	10,817,175	10,198,449
Net operating revenue (R$ thousand)	4,763,038	4,186,185	3,870,608
Gross profit (R$ thousand)	1,438,637	1,184,113	1,021,422
Net income (R$ thousand)	595,354	751,400	450,195

Year	31.12.2015	31.12.2014	31.12.2013
Number of shares, excluding treasury shares	441,159,732	445,816,284	473,764,111
Book value per share (in reais)	11.446813	10.4817	9.2143
Net income per share (in reais)	1.2398	1.6854	0.9503

3.2. Non-accounting measurements

a) Non-accounting measurements

(in thousands of Reais)	2015	2014	2013
EBITDA	**668,539**	**862,406**	**643,399**
Margin EBITDA	**14.0%**	**20.6%**	**16.6%**

b) Reconciliations of the disclosed values with the values in the audited financial statements

(in thousands of Reais)	2015	2014	2013
Net Income of the fiscal year	595,354	751,400	450,195
(+) Tax and social contribution	103,242	63,251	48,858
(+) Depreciation and Amortization	37,029	36,353	35,847
(-) Financial results	200,261	110,975	30,235
(+) Financial costs recognized under cost of the properties sold	133,175	122,377	138,734
EBITDA	**668,539**	**862,406**	**643,399**
Margin EBITDA	**14.0%**	**20.6%**	**16.6%**

c) Why the Company believes that such measurement is more appropriate for a correct understanding of its financial condition and results of operations

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) and EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is a non-accounting measure disclosed by the Company in accordance with CVM Instruction 527/12.

EBITDA represents operating company's cash generation, as it indicates the company's ability to generate cash from its operating assets, consisting of the net income plus the income tax and social contribution and deferred, the financial result net and the depreciation and amortization. The EBITDA margin is calculated by dividing EBITDA by net operating revenue.

EBITDA and EBITDA margin are not earnings measures in accordance with accounting practices adopted in Brazil and do not represent cash flows for the periods presented and therefore is not an alternative measure to the results or cash flows. The Company uses EBITDA and EBITDA margin as performance measures for management effect and compared to similar companies. While EBITDA has a standard meaning under Article 3, paragraph I, of CVM Instruction 527/12, the Company can not guarantee that other companies, including private companies, will adopt this standard meaning. In this sense, if the standard meaning established by CVM Instruction 527/12 is not adopted by other companies, the EBITDA reported by the Company may not be comparable to EBITDA reported by other companies. In addition, disclosures made prior to the entry into force of CVM Instruction 527/12 by companies that were not required to rectify them can not adopt the standard definition established by CVM Instruction 527/12.

The Company, EBITDA is used as a performance measuring tool and benchmark with other companies, it has the advantage of not being affected by variables specific to certain countries or regions, such as interest rates, depreciation rules and tax differences. Thus, the use of this indicator allows the Company to analyze more than just your bottom line (profit or loss), which is often insufficient to evaluate their performance by often be influenced by factors beyond the operational.

However, EBITDA has certain limitations, such as not considering the amount of reinvestment required for the maintenance of productive capacity (consumed by depreciation) and may give a false Company's liquidity illustration, thus requiring that such an indicator is used in conjunction with other accounting measurements that can be better interpreted.

3.3. Subsequent events in the last year-end financial statements which substantially changes such financial statements

There are no material subsequent events not taken into consideration in the financial statements.

3.4. Policy for allocation of net income for the three last fiscal years

	2015	2014	2013
Rules for retention of profits	The remaining balance of net income, after the establishment of the legal reserve and proposed dividends, was transferred to the profit retention reserve in order to meet the funding requirements for future investments in the expansion of our activities, according to the capital budget.	The remaining balance of net income, after the establishment of the legal reserve and proposed dividends, was transferred to the profit retention reserve in order to meet the funding requirements for future investments in the expansion of our activities, according to the capital budget.	The remaining balance of net income, after the establishment of the legal reserve and proposed dividends, was transferred to the profit retention reserve in order to meet the funding requirements for future investments in the expansion of our activities, according to the capital budget.
Value of retentions of profits	R$ 364,898,259.60	R$ 513,125,912.44	R$ 258,678,101.69
Rules for distribution of dividends	Shareholders are entitled to an annual mandatory minimum dividend of not less than 25% (twenty five percent) of net income for the year, which can be decreased or increased by the following amounts: (i) amount to be allocated to the legal reserve; (ii) amount allocated to recognition of reserves for contingencies and reversal of these reserves recognized in prior years; and (iii) amount derived from the reversal of unrealized prior years' earnings reserve, pursuant to article 202, II, of Corporate Law.	Shareholders are entitled to an annual mandatory minimum dividend of not less than 25% (twenty five percent) of net income for the year, which can be decreased or increased by the following amounts: (i) amount to be allocated to the legal reserve; (ii) amount allocated to recognition of reserves for contingencies and reversal of these reserves recognized in prior years; and (iii) amount derived from the reversal of unrealized prior years' earnings reserve, pursuant to article 202, II, of Corporate Law.	Shareholders are entitled to an annual mandatory minimum dividend of not less than 25% (twenty five percent) of net income for the year, which can be decreased or increased by the following amounts: (i) amount to be allocated to the legal reserve; (ii) amount allocated to recognition of reserves for contingencies and reversal of these reserves recognized in prior years; and (iii) amount derived from the reversal of unrealized prior years' earnings reserve, pursuant to article 202, II, of Corporate Law.
Frequency of distribution of dividends	Annual	Annual	Annual
Restrictions to the distribution of dividends	None	None	None

3.5. Summary of distributions of dividends and retention of profits

(R$ thousand)	12.31.2015	12.31.2014	12.31.2013
Adjusted net income for purposes of dividends (in R$ thousand)	520,202	684,200	401,930
Percentage of dividend per adjusted net income (%)	30.00	25.00	35.00%
Return rate in relation to shareholders' equity (%)	3.27%	3.90%	3.43%
Dividend distributed (mandatory) (in R$ thousand)	156,060	171,050	140,676
Retained net income (in R$ thousand)	364,898	513,150	261,254
Date of approval of retention	04/29/2016	04/30/2015	04/30/2014
Mandatory Dividend (R$ thousand)	171,050	171,050	140,676
Date of payment of dividend	06/16/2016	05/29/2015	06/16/2014
Interest on Capital	/	/	/
Date of payment of dividend	/	/	/

3.6. Dividends recorded in the retained profit reserve or prior years' reserves

Not applicable.

3.7. Indebtedness level

	12.31.2014
Total Amount of Current and Non-current Liabilities (in R$ thousand)	6,342,436
Indebtedness level [(1)]	1.26

[(1)] Current liabilities plus non-current liabilities divided by shareholders' equity.

3.8. Our obligations by nature and maturity date

As of December 31, 2015

R$ thousand	Type of Guarantee	Less than 1 year	More than 1 year and less than 3 years	More than 3 years and less than 5 years	More than 5 years	Total
Debt Securities	Real Guarantee	20,878	80,000	0,00	0,00	100,879
Financing	Real Guarantee	57,470	562,307	8,724	197,039	628,699
Loans	Real Guarantee	115,894	100,000	0,00	0,00	215,894
Financing	Unsecured	80,584	130,000		0,00	210,584
Debt Securities	Unsecured	843,849	249,743	0,00	0,00	1,093,593
Total		**1,118,677**	**1,122,051**	**8,724**	**197,039**	**2,249,650**

3.9. Other material Information

All material information relating to this subject matter was disclosed in the items above

4. Risk factors

4.1. Risk factors that may affect the decision to invest in securities issued by us

a) Risks related to our company

A substantial portion of the funds to finance our low-income residential developments and our clients comes from the CEF and BB.

The real estate developments and the acquisition of units by our customers are mainly financed by bank loans, in particular those granted by Caixa Econômica Federal (CEF) and Banco do Brasil (BB). As a government-owned financial institution, CEF and BB are subject to greater political interference and may suffer changes in the method for extension of credit currently in force, thereby reducing the availability and/or benefits of the terms and conditions for extension of financing. Moreover, the suspension, interruption or slowdown of CEF's or BB's activities' in approving our projects, extending financing to our customers and monitoring the development of our construction projects, among other activities, could negatively affect our operations.

The contruction and the client financing use mostly the resources from the FGTS (Government Severance Indemnity Fund for Employees), a fund created by the Brazilian Federal Government in order to protect the dismissed employees without valid reason, in which employers deposit in bank accounts at CEF on behalf of its employees, the amount equivalent to 8% of the salary of each employee. It is managed and has rules established by a Board of Trustees chosen by the Federal Government, so its parameters may be changed and adversally affect the housing sector and, consequently, the Company.

Furthermore, our growth is partially linked to the availability of housing credit by public financial institutions. The activity requires significant amounts of working capital, so the suspension, interruption or significant change on this availability could negatively affect the estimate of growth of our business and affect the development of future activities.

The market value of our land may decrease, which may adversely affect our results of operations.

We maintain a land bank for our future developments. The atractiveness of the areas in which our land is located may decrease significantly from the time of their acquisition to the time when such parcels are actually developed due to market or economic conditions (constructions nearby the projects that affect the area's actrativeness). A decrease in the market value of our land may adversely affect the results of the sales of our developments which may adversely affect our operations.

The loss of members of our senior management or the inability to attract and retain additional senior management personnel could have a material adverse effect on our business, financial condition and results of operations.

Our ability to maintain acompetitive position largely depends on the services of the senior management. Most of the Company's management team has worked with us since the beginning of the operations and has long experience in the real estate industry, particularly in the low-income residential development segment. In addition, because their compensation is partly linked to the market price of our common shares, their interests are aligned with our performance. Not all of these people are subject to long term employment contract or non-competition clause, so we cannot assure that we will be successful in attracting new personnel and retaining the current qualified senior management personnel to assist us in our growth. The loss of services of any of the members of the senior management team or the inability to attract and retain additional senior management personnel could have a material adverse effect on our business, financial condition and results of operations.

Our business may be adversely affected if we are not able to obtain the necessary licenses and/or authorizations for our developments in due time.

All land already acquired or yet to be acquired by us to be further developed or commercialized, or financed by financial institutions, are subject to obtaining certain licenses, authorizations and registrations as required by the municipalities regulatory agencies, appropriate real estate registries and other regulatory agencies.

If we are unable to obtain these registrations related to any of the projects in due time, our business may be adversely affectedand experience delays and, eventually, cancellations in our projects.

Among the pending registrations, we have: (i) registrations filed, pending approval from the competent authority; (ii) registrations pending minor approvals regarding the construction projects.

We may be unable to sustain or increase our historical growth rate.

We have experienced rapid growth, as well as a strong geographic expansion of our operations. We intend to expand our activities in the markets where we operate at a more moderate pace. However, we may be unable to increase or maintain similar growth rate in the future, and our results of operations in the last periods or years may not indicate our future performance.

Our internal growth has placed and is expected to continue to place a substantial strain on our business, particularly our productivity, administrative, operational and financial resources and internal controls. Additional growth and expansion in our existing markets may further strain our resources and will depend substantially on our ability to implement and manage the expansion of these resources. If we are not able to rapidly and adequately respond to such expansion, our operating and, consequently, financial results may be adversely affected.

Our growth may require additional capital, which may not be available or, if available, may not be on terms acceptable to us.

Our operations require significant working capital. We may be required to seek additional capital, whether from sales of equity or debt securities or additional bank loans for the growth and development of our business. We cannot assure you that additional capital will be available or, if available, whether it would be on terms acceptable to us. Failure to access additional capital on terms acceptable to us may restrict the growth and development of our business, results of operations and, consequently, the market price of our common shares.

Pre-sales revenue and cost recognition may be adjusted

The pre-sales revenue of our units sold is recorded based on the accounting method of financial evolution, which is given by the ration between the incurred cost and the estimated cost (percentage of completion method – POC). Since the estimated cost may be reviewd during construction, there may be revisions due to higher estimated costs and / or reduction of revenue previously recorded generating a negative impact in the financial results.

Register of Employees

The “Register of Employers with workers in conditions analogous to slavery” is regulated by the Interministerial Ordinance nr. 2, published on May 12, 2011. However, the Interministerial Ordinance does not predicts the procedure for defining “conditions analogous to slavery” and does not inform the rules of inclusion and exclusion of the Register.

In the face of the lack of clarity and objectivity of the Ordinance that governs the operation of the “Register of Employers” the risk of inclusion in such Register and consequent suspension of new financing exists for the period the Company remains in it.

b) Risks related to the direct or indirect controlling shareholder or controlling group

The Company does not have a controlling shareholder or a controlling group with more than 50% of its voting capital, which can lead to alliances between shareholders, conflicts between shareholders, among other events related to the absence of a controlling shareholder or a controlling group with more than 50% of its voting capital

The Company does not have a shareholder or a controlling group with the absolute majority of its voting capital. In Brazil, there is not an established practice of publicly-held company with no identified controlling shareholder. However, in its better understanding, alliances or voting agreements between shareholders may occur, which could cause the same effect of having a controlling shareholder. If a controlling group is formed and it begins to have the Company’s decisory power, the Company may suffer sudden and unexpected changes in its corporate and strategic policies, including the replacement of its board of directors. Moreover, the Company can be more vulnerable to hostile controlling acquisition attempts and conflits arising from that.

The absence of a controlling shareholder or a controlling group with more than 50% of the Company’s voting capital (i) also means thaht there is no guarantee that the Company’s proposed strategy or business plan will be maintained. A shareholder or a shareholder group that begins to exercise the controlling power, can, in the future, significantly change the business and activities courses, which may adversally impact the Company’s shares or debentures prices; and (ii) may difficult certain decision processes in a consequence of not obtaining the minimum quorum recquired by law to some deliberation. In such case, the Company and its minority shareholders may not use the same protection given by the The Brazilian Corporation Law against abuses of other shareholders and, as a consequence, may have difficulty in obtaining the amends of the caused damages. Any sudden or unexpected change in the board of directors’ team, the corporate policy or strategic direction, attempt of controlling acquisition or any dispute among shareholders concerning its respective rights, may adversally affect the Company.

c) Risks related to the shareholders

Holders of our common shares may not receive any dividends or interest on shareholders' equity.

According to our By-laws, we must pay our shareholders at least 25.0% of our annual net income as dividends or interest on shareholders' equity, as calculated and adjusted under Brazilian Corporate Law. Our Bylaws allows the payment of interim dividends based on (i) our semiannual balance sheet or (ii) retained earnings or revenue reserves recorded in the last annual or semiannual balance sheet. The Company may also pay interest on shareholders’ equity, under the limitations set forth by applicable law. The interim dividends and the interest on shareholders’ equity declared in each year may be included as the minimum mandatory dividend in connection with the results for the year when such dividends were distributed. This adjusted net income may be capitalized, used to absorb losses or otherwise retained as allowed under Brazilian Corporate Law, and may not be made available for payment as dividends or interest on shareholders' equity. Although we have paid extraordinary dividens in 2014, for the fiscal year of 2013, we may eventually suspend the mandatory distribution of dividends in any particular fiscal year if our board of directors informs our shareholders that such distribution would be inadvisable in view of our financial condition.

The volatility and lack of liquidity of the Brazilian securities markets may adversely affect the ability of investors to sell our common shares at the desired price and time.

The Brazilian securities market is substantially smaller, less liquid, more concentrated and generally more volatile than major international securities markets. BM&FBOVESPA had a total market capitalization of R$ 2.24 trillion as of December 31, 2014 and an average daily trading volume of R$ 6.7 billion in 2014. The ten most actively traded stocks in terms of trading volume accounted for approximately 51% of all 362 shares traded on BM&FBOVESPA as of January 31, 2015. These market characteristics may substantially limit your ability to sell our common shares at the price and time you wish and, as a consequence, could adversely affect the market value of our common shares.

Furthermore, the market price of the shares issued by the Company may change for various reasons, including the risk factors informed in this Reference Form, for reasons related to the Company’s operational and financial performance, and for national and international macroeconomic reasons, that cannot be controlled by the Company.

We may raise additional capital in the future through the issuance of equity securities, which may result in dilution of the interests of our shareholders.

We may need to raise additional funds in the capital market, through the issuance of shares and/or public and private placement of securities convertible into shares. The raise of additional funds through the public issuance of shares, which may be obtained with the exclusion of the preemptive rights of our current shareholders, may dilute the percentage interests of investors in our common shares.

d) Risks related to the subsidiaries and affiliates

The Company invests in special purpose vehicles together with other Brazilian homebuilders. The inherent risks in special purpose vehicles include potential bankruptcy in its special purpose vehicles societies and the possibility of arisal of economical or commercial interest conflicting or incompatible between the Company and its partners. In the case of a special purpose vehicles partner doesn’t match its obligations or become financially incapable of handling its stallements of necessary capital placement, the Company may have to make additional investment or provide additional services to compensate the lack of capital placement by the partner. Furthermore, the shareholders of one special purpose vehicle may be responsible for obligations in determined areas, including, fiscal, labor, environmental and consumer matters. Such events, in the case of occurrence, may adversally impact the Company’s business.

e) Risks related to the suppliers

Delays or technical difficulties with our real estate projects that are beyond our control may have a material adverse effect on our reputation and our business as well as expose us to civil liability.

We acquire materials directly from manufacterers or, whenever necessary, from their representatives. Installation and assembly services are among the provided services and they are outsourced. As a result, the timely completion and quality of our developments depend on factors that are beyond our complete control, including, but not limited to, the quality and timeliness of the delivery of the materials supplied for use in our projects and the technical skills of outsourced professionals and workers. Unforeseen problems or delays in the construction of our developments may have an adverse effect on our reputation, our relationship with clients and negatively impact our business and operating results. These are the reasons why there is a consistent supplier’s selection.

However, pursuant to Article 618 of the Brazilian Civil Code, we are required to warrant our customers against structural problems in our developments in accordance with legal deadlines, and we may be called to make good these warranties.
An increase in the price of materials can push construction costs

Despite of negotiating prices to be fixed for a certain periods directly with suppliers, there may be price increase in materials, consequently increasing production costs. This risk is higher for commodities and materials subject to controlled prices. The main items that cause an increase of materials’ prices are: high variation of the Dolar, the price of metals, energy and resin and the wage increases in many industries.

Additionally, we are subject to adjustsments based on several indexes and also to changes in tax laws, such as tax rate changes or establishment of new taxes that can increase construction costs, pushing up the final cost of our product, making the sale process harder or decreasing our profitability.

f) Risks related to the customers

We are subject to risks normally associated with providing financing.

The financial institutions do not usually finance 100% of the unit's value, as a consequence of that, the client contracts the financing of this difference directly with the Company, the so called "*pro-soluto".* Even if the *pro-soluto* represents a very small part of the total business volume, we are subject to the risks normally associated with providing financing, including the risks of increases in inflation rates, defaults in principal and interest payments and the risk of increases in the cost of our funding, and in this case the absensce of real warranty. In the event there is an increase in the number of clients in default and/or an increase in the cost of our funding, our financial situation and operating results can be adversely affected.

Under Brazilian law, in the event of a post-delivery default under an installment sales contract, we have the right to initiate proceedings to collect the amounts due, subject to certain limitations. But, if the buyers default, we may not be able to recover the total amount outstanding on its respective sales contract, which may have a material adverse effect on our operational results, whether it is small.

In addition, we and other real estate companies raise funds in the market at various rates and indices and we may not be able to pass on such rates to our customers to the extent our financings are based on different indices. The divergence of rates and maturities between our sources of financing and loans we provide our customers could adversely affect our cash flow and our financial performance.

Lack of resources availability to acquire housing units and / or increase on interest rates that can affect consumer's purchasing power

The lack of funds availability to finance housing units to individuals in the market and / or the increase on interest rates of the mortgages may affect the consumer's purchasing power to finance a housing unit, reducing the demand for residential units or increasing sale cancellations, affecting the operational and financial results of the Company.

g) Risks related to the Brazilian real estate industry

We are exposed to risks associated with the purchase, development, construction and sales of real estate.

We engage in the purchase of land parcels, development, construction and sale of low-income residential developments and intend to continue to engage in such activities. However, there are risks that generally affect the real estate industry, such as interruptions in supplies and volatilities in the prices of construction materials and equipment, lack of high quality labor, variations in supply and demand for developments in certain areas, labor strikes and changes in zoning and environmental regulations, our activities are specifically affected by the following risks:

- economic conditions in Brazil may adversely affect the growth of the real estate industry as a whole, particularly in the segment in which we operate, through economic slowdowns, interest rate, inflation and unemployment increases, exchange rate fluctuations and political instability, among other factors;
- The operational cycle, from the land acquisition to the end of construction, with the final approvals, is too long, increasing the Company's exposure to economic uncertainties that can affect the consumers appetite, constructions costs, manpower and materials availability.
- we could be prevented in the future, as a result of new regulations or market conditions, from indexing our accounts receivable to certain inflation rates, as currently permitted, possibly making a project unfeasible in economic or financial terms;
- the level of purchaser interest in a newly launched project or the sales price per unit necessary to sell all units may be lower than expected, resulting in the project failing to reach its anticipated profitability and/or the total value of all units to be sold;
- in the event of bankruptcy or significant financial difficulties of a major company in the real estate industry, the real estate market could be adversely affected, which may cause customers to lose confidence in other companies operating in this industry, including us;
- we may be affected by local or regional real estate market conditions such as the oversupply of low-income residential developments in the regions in which we operate or may operate in the future P;
- purchasers may have a negative perception of the security, convenience and attractiveness of our developments and the areas in which they are located;
- increases in operating costs, including the need for capital improvements, insurance premiums, real estate taxes, changes in the real estate tax legislation and public tariffs may affect our profit margins;
- we may be negatively affected by the scarcity of well located land parcels, or by an increase in the prices of well located land parcels, for use in our construction projects in the regions where we currently operate or may operate in the future;
- real estate development opportunities may disappear or be reduced;

- interruptions in the supply of construction materials or equipment;
- the construction and sale of development units may not be completed on schedule, resulting in increased construction costs or the rescission of sales contracts; and
- changes in credit concession policies may affect the amount of granted finances to housing purchasers.

The occurrence of any of the above risks may have a material adverse effect on our activities, financial condition and results of operations.

The real estate industry in Brazil is highly competitive, and we could lose our position in the market in certain circumstances.

Nowadays we perceive low competition in the places where we operate. However, the real estate industry in Brazil is highly competitive and fragmented and does not have high entry barriers restricting new competitors from entering the market. The main competitive factors in the real estate development business include availability and location of land parcels, price, funding, design, quality, reputation and partnerships with developers. A number of residential developers and real estate companies compete with us in terms of seeking land parcels for acquisition, obtaining financial resources for development and in finding prospective purchasers. Other companies, including foreign companies, with alliances with local partners, have become active in the real estate development business in Brazil, further increasing competition, especially in the low-income residential development segment due to its large potential for growth.

To the extent that one or more of our competitors initiates a very successful marketing or sales campaign and, as a result, their sales increase significantly, our business could be materially and adversely affected. If we are not able to respond to such pressures as promptly and effectively as our competitors, our financial condition and results of operations could be materially and adversely affected.

Moreover, certain competitors may have access to better financial resources than us and, accordingly, may be able to withstand periods of crisis in the real estate market with less difficulty than us.

The scarcity of available financing for low-income residential developments, the change in current financing policies of income residential developments and/or the increase in interest rates may adversely affect the ability or willingness of prospective purchasers to finance their purchases.

Purchasers of residential low-income real estate properties generally rely on borrowings to finance their purchases. The lack of financing resources available in the market, changes in policy for the financing of residential low-income real estate properties and/or increasing interest rates may inhibit the ability or willingness of buyers to finance their purchases. The CMN has frequently charged the amount of funds that banks are required to make available for real estate financing—in particular, to the Brazilian Real Estate Finance System (Sistema Financeiro de Habitação), or SFH. If the CMN restricts the amount of such funds that are available for real estate financings in the future or raises market interest rates, the scarcity of available financing or the increase in interest rates would likely adversely affect the ability or willingness of potential purchasers to finance their purchases, thus reducing the demand for our residential real estate developments, as well as for large residential community developments. Any reduction in purchaser demand may have a material adverse effect on our business, financial condition and results of operations.

h) Risks related to the Brazilian real estate industry regulation

Our business is subject to extensive regulation, which could, in case of change, adversely affect our business.

The Brazilian real estate industry is subject to extensive building, zoning and environmental regulation by various federal, state and municipal authorities, which affect land acquisition and development and construction activities through zoning restrictions and license requirements, as well as consumer protection laws and regulations. We are required to obtain the approval of various governmental authorities for our development activities, and new laws or regulations could be adopted, enforced or interpreted in a manner that could adversely affect our results of operations.

Our operations are also subject to Brazilian federal, state and municipal environmental laws and regulations. These environmental laws may result in delays, may cause us to incur substantial compliance and other costs and may prohibit or severely restrict residential development and construction activities in environmentally sensitive regions or areas.

If regulations governing the Brazilian real estate industry as well as environmental laws become more restrictive, our results of operations could be materially adversely affected.

Increases in existing tax rates or the creation of new taxes during the term of our sale contracts could materially adversely affect our financial conditions and results of operations.

In the past, the Brazilian government frequently increased tax rates, created new taxes and changed the tax system. In the event the Brazilian government increases tax rates or creates new taxes on the purchase and sale of real estate during the term of our sale contracts, our financial conditions and results of operations could be materially and adversely affected to the extent that we cannot amend the agreements in order to pass through such increased costs to our customers. In addition, an increase in or the creation of new taxes on the purchase and sale of real estate that are passed on to consumers may increase the final price to our customers, thereby reducing the demand for our properties and/or affecting our margins.

Changes in accounting rules adopted in Brazil

With the approval of Law 11638/2007, amended by Law 11941/2009, it was introduced new accounting rules applicable to real estate development entities in Brazil with to converge to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB).

The financial statements are prepared in accordance with IFRS applicable to real estate development entities in Brazil, as approved by the CPC, CVM and CFC, and all the statements issued by CPC. These rules include Instruction OCPC 04 - Application of Technical Interpretation ICPC 02 to the Brazilian Real Estate Development Entities – with regard to the recognition of revenues and costs and expenses from real estate development operations during the construction cycle (percentage of completion method – POC).

On January 01, 2013, became effective, and then adopted by the Company, the Statement CPC 19 (C2) for Business in Conjuction (IFRS 11), in which was removed the option to consolidate jointly controlled entities using the proportional consolidation form. Thus, from this date, these projects have been recognized in the consolidated balance by the equity method. The first application of CPC 19 (R2) made the comparative balances for previous years were restated for comparative purposes.

In this process of convergence to IFRS, in addition to accounting statements already issued, it is expected that CPC is going to issue new statements in the future, which may materially affect our operational results, changing the method that we will prepare our future statements and, consequently, the basis of calculation of dividends to be distributed. These events are beyond the Company's control and cannot be predicted.

i) Risks related to foreign countries

The Company does not operates in foreign countries.

Developments and the perception of risk in other countries, especially emerging market countries and the United States, may adversely affect the market price of Brazilian securities.

The market price of securities of Brazilian companies is affected to varying degrees by economic and market conditions in other countries, particularly other Latin American and emerging market countries, Eurozone countries and the United States. Although economic conditions in these countries may differ significantly from economic conditions in Brazil, investors' reactions to developments in these other countries may have an adverse effect on the market price of securities of Brazilian issuers. Crises in other emerging market countries may diminish investors' interest in securities of Brazilian issuers, including our common shares, mainly because the great majority of our outstanding shares are held by foreigners.

In the past, the adverse development of economic conditions in emerging markets resulted in a significant flow of funds out of the country and a decrease in the quantity of foreign capital invested in Brazil.

Any of these factors could adversely affect the market price of our common shares, and could also make it more difficult for us to access to the capital markets and finance our operations in the future on acceptable terms, or at all.

j) Risks related to environmental risks

Our activities are subject to intensive environmental regulation, and in case of changes or new regulations the Company may be adversely affected.

The Brazilian real estate industry is subject to extensive regulation concerning the approval of buildings and urban zoning. These regulations issued by various federal, state and municipal authorities, determine the use and occupation of land and may affect the economic viability of real estate development and construction activities, through more restrictive zoning rules, affecting significantly the achievement of required licenses. In addition, all projects require reviews and approvals from various governmental authorities, which could affect the approval period, construction or release low and occupancy permit, and possibility would entail significant costs to fulfill them, and may prohibit or severely restrict development business and residential construction in environmentally sensitive regions or areas.

The opinion of civil society is also a factor to be considered, since public hearings may determine continuity, restriction or prohibition of the development of the enterprise.

The laws governing the Brazilian real estate sector, as well as environmental laws, tend to become more restrictive and any increase restrictions may adversely and materially affect our operating results.

4.2. Description of the main market risks

We are exposed to market risks related to our operating activities.

The real estate industry is affected by the economic conditions of Brazil. The demand for new residential units is influenced by a number of factors, including employment levels, short- and long-term interest rates, the availability of mortgage financing, consumer confidence, government policies, demographic factors and, to a lesser extent, changes in property taxes, energy costs, condominium expenses and federal income tax regulation. Furthermore, the launch of new units is influenced by the zoning restrictions, government policies, cost and availability of land, various construction and sales costs, availability of construction financing and home supplys from competitors, among other factors. During periods of economic downturns, clients and investors normally postpone the housing acquisition and, consequently, decrease the demand for real estate in Brazil. These factors may adversely affect our sales.

Considerable economic and political uncertainties exist that could have adverse effects on consumer buying behavior, construction costs, availability of labor and raw materials and other factors affecting the real estate industry in general. In addition, increases in interest rates may affect the availability of financing to the purchasers of real estate and, as a consequence, decrease the demand for real estate in Brazil.

Inflation has also had, and may continue to have, effects on our financial condition and results of operations. Substantially all of our operating expenses are denominated in reais and the suppliers and service providers generally attempt to increase their prices to reflect Brazilian inflation.

Among the main risks, we may point out the risks described below. In addition, see item 4.1 hereof for additional information.

The Brazilian government has exercised, and continues to exercise, significant influence over the Brazilian economy. This influence, as well as Brazilian political and economic conditions, may adversely affect us.

The Brazilian government intervenes in the Brazilian economy and occasionally makes significant changes in policy and monetary, tax, credit and tariff regulations. The Brazilian government's actions to control inflation and other policies and regulations have involved, among other measures, increases in interest rates, changes in tax policies, price and salary controls, obstruction of access to bank accounts, currency devaluations, capital controls and limits on imports. We may not foresee and we do not have control over the measures and policies the Brazilian government may adopt in the future. Our activities, financial condition, operational results and perspectives may be adversely affected by changes in policy or regulations involving or affecting factors, such as:

- interest rates;
- inflation;
- liquidity of lending markets and domestic capital;
- expansion or contraction of the Brazilian economy, according to GDP growth rates;
- water and / or energy shortages;
- social and political instability;
- Monetary policy;
- exchange controls and restrictions on remittances outside Brazil;
- exchange rate fluctuations;
- tax policies; and
- other political, social and economic developments in or affecting Brazil.

Uncertainty over whether the Brazilian government will implement changes in policies or regulations affecting these or other factors in the future may contribute to economic uncertainty in Brazil and to heightened volatility in the Brazilian securities markets and securities issued abroad that are supported by Brazilian issuers. Therefore, such uncertainties and other future developments in Brazilian economy may have adverse consequences on our business and operating results.

Inflation rise and efforts by the Brazilian government to curb it may contribute significantly to economic uncertainty towards Brazil and could adversely affect our business and the market price of our common shares.

Brazil has in the past experienced extremely high rates of inflation. Inflation, along with the Brazilian government's measures to curb inflation and speculation about possible governmental measures to be adopted, has had significant negative effects on the Brazilian economy, contributing to economic uncertainty in Brazil and heightened volatility in the Brazilian securities markets. More recently, the annual rate of inflation, as measured by the General Market Price Index, or IGP-M, has decreased from 20.1% in 1999 to -1.71% in 2009 and risen again 11.32% in 2010, 5.09% in 2011 ,7.81% in 2012, 5.52% in 2013 and 3.67% in 2014, and 10.5% in 2015. The Brazilian government's measures to control inflation have often included maintaining a tight monetary policy with high interest rates, thereby restricting the availability of credit and reducing economic growth. As a result, interest rates have fluctuated significantly. For example, the official interest rates in Brazil at the end of 2006 to 2014 as set by the Brazilian Committee on Monetary Policy, or COPOM, were 13.25%, 11.25%, 13.75%, 8.75%, 10.75%, 11.00%, 7.25%, 10.00%; 11.75% and 13.3%, respectively.

Future measures to be taken by the Brazilian government, including interest rate adjustments, intervention in the foreign exchange market and actions to adjust or fix the value of the Brazilian real may increase inflation. In the event of an increase in inflation, we may not be able to adjust the prices we charge our clients to offset the effects of inflation over our cost structure, which could increase our costs and reduce our net operating margin.

Exchange rate instability may adversely affect the Brazilian economy and the market price of our common shares.

As a result of inflationary pressures, the Brazilian currency has seen significant fluctuations in relation to the U.S. dollar and other foreign currencies during the last four decades. Throughout this period, the Brazilian government has implemented various economic plans and utilized a number of exchange rate policies, including sudden devaluations, periodic mini-devaluations, during which the frequency of adjustments has ranged from daily to monthly, floating exchange rate systems, exchange controls and dual exchange rate markets.

For example, between 2000 and 2002, the real depreciated 49% against the U.S. dollar. It appreciated from 2003 through 2007, 100%. In 2008, as a result of the worsening global financial and economic crisis, the real depreciated 25% against the U.S. dollar, closing at R$2.356 for US$1.00 on December 31, 2008. In 2009 and 2010, the real appreciated 41% against the U.S. dollar. On December 31, 2010, the exchange rate between the real and the dollar was R$1.6704 to US$1.00. Between 2011 and 2012 there was a depreciation of 18%, closing at R$2.05 for US$1.00, on December 31, 2012.

In 2013 and in 2014 the dollar appreciated regarding the Real and, with the currency rose 14% and 15%, quoted at R$2.34 and R$2.68, respectively. With the uncertaints regarding the Brazilian economic and political environment, the Real continued to depreciated when compared to Dolar, closing at R$ 3.94 to US$ 1.00 in 2015. We cannot assure that the real will not depreciate or appreciate against the U.S. dollar in the future.

Fluctuations of the real relative to the U.S. dollar could create additional inflationary pressures in Brazil and lead to increases in interest rates, which could negatively affect the Brazilian economy as a whole, and the market price of our common shares.

A global economic crisis may adversely affect the Brazilian economic growth or limit the Company's access to the financial market and, as a consequence, damage our business and financial condition.

A possible global economic crisis and its consequent instability in the global financial system may adversely affect the economic growth of Brazil, reducing liquidity and the availability of credit to fund the continuation and expansion of businesses worldwide.

As a result of the global economic crisis, the Company's ability to access the stock or credit markets may be limited in a moment the Company needs or wants to access these markets, which would harm its reaction to adversal economical and market conditions. A global economic crisis may affect the Company's current lenders, its customers or the ability of their suppliers meet punctually scheduled deliveries, causing them to fail to meet their obligations to us, and hurt demand for the Company's services and its ability to finance its future growth.

Interest rates and Inflation Indices fluctuations may raise the Company's debt payment cost, negatively aftecing our financial condition

On December 31, 2015 the Company had, among other obligations, R$ 1,520 million in loans, financing and debentures subject to CDI and R$ 722 million subject to Reference Rate (TR).

These indices, especially CDI, significantly floted last year in a response to the Brazilian economy's expansion or contraction, the inflation, the Brazilian government policies, among other factors. A significantly increase in any of these interest rates or indices, particularly the CDI rate, may adversally affect the financial income or expense and its financial performance.

Foreign exchange risk

The Company and its subsidiaries do not have foreign currency-denominated assets or liabilities, so the Company understands the the risks regarding foreign currency variation are not relevant. But, the depreciation of the Real compared to the Dolar can adversally affect the economy as a whole, the demand for housing units, because of the possibility to pressure inflation, and increase the materials' costs, mainly commodities.

Credit risk

We are exposed to credit risk from financing installments contracted with the Company (pro-soluto), since the customers do not have credit profile to finance 100% of the unit with the financial institution. But it is rated as very low risk, since most of the amount to be paid by the customer occurs during the construction phase, has low representation in relation to contracted sales of the Company and, historically, is very low default. On December 31, 2015, the pro-soluto was R$ 848 million, representing 2.5% of contracted sales of the Company in 2015. At December 31, 2015 and 2014 there was a balance of provisions for doubtful accounts of R$ 55.6 million, R$ 26.9 million, respectively.

4.3. Legal, administrative or arbitral proceedings non-confidencial and relevant

The Company and its subsidiaries are subject to legal proceedings and tax administrative procedures, labor, civil and environmental, which are under justice secret.

The amount of the contingency of the case may not match the amount provided, with a view to provisioning setting methodology. For provisioning, the prognosis of process is classified into 'probable', 'possible' or 'remote', as estimated loss of each demand. This classification is made after qualitative analysis of the facts and pleas in the initial pleading and defense arguments, the election less in view of the factual and legal situation, the dominant jurisprudence in similar cases, beyond belief internal lawyers and external responsible the conduct of the case. The quantitative analysis is based on actions that have value of the case / individual value involved less than R$ 500,000.00 (five hundred thousand reais).Provision is made only for cases classified as probable loss.

We believe that the provisions made for legal and administrative processes are sufficient to cover probable losses. We believe that no individual demand (whether judicial or administrative) pending in relation to the Company or to companies that formerly belonged to the MRV Group, if decided unfavorably, would have a material adverse effect on the financial position of the Company or on its operating results.

I) Tax proceedings

On December 31, 2015, the Company and its subsidiaries were parties in 431 judicial and administrative tax proceedings. The total amount involved in these claims totaled the amount of R$ 8.71 million, and of this amount, the majority (83%) concerned judicial actions that dealt with the PIS/COFINS taxes (47%) and ISS (36%). At December 31, 2015, was provisioned, for accounting purposes, the amount of R$ 14,106.11 referring to tax lawsuits, for which the estimate of loss was classified as probable, according to the estimates of the legal advisors of the Company. Among the lawsuits did not reveal any demand that individually represent a significant portion of the provision. Other tax and administrative proceedings have not been provisioned due to favorable prognosis presented by the legal advisors of the Company.

There is no relevant tax proceedings.. The other legal and administrative proceedings have not been provisioned due to the favorable opinion of our legal advisors.

II) Labor proceedings

At December 31, 2015, the Company and its subsidiaries were parties in 3,405 labor proceedings (judicial and administrative), and 45% of labor claims were related to cases in which the application for the Company was convicted in subsidiary liability. The total amount involved in labor claims was approximately R$ 77.76 million, of this amount, approximately R$ 75.83 million were related to labor claims. Still, a conservative position, at December 31, 2015 was provisioned the amount of R$ 19,6 million, relating to 536 labor lawsuits in which the estimate of loss was probable, according to prognosis of the Company's legal counsel in the area labor. Among these actions, there was no one that individually represent a significant portion of the provision, considering the quantitative and qualitative aspects evaluated. Other labor lawsuits have not been provisioned due to the favorable opinion of the legal advisors of the Company. The main objects involved in these processes are secondary liability, payment of severance pay, overtime pay and wage differences.

Of the 3,405 labor claims, 770 refer to assessment notices issued by the Ministry of Labor and Employment. The Company clarifies that presents defense for each assessment and uses administratively each auto is judged subsisting. Still, whichever the origin of the Self, it is proposed action seeking to annul it.

III) Civil proceedings

At December 31, 2015, the Company and its subsidiaries were involved in 22,058 civil lawsuits, appearing as an author in 1.182 demands. Most of the shares in which companies were included as a defendant referred to actions, indemnity, termination, undue repetition, cominatórias for delivery and collection of keys. For 4,927 lawsuits of civil nature, among the above, was provisioned at December 31, 2015, the amount of R $ 71,940,000, and, among these actions, there was no demand that individually represent a significant portion provision. The other judicial civil proceedings have not been provisioned.
There is no relevant civil proceedings.

IV) Environmental proceedings

There is no material environmental proceeding that may affect the Company’s activities.

4.3.1. Indicate the amount accrued, if any, of the processes described in section 4.3

Based on the understanding of the Company's legal counsel, management recorded provisions for estimated losses in the amount of R$ 91.6 million at December 31, 2015.

According to item 4.3, we believe that no individual demand (whether judicial or administrative) pending in relation to the Company or to companies that formerly belonged to the MRV Group, if decided unfavorably, would have a material adverse effect on the Company's financial condition or its operating results.

4.4. Legal, administrative or non-confidential and relevant arbitration proceedings whose counterparties are managers, former managers, controllers, former controllers or investors

We and our subsidiaries are not parties to legal, administrative and arbitration proceedings which adverse parties are managers or former managers, controlling shareholders or former controlling shareholders or investors of the Company or its subsidiaries.

4.5. Relevant legal proceedings subject to confidentiality

We and our subsidiaries do not have material confidential proceedings in which we and our subsidiaries are parties and which have not been disclosed above.

4.6. Repeated or related legal, administrative and arbitration proceedings, based on similar legal facts and causes of action, to which we or our subsidiaries are parties, are not subject to confidentiality obligation and are jointly material to our business

We and our subsidiaries do not have repeated or related legal, administrative and arbitration proceedings, based on similar legal facts and causes of action, which are not subject to confidentiality obligation and which are jointly material, in addition to the legal or administrative proceedings described in item 4.3 above.

4.7. Other material contingencies

Not applicable.

4.8. Information on the rules of the country of origin of the foreign issuer and rules applicable in the country where the securities issued by the foreign issuer are held in custody

Not applicable.

5. Market risks

5.1. Risk Management Policy

(a) Formalized Political Risk Management

Internal Risk and Audit Area MRV, approved at a meeting of the Board of Directors held on April 25, 2016, the Risk Management Policy. This document is to establish the guidelines adopted by MRV Group and its subsidiaries, in the identification, assessment, communication and management of risks arising and / or inherent to their activity.

(b) Objectives and Strategies Risk Management Policy

(i) Risks for which protection is sought

Search up protection for any kind of risk that may, negatively, impact the achievement of goals set by senior management, including:

• *Strategic Risk:* are comprehensive risks affecting the MRV Group systemically and its occurrence can dramatically affect our performance to the market and shareholders.
• *Inherent risk*: risk related to the core business of the MRV group. It includes construction, sale and real estate development.
• *Operational Risk:* are little comprehensive risk typically isolated in a department and / or process. Its occurrence does not affect our performance to the market and shareholders.

(ii) Instruments used for protection

Regarding the registration of employers, our operation has systematic and daily control regarding working conditions and control in compliance with labor rights, while respecting the law.

Delays and failures in our real estate developments, which are beyond our control, may have an adverse effect on our image, our business and subject us to liability imposed. To manage this risk there is robust provisioning capabilities to avoid material adverse effect on our financial condition and operating results.

(iii) Organizational structure for risk management

The Risk Management Department and Internal Audit, the Risk and Compliance Committee and the Governance Ethics and Sustainability Committee report to the Board of Directors and the executive committees report to the presidents. Below are set out the responsibilities of each department in relation to the management of the Company's risks.

Board of Directors

• To approve the guidelines contained in the MRV Group Risk Policy;
• Define the functional structure of the Committees and Departments converged Risk Management;
• Approve the matrix of Strategic Risk.

Committee Risk and Compliance

• Assess and monitor the Company's risk exposures;
• Monitor, demand and ensure the compliance with: (i) the laws and regulations applicable to business and activities; (Ii) the Code of Conduct .; (Iii) the internal rules and manuals;
• Ensure the adequacy, strengthening and operation of internal control systems of MRV Group;
• To decide on the recommendations made by the Executive Risk Management and Internal Audit;

Committee Governance, Ethics and Sustainability

• Ensure and disseminate the Company's commitment by management based on the pillars of Corporate Governance, Sustainability and Business Ethics;
• To combat all forms of corruption;
• Ensure a regular schedule of training on conduct and ethics for directors and employees of the Company.
• issue recommendations on situations of potential conflict of interest between the Company's related parties.

Executive Board

• Support the decisions of the Board of Directors and the Risk Committee and Compliance and Governance, Ethics and Sustainability, with respect to mitigating risks;
• Support resources for the implementation of effective internal controls and risk mitigation strategies.

Executive Risk Management and Internal Audit

• Develop and review the Group Risk Policy MRV;
• Develop the annual audit plan;
• Identify, assess, communicate and treat Strategic Risks and Operational;
• Report to the Board of Directors and Committees for Risk and Compliance and Governance, Ethics and Sustainability the results of evaluations of Strategic Risks;
• Report to the Executive Board the results of the evaluations of operational risk;
• Investigate complaints arising or not Channel Confidential impartially and respecting the integrity of the complainant and the accused.

Managers of areas correlated to the Strategic and Operational Risks

• Implement internal controls recommended by the Executive Risk Management and Internal Audit;
• Ensure the implementation of action plans to mitigate risks;
• Be proactive in identifying risks communicating them whenever the Executive Risk Management and Internal Audit;
• To contribute by providing information that supports the findings made by the Executive Risk Management and Internal Audit.

(c) Adequacy of the operational structure and internal controls to verify the effectiveness of risk management policy

The Company believes that its operational structure of internal control is adequate.

5.2 - Market Risk Management Policy

(a) Formalized Political Risk Management

Internal Risk and Audit Area MRV, approved at a meeting of the Board of Directors held on April 25, 2016, the Risk Management Policy. This document is to establish the guidelines adopted by MRV Group and its subsidiaries, in the identification, assessment, communication and management of risks arising and / or inherent to their activity.

(b) Objectives and Strategies Risk Management Policy

(i) Risks for which protection is sought

The Company through its structure of risk management seeks protection for the following market risks:

- *Scenario risk:* risk arising from losses and changes brought about in political, cultural, social and economic or financial Brazil.
- *Credit:* risk of loss resulting from uncertainty regarding the receipt of customers, financial institutions and guarantees of financial investments.
- *Image risk:* risk of loss resulting from the brand MRV be "worn" by the market and the authorities or due and negative publicity, whether true or not.
- *Legal risk:* risk of loss arising from fines, penalties or damages resulting from actions of supervision and control bodies, as well as losses from unfavorable decision in judicial or administrative proceedings.
- *Liquidity risk:* risk of lack of funds to meet commitments due to the mismatch between assets and liabilities. loss of opportunity arising from the inability to perform a reasonable time transaction (cash).
- *Market risk:* risk arising from the possibility of pressures for change in the prices of our products and raw materials costs for the operation, besides change of rates,monetary correction index.
- *Operational:* risk of loss resulted from failure, deficiency or inadequacy of internal processes, people and systems or from external events (eg .: meteorological factors).
-

We are exposed to conjuncture risks, characterized by possible changes in fiscal, economic, political or social measures. Our risk management framework seeks to estimate scenarios and develop contingency plans for possible exposure, mitigating the damage to our business.
The credit risk primarily with respect to accounts receivable is managed by specific rules of client acceptance, credit analysis and establishment of exposure limits per customer. In addition, the accounts receivable are substantially guaranteed by the properties.

As for the image risk, the Company monitors its reputation levels in relation to the market and the authorities, acting proactively to improve its projection before stakeholders.
We monitor the legal risks of our operation. Our Risk and Compliance Committee has among its missions the responsibility to ensure compliance with laws, rules and regulations applicable to it.
The Board of Directors is responsible for the management of liquidity risk, which periodically reviews the cash flow projections, through study of stress scenarios and evaluates any necessary funding, in line with the capital structure and debt levels to be maintained by Company.
The Company and its subsidiaries, specifically on market risks, are exposed to normal market risks arising from changes in interest rates and inflation adjustment indices, the main financial instruments linked to the CDI rates, TR, INCC / IGPM, IPCA and SELIC. The Company performs sensitivity analysis for financial instruments exposed to changes in interest rates and financial indicators, projecting the financial effect in the following years.
The Company maintains updated its array of operational risks and fosters resources for the implementation of audit programs, Internal Audit, to ensure the safety of our internal processes and the effectiveness of established controls.

(ii) Estratégia de proteção patrimonial (Hedge)

A Companhia não possui nenhum instrumento para proteção patrimonial através do uso de derivativos/hedge.

(ii) Equity protection strategy (hedge)

The Company has no instrument for asset protection through the use of derivatives/hedge.

(iii) Instruments used for asset protection (hedge)

The Company has no instrument for asset protection through the use of derivatives / hedge.

(iv) Parameters Used for risk management

Interest Rate Risk

The Company monitors fluctuations of these interest rates and may, if it deems appropriate, enter into derivative contracts in order to minimize risks. In times of economic uncertainty, the Company's strategy to maintain a comfortable level key metrics of financial leverage, as the net debt / Equity less than or equal to 50 % or four times EBITDA,reducing or avoiding significant exposure to fluctuations in interest rates.

(v) If the issuer operate financial instruments for purposes of asset protection (hedge) and what are these goals

The Company has no instrument for asset protection through the use of derivatives / hedge and is not a party to financial instruments contracts with asset protection purposes.

(vi) organizational structure for risk management control

The Board of Directors establishes exposure limits and coverage ratios on a periodic basis in order to ensure a comfortable capital structure and meets the investment requirements and working capital of the Company.

The organizational structure of market risk management control is done with the Risk Management Department and Internal Audit, Risk and Compliance Committee and the Governance, Ethics and Sustainability Committee reporting to the Board of Directors and the executive committees reporting to presidents. Below are set out the responsibilities of each department in relation to the management of the Company's risks.

Board of Directors

• To approve the guidelines of MRV's Group Risk Policy

• Define the functional structure of the Committees and Departments converged to the Risk Management;

• Approve the matrix of Strategic Risk.

Risk and Compliance Comitee

- Assess and monitor the Company's risk exposures;
- Follow demand and ensure the compliance with: (i) the laws and regulations applicable to business and activities; (Ii) the Code of Conduct .; (Iii) the internal rules and manuals;

- Ensure the adequacy, strengthening and operation of internal control systems of MRV Group;
- Decide on the recommendations made by the Executive Risk Management and Internal Audit;

Governance, Ethics and Sustainability Committee

• Ensure and disseminate the Company's commitment by a management based on the pillars of Corporate Governance, Sustainability and Business Ethics;
• To combat all forms of corruption;
• Ensure a regular schedule of training on conduct and ethics for directors and employees of the Company.
• issue recommendations on situations of potential conflict of interest between the Company's related parties**.**

Executive Board

• Support the decisions of the Board of Directors and the Risk Committee and Compliance and Governance, Ethics and Sustainability, with respect to mitigating risks;
• Support resources for the implementation of effective internal controls and risk mitigation strategies.

Executive Risk Management and Internal Audit

- Develop and review the MRV's Group Risk Policy ;
- Develop the annual audit plan;
- Identify, assess, communicate and treat Strategic Risks and Operational;
- Report to the Board of Directors, Risk and Compliance Committees and Governance, Ethics and Sustainability Commitee the results of evaluations of Strategic Risks;
- Report to the Executive Board the results of the evaluations of operational risk;
- Investigate complaints that arises or not in Confidentia Channelimpartially and respecting the integrity of the complainant and the accused.

Managers of the areas related to the Strategic and Operational Risks

• Implement internal controls recommended by the Executive Risk Management and Internal Audit;

• Ensure the implementation of action plans to mitigate risks;

• Be proactive in identifying risks communicating them to the Executive Risk Management and Internal Audit

;• To contribute by providing information that supports the findings made by the Executive Risk Management and Internal Audit.

(c) Adequacy of the operational structure and internal controls to verify the effectiveness of the policy adopted.

The Company believes that its operational structure of internal control is adequate

5.3. Internal control description

(a) Efficency of such controls, indicating any imperfections and measurements adopted to correct them

The Company's Board believes that the degree of effectiveness of internal controls adopted to ensure the preparation of financial statements is fully satisfactory. In the field of construction projects, which is the Company's main cost item, our managers maintain close and continuous physical and financial monitoring of each individual project costs. Our main management tool is SAP. It is an integrated system, the main features are the integration of all operations and traceability.

Our systems (SAP, inclusive) have no technical flaws. There is a continuous work of Governance, Risk and Compliance (GRC), which promotes a review of the implemented rules and the adoption of improvements, so that the identified needs are addressed immediately.

We currently have automatic controls implemented by market tools, such as the Risk Manager module, the SAP tool, GRC (Access Governance), already in use and continuous improvement process to increase the efficiency of access control critics (SAT) and segregation function (SOD). We have reviewed recently, with the internationally renowned consultancy support, the risk matrix used in GRC MRV group in order to update it with the best market practices. We also have an internal audit department, responsible for anti-fraud controls, working directly in the processes covered by a fed confidential channel directly by our employees and suppliers reporting risk situations, contributing to mitigating risks in all areas of our business.

The Company remains open to new technologies and personal development of its employees, and invests in its controls to continuously improve them.

(b) Organizational structures involved

The Executive Board of Finance - the main area responsible for financial statements - has the direct support of the Controlling Board for development, ensuring the adoption of best practices of internal control and observation of the applicable accounting standards. The Risk Department, Internal Audit and Compliance is responsible for establishing, reviewing and maintaining the Company's policies and internal controls and the management of relevant risks and implementation of the annual audit plan, reporting to the Audit Committee and Chair of the Administrative Council.

(c) How the efficiency of such internal controls is supervised by managment

The result of all the work of the internal audit plan provided for the year is reported in a document to the Risk and Compliance Committee, the Chairman of the Board of Directors, CEO´s of the company, Executive Directors and Managers involved. All deficiencies have action plan, responsible and implementation date, which are monitored on a monthly basis by the Risk Department, Internal Audit and Compliance. In addition, any exception noted in activities that may impact the financial statements is reported to timely adoption of corrective actions.

(d) Deficiencies and recommendations on internal controls in the independent auditor´s report

The external auditors conducted a study and evaluation of the accounting system and internal Company in connection controls with the audit of the financial statements for the years ended December 31, 2015, 2014 and 2013 in order to determine the nature, timing and extension of the application of audit procedures but not for the purpose of expressing a specific opinion on these internal controls. As a result of this evaluation, for the years ended December 31, 2015, 2014 and 2013, audited by Ernst & Young Independent Auditors SS, were communicated to the Company suggestions for improvement of internal controls which, in management's assessment and auditors, they do not constitute significant deficiencies or material.

(e) Deficiencies and recommendations on internal controls in the independent auditor´s report

Management agrees with the reports of the independent auditor on the Company's internal controls related to the years ended December 31, 2015, 2014 and 2013, having been identified weaknesses or significant recommendations on internal controls. According to management's assessment, the other deficiencies reported by auditors have no probability or magnitude with respect to distortions that may arise in the financial statements.

5.4. Significant changes in the main risks to which the issuer is exposed or in the risk management policy adopted

In the last fiscal year there were no significant changes in key market risks and monitoring risk adopted by the Company.

5.5. Other material information

All the material information were disclosed in the itens above.

6. Issuer's history

6.1 / 6.2 / 6.4. Incorporation and duration period of the Company and date of registration at CVM

a. Date: May 31, 2006

b. Corporate form: Organized as a publicly-held company

c. Country of incorporation: Brazil

d. Duration period: Indefinite

e. Date of registration at CVM: 07/13/2007

6.3. Brief History of the Company

The MRV group was founded in 1979 by Rubens Menin Teixeira de Souza, Mario Lucio Pinheiro Menin and Vega Engenharia Ltda., with the incorporation of MRV Serviços de Engenharia Ltda. in the city of Belo Horizonte, in the state of Minas Gerais, with the aim to build and develop residential real estate projects. Two years after incorporation, Vega Engenharia Ltda. withdrew from MRV Serviços de Engenharia. In the following year, we delivered our first houses, and, in 1981, we delivered our first buildings in Belo Horizonte.

The Cruzado monetary plan, implemented by the Brazilian government in 1986, had a positive effect on our operations. During this time, we had a small land bank and the price of the real estate properties in our land bank increased abruptly as a result of new demand. In the same year, we began offering financing to our customers.

Consequently, we were able to continue to expand our operations. By the early 1990s, we had attained a significant market share in the city of Belo Horizonte and began exploring new markets to expand into. In 1993, we introduced our "finishing kits," a product that gave our customers additional finishing options for their residential units.

In 1994, we also opened our first sales office in the city of Belo Horizonte, and, in 1995, we began to expand our activities outside of the city of Belo Horizonte, developing and building projects in the city of Uberlândia, in the state of Minas Gerais. In 1996, MRV Empreendimentos was incorporated, and we began operations in the city of Americana, in the state of São Paulo. In 1997, we began sponsoring sports, especially volleyball, to market our brand and our real estate developments. Shortly thereafter, in 1999, MRV Construções was incorporated, and we began to operate in the south of Brazil, initially in the cities of Londrina and Curitiba, in the state of Paraná.

Continuing our strategy, in 2000 we launched a financing plan that enabled our customers to finance their purchases in fixed installments. This financing option provided an affordable means of payment and an opportunity to plan investments, which contributed to the improvement of our results. In this same year, we began our first investments in the city of São Paulo and, in 2003, we launched our *Spazio* and *Village* product lines.

In 2006, a new stage in our history has begun and we expanded our activities to the city of Goiânia, in the state Goiás, increasing the number of cities in which we operate to 28. We began the restructuring of the MRV group in the same year. On May 31, 2006, we were incorporated in order to simplify the Group's structure and we started to control MRV Construções e a MRV Empreendimentos.

In 2007, we completed our restructuring, which included the admission of Autonomy as our shareholder and the consolidation of our company as an operating company, active in the low-income residential real estate development segment. In 2007, we continued to increase our geographical diversification, expanding our operations to 54 additional cities.

On July 13, 2007 our registration with the CVM as a publicly held corporation was approved under nº 02091-5. On July 20, 2007, we concluded our initial public offering and, as from July 23, 2007, our shares began trading on BM&FBOVESPA's *Novo Mercado* segment.

The offering, consisting of a total of 45,900,000 common shares, raised gross proceeds of $1,193,400,000.00. We allocated the net proceeds from that offering to the acquisition of land and to the development of construction and development projects already underway.

In 2007, we purchased participation in the capital stock of Prime and Blás, both companies are active in the affordable housing segment. Moreover, in 2008, we signed a letter of intent with CEF through which we became the CEF's first representative in the real estate industry. Through the partnership, we began to provide services of receiving and analyzing residential financing proposals, making financing to their customers more efficient and faster.

In June 2008, we, together with Autonomy Investimentos, incorporated MRV LOG, with ownership interests of 65% and 35%, respectively. The corporate purpose of this company is to act in the real estate development segment with a focus in the development and leasing of distribution centers, industrial condominiums, hubs and logistics condominiums (developments to be leased to logistics and transportation companies that will lease part of the warehouse space and divide the common areas into dining halls, restaurants, sleeping areas, support areas, etc.).

In March 2009, we increase our international visibility and access to foreign investors through the launch of the program American Depositary Receipts (ADRs), level 1 in the U.S. market OTC (Over-The-Counter). In December of that year, MRV's ADRs began trading on the highest category of OTC (Over-the-Counter) in the United States, the Premier International OTCQX. The OTCQX market is the first category of trading on the OTC market in the United States. Companies focused on investor use the OTCQX platform qualitatively controlled to provide investors transparent negotiation, information of higher quality, and easy access through their brokers, intermediaries regulated in the United States. The innovative platform[1] OTCQX provides companies and their shareholders a level of market services previously only available on a stock exchange in the United States.

In June of the same year, we conduct a public offering of common shares issued by us, which included 29,475,000 shares and 24,300,000 common shares and 5,175,000 secondary shares, totaling R$ 722,137,500.00. The net proceeds raised by us in that offering were used to build units. In July we completed primary offering of 24,300,000 common shares (before the split) at BM&FBovespa at the price of R$ 24.50 per share (before the split), totaling R$ 595 million (R$ 570 million, net of commissions). The proceeds were used to purchase land, develop new projects, construction projects launched and maintenance of working capital.

In December 2009, we made the split of all of our common shares (MRVE3) in a 3:1 ratio. This operarion provided greater liquidity for our shares and consequently greater and easier access for investors in general.

Due to growth of the trading volume of our stock, as of January 2010, our share MRVE3 became part of the Bovespa Index (IBovespa) the most important[2], indicator stock performance of Brazilian market, made up of stocks with highest negotiability, participation in financial volume and presence in the trading session.

On July 15, 2011, the Company and the other shareholders of LOG together with Starwood Capital investment fund ("Starwood") signed an investment agreement for the purchase of 62,650,009 common shares to be issued by LOG, totaling R$ 350 million (R$ 250 million by Starwood and R$ 100 million by the other shareholders, of which R$ 63,050,000 by the Company). The payments occurred in August and October 2011 in the amount of R$ 140 million and R$ 210 million, respectively. After these payments the company's share rose from 63.05% to 42.03%.

At the shareholders meeting held in January 2012 the change of the corporate name and corporate brand of the former MRV Logística e Participações S.A. to LOG Commercial Properties e Participações S.A. (“LOG”) was approved. This amendment aims to reflect the company's business and to strengthen its strategy as commercial and industrial property builder.

Urbamais was founded in July, 2012 by our Company, with the goal to develop large urban areas in a sustainable way for residential and/or mixed products. Clear lines were drawn to segregate the companies of the Group, setting Urbamais’ business apart from LOG’s and MRV’s. The Company"s nature itself and the business focus are different, suppressing potential interest conflicts.

On May 17, 2013, the Company and the other shareholders of LOG, together with the Investment Fund Holdings Multisectoral Plus ("FIP MPlus") signed an investment agreement for the purchase of 36,945,672 common shares to be issued by LOG, totaling R$ 277,462,000 (R$ 127,462,000 by the FIP MPlus and R$ 150,000 million by the other shareholders), R$ 63.050 million for the Company.

In June 2013, the funds were paid in. After this capital payment the Company’s interest decreased from 42.03% to 37.87%. Despite this decrease in interest held, because that capital payment was made at fair value, higher than book value, there was a gain amounting to R$22,681, net of operating expenses, recognized in the income statement, in line item ‘Other operating income’.

In November, 2013, LOG CP has obtained the register of Publicly Held Company category “b” by CVM.

MRV hit record of pre-sales in 2014, reaching R$ 6.0 billion, as a result of the market position achieved by the Company and, mainly, by the recogmnition of MRV brand all over the country, which is considered sinonynous with quality.

Throughout 2015, we reported solid operating and financial results. The annual cash generation was the highest in the Company's history, reaching R$ 806 million, with 14 consecutive quarters of generation, keeping pace and balance of our operations even in times of political and economic uncertainties.

[1] Source: http://www.otcqx.com/qx/int/overview
[2] Source: http://www.bmfbovespa.com.br/indices/ResumoIndice.aspx?Indice=IBOVESPA&idioma=pt-br

The Company is part of the Novo Mercado, a segment that has the highest corporate governance requirements of BM&F Bovespa. In addition to that, MRV is part of the main indices of the Brazilian stock market as following list: IBOVESPA, INDX, IMOB, IBRX, IBRX 50, IGCT, IGC, IBRA, ITAG, ICO2, IVBX2, SMLL, IGC-NM.

Currently, we – MRV Engenharia e Participações S.A. – are present in 142 cities and 20 brazilian states and the Federal District, are a publicly held corporation, organized for an indefinite period and duly registered with the CVM, headquartered in Belo Horizonte in the state of Minas Gerais, located at Avenida Professor Mario Werneck, 621, and which purpose consists of: (i) management of own assets; (ii) development, construction and sale of own or third-party properties; (iii) provision of engineering services relating to the qualifications of the technical employees; and (iv) participation in other companies as partner or shareholder.

6.5. Bankruptcy filing information based on relevant value or judicial or extrajudicial

There was no request for bankruptcy based on relevant value or judicial or extrajudicial recovery of the Company.

6.6. Other relevant information

All material information pertinent to this topic was disclosed in the items above.

7. Issuer's activities

7.1. Summarized description of the activities developed by us and our subsidiaries

Business Purpose:

Development and Construction Activities: We focus on the activities of real estate development and construction in the economic segment. Our operations involve the following stages: (i) identification, evaluation and acquisition of land parcels; (ii) obtaining government licenses, permits and approvals; (iii) sales and marketing; (iv) construction; and (v) providing financing and other services to our customers.

The Company is focused, since its foundation, in building low-income residencial projects oriented to middle and low class population, classes C1 and C2.

Companies of the group:

MRL Engenharia e Empreendimento S.A.: joint controlled company that operates in the low-income residential segment, mainly focused in the States of Rio de Janeiro. The Company holds 37.41% of MRL.

Prime Incorporações e Construções S.A.: joint controlled company that operates in the low-income residential segment, mainly focused in the Midwest region. The Company holds 60.00% of Prime.

LOG Commercial Properties S.A.: Through our joint controlled, we focus in the construction and leasing of industrial and logistic condominiums, besides the development of commercial properties such as shopping centers, strip malls and offices. The Company holds 37.87% of LOG.

Urbamais Properties e Participações S.A.: a controlled company focused in the development and commercialization of plots and urbanized areas at residential, commercial and industrial allotments with sustainable planning. A Company holds 60% of Urbamais.

Operating Markets and Geographic Diversification:

The real estate industry in Brazil, both in development and construction activities, is highly fragmented. The State of São Paulo is one of the main Brazilian economic centers, concentrating the largest real estate construction industry in Brazil. According to the IBGE, the estimated São Paulo's GDP was R$1,409 billion in 2012, which represented 32% of Brazil's total GDP. Therefore, São Paulo is the state with the greatest capacity to absorb real estate supply.

The table below shows the estimated GDP of our markets in 2012:

State	2012 - R$ million	%
São Paulo	1,408,904	32.1%
Rio de Janeiro	504,221	11.5%
Minas Gerais	403,551	9.2%
Rio Grande do Sul	277,658	6.3%
Paraná	255,927	5.8%
Santa Catarina	177,276	4.0%
Distrito Federal	171,236	3.9%
Bahia	167,727	3.8%
Goiás	123,926	2.8%
Pernambuco	117,340	2.7%
Espírito Santo	107,329	2.4%
Ceará	90,132	2.1%
Mato Grosso	80,830	1.8%
Maranhão	58,820	1.3%
Mato Grosso do Sul	54,471	1.2%
Rio Grande do Norte	39,544	0.9%
Paraíba	38,731	0.9%
Alagoas	29,545	0.7%
Sergipe	27,823	0.6%
Piauí	25,721	0.6%
Others	231,383	5.3%
Brasil	**4,392,094**	

Source: IBGE

We operate in the states of Rio Grande do Sul, Santa Catarina, Paraná, São Paulo, Rio de Janeiro, Minas Gerais, Espírito Santo, Goiás, Mato Grosso, Mato Grosso do Sul, Alagoas, Bahia, Ceará, Maranhão, Paraíba, Pernambuco, Piauí, Rio Grande do Norte, Sergipe, as well as in the Federal District.

We are active in a total of 142 cities: Águas Claras (DF), Americana (SP), Aparecida (SP), Aparecida de Goiânia (GO), Aracajú (SE), Araçatuba (SP), Arapongas (PR), Araraquara (SP), Araras (SP), Araucária (PR), Barra dos Coqueiros (SE), Barretos (SP), Bauru (SP), Belford Roxo (RJ), Belo Horizonte (MG), Betim (MG), Birigui (SP), Botucatu (SP), Cabedelo (PB), Cabo de Santo Agostinho (PE), Cajamar (SP), Camaçari (BA), Camaragibe (PE), Cambé (PR), Campina Grande (PB), Campinas (SP), Campo Grande (MS), Campo Limpo Paulista (SP), Campos dos Goytacazes (RJ), Canoas (RS), Cariacica (ES), Caruaru (PE), Catanduva (SP), Caxias do Sul (RS), Ceilândia (DF), Colombo (PR), Contagem (MG), Cotia (SP), Cuiabá (MT), Curitiba (PR), Duque de Caxias (RJ), Eusébio (CE), Feira de Santana (BA), Ferraz de Vasconcelos (SP), Fortaleza (CE), Franca (SP), Gama (DF), Goiânia (GO), Gravataí (RS), Guarulhos (SP), Hortolândia (SP), Indaiatuba (SP), Itaboraí (RJ), Itapevi (SP), Itaquaquecetuba (SP), Itatiba (SP), Itajaí (SC), Itú (SP), Jaboatão dos Guararapes (PE), Jacareí (SP), Jaraguá do Sul (SC), João Pessoa (PB), Joinville (SC), Juiz de Fora (MG), Jundiaí (SP), Lagoa Santa (MG), Lauro de Freitas (BA), Limeira (SP), Londrina (PR), Macaé (RJ), Maceió (AL), Maracanaú (CE), Marília (SP), Maringá (PR), Mauá (SP), Mirassol (SP), Mogi das Cruzes (SP), Mogi Guaçu (SP), Montes Claros (MG), Natal (RN), Niterói (RJ), Nova Lima (MG), Novo Hamburgo (RS), Olinda (PE), Ourinhos (SP), Palhoça (SC), Palmas (TO), Parnamirim (RN), Paulínia (SP), Paulista (PE), Pindamonhangaba (SP), Piracicaba (SP), Planaltina (DF), Poá (SP), Ponta Grossa (PR), Porto Alegre (RS), Presidente Prudente (SP), Recife (PE), Resende (RJ), Ribeirão Preto (SP), Rio Claro (SP), Rio das Ostras (RJ), Rio de Janeiro (RJ), Salto (SP), Salvador (BA), Santa Bárbara D`Oeste (SP), Santa Luzia (MG), Santo André (SP), São Bernardo do Campo (SP), São Carlos (SP), São Gonçalo (RJ), São José (SC), São José de Ribamar (MA), São José do Rio Preto (SP), São José dos Campos (SP), São José dos Pinhais (PR), São Leopoldo (RS), São Luís (MA), São Paulo (SP), Sapucaia do Sul (RS), Serra (ES), Sertãozinho (SP), Sete Lagoas (MG), Sorocaba (SP), Sumaré (SP), Suzano (SP), Taguatinga (DF), Tatuí (SP), Taubaté (SP), Teresina (PI), Uberaba (MG), Uberlândia (MG), Valparaíso de Goiás (GO), Várzea Grande (MT), Vespasiano (MG), Viana (ES), Vila Velha (ES), Vitória (ES), Vitória da Conquista (BA), Votorantim (SP).

According to the IBGE, in 2012, these cities represented 50% of Brazilian GDP and approximately 38% of the Brazilian population estimated for 2014.

7.2. Operating segments

a) Products and services sold

Real Estate Development and Construction

For more information, see item 7.3 hereof.

b) Revenue from the segment and participation in the issuer's net revenues

The Company used to release the real estate development and logistics segments until the end of 2012. After adopting the new wording of CPC 19 (R2), the Company stoped to proportionally consolidate the logistics segment, represented by the joint controlled LOG Commercial Properties S.A.. So, the consolidated financial statements release only the real estate development segment.

Net Revenue (R$ thousand) (1)	**2013**	**2014**	**2015**
Real estate development	3,870,608	4,186,185	4,763,038
Total	**3,870,608**	**4,186,185**	**4,763,038**

Participation in Net Revenue (%)	**2013**	**2014**	**2015**
Real estate development	100%	100%	100%
Total	**100%**	**100%**	**100%**

(1) For further information, see item 10.1 (h), "Financial Information", of this Reference Guide.

c) Income or loss resulting from the segment and participation in the issuer's net revenues

Net Income (R$ thousand) (1)	2013	2014	2015
Real estate development	423,084	720,211	547,581
Total	**423,084**	**720,211**	**547,581**

Participation in Net Income (%)	2013	2014	2015
Real estate development	100%	100%	100%
Total	**100%**	**100%**	**100%**

(1) For further information, see item 10.1 (h), "Financial Information", of this Reference Guide.

7.3. Products and services

a) Characteristics of the production process

Identification, evaluation and acquisition of land

We focus our initial efforts on studying and understanding demographic, social and economic trends to identify the needs of each prospective market in which we operate upon launching of our products.

We seek to acquire land that shows potential to appreciate in value as a result of increasing demand driven by previously identified economic, social and demographic trends. The acquisition of appropriate land parcels is essential to the profitability of our developments.

We generally identify opportunities for acquiring land parcels through specialized real estate agents, land owners interested in partnering with a company with knowledge and experience in the industry, or through other real estate companies.

We have a multidisciplinary team responsible for preparing such feasibility studies. Each potential acquisition of land is subject to financial review to determine if we will obtain a sufficient return on the capital invested in the proposed real estate development. For such purpose, we evaluate the ownership of the property to determine whether it meets the minimum requirements for the type of project we plan to develop and, carry out the legal due diligence and a review of relevant technical data.

We also use market research to identify potential buyers and local builders, common characteristics of the developments in the area, market supply and demand, as well as the average income and population profile of the region.

We also consider in the selection of lands for construction of the real estate developments the feasibility and time frame for obtaining all licenses and other regulatory permits required to develop the project.

The actual acquisition of land is generally conditioned on obtaining all necessary licenses and regulatory permits before the execution of the purchase. Typically, however, the initial down payment and the pre-construction costs are not recovered if all approvals are not obtained and the purchase is not concluded.

The final decision regarding the acquisition of a specific land bank is taken by an internal committee. This committee meets every week At least two members of this committee are parto f the team that visits the location of the land.

We acquire properties through purchase agreements or exchange agreements. In an exchange agreement, the seller of the land receives a certain number of units to be built on the property or a percentage of the revenue obtained from the sale of the units in the development. Through an exchange agreement, we reduce our capital needs and increase our rate of return on the capital employed in our developments.

We make significant investments in the acquisition of land and intend to build in all lands acquired. Although we plan to develop all acquired land, subsequent events may prevent construction or make construction economically unviable.

Obtaining government licenses, permits and approvals

The process of obtaining municipal, state and federal approvals takes between 38 months on average. The various approvals required include building, planning and environmental permits; obtaining these approvals can be particularly burdensome in Brazil.

We seek to obtain all material licenses necessary for our real estate developments, in light of the development stage of each project.

Construction

The management and oversight of the construction of our developments is the responsibility of our technical team, which the Company believes to have an extensive experience in low-income residential real estate developments, as it has always being focused in training talents and professional development at all levels of its organization structure. Our management and oversight of construction work is focused on guaranteeing quality and cost control, mastering all stages in the development process and meeting contracted deadlines.

Part of the construction work is performed by contractors with long-term relationships with MRV group. The service providers' companies are selected on the basis of experience and personal and professional references. These companies are qualified and have specialized employees and they are remunerated according to productivity. As a consequence, we are able to leverage their efficiency and increase productivity, especially because of the standardization of our products. With that, we are able to increase our productivity, as well as reduce the execution time of our projects with quality. Despite of the constractors' importance, we increased our own labor force stake at our construction sites over the past years. These workers are also remunerated by productivity. The aims of this change are to mitigate risks, continuously improve productivity and decrease turnover. With this change, the Company was able to reach higher productivity levels, which can be stated comparing the number of built units to the number of employees at construction sites, and invest more in training.

Moreover, the Company believes that the demand for our products is high and it is increasing. We developed partnerships with certain construction companies that are selected comparing their experience and knowledge of the low-income residential segment development, regardless of the geographic area in which they operate. In the selecting partners process, we also take into consideration whether the partner's experience is compatible with our methods, standards of excellence and costs. In addition, we can also establish technical assistance agreements with the construction companies. In such partnerships, we maintain control over land selection, development operations, sales and construction management. We also proportionately contribute funds to the development.

It is important to highlight that MRV is responsible for monitoring and managing the construction sites, the quality standards and structure are also established by MRV, as well as the use and monitoration through “MRV Obras” system.

Our construction process is highly standardized and mechanized and we use structural masonry in the majority of our sites. The main benefits from the standardization of our construction process are our cost control optmization, with subsequent reduction of operating costs and more agility in the execution of our projects. Additionally, the investment in equipments, such as cranes, and the inclusion of new construction methods, such as lifted slab, made our construction sites more industrialized and productive. The adoption of an input procurement process with strict quality and supplier selection standards also constitutes and important element for the standardization of our construction process and guarantee of quality of our products.

In order to improve the construction processes, the Company has been implementing new construction methods in some areas. The alluminium molds have been standing out in our construction sites, with positive results regarding term and costs and it has enabled higher efficiency of our operational cycle. This construction method is increasingly being spreaded through the areas where the Company operates and is enabling better management and planning.

Moreover, we have maintained a level A certification from the Brazilian Program for Housing Quality and Productivity *(Programa Brasileiro da Qualidade e Produtividade do Habitat),* or the PBQP-h, since 2001, which guarantees strict quality control for our developments. We ensure quality control through the use of procedural guides that describe in detail each stage of the construction process. We maintain control over technical aspects of the infrastructure and superstructure work by adhering to the standards of the Brazilian Association of Technical Standards (*Associação Brasileira de Normas Técnicas*), or the ABNT.

Insurances

The Company has an insurance policy that considers primarily risk concentration and their materiality, taking into consideration the nature of its business, and advice of the insurance brokers. As at December 31, 2015, insurance coverage is as follows:

Items	**Type of coverage**	**Insured amount (R$ thousand)**
- Construction insurance (engineering risk)	- Coverage during construction, compensation arising from damage to the work, such as fire, lightning, theft, among other specific coverages of facilities and assemblies on the insured site.	7,393,352
- Multirisk insurance	- Coverage after construction completion, compensation arising from damages such as fire, lightning, tornado, electrical damage and broken windows.	726,660
- Civil liability	- Guarantee to indemnify up to the maximum sum insured, the amounts at which the Company may be civily responsible concerning reparations for personal unintentional injury and / or	320,100

Items	Type of coverage	Insured amount (R$ thousand)
	property damage to third parties.	
- Constructor insurance guarantee	- Guarantees to the project's financing agent the construction completion in the event of technical and financial unavailability of the Company.	711,812
- Various risks insurance	- Guarantee to the financial agent, compensation arising from damages from equipment that are subject of ongoing Finame/ Leasing contracts	16,736
- Civil responsibility – D&O (Managers)	- Coverage for moral damages to the Company's management (D & O).	80,000
- Car insurance	- Indemnify the Company amounts resulting from damage to covered vehicles, such as theft, collision, property and body damage and passengers.	80,000
- Lenders insurance	- Insures the Company the receipt of actual property price in the event of death of borrower.	2,910
- Company group life and collective injuries insurance	- Bodily injury involuntarily caused to employees, contractors, interns and engineers.	569,824
- Residential	- Compensation to the Company regarding the covered events occurred in leased residential properties, such as electrical damages, fire, lightening, windstorm,etc.	6,741
- Corporate	- Compensation to the Company regarding the covered events occurred in leased commercial properties such as electrical damages, fire, windstorm, etc.	73,817
- Aviation	- Compensation to the Company regarding losses occurring in the aircraft hulls, risks to be covered, such as expense reimbursements and legal responsibilities that may be required due to the use of aircraft insurance.	31,201
- Lessor guarantee insurance	- Insures the receipt of leases, real estate tax (IPTU), and CAM fees by the lessor if not paid by the lessee.	9,876
- Legal guarantee	- Guarantee to the policy beneficiary the payment of the full debt in dispute, referring to distributed action or to be distributed before one of judicial courts. Guarantee hired to replace the judicial deposit.	56,600
- Infrastructure	- Ensure to Municipalities the implementation of infrastructure projects that are required for the licensing procedures of projects under construction.	6,779
- Real property delivery insurance	- Guarantee to swappers the delivery of units that were subject of the contract aggreed between the parties .	649,157

The risks from the production process are informed on item 4.1 and 10.2 of this form.

b) Characteristics of the distribution process

Sales and marketing

Our units are sold by our own team of approximately 4 thousand brokers, of which 1 thousand operate in internet sales. We also work with a few outside brokerage companies, which have outsourced brokers exclusively dedicated and trained to sell our developments. We believe it is important to maintain our own sales team focused exclusively on the sale of our projects to develop strong relationships with our current customers and to attract new ones. We believe these factors make our sales strategy more efficient and higher compliance with the Company's strategies.

Our sales strategy also includes:

- Our website is the most visited among the homebuilders in Brazil (according to alexa.com ranking), with a total of 2.6 million visits per month. In this same period, our 150 attendants attended an average 2,9 thousand people in a daily basis through our online chat, whatsapp and email. Our web sales channel is a great success, representing around 30% of our contracted sales this year.

- With an active and relevant participation in social networks, we have the biggest fanpage of the real estate segment of Brazil (according to Socialbakers), with over 2.8 million fans on Facebook, more than 300,000 followers on Twitter and about 21 million views of our Youtube videos.

- We continuously conduct market research regarding the profile of our customers and maintain updated databases with the demographics, income profile, age and other details of our customers. We use this database for identifying land, developing our products and implementing our sales strategy.

- Direct marketing. Our direct marketing team manages a database of potential customers and directly markets our products to such customers through telemarketing, mail, e-marketing and corporate marketing. In addition to generating business, this department assists in our planning by identifying the socio-economic and cultural profiles of our customers, as well as their preferences.

- Relationship sales. We conduct campaigns to benefit customers who recommend new buyers, and give even a discount for the buyer. These campaigns give us a very satisfactory return.

- Innovative nationwide marketing campaigns. Given the geographic scope of our operations, that is highly standardized, we are able to adopt innovative nationwide marketing strategies, which results in lower publicity costs per unit.

- Sports advertising. Since 1996 we have promoted our brand through sports advertising. Until 2004, we sponsored the Minas Tênis Clube women's volleyball team, which helped bring national attention to our "MRV" brand. From 2004 to the end of 2007, we sponsored the Clube Atlético soccer team, and in 2008 we began to sponsor the Vasco da Gama soccer team. In 2012 we sponsored Bruno Senna and a major F1 team, besides two great national soccer teams, Sport Clube Recife and again Clube Atlético Mineiro. The Company prioritizes supporting teams with great identification in the areas where it operates. Currently we sponsor Atletico Mineiro, Esporte Bahia, Comercial Esporte Clube, Novo Operário Futebol Clube, Santa Cruz Futebol Clube and tennis players Bruno Soares.

Customer financing

The availability of financing for potential customers, especially during construction, is of fundamental importance to our business. A few years ago, we had to finance a significant amount of our sales because of the lack of resources for real estate financing in Brazil.

But some changes in the financial system structure and, especially, in the legislation were essential to estimulate the real estate financing in Brazil. The mais change was after the enactment of the Federal Law 9514 from 1997, which address the real estate financing and created the fiduciary title of real estate, since the existing guarantees had low effectiveness. This Law gave greater assurance to financing banks, because the property entitlement is transferred to the the lender, and the borrower has the simple direct ownership of the property along the financing period, which enbled a faster process of property recovery by the lender. As a result, the banks increased the real estate financing supply and the purchase power to acquire housing units. Nowadays the amount of the unit that is financed directly with the Company is not significant when compared to our business.

The new plans offered by commercial banks, the client pays significantly lower amounts before delivery of the units, generally a maximum of 30.0% of the purchase price. While we receive a lesser portion of the purchase price from customers before delivery of units, as soon as we complete construction and provide customers with the applicable occupancy permit, we receive the outstanding balance in full.

Commercial banks are also providing a considerable amount of credit to finance the project’s construction, supplying and complementing the necessary cash to build the projects. This credit supply can reach approximately 40% of the units’ sales value.

The greater availability of financing allows us to move at a faster pace through a typical construction cycle. Our construction processes are standardized and generally require short construction periods. By decreasing construction time, we are able to increase the internal rate of return for our projects and, therefore, for our Company. In addition, by shortening the construction cycle, we benefit our customers, which, for a shorter period, will have to pay for their currently residence, mainly rented, as well as we contribute for the payment of the future property.

There are three financing methods available to our clients: direct financing, commercial bank financing and Crédito Associativo.

Crédito Associativo - CEF/BB

Pursuant to the Crédito Associativo model, financial product offered by CEF anf BB, the customer grants its mortage with the bank during construction phase. The amount financed by the bank is transferred to our Company in accordance with the evolution of the project’s construction. We receive up to 95% of the sale price during construction, decreasing our working capital needs, and the remaining 5% are transferred after obtaining the final permits. In addition, this financing method is linked to the construction financing, which is more interesting in terms of cash flow and credit risk, being the type of financing most used by our Company.

Commercial Bank financing

In this financing method, the client finance the unit price with the bank after the final permits. After that, the customer finances the outstanding balance directly with financial institutions, who pay the remaining balance in cash to us. In some projects, the credit approval by the financial institution is not automatic. The financial institution evaluates the customer's credit and the value of the property, which is subject to a mortgage or a conditional assignment to secure payment of the financing.

We believe that bank financing offers advantages both to the customer and to us. On one hand, customers can use their FGTS deposits to pay part of the outstanding balance on the property and obtain a longer repayment period at a lower interest rate from the financial institution. On the other hand, we benefit from increased liquidity, reduced credit risk from customers and reduced time in managing receivables.

Direct financing

The majority of our clients cannot finance 100% of the unit price, so we receive a down payment from the customer when the sale is agreed, the difference between the unit price and the amount financed, with the remaining portion of the purchase price payable in monthly installments directly to the Company.

In addition, installments are adjusted monthly in accordance with the INCC index, until the delivery of the units. After keys delivery, installments are adjusted on a monthly basis according to the IGP-M, plus interest.

Historically, we have had a low default rate. We believe that this low default rate is a result of the following actions: (i) our continued collection efforts; (ii) the several renegotiation options offered to those customers facing financial difficulties; (iii) the transfer of possession to the buyer only after analysis of payment records; (iv) the use of guarantors/cosigners for the delivery of units in longer sales plans and/or sales plans with periodical adjustments; and (v) after August 2006, only delivering financed units which are subject to conditional assignment (sales financed by us).

In addition, we rely on our experience with customers in our segment in determining which customers are eligible for financing. We have a big team of professionals dedicated to this activity. The sale is only registered if the customer meets our risk and security parameters, based on a credit analysis with the Credit Protection Service, or the SPC, and other internal mechanisms, in addition to the banks approval under the simultaneous sales process (SICAQ/SAC). Default is monitored and any renegotiation can include repossession of the property in case its possession has already been transferred to the customer. Finally, we also protect ourselves by selling to a broad cross-section of customers in diverse geographic locations.

c) Characteristics of the operating markets: (i) participation in each one of the markets; (ii) competitive conditions in the markets

(i) Participation in each one of the markets

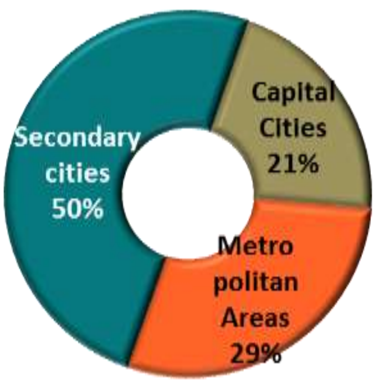
The Company operates in 142 cities in 20 states and the Federal District. We have broad geographic diversification, which is considered one of our greatest competitive advantages and most of our operations are outside capital cities, focusing in the metropolitan area and secondary cities, areas with lower competition.

Below, see our contracted sales by state in 2015:

Pre-sales per State – 2015

State	R$ million	%
São Paulo	2,496.4	45%
Minas Gerais	734.1	13%
Paraná	299.3	5%
Rio Grande do Sul	270.7	5%
Bahia	254.3	5%
Rio de Janeiro	324.5	6%
Mato Grosso	147.2	3%
Santa Catarina	132.0	2%
Espírito Santo	131.5	2%
Distrito Federal	71.6	1%
Ceará	88.6	2%
Mato Grosso do Sul	69.5	1%
Pernambuco	118.9	2%
Sergipe	63.7	1%
Paraíba	66.2	1%
Alagoas	65.2	1%
Goiás	84.1	2%
Rio Grande do Norte	70.2	1%
Total	**5,488**	**100%**

Pre-sales by Geographic Distribution (units)



(ii) Competition conditions in markets

The real estate development and construction industry in Brazil is very competitive. The market is fragmented and no single company has a significant share of the national market.

We have two types of competitors: companies that are already listed on the BM&FBOVESPA and small local companies. Companies in the first group are mainly located in large cities and the majority have entered the mid-high-income residential segment. Companies in the second group have low levels of capitalization, limited access to financing and lower operational level, so they are our competitors at specific regions or cities. In our view, this competitive edge will tend to decrease in value over time. In addition to government's efforts, we believe that real estate financing is a strong factor in the development and sales process. The financing costs are easily offset by our scale and industrial production features. A large scale and financing also allow us to have easy and low-cost access to credit, thereby resulting in a lower cost to our customer.

In the coming semesters, we expect less agressive competition from traditional homebuilders listed on BM&FBOVESPA in our segment, since part of these companies focus their operations in different segments and concentrate their projects mainly in big cities, such as capital cities, which is not the Company's focus.

The projects' control, with technology and advanced processes allowd us to maintain our strategy of geographic diversification, focusing our operations in regions and cities with strong growth and lower competition in the low-income segment.

We believe that our efficiency, specific experience and continuous improvement may be able to maintain and / or increase our competitiveness.

The main factors that distinguish us from competitors include price, location, availability and terms of financing, finishing standards, quality of construction materials, reputation and our track-record of meeting construction deadlines.

d) Potential seasonality

In general, the real estate market in our segment does not have a set fluctuation pattern along the year. There are fewer visits to sales stands during school holidays and specific periods, such as the World Cup in 2014. But this effect reaches all the companies of the industry.

e) Main inputs and raw materials

(i) Relationship with Suppliers

In the construction of our projects, a relevant part of the direct costs is from building materials, which caused the Company to develop a supply specialized team with deep knowledge of the supplier market for the acquisition of raw materials used in our activities. The Supply team works directly with the production teams and closely monitors the construction process at the construction sites, which provides great synergy and increasing process efficiency. Under his responsibility, is also hiring equipment and strategic services with higher added value (foundations, demolition, earthworks, paving, electrical networks, etc.). In 2015, it accounted for 50% of the outlay for construction. The centralization of our raw materials purchasing process contributes to a minor variation in the final cost of the works.

(ii) Possible dependence on few suppliers

Our Supply team does not have exclusivity agreements with any supplier, and researches the market constantly. Our average payment term was approximately 46 days in 2015. Because of the standardization of our products and the simultaneous development of several projects in the cities we operate, we are able to achieve economies of scale in the acquisition of raw materials and contracting of services. In 2015 this economy amounted R$ 51 million.

We have a wide list of suppliers, selected on rigid criteria, and agreements are negotiable to ensure timely deliveries, product quality within technical specifications and warranties, and better commercial terms. We classify our suppliers into national, regional or local, in order to standardize inputs used in the construction process and, obtain the service, which protect us from relying on any one supplier. In 2015, we did business with 8,070 suppliers, in a total volume of R$ 1.58 billion.

(iii) Possible volatility of inputs price

We highlight 250 items, representing approximately 61% of our costs of materials, equipment and strategic services on which we make a monthly monitoring. With the suppliers of these groups of goods, we make strategic negotiations and agreements at national, regional or local level. This ensures greater stability and uniformity in prices and quality of the products, and great negotiating power in the purchase, generating great results.

7.4. Relevant clients (responsible for more than 10% of the Company's total net revenue)

No client is responsible for more than 10% of the Company's net revenue. The real estate market is extremely diluted.

7.5. Relevant effects of Governamental regulation on the Company's activities

a) need of governmental authorizations for the exercise of the activities and historical relationship with the public administration of such authorizations

The exercise of the Company's activities is not subject to governmental authorizations, except for the specific licenses and authorizations of each of our developments. Historically, we have always obtained successfully the governmental authorizations necessary for the development of our projects.

Regulation related to real estate activities

The current regulation of the real estate industry includes such matters as real estate development, zoning restrictions and environmental laws. The Brazilian Civil Code governs matters relating to real estate development projects, as well as the ownership of real estate. As a general rule, the Brazilian Civil Code requires that transactions relating to the sale of real estate, as well as the assignment, transfer, change or waiver of real estate rights, must be made by means of a public deed, except for transactions related to the SFI and the SFH and certain other exceptions provided by law. Each of these transactions must also be registered with the proper Real Estate Registry office.

Real estate development

Real estate development activities are regulated by Federal Law 4591, of December 16, 1964, the Real Estate Development Law, which defines real estate development as the activity performed to foster the construction and development of real estate projects, for total or partial sale, in the form of buildings or otherwise composed of units.

The developer's main duties are: (i) to register the real estate development with the Real Estate Registry office; (ii) to sale the Units upon the effective registration with the Real Estate Registry office, indicating in all advertisements and sales contracts the registration number of the development; (iii) to assure the construction of the development; (iv) to transfer title to the unit; and (v) to register the construction blueprints along with the joint ownership agreement with the proper Real Estate Registry office. The developer may establish a deadline of up to 180 days for the sale of the real estate development, and may withdraw from the development before this deadline, but this deadline should not exceed the term for the validity of the respective registration or, however the case may be, the respective revalidation.

The construction of the development may be contracted and paid for by the developer or by purchasers of the units. The Real Estate Development Law provides for two systems of construction: (i) construction under contract and (ii) construction under management.

Construction under contract is arranged with either a fixed price, established before the construction begins, or an adjusted price, which varies according to an index determined by the contracting parties.

In a construction under management, the purchasers of the units pay the total costs of the development through monthly proportional installment payments. Therefore, the purchase and sales agreements do not set forth the unit sales price.

Assets for appropriation

Law No. 10,931, of August 2, 2004, created a special tax system related to assets for appropriation. Under this system, land parcels and structures built on it, financial investments in the land and any other assets and rights with respect to the land are apportioned to benefit that development's construction and the delivery of the units to the purchasers, and are thus segregated from the developer's remaining assets. Accordingly, appropriated assets have no connection with the other properties, rights and obligations of the developer, including other assets previously appropriated. In addition, the appropriated assets can only be used to secure debts and obligations related to the respective development. The appropriated assets will not be affected in the event of the developer's bankruptcy or insolvency.

In the event of a developer's bankruptcy or insolvency, joint ownership of the development may be instituted by a resolution of the purchasers or by judicial order. The joint owners of the development then decide whether to proceed with the project or liquidate the assets for appropriation.

Real estate credit policy

The real estate industry is highly dependent on the availability of credit. The Brazilian government real estate credit policy significantly affects the availability of funds for real estate financing, and consequently the supply and demand for real estate units.

The real estate credit market in Brazil is extremely regulated, and the funds for financing in this industry are derived mainly from the FGTS, and from the mandatory investment of a portion of the deposits from savings accounts.

The FGTS is a mandatory contribution equivalent to 8.5% of the payroll of the employees in accordance with the employment relationship set forth in the CLT, the Decree-Law 5452, of May 1, 1943. Caixa Econômica Federal is the entity in charge of the management of funds under the FGTS.

Financing can be granted through the (i) SFH, which is regulated by the Brazilian government; and (ii) mortgage portfolio system, under which financial institutions may freely negotiate the financing conditions.

Housing finance system (SFH)

Law No. 4380, of August 21, 1964, created the SFH with the purpose of facilitating the acquisition of residential real estate units, in particular by the low-income population. The SFH is funded by the FGTS and a portion of the deposits from savings accounts.

The main requirements to obtain financing for the acquisition of a home are as follows:

- The financed real estate must be exclusively for the use of the purchaser;
- The maximum sales price of the units must be R$750,000, for housing units in the states of São Paulo, Rio de Janeiro and Minas Gerais and in the Federal District, and R$ 650,000 in the other states;
- The borrower cannot own title or rights for a residential property in the same city;
- The maximum cost for the purchaser, including interest, commissions and other financial charges but not insurance, cannot exceed 12.0% per year;
- In case of a balance at the end of the negotiated period, the payment term may be extended for a period equivalent to one-half of the period originally established; and
- The purchaser must provide one of the following security interests: (i) a first mortgage on the financed asset; (ii) a conditional sale agreement related to the financed asset; (iii) a first mortgage of another property of the purchaser or of a third party; or (iv) other guarantees, as established by the financial agent.

Mortgage portfolio system

The SFH funds derive from the FGTS and deposits in savings accounts. However, not all funds derived from savings accounts are allocated to the SFH. At least 65.0% of savings deposits must be used for real estate financing, as follows:

- 80%, at least, for residential financing within the SFH; and
- the remainder for real estate financing contracted at market rates, including housing financing transactions.

This remaining balance, intended for financing granted at market rates, comprises the mortgage portfolio used by banks for the granting of real estate financing. Since the financial institution uses its own funds to grant financing, the terms and conditions in these cases may be negotiated more freely than the for SFH financing, allowing financing of real estate properties with higher prices. Consequently, the rates and amounts of these types of financing are usually higher than those of the SFH financing, ranging from 12.0% to 14.0% per year, adjusted for inflation based on the TR index.

Real estate finance system (SFI)

Law No. 9514, of November 20, 1997, as amended, created the SFI and established rules for the assignment, acquisition and securitization of real estate credits. This system seeks to develop primary (loans) and secondary (trading of securities backed by receivables) markets for the financing of real estate units by means of the creation of advantageous compensation conditions and special instruments for the protection of creditors' rights. The new rules also permitted capitalization of interest and monetary adjustment less than yearly for transactions over 36 months, both of which were previously prohibited.

Real estate sales into installments, leasing or other financing in general may be negotiated with non-financial institutions under the same conditions permitted by authorized entities under the SFI. In these cases, non-financial entities are authorized to charge compound interest rates greater than 12.0% per year.

The following types of collateral are applicable to financing granted through the SFI: (i) mortgages; (ii) conditional assignment of credit rights from sales contracts; (iii) pledge of credit rights resulting from sales contracts or rental of real estate; (iv) conditional assignment of real estate; and (v) antichresis.

Finally, amongst the matters covered by Law No. 9514, of November 20, 1997, we emphasize the securitization of real estate credits. This Law created a specific system for this type of securitization, with specific characteristics, such as the conditional sale system, making the structure less expensive and more attractive.

The securitization of credits in the context of the SFI is made through real estate securitization companies, which are non-financial institutions formed as stock companies and registered with CVM as publicly-held companies. Such companies have the objective of acquiring and securitizing real estate credits through the issuance of Real Estate Receivable Certificates, or CRIs, as well as other marketable securities (debentures, notes, among others) backed by real estate credits.

CRIs are securities issued exclusively by real estate securitization companies as a promise of payment in cash. CRIs are backed by real estate credits that can be freely negotiated. The main characteristics of these securities are: (i) issuance in book-entry form; (ii) payment in installments; (iii) fixed or floating interest rates; (iv) monetary adjustment; (v) registration and negotiation through centralized systems of custody and financial settlement of private securities; (vi) possibility of a trust system, linking real estate credits to the respective CRIs issued (thus constituting segregated assets similar to those under the assets for appropriation system in real estate development); and (vii) establishment of a floating charge on the issuer's assets.

Municipal regulation

We describe below the municipal legal aspects of our main markets.

Municipality of São Paulo

The Zoning Law governs the parceling, use and occupation of land in the municipality of Sao Paulo. It sets forth technical and urban planning requirements for parceling, and establishes that the splitting and separation of tracts of land will be subject to the prior approval of the Sao Paulo municipal government. Moreover, this zoning law describes the types of allowed uses of the land and their respective characteristics by dividing São Paulo into areas of use with fixed locations, limits and boundaries

Municipal Law No. 16050, of July 31, 2014, approved the Master Plan and created the Planning System of the Municipality of São Paulo, being governed by a number of municipal decrees. The Master Plan is the guiding tool for planning development in the urban areas of the municipality and is used as a reference by all public and private agents acting within the municipality. It establishes the strategic goals and general guidelines for urban construction, the objectives and guidelines for differentiated areas of planning, and the instruments for their implementation. In addition to the Master Plan, municipal planning is also regulated by Articles 182 and 183 of the Federal Constitution and by Federal Law No. 10,257, of July 10, 2001, known as *Estatuto da Cidade* (the Cities Act). In addition, Law No. 11,228, of September 25, 1992, approved the Code of Works and Construction, which is regulated by Municipal Decree No. 32,329, of September 23, 1992. Municipal Decree No. 32,329 governs administrative and executive procedures and states the general and specific rules to be followed in the planning, licensing, execution, maintenance, and use of public works and construction within real estate projects with respect to the real estate within the municipality of São Paulo, and also provides for sanctions and fines applicable in cases of noncompliance with these rules.

Municipality of Belo Horizonte

The municipality of Belo Horizonte is subdivided into large zones. Each zone has general urban parameters, common to any type of development. These parameters are regulated by Municipal Laws No. 7,165 and No. 7,166, both of August 27, 1996 (Master Plan and Use of Land Law, respectively), Law Nº 8.137/00 and Law No. 9959, of July 20, 2010, which modifies Laws No 7165/96 and No. 7166/96, in the Law Nº9725/09 (Construction Code) and in the decree Nº 13.842/10 (Regulates the Law 9725/09 – Construction Code)..

The particular aspects of certain regions, with different urban and tax regulations according to the characteristics of each zone, have been considered in Areas of Special Regulations (ADEs).

The differences between each zone are based on the potential for growth and the demands for environmental or landscape preservation and protection.

The Municipal Secretary of Urban Regulation is mainly responsible for (i) giving instructions and enforcing the legislation concerning urban activities in the municipality; and (ii) ensuring urban quality of life of the population of Belo Horizonte by using updated urban planning techniques.

Municipality of Rio de Janeiro

Complementary Law 111 of February 1, 2011, provides for the Urban and Environmental Policy of the City and establishing the Master Plan for Sustainable Urban Development in the city of Rio de Janeiro.

This plan has a term of 10 years, establishing the rules and procedures related to urban policy in the municipality of Rio de Janeiro. This plan established guidelines and tools for the execution of urban policies and programs with the purpose of meeting the social needs of the city.

The zoning parceling, use and occupation of land laws of the municipality of Rio de Janeiro govern the use of land in the city and address urban zoning, use of areas, development activities, and types and conditions of developments in relation to each zone established by the regulations.

Municipality of Campinas

The rules applicable to the use and occupation of the land in the municipality of Campinas are established in the (i) Master Plan of the Municipality of Campinas (Law No. 15, of Dcember 27, 2006); (ii) Construction Code (Law No. 9, of December 23, 2003); (iii) Land Use and Occupation Law (Law No. 6,031, of December 29, 1988); (iv) Municipal Laws No. 10,850, of June 7, 2001, and No. 9,199, of December 27, 1996, which provide for the environmental protection areas and the urban management plan of the Barão Geraldo district and (v) Decrees nº 17.503 ofJanuary30 of 2012, that outlines about the aproval of land parcelling for housing purposes in the public administration shpere and disciplines compliance of "Plano de Estruturação Urbana da Região Centro-Sul" and n° 18306 of March 25 ,2014, that outlines over the procedures for environmental licensing of developments and activities that have local impact in the Secretaria Municipal de Meio Ambiente de Campinas sphere.

The Municipal Secretariat of Housing is responsible for establishing policies aimed at offering housing to the low-income population. COHAB *(Companhia de Habitação Popular de Campinas)* is responsible for the planning, development and sale of residential units as well as financing, all of which are specifically directed towards the low-income population, according to the regulations set by the municipal, state and federal governments.

On a municipal and regional level, the Municipal Secretariat of Housing acts as financial agent and sponsor of the SFH, being responsible for applying the national housing policy and for implementing other programs related to residential financing, with the purpose of reducing the housing deficit

On July 7, 2005, the Municipal Secretariat of Urban Planning - SEMURB was created to be in charge of the approval of architectural and urban projects on private land through the establishment of rules, issuance of licenses for the use and monitoring of development projects.

b) issuer's environmental policy and costs incurred for compliance with environmental regulation and, however the case may be, other environmental practices, including the adhesion to international environmental protection standards:

We are in compliance with applicable environmental legislation and rules and we operate accordingly in all stages of the project and construction of our developments. We have not adhered to any specific rule or international standard in connection with the environmental protection.

Continuously focused on the sustainable growth, we adopted certain practices to increase our commitment with the environmental protection. In this regard, we stimulate the development of projects and new technologies which contributes for the waste reduction, the logical usage of natural resources and the use of proper materials not to damage the environment.

In compliance with environmental legislation, when we acquire the land where we intend to develop our projects, we seek to consider all necessary and applicable environmental aspects, focused on the existing springs, vegetation and localization of this land as regards to the preservation areas in the place.

In addition, the implementation of the real estate developments usually results in leveling of the ground, as well as, in many cases, the removal or cutting of vegetation. These activities depend on the previous authorization by the environmental bodies. As a condition to issue such authorizations, such bodies may require compensatory measures, such as, for example, the plantation of new trees and even the acquisition of forest areas with extension at least equivalent to the affected areas. The non-authorized modification in these areas or the removal or cutting of protected trees represents environmental violation and subjects the infractor to civil, administrative and criminal claims.

We develop and construct projects in several states in Brazil. Each member state is supported by the Environmental Secretariat or Environmental Agency and we comply with all requirements before these bodies, from the purchase of the land to the final licensing of the projects. The environmental bodies have adopted, over the years, more severe measures as regards to the management of environmental matters and we have successfully complied with these measures.

In this sense, our developments, the projects of which are already approved, were properly licensed. As regards to the developments under approval, the environmental projects are in progress.

We estimate that the cost incurred for the compliance with the environmental regulations, as requested in connection with some developments, corresponds to approximately 1.7% of the development's total sales value.

Our activities are subject to environmental rules, as described below.

Environmental licenses and authorizations

Brazilian environmental legislation, under Law No. 6938, of August 31, 1981 ("Law no. 6938/81") and its respective changes in Law Nº 12651 of May 25, 2012, determines that the installation, construction, extension and operation of projects that in any way cause or could cause degradation of the environment are contingent upon obtaining previous licensing of the competent environmental agency. And the licenses issued must be renewed periodically, which must be requested with a minimum advance of 120 (one hundred twenty) days of the expiration date, so that this is automatically extended until the ultimate manifestation of the competent environmental agency.

Therefore, the environmental licensing process, which is governed by the Environment National Council (CONAMA) Resolution 237, of December 19, 1997 (“CONAMA Resolution nº 237/1997”), is divided in three parts, being each license subject to the issuance of its previous license: (i) preliminary permit; (ii) building permit, and (iii) operating permit. In addition, an environmental permit is required when any part of the development is changed or expanded.

CONAMA Resolution nº 237/1997 additionally establishes that the state environmental agency has the responsibility over the environmental projects licensing whose impacts are restricted to its territory, as well as imposing the conditions, restrictions and plausible control measures. It is up to Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis (IBAMA) the competence to proceed to the licensing of developments and activities of significant environmental impact in regional or international scopes, as well as the city competent organs with the local impact projects’ licensing.

Notwithstanding the application of fines, there can also be penalties that include orders to cease work or to deactivate or demolish a project, among others. Moreover, in accordance with Decree 6514, of July 22, 2008 and its changes in the Decree Nº7719 of April 11, 2012, these penalties also apply if the developer fails to comply with the terms of the environmental permit.

On 09/12/2011 the Complementary Law Nº 140, which poses regulations for the Union’s, States’ and Cities’ action regarding administrative matters orginated from the exercise of common jurisdiction. This Law aims at the protection of the environment and fighting polution in any form, as well as the preservation of the forests, fauna and flora.

The CL nº 140/2011 establishes goals to bem et by Public Entities regarding the environment conservation, harmonizing policies and administrative actions in a way to avoid conflict of assignment/comptence, thus delimiting the responsibility of each Public Entity

We seek to properly maintain our development’s environmental permits. The construction and maintenance of our developments’ sales may suffer delays on obtaining environmental licenses or even due to inability on our part to comply with the requirements established by environmental agencies in the process of environmental licensing.

The implementation of real estate developments normally implies moving soil as well as often cutting vegetation. These activities are contingent upon prior authorization by the pertinent environmental agencies. In order to issue authorizations and these agencies may require the adoption of compensatory measures, such as planting of new trees and the acquisition of forest areas with size at least equivalent to the affected areas. Unauthorized actions in regulated areas, or the cutting or pruning of protected trees, are an environmental crime and would subject the responsible party to civil, administrative and criminal sanctions.

We seek to obtain all the necessary environmental permits for the development of our activities. The absence of licenses or permits from the competent environmental agencies for potentially polluting activities subject the offender to criminal and administrative sanctions that may culminate in fines, as well as the responsibility of repairing the environmental damage in the civil sphere. However, it is relevant to highlight that the maximum fine is only imposed when the irregular conduct implies severe environmental damage.

Technical Federal Registry

The Federal law nº 6,938/1981, and its changes in Law Nº 12651 of May 25, 2012, which regulates the National Environmental Policy imposed the Technical Federal Registry (“CTF”) of IBAMA as an environmental promotion instrument. Individuals or Companies that dedicate themselves to activities that may potentially be polluting or extraction, production, transport and commerce of pottentially environment harmful products, as wel as products and subproducts of fauna and flora, such as civil construction are subject to register in the CTF.

In accordance to the Federal law nº 6,938/1981 the absence of register at the CTF subjects the entrepreneur to penalties.

We seek to obtain, and to keep up to date, the necessary IBAMA registers for the conduction of our activities.

In the various CNPJs that MRV has for each branch or jointly controlled entity, we are classified as “classificated” at IBAMA for the obtention of the CTF, as:

Developed Activities:

Category	**Activity:**
22 – Civil Construction	8 – Other Construction
20 - Use of Natural Resources	9 – Consuption of wood, timber or,charcoal

Conservation units

The Federal Law No. 9985 of July 2000 regulates the creation of protected areas in the National System of Conservation Units – SNUC, comprised of the joint protected areas of federal, state and municipal governments that are divided into two groups: Integral Protection Area Units and Sustainable Use. Such legislation provides for its creation, deployment and management; well as incentives, exemptions and penalties for companies or individuals involved in the intervention or formalization of the categories of conservation units.

The Federal Decree 4340 of August 2002 regulating articles of Law No. 9,985, of which providing for compensation for significant environmental impact. As Article 31 of the decree, for purposes of environmental compensation, the environmental license agency establishes the degree of impact from the environmental studies carried out during the licensing process, in which these impacts are considered negative, unmitigated and subject to risks that may compromise the quality of life of a region or damage natural resources. The percentage of environmental compensation shall be established gradually from half percent of the total estimated cost for the implementation of the project, considering the magnitude of the impacts. However, there should be established under the license agencies environmental clearinghouses, composed of representatives of the agenct, in order to analyze and propose the use of environmental compensation, for the approval of the competent authority, in accordance with the environmental studies conducted and defined percentages.

Permanent Preservation Areas

The Permanent Preservation Areas (“APPs”) are areas specially protected by virtue of their environmental importance. In accordance with the Forestation Code and the Sate Law Nº 20.922/2013 (establishes forestry politics and biodiversity protection in the State), the APPs include, among others, the surroundings of water places, water springs and top of the hills.

The removal of the vegetation and/or any intervention in area located in APPs depends on the prior authorization by the proper authority and will solely approved in cases of public services or social interests, when there is no other technical or localization alternative for the development.

Deforestation or of other native formations, as well as exploitation of any kind of native vegetation or native species planted at APPs without the corresponding authorization from the competent agency constitute an environmental administrative offense. In the terms of Decree nº6,514/2008 applies penaltiesper hectare or fraction. The existing APPs in our developments are preserved.

Water resources

In accordance with the National Water Resources Policy (Federal Law nº 9433 of January 8, 1997), the authorization for the usage of water resources is mandatory for all activities which use water locations, both for capture of water and disposal of effluents. The authorization to use the water resources is issued by the proper environmental body. These activities include the capture of water from private artesian wells.

The capture and dispersal performed without authorization subjects the individual or Company to penalties such as a warning, embargo, interdiction and fine.

Legal reserve

In accordance with the Forestation Code, reformed by the Law Nº12.651/2012, at least 20% of the vegetation of each rural property must be allocated to environmental preservation except for those areas of Forest and cerrado located inside Legal Amazon, in which 80% and 35% of each property, respectively, must be representing the legal reserve. The APPs must not be considered, except in cases achknowledged by law upon consent of the competent environmental agency. Such area must be registered in the deed of the respective property, the usage of which must not be changed in the cases of transfers or dismembering of the area.

According to Decree nº6,514/2008 as of Aprill 11, 2012, the non registry of legal reserve in rural property will subject the offender to warning penalty and daily fine per hectare or fraction of legal reserve.

In case the owner or rural property land owner does not meet the requirement for maintenance of the legal reserve, the Forestation Code establishes alternatives, such as: (i) reforestation through native species planting, (ii) conducting the natural regeneration of the legal reserve or (iii) compensation of the legal reserve by other equivalent area in ecological importance or extension that is part of the same ecosystem and microbasin.

Historical and archeological patrimony

As regards to the archeological sites and areas of historical and cultural interests, it is necessary consent of the governing body prior to any intervention. We do not have developments with archeological sites and historical and cultural interests.

Solid waste

According to the Solid Waste National Policy, as outlined by the Federal Law nº12,305/2010 the inadequate disposal of solid waste, as well as accidents deriving from the transportation of this waste, may be a soil and ground waters contamination factor, implying the application of administrative and criminal sanctions. Additionally, Brazilian environmental legislation establishes rules for the proper disposal of waste, including waste stemming from civil construction. Violation of these rules can result in penalties. See subitem “Environmental Liability”.

CONAMA Resolution No. 307, of July 5, 2002, amended by CONAMA Resolution No. 348, of August 16, 2004, establishes criteria for management of civil construction waste, with the purpose of minimizing environmental impact. According to this rule, civil construction waste is classified into four classes, and for each class the acceptable type of disposal is defined. The rule expressly prohibits disposal of such waste in residential landfills, dumping areas, hillsides, rivers and lakes, vacant plots of land and other areas protected by law without the proper environmental license,

For cases where environmental licensing of the activity is not required, a project for management of civil construction waste (“PGRCC”) must be submitted with the development project for analysis by the appropriate municipal government agency. We seek to obtain all the necessary environmental licenses for construction’s waste management.

Aiming to comply with the current legislativo, especially the Ordinance nº 582 of 12/05/2012 – Cities Ministry, which discusses the Conformity System of Service Companies and Civil Construction Services– SIAC, in the year of 2012 the Solid Waste Management Program in Civil Construction, was implemented. In this program, through preventive and constant actions,we seek the development of solutions on solid waste reuse and recycle, material disposal, among other proceedures regarding the correct waste disposal in our construction sites.

Contaminated areas

The soil and/or groundwater contamination represent environmental liabilities that need to be managed carefully, since the compensation is imprescritible. In other words, the responsibility for environmental damage is not extinguished over time. Areas considered contamined are those in which there was proved to be pollution generated by disposal, accumulation, storing or infiltration of substances or waste, implying negative impact over the protected assets.

We develop and construct real estate development projects in certain states of Brazil. Each state has an environmental office or environmental agency. The environmental agencies have been adopting positions that are more and more stringent concerning the management of contaminated areas, including the establishment of environmental standards for improving the quality of the soil and ground water. We emphasize that, in accordance with State Law 13,577, of July 8, 2009, the State of São Paulo is the state subject to the most restrictive terms in this area, which terms determine that the legal responsible for a land, or those persons jointly deemed responsible (such as the superficiary, the holder of the effective ownership and the beneficiary), upon verification of evidences or suspected contamination, must report the matter to the proper environmental and health bodies, under the penalty of fines. It is also mentionable that the maximum charge is only imposed when there is severe damage to the environment.

In order to comply with the environmental legislation, when we acquire a tract of land we take into account all of the environmental aspects, including the possible existence of water supply basins, and other forms of vegetation. We also take into account whether the land possesses the characteristics of an area requiring preservation, so that the environmental aspects have already been considered when the time for approval of our project by the appropriate agency comes.

We stress the CONAMA Resolution 420/2009, which discusses the criteria and guiding values for soil quality as for the presence of chemicals and establishes directives for the environmental management of áreas contamined by those substances due to antropic activities. Changed by the Resolution 460/2013.

Environmental liability

Environmental liabilities may occur at three different and independent levels: (i) civil, (ii) administrative and (iii) criminal.

These three levels are different and independent because a single action by the agent may generate environmental liabilities at all three levels, with the application of three different sanctions. In addition, the non-attribution of liability at one of these levels does not necessarily exempt the agent from liability at the other levels.

Administrative liability

In this matter, Environmental Crimes Law ruled by Federal Decree No. 6,514/2008 provides, in article 70, that any action that violates the legal regulations of environment’s use, enjoyment, promotion and recovery is considered an administrative environmental infraction.

Administrative liability for performing an action or omission of the agent that characterizes violation of any applicable rule, regardless of guilt verifying or effective occurance of environmental damage.

The sanctions to be imposed against eventual administrative infraction may include warning, fine, product suspention, suspention of fiscal benefits and canceling or participation interruption in state banks’ credit lines, besides prohibition of being hired by public agencies.

Civil liability

When strict civil liability is found, it means the agent's liability depends only on the determination that its act or omission caused environmental harm, regardless of the agent's fault (negligence, lack of care, or gross negligence). Environmental civil liability is therefore attributed, in principle, to the person who is directly or indirectly responsible for an activity that causes environmental harm (article 3, IV, of Law 6,938/81).

Additionally, if the activity is performed by more than one agent and it is not possible to identify each agent's contribution to the environmental harm, government agencies and the courts find joint and several liability, under which one of the agents is found liable for the entire environmental harm, and that agent has a right of recourse against the other agents who caused the environmental harm, as set forth in article 942 of the Civil Code.

Therefore, both activities that are potentially polluting that we conduct and the hiring of third parties to provide any service at our developments, including removing vegetation and earthmoving, make us potentially liable for any environmental harm caused if the third parties do not conduct their activity in accordance with environment rules. We are not parties to any Public Civil Claim related to the environmental matter with material impact in our business.

Because of this, considering that those who compete indirectly for the occurance of eventual environmental damage may be responsible civicly, it is fundamental that a joint management of the inherent risks to all involved in the specific project development, as well as demand and control the compliance of an adequate environmental policy from its clients, in a way to minimize risks that may arise due to an eventual jointly liability.

Finally, it is mentionable that, despite there is no express reference in the law, according to the doctrine's understanding the redress pretention is not subject to prescription.

Criminal liability

In the Criminal sphere, any individual or Company is subject to Federal Law nº9605/1998 that may compete for the practice of certain acts considered harmful to the environment, the proving of intention or guilt (negligence,imprudence,malpractice).

In such way for the Company's criminal liability to be configured it is necessary the proving of an action or omission by it or one of its subsidiaries, and the act being framed in one of the penal types predicted by law nº9605/1998.

Moreover, the Law nº9605/1998 sets forth the possible disregard of the legal personality, as regards to the legal person responsible for the environmental violation, whenever this situation avoids the reimbursement of losses caused against the environmental quality. The restrictive penalties of the Company may be (i) total or partial activities suspention (ii) temporary establishment, construction or activity interdiction, and (iii) prohibition of hiring the Public sphere, as well as obtaining from it subsides, subventions or donations.

c) patents, trademarks, licenses, concessions, franchises, royalties agreements deemed relevant to the development of the activities

We perform our business through the trademark "MRV Engenharia". On January 5, 2007, MRV Engenharia e Participações S.A. entered into with MRV Serviços de Engenharia Ltda. a Brand Use License Agreement, through which MRV Serviços de Engenharia Ltda. granted us, freely and exclusively, the license to use, in Brazil, the mixed brand named "MRV Engenharia", duly registered with INPI. The brand use valid license was granted for ten years as from the date of execution of the respective agreement and can not be assigned by any of the parties, except upon prior approval.

On Sepetember 03, 2013, MRV Serviços de Engenharia Ltda. filed with INPI the renewal application of the brand registration granting, to extend its term, granting the brand's ownership until 10/14/2023, and remaining valid the Brand Use License Agreement with MRV Engenharia e Participações S.A..

On August 22, 2014, the Company signed an agreement with MRV Serviços de Engenharia Ltda. for Brand Assignment and Transfer, by which MRV Serviços de Engenharia Ltda. assigned and transferred, in charging mode, the use and ownsership rights of the brand to MRV Engenharia e Participações S.A..

So, in accordance with the contract, MRV Engenharia e Participações S.A. filed with INPI, on November 20, 2014, the ownership transfer request resulted from the brand assignment, in order to be the brand's owner.

Given the above, only in the event that the Company misuse the brand or fail to renew the registration in 2023, it may loose the rights related to mixed brand use.

We are the owners of a number of domain names registered in Brazil, such as "mrv.com.br", "cademeuprimeiroape.com.br", "euodeiopagaraluguel.com.br", "" and "www.tourmrv.com.br".

7.6. Information on the countries where the Company records significantly revenues

a) revenues from clients attributed to the issuer’s country and its participation in total issuer’s net revenue

The Company operates only in Brazil. Therefore, 100% of the net revenue comes from clients located in Brazil.

b) revenues from clients attributed to the other countries and its participation in total issuer’s net revenue

The Company operates only in Brazil. Therefore, there are no net revenue from clients located in other countries.

c) revenues from other countries and its participation in total issuer’s net revenue

The Company operates only in Brazil. Therefore, there are no net revenue from other countries.

7.7. Regulation of the foreign countries disclosed in item 7.6 from which the Company records significant revenues

Not applicable, once the Company does not have revenues from foreign countries.

7.8. Social and environmental policies

a) If the Company releases its enviromental informations

MRV, largest homebuilder of Brazil, has the mission to realize the dream of home ownership real estate offering with the best cost/benefit to the customer. To achieve excellence throughout its 36 years of existence the company has always been in tune with the market and with the best design, social and environmental practices.

The MRV Group in its strategic management is sustainability, the amount equivalent to the other variables of managing your business, always with environmental responsibility, transparency and good corporate governance practices and risk management. Through its policy of sustainability and consolidation of the management model for sustainability, which is structured in four stages (diagnosis and evaluation; guidelines and strategies, implementation and monitoring, and verification and reporting). Thus, MRV attached to a set of corporate indicators and business set from additional consultations materiality process undertaken since 2011, according to annual reports disclosed.

b) Metodology of those informations

The Company follows the guidelines of the Global Reporting Initiative (GRI) and the reported indicators can be found in the Company's annual reports and on its website: http://www.mrv.com.br/mrvsustentavel/

c) if the information is audited or reviewed by an independent auditor

The financial information discussed in the annual reports following the disclosures in the annual financial statements, which are audited independently.

d) website where the information can be found

The informartion can be found at the investor relation´s website (ri.mrv.com.br)

7.9. Other relevant information

We have more than 36 years of experience focusing on low-income customers. We believe that our operational structure allows our operation to take advantage of market opportunities.

As from our Initial Public Offering, in July 2007, we recorded good operational and financial performance, which are confirmed by our launchings, our Contracted Sales and our net operational revenues.

R$ billion	Launches	Contracted Sales	Net Operating

			Revenue
2007	R$ 1.2	R$ 0.7	R$ 0.4
2008	R$ 2.5	R$ 1.5	R$ 1.1
2009	R$ 2.6	R$ 2.8	R$ 1.6
2010	R$ 4.7	R$ 3.8	R$ 3.0
2011	R$ 4.6	R$ 4.3	R$ 4.0
2012	R$ 3.4	R$ 4.0	R$ 4.3
2013*	R$ 3.5	R$ 5.1	R$ 3.9
2014*	R$ 4.3	R$ 6.0	R$ 4.2
2015	R$ 4.7	R$ 5.5	R$ 4.8

*The net operating revenue was adjusted due to restated information.

Market

During 2015, the Company demonstrated once again the potential to perform its several business areas and the solid operation settled along 36 years of history. We have become an outstanding leader in the sector, with significant market share gain between public companies, and with MRV brand nationwide recognized.

We have identified that the market segment where we operate continues strong, resilient, with an important demand for our products linked to a low competition.

Since its foundation, MRV is focused on low-income segment, operating at all levels of the process, from real estate development, incorporation, launches, pre-sales, help the clients to get mortgages, construction to after sales services.

Solid geographic coverage and balanced operation

The nationwide presence make us the largest housing builder and incorporator in the country, operating in 142 cities, in 20 States and the Federal District. We are recognized as a premium company in the low-income segment.

The Company's geographic coverage allow us to mitigate competition and demand risks, throughout located management of our launches, sales and inventories reaching an ever-larger potential demand.

Over the past years, we established Company operationally balanced, with its business areas aligned with the strategic objectives and increasingly linear operation where we operate. The continuous improvement of internal controls, investment in information systems, the high-level management and experience of the teams has been improving the Company's product cycle efficiency and balance.

Resilience of pre sales and efficiency of Simultaneous Sales

From 2007 to 2015, pre-sales increased 442%, from 6,602 units sold to 35,782 per year. In 2015, we reached R$ 5,5 billion in the pre-sales. The low competition level faced in the low-income segment, together with credit supply that offers an attractive mortgage condition for our segment and demographic aspects of the country were essential to boost the pre-sales of the Company. Our client is looking for his first home and his opportunity cost becomes very attractive compared to the monthly rent. These factors demonstrate the resilience in the low-income segment and the good level of pre-sales achieved by the Company in 2015.

In this same year, we increased the percentage our own sales team; we invested in training and qualification, making the sales process even more personalized, qualified and effective.

In 2015, we concluded the implementation of the project "Simultaneous Sales", a process that increases significantly the speed of transferring clients to the banks and reduce the sales cancellations.

This process provides more selective sales, contributes to a cancelation reduction in a long term basis, and optimize the capital structure through faster and more efficient cash flow, minimizing operation risk and reducing the financial cycle.

Recurrent growth of the gross margin

The quarterly recurrent growth in gross margin led to an increase of 1.9 p.p. compared to 2014, reflecting a more efficient operation, cost control optimization, conclusion of vintage projects with lower margins and better performance of new projects.

MRV's individual operation

MRV's individual operation (Ex. Equity Income) released a net income of R$ 643 million, 27.3% higher than 2014, allowing the increase in ROE.

MRV's net margin increased by 1.4 p.p. (ex. Equity Income) and also a significant increase in earnings per share of 32.3%, when compared to 2014.

Record in Cash Generation

Record of R$ 806 million in the year. We achieved an important reduction on the leverage of the company, ending the year with a net debt/equity ratio of 10.4%, which represents a decrease of 13.8 p.p. when compared to 2014.

Buyback program

Since August, 2011, we have been active in share buyback programs to buy shares to be held in treasury and/or eventual cancellation or disposal.

In 2015, the Company repurchased 5,6 million shares with an average price of R$ 6.94, cancelled 5 million shares, which represents a reduction on 1.3% of the shares eligible to dividends compared to December 31, 2014. This will positively affect the earnings per share and the ROE.

Strong brand recognized by clients focusing on Sustainability

The consolidation of the brand and national coverage bring us to a distinctive level of competition. We are recognized as a premium company in the low economic segment.

In 2015, we continue to invest in the quality of our customer service center, with continuous improvement of all clients' communication channels. In 2015, we had more than 2,8 million fans on Facebook, 300 thousand followers on Twitter and had more than 2,6 million access per month in our website.

We invested a total of R$ 128.5 million in different social fronts, of which R$ 110.2 million in urbanization (revitalization of city squares, roads and sidewalks pavement, enlargement of electrical and sewage network, flowerbeds, and others), R$ 16.2 million in environment (plantation of more than 118 thousands trees and landscaping the surrounds) and R$ 2 million in education (we reached 119 classrooms installed in 75 different cities in the end of 2015).

We were awarded with two certifications, ISO 14001 that establishes rigorous standards of environment management and the OSHAS 18001 that requires rigorous standards of health and safety management of the companies. In addition to the aforementioned certifications, we received the following prizes during 2015:

• 1st placed in the Business Intelligence Ranking Construction (ITC) as the largest homebuilder of Brazil, for the fourth consecutive year (2015)
• 6 PINI Award Developer of the Year- 1st Category Company Behavior with society and the environment (2015)
• IMPAR Search (index of preference and affinity Regional Brands) - Winner in the North of Santa Catarina Region as the most remembered brand and preferred (2015)
• Edison Award Zenóbio Communication for the second consecutive year (2015)
• Best of Istoé Dinheiro - Best Company in real estate sector publicly traded (2015)
• Best Company in the Real Estate segment Cariacica- search conducted by TV Gazeta, CBN and Futura Institute (2015)
• For the seventh consecutive year, awarded the Top of Mind Uberlândia- most remembered brand in the category Residential Construction (2015)
• 3rd place in ABEMD, Digital Specialty, with #meumundomelhor case (2015)
• 1st place in ABERJE Mines and Midwest, in the category Communication and Relations with Consumer (2015)

In most of our construction sites, we have recycling waste and we have been able to segregate around 96% of total waste generated.

MRV recognizes the importance of its role as an agent of progress and the improvement of quality of life of its employees, their families, customers and society as a whole. Our vision is focused on the longevity of our business and value generation to our shareholders and clients. Ethics and respect in the relationships with all stakeholders overpass the values and sets MRV relations to its public, employees, investors, shareholders, community or partners.

Instituto MRV

We launched at the end of 2014 the "MRV Institute", with the aim of expanding actions already promoted by the company, achieving a larger number of partners and opening up the possibility to civil and corporate society to participate in this initiative. Result of our genuine desire to work actively and effectively in social and environmental areas, the Institute will be a mechanism of development and social inclusion to the Brazilian population.

Our strengths

We believe that we are uniquely positioned to take advantage of growth possibilities in the Brazilian real estate market. We believe our competitive strengths include:

Extensive experience and exclusive focus on the low-income residential development segment. We have been operating for 35 years exclusively focused on the low-income residential development segment, which encompasses a large part of the Brazilian population and demand for new housing units, so we believe that we have a unique experience in this segment. We have focused on the development of highly standardized product lines with attractive cost-benefit ratios, which we believe have been commercially well-received in regions with different housing demands. Our focus on this segment has allowed us to develop business practices that are specifically tailored to the particular needs of our targeted markets.

Scale benefits in connection with standardized construction models and with the dilution of costs and expenses. Over the years we have developed a modular and scalable model that allows us to simultaneously replicate a uniform construction standard in various sites. These projects are based on structures that can be efficiently adapted to local consumer preferences and can be replicated in different types of developments. This model provides us with (i) greater bargaining power with suppliers; (ii) reliability in execution and delivery deadlines; (iii) strict controls over quality at all stages of the construction process for every project; (iv) the ability to compare costs and margins in each development; (v) the ability to reduce our operational risks by spreading our activities over various different municipalities; (vi) flexibility to take advantage of different market opportunities, including those related to the size and disposition of land; and (vii) the ability to reduce our development cycle, meaning the required time period between the purchase of a land parcel and the delivery of units, which contributes to greater returns from our developments. The size of our operations allows us to dilute our costs and expenses through leverage, and contributes to a continuous increase of our margins

Geographical diversity with significant expansion potential. We began our activities in Belo Horizonte and are currently present in 142 cities across 20 states and the Federal District. According to data from IBGE, in 2015, 12,5% of the cities in which we operate have less than 100,000 inhabitants, in 62,5% of the cities in which we operate have between 100,000 and 500,000 inhabitants, and 25% of the cities have more than 500,000 inhabitants. We believe we have a privileged competitive position in the market in which we operate as our main competitors are local companies that do not have the same scale and market coverage as us. We have extensive knowledge of the characteristics of the markets we serve and of our competitors in the cities where we operate. In addition, we have devised processes and assembled an internal team exclusively dedicated to our expansion in the markets where we operate. We believe that this represents a significant differentiated factor, to the extent that the real estate market still follows a logical understanding in terms of geographic location, based on which the knowledge about each region is an important factor in terms of competition.

Integrated business model. We rely on an integrated business model, controlling all stages of development, including the search for land, the design and construction of units. sale to final customers and help them to grant their mortgages with the bank. We either use our own employees (majority) or outsource to specialized companies for construction work, which we believe gives us greater efficiency. Our specially trained internal team supervises such construction work, performing material strategic tasks. As of December 2015, our sales force included approximately 4 thousand real estate brokers. In 2014, 84% of our contracted sales were made in our own stores and 30% were made through the internet, which contributed to a reduction in our sales expenses.

Strategic land bank for low-income residential developments and ability to identify new land parcels. As of December 31, 2015, the largest part of the forecasted projects for our land bank is eligible for participation the Minha Casa, Minha Vida program. This program intends to reduce the housing deficit of approximately 6.8 million housing units in the low-income segment of the Brazilian population, according to the IBGE. As of December 31, 2015, our land bank totaled approximately 9.9 million square meters, which we estimate represents a potential VGV of approximately R$ 34.8 billion[3]. Our capacity to acquire new land parcel rapidly and efficiently is an important advantage in our growth.

Consolidated structure to align the interests amongst partners, directors, executive officers and employees. For more than ten years, we have maintained a partnership model, which currently has 190 employees partipating, that seeks to retain talented people and encourage an internal culture in which the interests of our shareholders, executives and key employees are aligned. Since our initial public offering in 2007, we have not lost any of our key executives to our competitors. Currently, 3.322 of our employees receive performance-based compensation. In addition to contributing to the development of a highly efficient management, we believe that the adoption of this partnership model creates an incentive for other employees to constantly improve our operations and, therefore, their professional perspectives.

Our strategies

Our main strategies are:

Maintain our leadership in the low-income residential development segment and explore opportunities for greater credit availability. Our business model allows us to undertake a growth process with operational quality and profitability, which is confirmed by our earnings per share and the increase in pre-sales. We plan to replicate our model and take advantage of the current increase in the availability of credit for low-income residential developments, particularly through the Minha Casa, Minha Vida program, which is an important real estate public policy in Brazil specifically aimed at the low-income population, which will

3 The VGV is equivalent to the total potential Units of the launching, multiplied by the estimated average sales price of the Unit. The investors must consider that the VGV reported is an estimate and may be not reached or may be exceeded, varying, therefore, significantly as regards to the value effectively contracted, since the total Units effectively sold may be lower or greater than the number of Units launched and/or the value effectively contracted of each Unit may be lower or greater than the launching price.

create greater demand for new units. In 2015, our contracted sales were R$ 5.5 billion. Our goal is to use our competitive position to effectively take advantage of these opportunities.

Maintain our geographic diversity. Since our initial public offering, we have gone from operating in 35 cities to 142 cities, and from 7 to 20 states. This gives us a greater geographic footprint and diversifies our risk. We plan to use our experience to continue consolidating our presence over the country and MRV brand's awereness. We believe that Brazil presents favorable opportunities in the low-income residential development segment due to its large, dispersed population and its place at the center of a major offer of credit from the sector through the *Minha Casa, Minha Vida* program.

Focus on our capital structure and the management of our financing levels. Our current capital structure has a low level of debt compared to the principal real estate development companies listed on the BM&FBOVESPA[4]. The decreased liquidity in the market witnessed in the last quarter of 2008, has vindicated our strategy of operation based on available cash. The current market shows that the real estate financing supply through the Minha Casa, Minha Vida in our group tracks (groups 2 and 3), it is still robust. That is why we intend to reduce the use of our own capital in our developments, transferring to financial institutions and to our consumers the associated financing burdens. Therefore, we plan to increase the efficiency of our capital allocation and the profitability of our developments.

<u>Relevant Constracts</u>

The Company does not have any relevant contracts other than those described on Item 18 of this Reference Form.

<u>Markets</u>

Our operational market relates to the construction network, one of the main sectors of the Brazilian economy. In accordance with the information provided by BACEN and IBGE, the Brazilian GDP increased by 4.0% in 2006, 5.7% in 2007, 5.1%, in 2008, -0.2% in 2009 and 7.6% in 2010, 3.9% in 2011, 1.8% in 2012 and 0.1% in 2014. Nowadays, it is estimated that the subsector of construction supply represents nationally 4.9% of GDP and 21.0% of the industry sector.

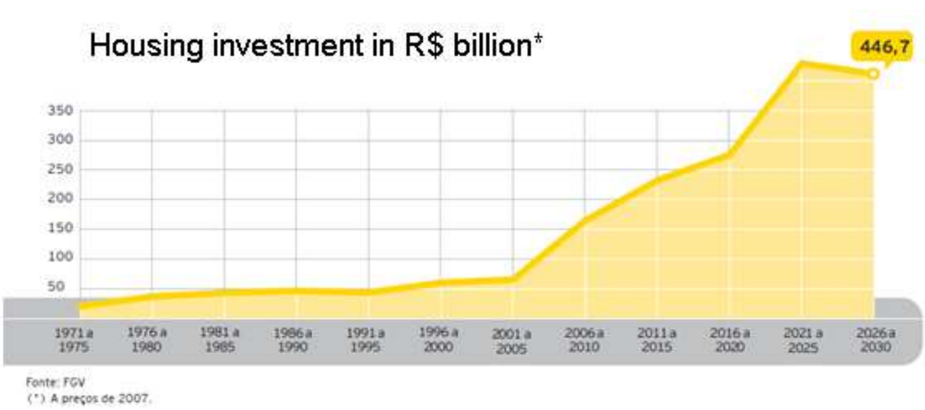
Construction	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
%GDP	4.1%	4.2%	4.2%	4.2%	4.5%	4.9%	4.8%	6.5%	6.5%	6.4%
%Industry	16.5%	17.5%	17.6%	19.4%	19.6%	21.0%	21.7%	26.5%	27.8%	28.3%

The last available data provided by MTE on the number of companies operating in the sector refer to 2014, totaling 237,919 companies with 3,019,427 employees. 190,604 companies have up to 10 employees and only 196 companies have more than 1,000 employees.

The Brazilian potential and effective real estate market has a significant size as compared to the other markets in the Latin America. Based on the research disclosed in 2012, IBGE recorded a housing deficit of 5.8 million of residences in 2012. Over the last years, Brazil recovered the real estate activities by virtue of the positive measures adopted by the Federal Government which affected directly the industry and due to the increasing availability of credit lines. However, the investments in the Brazilian real estate sector were not sufficient to meet the potential demand of the market.

According to the research performed in 2007 by Ernst & Young and FGV about the potential demand of the Brazilian real estate market, the real estate credit line will increase an average rate of 11.2% per year, from R$25.3 billion in 2007 to an estimated value of R$290.4 billion in 2030. Moreover, it is estimated an annual construction of approximately 1.7 million of new residences up to 2030, in view of the increase in the number of families in Brazil and the increasing housing deficit.

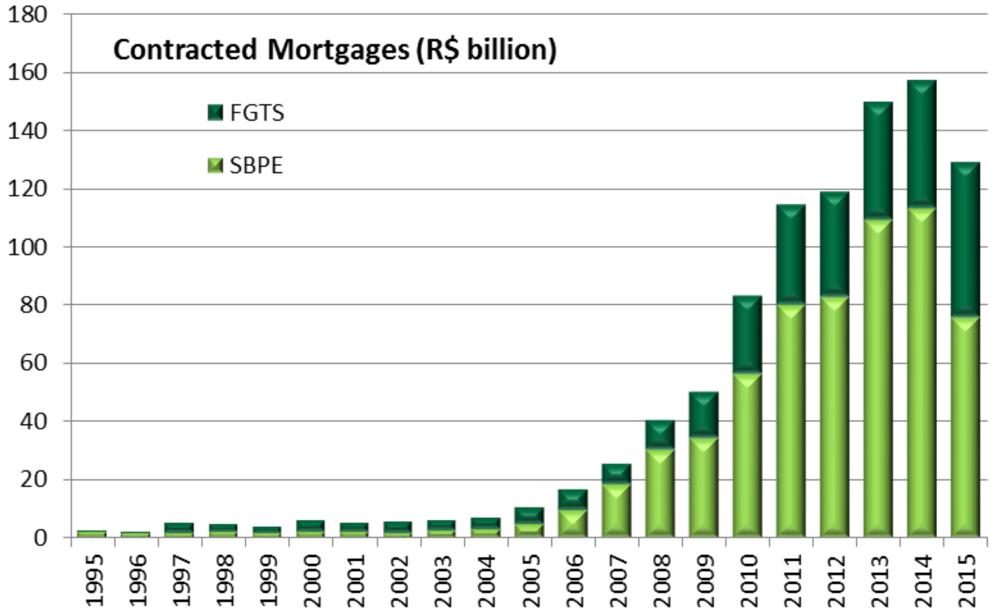
The graphic below shows the growth of the real estate investments in Brazil, as well as the estimated growth:



4 Cyrela, Gafisa, PDG, Rossi, Even,, Tecnisa, Brookfield, Rodobens, Viver, Trisul,, Direcional.

*Housing investment in R$ billion**
Source: FGV

The financing of residential properties with savings accounts, in accordance with the CBIC data, totaled R$ 113 billion and 539 thousand units financed financing in 2014. With FGTS resources, were R$ 44 billion and 486 thousand financed units.



Source:CBIC

The repressed demand for housing, the availability of financing for real estate financing resulting from the government program *Minha Casa, Minha Vida (for further information, see item "Minha Casa, Minha Vida Program")* in general contribute to a heightened demand for real estate properties.

Factors that affect the real estate market

Macroeconomic factors

Real estate properties are assets with high value and, in general, are a significant portion of family wealth. The purchase of a real estate unit depends, to a great extent, on the availability of long-term financing. Accordingly, the performance of the real estate construction industry is influenced by several macroeconomic factors, such as inflation, interest rates, GDP growth, per capita income, unemployment level and consumer confidence.

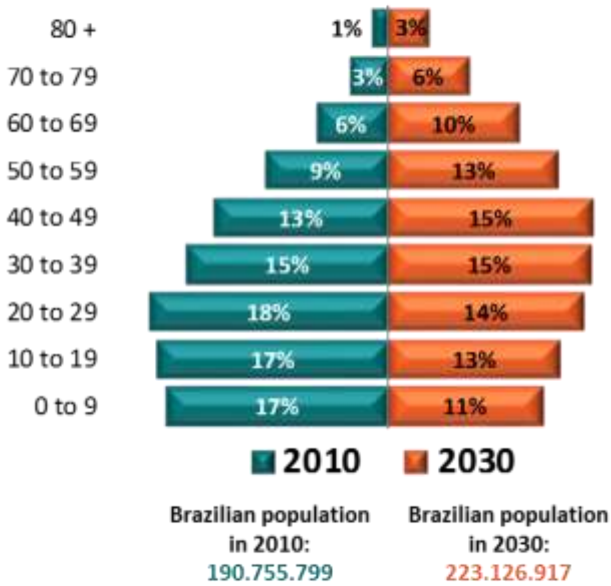
The interest rates have an influence on consumption decisions made by individuals and on investment decisions made by companies. Because such rates influence the liquidity of many forms of payment, the control of interest rates directly affects the demand for long-term assets and consumer goods, and consequently the acquisition of real estate properties. Inflation and the measures intended to combat inflation usually result in a decrease in the income of the population and, consequently, in a reduction of economic activity. Increases in inflation rates affect the real estate industry to the extent they reduce economic activity, and consequently, consumption and investments. In addition, changes in inflation indices, in particular the INCC and the IGP-M indexes, which are generally used to adjust construction costs and installment receivables from sales of units, also affect the profitability of the real estate industry.

Demographic and socio-cultural factors

Several factors create a high potential demand for residential real estate units in Brazil. These factors include the growth of the Brazilian population, the young average age of the population (as regards to the total population), the rise in life expectancy, the decline in the number of individuals per household, and the socio-cultural preference for home ownership.

According to the IBGE, Brazil's population increased from 169.6 million in 2000 to 190.8 million in 2010, representing an annual growth rate of 1.2%. Historically the growth rate of the Brazilian population has been declining. From 1970 to 1980, the growth rate was 2.4%, from 1980 to 1991, the growth rate fell to 2.1%, and from 1991 to 2000, the growth rate fell to 1.6%.

The graphic below shows the age profile of the Brazilain population in 2010 and its forecast for 2022.



The demographic dynamics and economic growth scenario with social mobility show a strong expansion in the number of households between 2010 and 2020. The growth rate of the number of households, of 1.88% a year, is nearly three times the pace of demographic expansion. So being, families will increase from 63.6 million to 79.6 million, with the formation of nearly 16 million new households in the coming 12 years - or, 1.33 million new households per year.

Expansion of the real estate financing

Overview

One of the current priorities of the Brazilian government is to promote the growth of the real estate construction industry, given the industry's ability to absorb workforce and reduce unemployment relatively quickly. The Brazilian government has therefore adopted a number of policies that we believe will heighten the demand for real estate, including:

- stimulating mortgage financing by reducing the interest paid by the Central Bank to banks on deposits not used for real estate financing under the SFH;
- increasing the availability of financing by requiring that at least 65.0% of deposits in savings accounts be used for real estate financing, with a minimum of 80.0% of the financing going to housing loans under the SFH;
- reduce the housing deficit for the population with a household income of up to 10 times the monthly Brazilian minimum wages (R$1,395 to R$4,650) through the program Minha Casa, Minha Vida;
- simplifying and improving enforceability of the laws governing repossession of residential real estate units in the event of default;
- providing a tax exemption for gains on the sale of a residential real estate unit when another unit is purchased within 180 days;
- reducing taxes (tax on manufactured products) on certain construction inputs and raw materials;
- reduce taxes on payroll of the industry;
- fostering new instruments to permit the securitization of real estate receivables through the exemption of income tax on gains;
- increasing the security of real estate developers through the availability of liens on properties;
- increasing the security of buyers through a special tax system, which segregates the developer's assets from the real estate development's assets; and
- requiring repayment of a mortgage even if the mortgage terms are being challenged in court.

In addition, the Brazilian government announced on September 12, 2006 a package of incentives to the real estate construction industry. The main provision of this package is the increased flexibility of the use of the TR in real estate financing, which enabled, through Law 11734, of December 28, 2006 ("Law 11734), the use of prefixed interest rates by the SFH. Moreover, Decree No. 5,892, of September 12, 2006, which amends Decree No. 4,840, of September 17, 2003, allows the use of variable installments in the housing credit. The CEF began to offer R$1 billion *reais* in credit to developers, financing up to 85.0% of the total construction costs, while banks financed only 50.0% in the past. Furthermore, the Brazilian government decreased taxes rates from 10.0% to 5.0%. Therefore, upon enactment of Law 11734, we were able to expand our lines of credit with several financial institutions to acquire land bank and develop new projects, as well as offer new and better financing conditions to our clients.

In the end of 2012 were released two government resolutions, changing the RET (Special Taxes Regime) tax rates. The first relevant change was the increase of the unit value from R$85 thousand to R$100 thousand to be eligible to the RET tax rate of 1%, condition that was extended in 2014 through 2018. For the other RET eligible units, the tax rate went from 6% to 4% as of 2013.

Furthermore, the CEF and BB offer full financing to those in middle- and low-income classes for the acquisition of residential real estate units.

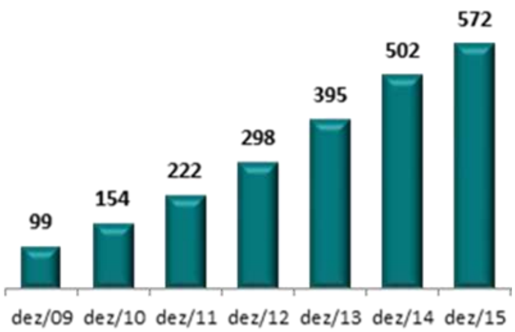
The table below describes the financing for real estate financed by the FGTS and SBPE from 2007 to 2015:

Year	*Value (R$ million)*		*Units*	
	FGTS	*SBPE**	*FGTS*	*SBPE**
2007	*6,926*	*18,410*	*329,911*	*196,133*
2008	*10,405*	*30,032*	*287,837*	*299,685*
2009	*16,035*	*34,017*	*427,587*	*302,680*
2010	*27,037*	*56,198*	*447,489*	*421,386*
2011	*34,900*	*79,917*	*473,835*	*492,489*
2012	*38,404*	*82,777*	*571,958*	*453,324*
2013	*40,133*	*109,162*	*491,861*	*529,623*
2014	*43,961*	*112,904*	*486,229*	*538,565*
2015	*53,275*	*75,579*	*550,642*	*341,508*

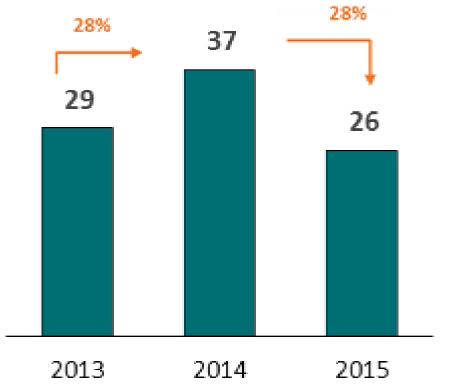
Source: BCB – dez/15 e CEF – dez/15.

Despite the improvement in the availability of credit in recent years, real estate financing is still very low in Brazil in comparison with other countries. The analysis of the housing area in other countries revealed the significant importance of the investments in the construction of new residences, maintenance and refurbishment of the properties as an essential factor for the economic growth and, mainly, for the sustainable development. These aspects contribute to the preparation of the Brazilian real estate scenarios, since such experiences represent the economic relations which contributed to some countries to be successful in this area and which indicate the potential possibilities of growth in Brazil. We noted good demographic conditions (population growth trends and current population formation), consolidation of the financing systems and favorable institutional and legal environments. Therefore, we estimate a significant increase in the real estate investment and financing levels in Brazil, as demonstrated below. Despite the strong growth in mortgage grantings in recent years, the real estate financing in Brazil is not very relevant to GDP, mainly when compared to other countries.

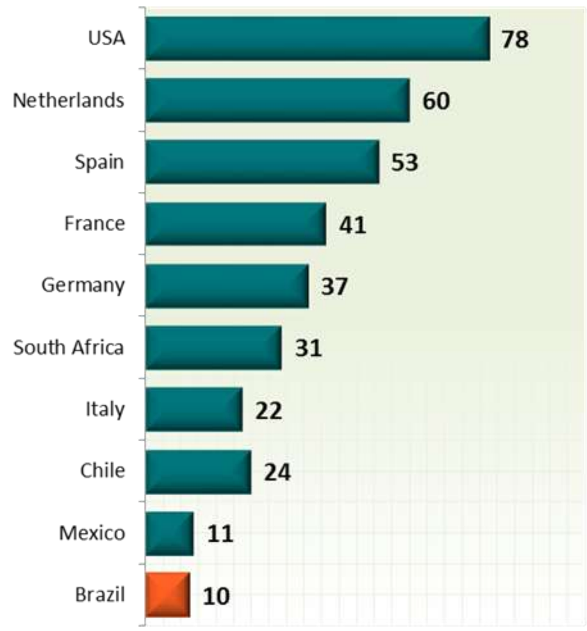
Balance of Real Estate Financing Operations



Mortgage Grantings
(R$ billion)



Mortgage - %GDP - 2015



Minha Casa, Minha Vida Program

The *Minha Casa, Minha Vida* program was created in 2009 with the aim to develop affordable housing to Brazilian families, promoting the production or acquisition of new housing units for families with monthly income up to R $ 5,000. The program seeks to reduce Brazil's housing shortage by 14%.

	MCMV 1 [2] (April/09 - Dec/10)		MCMV 2 [2] (Jan/11 - Dec/15)			MCMV 3 (2015-2018)		
Program Resources (R$ billion)		34.0			72.6			41.2
Units to be built		1,000,000			3.100.000 [1]			2,000,000
	Monthly income	Units	Monthly income	Interest rate	Units	Monthly income	Interest rate	Units [2]
Group 1	Up to R$1,395	400,000	Up to R$1.600	4.0% + TR	1,600,000	Up to R$1,800	TR	500,000
Group 1.5 [3]	-	-	-	n.a.	-	Up to R$2,350	5.0% + TR	500,000
Group 2			Up to R$2,455	5.0% + TR		Up to R$2,350	5.5% + TR	
	Up to R$2,790	400,000	Up to R$3,275	6.0% + TR	600,000	Up to R$2,700	6.0% + TR	800,000
						Up to R$3,600	7.0% + TR	
Group 3	Up to R$4,650	200,000	Up to R$5,000	7.16% + TR	200,000	Up to R$6,500	8.16% + TR	200,000
Target (term)	dec-10		dec-15			dec-18		
Duration	2 years		5 years			3 years		

* 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.

Source: www.cgu.gov.br

Through the program, the Federal Government and the FGTS allocate fund by region, subject to periodic reviews. Then, developers submit the projects to CEF's regional offices for approval, which conductes a preliminary review and authorize the launch and sale. After the analysis conclusion and minimum sales requirment verification, the Financing Agreement for Production is signed. During the construction period, CEF finances the individual borrower and the amount of these financings is deducted from the developer outstanding debt. The funds are released according to a schedule, after inspections conducted by CEF. Once the development is concluded, the developer delivers the units to the borrowers.

CEF monitores the project, measuring progress monthly on a predetermined day. Financing funds are disbursed to acquire the unit within five days after the consolidation of the sources of the funds (receivables, own funds and financing). CEF charges a Project Monitoring Fee, or TAO, of 1.5% of the installment amount.

Program Phases:

The first phase of Minha Casa Minha Vida program, launchend in 2009, was ended in 2010. The table below indicates its final accomplishments and our participation:

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

In January 2011 the changes of the price limits for the MCMV 2 framework wereannounced in January 2011, having a positive effect for the low-income housing segment. As leader of this segment in Brazil, the impacts on the Company's operations, though not immediate, are positive and gave us confidence in this market as well as in our continuous growth with returns above the market average.

The *Minha Casa, Minha Vida 2* contracted more than 4.02 million housing units until August 2015. The rules of this phase of the program were approved by an interim measure (MP) passed by the Senate.

Throughout 2012, with higher concentration in the second semester, several stimulus resolutions were adopted, for example a broader review of the *Minha Casa, Minha Vida* program parameters and the reduction of the Special Taxes Regime (RET) rates. Such measures stimulated the homebuilding industry, as well as reinforce the importance of the sector as a gear for the national economy. We also stress the importance of more often reviews of Minha Casa, Minha Vida, since the Market is dynamic and normally the updates on the rules and parameters aim to reestablish the on-going conditions, sometimes with large discrepancies.

The tables below shows the final balance of the Minha Casa, Minha Vida 2 (2011 - 2015) and our participation:

MCMV 2 (2011 - 11/30/2015)			
	Total	MRV	%
Contracted Units	**3,115,269**	**221,403**	**7%**
Group I	1,242,745	3,180	0%
Groups II and III	1,872,524	218,223	12%

At the end of 2015 it was launched the Minha Casa, Minha Vida 3, where the government has a goal of hiring 2.0 million units and which will be allocated approximately R $ 41.2 billion for the new phase of the program. Among the main changes announced, is setting the limits prices in the third phase of the program, bringing a positive effect for the sector and an increase in the framework of the Company's units. We see as positive the changes in the new phase of the program and, thus, reaffirm our confidence about the prospects for this segment.

Characteristics of the program:

Group 1:

The Group 1 of the program elects families with monthly income up to R$1,800. The property maximum value varies in this group is R$ 125 thousand, in accordance with its localion. The eligible families to this group have an exemption from financing interest and have a period of 120 months to finance the property. These families also receive subsidies up to 90% of the property value.

In this group of the programa, developers submit the projects to CEF’s regional offices for approval and States and municipalities register the demand and, after screening, indicate families for selection, using available information at single registry. The developers present their projects to CEF’s regional units, being possible to execute the project in partnership with States, municipalities, cooperatives, social movements or independently. After analyzing, CEF hires the operation, follows the project’s execution by the developer and transfer resources according to the construction schedule and, after the project completion, sells the units.

CEF monitores the project, measuring progress monthly on a predetermined day. The disbursement of financial resources for land acquisition will be carried out within 48 hours after request.

Group 1.5:

It is eligible for the group 1.5 families with monthly income between R$ 1,800 to R$ 2,350. Property values vary according to their location, and it has to respect the price limits established in each city, the maximum set value is R$ 135,000. The properties can be financed up to 30 years with interest at 5.0% per year plus TR for families with income up to R$ 2,350. The buyer is also entitled to receive a subsidy of up to R$ 45,000 for unit part payment, varying according to the monthly family income.

Group 2:

The Group 2 of the program elects families with monthly income up from R$ 2,350 to R$ 3,600. The property value varies in accordance with its location, respecting the price limit established for each city, being R$ 225,000 the maximum value. The properties can be financed up to 30 years with interest of 5.5% per annum plus Transference Rate (TR) for families with income until R$2,350, 6.0% per annum plus TR for families with income from R$2,350 to R$3,600, and 7.0% per annum plus TR for families with income of up to R$ 3,600, and it is also possible to finance up to 90% of the propertie value. The buyer has also the right to receive a subsidy up to R$27,500 in order to be assised in the disbursement of the property, this value varies according to the montly income of the family.

Group 3:

The Group 3 of the program elects families with monthly income up from R$3,600 to R$6,500. The property value varies in accordance with its location, respecting the price limit established for each city. The properties can be financed up to 30 years with interest of 8,16% per annum plus Transference Rate (TR), and it is also possible to finance up to 90% of the propertie value. In this group the buyer do not has the right to receive subsidy in order to be assised in the disbursement of the property.

The Group 2 and 3 of the program are conducted by the following parameters:

1- The funding can be done either by *CEF* or by *Banco do Brasi* (BB) under the following conditions:
   - CEF: Up to 90% of the propertie value in the Constant Amortization System (SAC System), andu p to 70% of the propertie value in Price table.
   - BB: Up to 90% of the propertie value in the Constant Amortization System (SAC System), andu p to 80% of the propertie value in Price table.

2- The propertie price should respect a limit that varies in accordance with the region and the size of the city.

	MCMV2	MCMV3
Regions	Maximum Value	Maximum Value
Metropolitan Areas of Rio de Janeiro, São Paulo and Brasilia	up to R$190.000	up to R$225.000
Metropolitan Areas of the south region, Espírito Santos and Minas Gerais	up to R$170.000	up to R$215.000
Metropolitan Aereas of Center West, North and North East	up to R$170.000	up to R$215.000
Cities with population between 250 thousand and 1 million inhabitants	up to R$145.000	up to R$170.000
Cities with population between 50 thousand and 250 thousand inhabitants	up to R$115.000	up to R$135.000
Other cities	up to R$90.000	up to R$90.000

3- The subsidies that the buyer has the right to receive in order to assist the payment of part of the property varies according to the buyer's family income, as follows:

	Monthly income	Units	Maximum Subsidy
Group I	Up to R$1.800	R$ 500,000	Up to 90%
Group 1,5	From R$ 1.800 Up to R$2.350	80,000	R$ 45,000
Group II	From R$2.350 Up to R$3.600	250,000	R$ 27,500
Group III	From R$3.600 Up to R$6.500	70,000	Not Announced

Construction financing

The purpose of the cosntruction financing in the program is to provide companies with financing to develop infrastructure, internal and/or external, including paved roads, sewage and electricity installation. This financing will be provided with funds from the National Secretary of the Treasury, for the development of real estate residential projects financed by BB and CEF.

The maximum amount of the financing is 100.0% of the total cost of the infrastructure, connected to the development of real estate projects financed by BB or CEF, and in accordance with the company's repayment capacity.

The funds will be released according to a schedule approved by BB or CEF. The first installment will be released in when the contract is executed, but this installment is limited to 10.0% of the total financing.

8. Extraordinary Business

8.1. Indicate the acquisition or disposal of any relevant asset that does not fit as normal operation in the issuer's business

Not applicable, since there was no acquisition or disposal of any relevant asset that does not fit as normal operation in the issuer's business.

8.2. Indicate significant changes in the conduction of the issuer's business

Indicate significant changes in the conduction of the issuer's business

8.3. Identify the material contracts entered into by the issuer and its subsidiaries not directly related to its operating activities

There are no contracts signed by the Company and its subsidiaries that are not directly related to its core activities.

8.4. Other relevant information

All material information pertinent to this topic was disclosed in the items above.

9. Relevant assets

9.1. Assets comprising the non-current assets deemed relevant for the development of the Company's activities:

All material information pertinent to this topic was disclosed in the items below.

a) property, plant and equipment (including those subject to rental or leasing)

All material information pertinent to this topic was disclosed in the item below.

b) patents, brands, concessions, franchises and IT transfer agreements

Registered brands (Brazil)

Holder	Trademark	Proceeding	Class	Deposit	Effective period
MRV ENGENHARIA E PARTICIPAÇÕES S.A.	MRV Engenharia	821587137	27.5.1	04/15/1999	10/14/2023
MRV ENGENHARIA E PARTICIPAÇÕES S.A.	MRV Engenharia	821587129	37/05.40	04/14/1999	10/14/2017
MRV ENGENHARIA E PARTICIPAÇÕES S.A.	MRV Engenharia	200039202	27.5.1	04/15/1999	10/14/2017

As set forth in item 7.5 (c), we entered into with MRV Serviços de Engenharia Ltda., on January 5, 2007, the Brand Use License Agreement, through which MRV Serviços de Engenharia granted us, freely and exclusively, the use license in Brazil of the mixed brand "MRV Engenharia", duly registered with INPI. The Brand Use is valid for ten years as from the date of execution of the respective agreement and must not be assigned by any of the parties to third parties, except under prior approval.

On September 03, 2013, MRV Serviços de Engenharia Ltda. renewed the brand's use license until 10/14/2023 and kept valid the Brand Use License Agreement. On August 22, 2014, we entered into MRV Serviços de Engenharia Ltda. the Brand Concession and Transfer Agreement, by which MRV Servições de Engenharia Ltda. grants and transfer, in onerous character, the proprietary and use rights to MRV. MRV then filed with INPI, on 11/20/2014, the owenership transfer request related to the brand concession.

We believe that the chances of brand's misuse and not renewal of the license are remote. Only in the event of unauthorized use and not renew the license in 2023, MRV may loose its rights related to the use of the mixed brand "MRV Engenharia".

c) Companies in which the Company holds interest and that are relevant for the development of the business

For information on our Company's shareholding interest in the companies provided below, see item 8.1 (b) of this Reference Form. The market value of the shareholding interest and the respective variation were not informed because the companies below do not have shares traded in organized-over-the-counter markets. The Company did not receive dividends of the companies in which has shareholding interest over the last three periods.

Corporate name	Main place of business	Activities developed	Company	Partici-pation (%)	CVM Registry	Equity value (R$ thousand)	Equity Change (%)			Reason for acquisition
						2015	2015	2014	2013	
MRL ENGENHARIA E EMPREENDIMENTOS S.A.	BELO HORIZONTE, MG - BRAZIL	Civil construction	Companies - shared shareholding control	37.59%	N/A	8,426	0.44	15.80	111.00	Expand the operations in the Popular Residential Development sector in the States of Belo Horizonte and Rio de Janeiro
PRIME INCORPORAÇÕES E CONSTRUÇÕES LTDA.	BELO HORIZONTE, MG - BRAZIL	Civil construction	Companies - shared shareholding control	60.00%	N/A	-61,217	-158,12	-335.00	-72.00	Expand the operations in the Popular Residential Development sector in Brasília and neighborhoods
LOG COMMERCIAL PROPERTIES E PARTICIPAÇÕES S.A.	BELO HORIZONTE, MG - BRAZIL	Implementation and management of distribution centers	Joint Controlled Company	37.87%	2327-2	573,958	4.26	96.50	53.10	Development of the real estate sector directed to the incorporation and rental of distribution centers, industrial condominiums, hubs and logistics condominiums
URBAMAIS PROPERTIES E PARTICIPAÇÕES S.A.	BELO HORIZONTE, MG - BRAZIL	Development of large urban areas	Controlled Company	60.00%	N/A	16,535	147.97	288.40	-37.40	Development of large urban areas for residential and/or residential/office use

9.2. Other relevant information

As from 2006, a number of companies and shareholding interest changed in the period analyzed. These transactions resulted from the increase in the Company's incorporation and construction activities. The creation of these new companies comprises the construction business, since this activity allows to better allocate the funds and reduce the tax burden.

LOG COMMERCIAL PROPERTIES E PARTICIPAÇÕES S.A

LOG Commercial Properties ("LOG") was established in June 2008 by our Company and by Autonomy Investimentos to operate in the real estate market for the merger and rental of distribution centers, industrial condominiums, hubs (center of companies which use our hangars to perform the transactions in certain regions) and logistics condominiums (development for rental of logistics operators – carriers – which partially rent the hangars and divide the common parts such as refectories, restaurant, dormitory and supporting facilities, among others).

As from November 2008, our Company, together with Autonomy Investimentos, became the holder of 65% and 35%, respectively, of LOG's capital stock. On November 9, 2010, a new shareholder joined LOG Commercial Properties without the other shareholders exercising their preemptive rights, and thus the Company's equity interest decreased from 65.0 to 63.05 percent.

On July 15, 2011, the current shareholders of LOG together with Starwood Capital Group signed an Investment Agreement for the issuance of 62,650,009 common shares to be issued by LOG, totaling R$ 350 million, being R$ 250 million as Starwood's part and R$ 100 million for the current shareholders of LOG, of which R$ 63.050 million as the Company's part. In August and October of 2011 the installment of the agreement of R$ 140 million and R$ 210 million, respectiviely, were paid. After these paymentsthe Company's part decreased to 42.03% from 63.05%.

At the shareholders meeting held in January 2012 the change of the corporate name and corporate brand of the former MRV Logística e Participações S.A. to LOG Commercial Properties e Participações S.A. ("LOG") was approved. This amendment aims to reflect the company's business and to strengthen its strategy as commercial and industrial property builder.

On May 17, 2013, the current shareholders of LOG together with Bradesco BBI signed an Investment Agreement for the acquisition of 36,945,672 common shares to be issued by LOG, totaling R$ 278 million, being R$ 150 million for the current shareholders and R$ 128 million as part of FIP Multisetorial Plus ("FIP MPLUS"). R$63,050 million are from the Company.
In June 2013, the investments were subscribed. After the subscription, the Company's share went from 42.03% to 37.87%. Despite this share reduction, due to the subscription have been done at fair price, higher than the accounted equity, there was a gain of R$22,681, net of operation costs, registered in our result in "Other operational revenues".

In 2014 In 2014, the joint controlled LOG changed its accounting policy on investment proprieties to the fair value method from the cost method. Accordingly, the balance of the investment in this joint controlled was adjusted to reflect this fair value measurement. As required by Accounting Interpretation ICPC 09(R1) – Individual, Separate and Consolidated Financial Statements and Adoption of the Equity Method of Accounting, Paragraph 63, the company elected to recognize the total effect of this adjustment to results from equity income. Hence, in the second quarter of 2014, was recognized in the result of LOG a net total of R$ 706 million related to changes in the fair value of its properties, of which R$ 267.6 million were recorded in the Financial Statements of MRV, in the Equity Income line.

MRL e Prime

Prime and Blas were acquired with the strategic purpose to improve the performance channel in the Brazilian construction market.

In November 2007, we became shareholders of Blás', through the subscription of shares, holding 49% of its capital stock. Blás operates in the low-income developments, focused mainly in the State of Rio de Janeiro and in the city of Belo Horizonte. On May 1, 2010, jointly controlled entity Blas Engenharia e Empreendimentos S.A. ("Blas") fully merged LGB Construções Ltda. ("LGB"). On the same date, the latter's name was changed to MRL Engenharia e Empreendimentos S.A. ("MRL"). Merged net assets amounted to R$2.793 million. As a result, on this date the Company's interest in the capital of MRL Engenharia e Empreendimentos S.A. decreased from 49 to 37.73 percent.

In September 2007, we acquired, through the subscription of shares, 50% of Prime Incorporações e Construções Ltda.'s capital stock, which company operates in the Popular Real Estate Development industry, mainly in the Mid-West region. In November 2008, we increase our interest in Prime's capital stock to 60.0%.

MDI

On July 1, 2009, the Company established, together with its subsidiary LOG Commercial Properties, MDI Empreendimentos Ltda., a company engaged in the management of own assets, development, construction and sale of own or third-party properties, the purchase, sale or barter of own or third-party properties, and holding equity interests in other companies. The Company holds 99.90% of its shares and LOG Commercial Propertiesholds 0.10%.

Urbamais

The Board of Directors approved on July 9, 2012 the transformation of the company Amazonas Park Incorporações SPE LTDA. into URBAMAIS PROPERTIES E PARTICIPAÇÕES S.A., to be engaged in the development of large urban areas for residential and/or residential/office use. The Board of Directors also approved the initial contribution of R$ 2.990 million of the estimated R$ 50 million capital, of which the Company holds 60%.

10. Comments from Management

10.1. General financial and equity conditions

a) General financial and equity conditions

The management understands that the Company has proper financial and equity conditions to implement the business plan and comply with its short- and long-term obligations.

The management's view is based on the following main aspects:

- Solid cash position – on December 31, 2015, the sum of our cash and cash equivalents totaled R$ 1,724 million and R$ 1,372 million in 2014 and R$ 1,689 million in 2013. Since 2010, the Company has maintained a very robust cash position, over R$ 1 billion.
- Good financial capacity – based on the analysis of liquidity ratios, the Company has good financial capacity comparing to its obligations and has been improving the analyzed ratios, keeping liquidity ratios above 1.0x, as demonstrated in the table below:

	12/31/2015	12/31/2014	12/31/2013
General liquidity	1.80	1.76	1.75
Current liquidity	2.24	2.07	2.29
Quick liquidity	1.34	1.37	1.61

- Low leverage and conservative capital structure – on December 31, 2015, our net debt was R$525 million, which represents a leverage of 10.4% of shareholders' equity, that represents a decrease of 53.5% in net debt (R$ 1,130 million) and a 13.8 bps in leverage (24.2%) compared to December 31, 2014 and of 60.5% in net debt (R$ 1,329) and 20.0 bps in leverage (30.4%)in relation to December 31 2013. When we compare net debt to EBITDA (earnings before interest, taxes, depreciation and amortization), which refers to the Company's operational cash generation, there is also an improvement: on December 31, 2015 this ratio was equivalent to 0.53x, on December 31, 2014, this ratio was equivalent to 0.5x and on December 31 was 1.65x.
- Less working capital need due to a faster financial cycle, compared to the sector's average, and also due to the wide use of "*crédito associative*" system as a financing mechanism (financing system in which the client obtains the mortgage during construction phase) of our projects and clients. Additionally, the receivables cycle (receivables / net operating revenue) of the Company has been decreasing: from 416 days on December 31, 2013 to 346 days on December 31, 2014, and to 251 days on December 31, 2015, especially with the implementation of the "simultaneous sales" project, where the sale record and the credit analysis by the financial institution (Caixa Econômica Federal and Banco do Brasil) take place simultaneously. As a result, when the client is being transferred to the bank he already has a pre-approved financing limit, speeding up the burocratic procedures of signing the mortgage contract.
- Less exposure to the consumers' delinquency since we transferred to the banks the major part of the clients' mortgage, both through the associative credit system mentioned above and the traditional bank financing. On December 31, 2015, the company own receivables was represented by only 15.5% of the last 12 months pre-sales. 2014 was represented by 9.1% and 2013 by 6.1%.
- Operational margins is one of the best in the industry due to: (a) expertise of 36 years and leadership in the low-income real estate sector; (b) strict control of operational costs and expenses; (c) high quality of project development; (d) expertise in land acquisition; and (e) efficient construction method with the implementation of new technologies and higher productivity.

b) capital structure

The current capital structure, measured mainly by the ratio between net income and shareholders' equity, provides currently conservative leverage levels, according to the Executive Officers' understanding.

The Total Company's shareholders' equity changed from R$4,365 million on December 31, 2013 to R$4,673 million on December 31, 2014 and to R$ 5,050, on December 31, 2015.

Our net indebtness has been continuously decreasing. On December 31, 2015, it was R$ 525 million, compared to the net indebtness of R$1,130 million as of December 31, 2014 and to R$ 1,329 million as of December 31, 2013.

Our net debt to total shareholders' equity ratio was 10.4% as of December 31, 2015. On December 31, 2013, this ratio was 30.4% and on December 31, 2014, it was 24.2%.

The Company focuses on construction financing in its debt composition due to less cost and less exposure to inflation, since it is indexed to TR (reference rate). The stake of this type of financing has an important participation when compared to the Company's total debt moving from 37.2% on December 31, 2013, to 34.1% on December

31, 2014, and to 32.1% on December 31, 2015. MRV ended 2015 with a coverage of 113% of the debt indexed to CDI, and R$ 1.7 billion of gross cash also invested in funds indexed to CDI for a R$ 1.5 billion corporate debt. Therefore, the current Company net debt cost is indexed to TR, all in cost is 10.4% y.o.y.

On the table below, we demonstrate the Weighted Average Debt Cost of the Company on December 31, 2015 :

(R$ million)	Balance Due Dec/15	Balance Due / Total (%)	Average Cost
CDI	1,520	67.6%	CDI + 1.5%
TR	722	32.1%	TR + 8.5%
Others (fixed rate 4.5%)	7	0.3%	5.3%
Total	**2,250**	**100.0%**	**13.29%**

The ratios below are also monitored by the Company, showing that the debt structure is healthy and conservative:

General debt (Current liabilities + noncurrent liabilities) / Total Assets			
	12/31/2015	12/31/2014	12/31/2013
Current liabilities (R$ thousand)	3,050,474	3,006,092	2,560,666
Noncurrent liabilities (R$ thousand)	3,291,962	3,138,165	3,272,383
Total assets (R$ thousand)	11,392,309	10,817,175	10,198,449
	55.7%	**56.8%**	**57.2%**

Debt Composition **Current liabilities / (Current liabilities + noncurrent liabilities)**			
	12/31/2015	12/31/2014	12/31/2013
Current liabilities (R$ thousand)	3,050,474	3,006,092	2,560,666
Noncurrent liabilities (R$ thousand)	3,291,962	3,138,165	3,272,383
	48.1%	**48.9%**	**43.9%**

c) payment capacity as regards to the financial obligations assumed

The Executive Officers' believe the Company has liquidity and capital resources sufficient to cover the investments, expenses, debts and other amounts to be paid over the next years, although we are not able to assure that this scenario will be maintained. The Executive Officers understand that in the event we consider necessary to raise additional resources to fund investments and acquisitions, the Company will be able to do so.

According to the Executive Officers' understanding, our financial cycle is shorter as compared to the industry's average and the wide use of the "*Credito Associativo*" makes our accounts receivables an important source of liquidity to the Company.

The Company is focused on operational cash generation (measured by the variation of the net debt, excluding capital increases, buyback-shares held in treasury and dividends paid, when applicable), which has lead to decrease the Company's leverage, as verified in the evolution of the ratio net debt / equity. In 2015, the Company generated R$ 806 million of operational cash, an historical record, while in 2014, the Company generated R$ 567 million of operational cash, and in 2013 the Company generated R$ 548 million in cash. Since 2013, the Company is prepared to continuous cash generation.

Another important fact to be highlighted is the financing type prioritized by the Company: construction financing in the associative credit model. In this model, the construction financing is granted to the Company that invests the resources in the project. The pre-sales are transferred to the banks (CEF and BB) when the client has the mortgage approved. After transferring the client, the construction financing balance used by the Company is amortized with the installments paid by the client to the bank, in accordance to the project's percentage of completion method. In other words, as clients grant their mortgages (transfers) with the banks during the construction phase, the Company receives the resources monthly according the project's construction evolution. Therefore, the need of working capital is shorter and it is possible to finish the project without a debt balance with the bank when using transferred resources.

In line with the Company's conservative management, in the end of 2015, the cash position of the Company reached R$ 1,724 million, amount deemed enough to honor its maturities on the following 12 months, which amounts R$ 1,119 million.

Finally, the Company is within the parameters required by our lenders, called covenants. In the table below, we show the receivables and debt covenants of the Company's debentures.

Debt Covenant

Receivables Covenant

$$\frac{\text{Net Debt} + \text{Properties Payable}}{\text{Equity}} < 0.65$$

$$\frac{\text{Receivables} + \text{Unearned Income} + \text{Inventories}}{\text{Net Debt} + \text{Properties Payable} + \text{Unincurred Costs}} > 1.6$$

d) financing for working capital and investments in non-current assets used and e) financing for working capital and investments in non-current assets to be used to cover liquidity shortages

We raise funds through loan agreements, when necessary, which are allocated to fund our working capital needs and short- and long-term investments, as well as to maintain our cash funds at a level the Executive Officers believe to be adequate for the performance of our activities.

Among the financing loans, whenever possible we focus on the Brazilian Housing Financing System ("*Sistema Financeiro da Habitação" – SFH*), which, according to the Executive Officers view, offers lower interest rates as compared to the private market, prepayment options and the possibility of transfering our debt to our clients.

Moreover, whenever necessary, we also access the capital market to issue securities, such as debentures. The Executive Officers always seek to maintain a reduced level of exposure to interest rate and foreign exchange risks.

Our indebtness was comprised as follows for the periods indicated:

Consolidated (In R$ thousands)	December 31		
	2015	2014	2013
Loans	2,249,651	2,502,030	3,017,723
(+) Obligations with related companies	0	0	0
(-) Cash and cash equivalents	1,595,814	1,217,497	1,422,595
(-) Marketable securities	128,410	154,699	266,059
Net debt	**525,427**	**1,129,834**	**1,329,069**
Total net debt/total shareholders' equity	**10.40%**	**24.18%**	**30.45%**

We decreased our leverage, reaching the lowest level since 2010. This movement is in line with the Company's conservative financial management and with a more challenging macroeconomic environment prospected for the short term.

The Company does not have significant investments in non-current assets; therefore, we do not require a high working capital for this purpose, according to the Executive Officers' understanding.

f) Indebtness level and debt description

(R$ million)	Maturity	Charges	Balance Due	
			Dec/15	Sep/15
Corporate Debt – CDI			**1,519**	**1,568**
Debentures - 5th Issuance	07/2016	CDI + 1.5% p.a.	269	259
Debentures - 6th Issuance	05/2017	CDI + 1.5% p.a.	511	530
Debentures - 7th Issuance	12/2016	CDI + 1.6% p.a.	253	263
Working capital – CDI	up to 06/2018	111%CDI p.a. from CDI+2,05% p.a	425	457
CCB which backed the CRI transaction	03/2013 to 03/2015	CDI + 1.15% p.a.	61	60
Construction Finance - TR			**722**	**714**
Debentures - 4th Issuance	12/2017	TR + 8.25 p.a.	101	114
Construction Financing	up to 01/2020	TR + 8% to 10.5% p.a.	621	600
Others			**8**	**6**
Others	up to 04/2020	CDI + Spread and Fixed rate 4.5% and	8	6
Total			**2,250**	**2,289**

Debentures:

1st issue

The first issue carried out on June 15, 2008 totaled R$300,000 thousand in simple, nonconvertible debentures, in two registered, book-entry, unsecured series, with the following additional features:

(i) The nominal value of first series debentures, amounting to R$271,400 thousand represented by 27,140 debentures, is not adjusted, and these debentures bear interest, charged on nominal value or outstanding balance, if applicable, equivalent to 100% of the accumulated change in the average daily rates of extragroup *DI Over* (one-day interbank deposits), calculated and disclosed by the *CETIP* (organized over-the-counter market for assets and derivatives), plus a spread of 1.5% per year.

(ii) The nominal value, or outstanding balance, of second series debentures, amounting to R$28,600 thousand represented by 2,860 debentures, adjusted as from issuance based on the extended consumer price index (*IPCA*) and such adjustment is automatically added to the nominal value of second series debentures, which bear interest of 10.80% per year.

Interest on first series debentures is paid semiannually and on second series debentures annually, as from issuance date up to maturity date on June 15, 2013.

In May 2011, LOG issued simple, nonconvertible, registered, book-entry, unsecured debentures, in a single series, with unsecured guarantees (bond), with nominal face value of R$1,000 thousand (one million Brazilian reais) amounting to, on issuance date, R$108,000 thousand (R$45,392 thousand for consolidation purposes), which pay equivalent to 100% of the CDI fluctuation plus spread of 2.20% per year (effective interest rate of 100% of CDI fluctuation plus 2.69% per year). These debentures mature on February 16, 2014 and interest is payable semiannually. These agreements do not contain any restrictive covenants requiring compliance with financial ratios. The Company and other LOG's shareholders guarantee the transactions. Accordingly, the balances at December 31, 2011 incorporate this first issue of this subsidiary, referring to principal (R$45,392 thousand) and interest (R$735 thousand) amortizable in 2014 and 2012, respectively, and unrecognized issue costs (R$437 thousand).

2nd issue

The second issue of 100 debentures, amounting to R$1,000,000 and maturing within two (2) years, was made on May 25, 2009, in a single series and bears interest, charged on nominal value or outstanding balance, equivalent to 100% of the accumulated change in the average daily rates of extragroup DI Over (one-day interbank deposits), calculated and disclosed by the CETIP (organized over-the-counter market for assets and derivatives), plus a spread of 3.70% per year. This issue was paid quarterly.

3rd issue

On January 14, 2010, the Board of Directors approved the third public issue of single series simple, nonconvertible, registered, unsecured debentures, within the authorized capital cap.

On February 1, 2010, the Company conducted the third issue of simple, nonconvertible, registered, book-entry unsecured debentures, amounting to R$516,400 thousand represented by 51,640 single series debentures, under CVM registration number CVM/SER/DEB/2010/007.

These debentures were settled on March 10, 2010 for a total amount of R$521,475 thousand - as adjusted by the security's unit price (UP) disclosed by the trustee - represented by 51,640 (fifty one thousand, six hundred and forty) debentures in the nominal unit value of ten thousand reais, maturing on February 1, 2014, and redeemable in two semiannual payments, on February 1, 2013 and February 1, 2014, respectively. These debentures bear interest, charged on nominal value or outstanding balance, equivalent to 100% of the accumulated change in the average daily rates of extragroup *DI Over* (one-day interbank deposits), calculated and disclosed by the *CETIP* (organized over-the-counter market for assets and derivatives), plus a spread of 1.60% per year. Interest started to be paid on August 1, 2010.

4th issue

On December 23, 2010, the Company conducted the fourth issue of nonconvertible debentures, amounting to R$300,000 thousand represented by 300 debentures with nominal value of one R$1,000 thousand.

These debentures mature on December 1, 2015 and will be redeemed semiannually in five installments, starting December 1, 2013. These debentures are collateralized by: (i) the investment fund of the undisbursed proceeds that will finance the projects (ii) the receivables from the sale of units that will be financed with the debentures' proceeds; (iii) the escrow accounts of each project being financed with this proceeds; and (iv) the land of each financed project. As of December 31, 2010, the only outstanding collateral was the investment fund of the undisbursed proceeds that will finance the construction of some defined projects. Additionally, this debenture bears interest charged on its nominal value or outstanding balances, when applicable, equivalent to the *"Taxa Referencial" - TR* (a managed prime rate), plus a spread of 8.25% for the funds used to finance units with a sales price equal to the price set out in a Resolution of the Severance Pay Fund ("*Fundo de Garantia por Tempo de Serviço" - FGTS*) Board or lower, and 10.25% for the funds used to finance units with a sales price higher than the price set out in a Resolution of the Severance Pay Fund (*FGTS*) Board. Interest will be paid semiannually, beginning June 1, 2011.

In May 28, 2015, was held a Meeting of Bondholders, approving the amendment that authorized the new nominal value amortization term and maturity. The remaining balance equivalent to 40% of the Issuance nominal amount will be paid in 6 installments, being 5 installments equal to 3.33% of the nominal value and the last equivalent to 23.33% of the nominal value and with maturity estimated to December 01, 2017.

5th issue

On July 15, 2011, the Company completed the fifth public issuance of simple, nonconvertible debentures, with unsecured guarantees, in a single series, amounting to R$500,000 thousand, represented by 500,000 debentures with nominal face value of one thousand reais (R$1,000), maturing on July 1, 2016. The nominal face value of these debentures will be repaid in two equal installments maturing on July 1, 2015 and July 1, 2016. These debentures pay interest, charged on the face value or the outstanding balance, in applicable, equivalent to the CDI rate plus spread of 1.5% per year, payable semiannually starting on January 15, 2012.

6th issue

On May 3, 2012, the Company completed the sixth public issuance of simple, nonconvertible debentures, with unsecured guarantees, amounting to R$500,000 thousand, represented by 500,000 debentures with nominal face value of one thousand reais (R$1,000), maturing on May 3, 2017. The nominal face value of these debentures will be repaid in two equal installments maturing on May 3, 2016 and May 3, 2017. These debentures pay interest, charged on the face value or the outstanding balance, in applicable, equivalent to the CDI rate plus spread of 1.5% per year, payable semiannually.

7th issue

On December 05, 2014, the Company completed the seventh public issuance of simple, nonconvertible debentures, with unsecured guarantees, amounting to R$300,000 thousand, represented by 30,000 debentures with nominal face value of ten thousand reais (R$10,000), with liquidation date on January 15, 2015 and maturity on December 05, 2016. The nominal face value of these debentures will be paid in single installment in the maturity date on December 05, 2016. These debentures pay interest, charged on the face value or the outstanding balance, in applicable, equivalent to 100% of CDI rate variation plus spread of 1.6% per year, payable semiannually in the months of July and December as of the issuance date.

CCB

On February 18, 2011, the Company issued two Bank Credit Notes ("CCB") totaling R$240,900 thousand, which backed the transaction with Certificates of Real Estate Receivables ("CRI") issued by Brazilian Securities Companhia de Securitização on March 15, 2011. The aggregate balance of principal and interest at December 31, 2011 was R$242,109 thousand. Costs incurred on CCB issuances totaled R$3,895 and the balance at December 31, 2011 was R$3,239. These funds will be used to acquire land, and the construction and development of certain housing projects. This transaction has a two-year grace period, will be amortized in nine (9) quarterly installments, with final maturity on March 16, 2015, and pays interest equivalent to interbank rate (DI), plus spread of 1.15% per year, paid on a quarterly basis. This transaction is not guaranteed by collaterals or fiduciary guarantees.

CCB

In September 24, 2015, the Company issued two Bank Credit Notes in the amount of R$ 60,000 thousand, which coveraged the Certificates of Real Estate Receivables ("CRI") operation issued by Ápice Securitizadora S/A in September 30, 2015. The expenses incurred with this issuance amounted R$ 146,000. Such resources are aimed to land purschasing, construction and development of certain housing projects. This operation has a single repayment at maturity on 12/05/2016. This operation is entitled to the compensation equivalent to the variation of the Interbank Deposit (ID), plus a spread of 1.3% per annum, biannually payable. This operation does not have guarantees, whether real or fidejussory.

Working Capital

Working capital and construction financing agreements are collateralized by receivables, disposal of land, or promissory notes, some of which guaranteed by the controlling shareholders.

FINAME

The FINAME financing agreement refers to the purchase of an aircraft, totaling R$5,665 thousand, through the FINAME Program. Principal will be repaid in monthly and consecutive installments, starting in May 2012 and ending in April 2020. Interest will be paid in quarterly, consecutive installments during the grace period for principal repayment (May 2012) and on a monthly basis after such grace period. This financing bears interest set at the fixed rate of 4.50% per year. The financing is collateralized by a lien in favor of the lender and a promissory note in an amount corresponding to 130% of principal.

Additionally, the FINAME financing agreement in 2015 refers to the purchase of aluminum forms totaling R$8,281 thousand. Principal will be repaid in monthly and consecutive installments, according to each purchase contract. Interest will be paid in quarterly and consecutive installments during the grace period for principal repayment and on a monthly basis after such grace period. This financing bears interest set at the fixed rate of 6.00% per year in the first financing and 9.50% per year in the successive financing.

Restrictive Clauses (Covenants):

Covenants	December 31		
	2013	2014	2015
(Net Debt+Real Properties Payable)/(Shareholders' Equity < 0.65)	0.17	0.19	0.12
(Receivables + Unearned Income + Inventories)/ (Net Debt+ Real Properties Payable + Unexpired Cost) >1.6 or < 0	4.12	3.93	5.02

Level of subordination between debts

According to debt contracts incurred by the Company, none of them has precedency over the other, even in eventual universal contest of creditors.

Whereas there is no order of precedency in the contracts of the Company's debts in the case of universal contest of creditors, the Company complies with the terms set out in the Civil Code.

g) Limits of utilization of contracted financing

The 4th debentures issue resources, in the amount of R$300,000 thousand thousand, as mentioned on item 10.01 f), are released for utilization according to the physical-financial schedule of the financed project. Until December 2014, R$298,783 thousand were already released to the Company, with the remaining R$1,217 thousand yet to be released.

h) Material changes in each line of the financial statements

FINANCIAL INFORMATION

These consolidated financial statements are the first prepared and presented in accordance with the International Financial Reporting Standards (IFRS), applicable to real estate development entities, as approved by the Accounting Pronouncements Committee (CPC), the Brazilian Securities and Exchange Commission (CVM), and the Federal Accounting Council (CFC), and in accordance with all the the individual financial statements, the Company adopted the changes in Brazilian accounting practices identified as Consolidated.

Net operating revenue

Our net operating revenues increased from R$ 3,871 million in 2013, to R$4,186 million in 2014 and to R$ 4,763 million in 2015. This increase of 13.8% compared to 2014 is related to higher representativeness of the most recent projects, with higher prices and better margins. Moreover, the percentage of completion from the units carried over our results were more advanced, and there were an increase of 10.2% in the build units in relation to 2014.

Cost of sold properties and services

The cost of sold properties and services increased from R$ 2,849 million in 2013, to R$3,002 million in 2014 and to R$ 3,324 in 2015, an increase of 10.7% over 2014. According to the Executive Officers' understanding, the increase resulted from inflationary adjustments of materials and services, increase of units sold and the increase of built units.

Gross profit

Our consolidated gross profit reached R$ 1,439 million in 2015, an increase of 21.5% compared to R$ 1,184 million in 2014, due to the continuous increase in gross margin, which grew 1.9 p.p.. In 2013, the gross profit was R$ 1,021 million. Gross margin reached 30.2% in 2015, 1.9 bps above 2014 (28.3%). In 2013, the gross margin was 26.4%.

Since 2013 the gross margin has had a constant evolution due to a reduction of our operating costs, impacted by the renegotiation of prices with our suppliers, and reducing the discrepancy between projects and conclusion of the less profitable projects. Furthermore when comparing the increase in the productivity index, we had an increase of 9% compared to 2014. This enhancement is a consequence of investments internalization of workforce, turnover reduction, investments in training and control of the labor force productivity. Regarding the speed of production, we reported an increase of 23% compared to 2014.

The Executive Officers' understanding is that the level of maintenance provisions is adequate, and it is reviewed annually due to better quality control and management of the service provided.

Operational income (expenses)

Selling expenses

The Company's selling expenses increased from R$ 270 million in 2013, to R$ 356 million in 2014 and to R$ 458 million in 2015. As percentage of Net Revenue, the selling expenses grew from 7.0% in 2013, to 8.5% in 2014 and to 9.6% in 2015. Our selling expenses grew 28% over 2015 (in absolute value) due to the internalization of the sales force initiated in the first half of 2014. The selling expenses' increase reflects, besides our investment and efforts in marketing campaigns, our strategic change related to the sales force' commission payment. We are now paying the sales commission directly to the brokers and we aim to eliminate doubts from the consumers as well as to maximize the performance of our sales force's team.

General and administrative expenses (including management's fees)

Our general and administrative expenses (including management remuneration) increased from R$244 million in 2013, to R$259 million in 2014 and to R$ 280 million in 2015. As a percentage of our net revenue, the general and administrative expenses went from 6.3% in 2013, to 6.2% in 2014 and to 5.9% in 2015. This efficiency reflects the results obtained with the "Projeto Austeridade" (Austerity Project) implemented in 2015 in order to reduce such costs, either through headcount review or the greater efficiency of administrative processes.The Executive Officers believe that the Company's administrative structure is assembled and able to absorb the operation's growth and we are focused on optimizing it.

Other operating income and expenses, net

Our other net operating income went from R$ 39 million in 2013, to R$ 80 million in 2014 and to R$ 107 million in 2015. In 2013 this item presented gains with the capital transaction, equivalent to R$23 million measured in the second private equity round of LOG Commercial Properties S.A. In 2014 and 2015, the evolution is related to the increase in contingencies, resulted from legal discussions regarding the delay in construction works and sales commissions, whose the reasons that cause it were already solved and do not repeat in the new projects. These figures were calculated according to the prevailing jurisprudence and more conservative criteria. In addition, the Company adopted a strong agreement policy during 2015, achieving favorable economic results and improving its business image with the judiciary and consumers.

Equity Income

The equity income was R$ 0.2 million in 2013, R$ 215 million in 2014 and in 2015 the Company reported a negative result of R$ 96 million. In order to reflect the fair value of the business, LOG Commercial Properties S.A. decided to register its assets at fair value (in accordance with the CPC28), as of the second quarter of 2014, setting the value of its properties up or down, incorporating in this fluctuation the potential depreciation and/or valuation of each property. Thus, in this quarter, was recognized in the result of LOG CP a net total of R$ 706 million related to changes in the fair value of its properties, of which R$ 267.6 million were recorded in the Financial Statements of MRV, in the equity income account.

Additionally, since 2013 this account has been impacted by the performance of PRIME Incorporações e Construções S.A., which operates in the Mid-West region of Brazil. Its result was negatively impacted by high competition in that region and by lower than expected operational performance in some of its projects. These projects are older projects whose problems were already addressed.

Financial result

Financial expenses

Our financial expenses were R$ 137 million in 2013, to R$ 112 million in 2014 and to R$ 78million in 2015, a decrease of 30.7% compared to 2014. This decrease is related to the reduction of 10% in the Company's gross debt along 2015, that dropped from R$ 2,502 million to R$ 2,250 million. In addition, interest rates charged on loans, financing and debentures related to the construction of projects are capitalized. It is also worth highlight the significant decrease in net indebtedness of the Company, which decreased 53.5% during 2015, from R $ 1,130 million to R$ 525 million.

Financial income

Our total financial income increased from R$ 129 million in 2013, to R$161 million in 2014 and to R$ 196 million in 2015. An increase of 21.5% compared to 2014, mainly due to the strong cash generation in the period (R$ 806 million), increasing the average balance of financial investments with higher portfolio profitability. This increase is also explained by the increase of SELIC rate that increase from 11.65% p.a. to 14.15% p.a..

Financial income from receivables from real estate development

Our financial income from receivables from real estate development went from R$ 39 million in 2013, to R$62 million in 2014 and to R$ 82 million in 2015 an increase of 32.8% compared to 2014. This line is calculated by the correction of clients' receivables of projects that has the living permits issued, which are monetary adjusted by IGP-M (inflation index). Given the significant volume of delivered units and the increase in the due index, this line reported a significant increase.

Income before income tax and social contribution

Due to the reasons mentioned above, our income before income tax and social contribution went from R$ 499 million in 2013, to R$ 815 million in 2014 and to R$ 699 million in 2015. We also highlight that in 2014 there was a positive impact of one-off market value adjustment of assets from LOG CP in the amount of R$ 706 million, of which R$ 267 were reflected in MRV's earnings result.

Income tax and social contribution

The expenses with income tax and social contribution went from R$ 49 million in 2013, to R$ 63 million in 2014 and to R$ 103 million in 2015.

The Company and its subsidiaries adopt, as obliged by the current tax legislation, the cash regime to calculate income from real estate incorporation, and the result is the base calculate the taxable income. The increase in the contribution of income tax and social contribution is due to the significant increase in cash flow, result of the high volume of receivables.

Gradually, due to the framing of every new project in the RET, the Company's effective tax rate (PIS / COFINS / IRPJ / CSLL) will be around 4%.

Net Income

Our profit attributable to shareholders of the Company went from R$ 423 million in 2013 (representing 10.9% of our net operating income), to R$ 720 million in 2014 (representing 17.2% of our net operating income) and to R$ 548 million in 2015 (representing 11.5% of our net operating income). As highlighted before thenet income in 2014 was positively affected by the gain from LOG (R$ 267.6 million), due to changes in the method of registering its assets.

MAIN CHANGES IN THE BALANCE SHEET ACCOUNTS

Current assets

Cash and cash equivalents and investment securities

The table below describes our cash and cash equivalents and investment securities for the dates indicated:

Consolidated (R$ thousands)	December 31			% Change	
	2013	2014	2015	2015/2013	2015/2014
Cash and cash equivalents	1,422,595	1,217,497	1,595,814	12.18%	31.07%
Investment Securities – current account	266,059	154,699	128,410	-51.74%	-16.99%

Investment Securities – non-current account	-	-	-	-	-
Total	**1,688,654**	**1,372,196**	**1,724,224**	**2.11%**	**25.65%**

On December 31, 2015, our cash and cash equivalents totaled R$ 1,596 million, as compared to the R$ 1,217 million on December 31, 2014 and R$ 1,423 million on December 2013. The increase in Cash reported from 2014 to 2015 is resulted from the historical cash generation of the year, in the amount of R$ 806 million.

Investment Securities

On December 31, 2015, our investment securities totaled R$ 128 million, as compared to R$ 155 million on December 31, 2014 and R$266 million on December 31, 2013. The decrease compared to 2014 is resulted from the normal movements of the Company's resources.

Receivables from real estate developments

The table below describes our receivables from real estate developments, for the dates indicated:

Consolidated (R$ thousands)	December 31			% Change	
	2013	2014	2015	2015/2013	2015/2014
Receivables from real estate developments	4,269,708	3,999,166	3,320,980	-22.22%	-16.96%
Discounts to present value	-23,207	-39,202	-47,883	106.33%	22.14%
Total	**4,246,501**	**3,959,964**	**3,273,097**	-22.92%	-17.35%
Current	2,294,413	2,431,918	2,069,233	-9.81%	-14.91%
Non-current	1,952,088	1,528,046	1,203,864	-38.33%	-21.22%
Total	**4,246,501**	**3,959,964**	**3,273,097**	-22.92%	-17.35%

The receivables from real estate development on December 31, 2015, 2014, and 2013 were deducted based on the adjustment at present value as set forth in CPC Pronouncement 12.

On December 31, 2015, the balance of receivables from real estate developments totaled R$3,273 million compared to R$ 3,960 million on December 31, 2014 and to R$ 4,246 million on December 31, 2013. This decrease of 17% compared to 2014 resulted from the higher efficiency in transferring Clients to the banks, especially clients from older sales, considering that a significant portion of the sales is received from the client financing transfer to the Financial Institutions.

Additionally, in 2015, we concluded the implementation of the "Simultaneous Sales" project, a process that increases significantly the speed of transferring clients to the banks, thereby more than 90% of our pre-sales were done under this new model. In addition to lower cancellation risk, which postpones cash generation and decrease the account receivables, optimize the capital structure through faster and more efficient cash flow, minimizing operational risk and reducing the financial cycle.

Receivables from services provided

Consolidated (R$ thousands)	December 31			% Change	
	2013	2014	2015	2015/2013	2015/2014
Receivables from services provided	1,269	2,075	5,970	370.4%	187.71%
Total	**1,269**	**2,075**	**5,970**	**370.4%**	**187.71%**

On December 31, 2015, the balance of receivables from services provided totaled R$5,970 million, an increase of 187,7% and 370,4% as compared to R$ 2.075 million on December 31, 2014 and R$ 1.269 million on December 31, 2013, respectively.

This line refers to the Company's receivables from administrative services provided to the joint controlled LOG, MRL and Prime and construction services and services provided to some related parties.

Real Estate for sale

The balance of properties for sale is composed as follows for the dates indicated:

Consolidated (R$ thousands)	December 31			% Change	
	2013	2014	2015	2015/2013	2015/2014
Properties under construction	1,192,978	1,324,132	1,891,991	58.59%	42.89%
Completed Units	54,878	57,232	56,684	3.29%	-0.96%
Land bank	1,926,022	2,616,426	2,991,596	55.33%	14.34%
Advances to suppliers	44,880	40,990	30,846	-31.27%	-24.75%
Inventories of supplies	6,659	6,690	11,409	71.33%	70.54%
Total	**3,225,417**	**4,045,470**	**4,982,526**	**54.48%**	**23.16%**

On December 31, 2015, our balance of real estate for sale totaled R$ 4,982 million, an increase of 23.16% and 54,48% compared to December 31, 2014 and December 31, 2013, mainly due to the expansion of the land acquired, , given the business opportunities that the Companyachieved in 2015. In addition, the higher volume of launches, production and average price increase contributed to the increase in the balance. According to MRV's Executive Officers' understanding, the land bank is already consolidated and ready to serve a future demand in several Brazilian regions, The Company is acting strategically and taking advantage from good market conditions to expand its land bank, through swap or installment payment, mainly focusing on the acquisition of land in the largest cities in Brazil.

Non-current assets

Credit with related parties

On December 31, 2015, our credits with related companies totaled R$ 88 million as compared to R$ 57 million on December 31, 2014 and R$51 million on December 2013. The increase of 55.2% in 2015 compared to 2014 is a result of the normal operational cycle. These operations are running mainly in order to enable the initial phase of the projects, according to the trade relations that are held with related parties for the developing of incorporation and building activities.

Property and equipment

Our property and equipment account went from R$ 80 million on December 31, 2013, to R$ 84 million on December 31, 2014 and to R$ 105 million on December 31, 2015. The account variation compared to 2014 is mainly related to the increase of equipments and machines acquisition, especially of aluminum forms and cranes.

Intangible assets

On December 31, 2015, the balance of the intangible account totaled R$ 84 million, compared to R$ 77 million on December 31, 2014 and R$ 48 million on December 31, 2013. This increase is related to the acquisition of MRV Engenharia brand amounted in R$ 24 million, in August/2014, and as it is an intangible asset which the operating life is indefinite its amortization is not estimated.

Liabilities

Trade Payables

On December 31, 2015, our trade payables balance totaled R$254 million, an increase of 5.1% compared to the R$ 242 million on December 31, 2014 and 35.1% when compared to R$ 188 million on December 31, 2013. This increase resulted from the improvement in the payment method, thus lengthening the payment deadline to suppliers, according to the understanding of the Company's Directors.

Borrowings, financing and debentures – current and non-current

Consolidated (R$ thousands)	December 31			% Change	
	2013	2014	2015	2015/2013	2015/2014
Leases	5,980	1,600	0	-100.00%	-100.00%
Debentures	1,540,760	1,159,600	1,133,882	-26.41%	-2.22%
Bank Loans for Working Capital	417,651	512,655	425,479	1.87%	-17.00%
Financing	887,111	735,281	629,700	-29.02%	-14.36%
CCB	166,221	92,894	60,590	-63.55%	-34.78%
Total	**3,017,723**	**2,502,030**	**2,249,651**	-25.45%	-10.09%
Current	774,692	993,083	1,118,678	44.40%	12.65%
Non-current	2,243,031	1,508,947	1,130,973	-49.58%	-25.05%
Total	**3,017,723**	**2,502,030**	**2,249,651**	-25.45%	-10.09%

Consolidated (R$ thousands)	12/31/2015	Maturity Date	Index	Annual average spread
Debentures – 4th series – single series	100,879	12/2017	TR	8.25% - 10.25%
Debentures – 5th issuance – single series	269,140	07/2016	CDI	1.5%
Debentures – 6th issuance – single series	512,114	05/2017	CDI	1.5%
Debentures – 7th issuance – single series	253,642	12/2016	CDI	1.60%
Working Capital – CDI	425,479	up to 06/2018	CDI	111%CDI p.a. until CDI+2.05% p.a.
CCB which backed the CRI transaction	60,590	12/2016	CDI	1.30%
Construction financing	621,470	up to 11/2019	TR	8% - 10.5%
FINAME	8,230	up to 04/2020	Pre-fixed	4.5%
Costs with the issuance of debentures	-1,893			
Total	**2,249,651**			

On December 31, 2015, our borrowings, financing and debentures totaled R$ 2,245 million, a decrease of 10.1% as compared to the R$ 2.502 million on December 31, 2014 and a decrease of 25.5% when compared to the R$3,018 on December 31, 2013.

On December 31, 2015, our debentures balance totaled R$ 1,134 million, a decrease of 2.22% as compared to the R$ 1,160 million on December 31, 2014 and 26.41% when compared to R$ 1,541 million on December 31, 2013, due to the amortization of the 1st installment of 5th Debentures Issuance of R$ 250 million and the payment of R$ 40 million related a contracted Working Capital, as already foressen.

Payroll and related taxes

On 31 December, 2015, our payroll, related taxes and benefits totaled R$ 110 million, a decreasee of 10.8% as compared to R$123 million on 31 December, 2014 and increase of 18.5% when compared to the R$92 million December 31, 2013. This decrease in relation to 2014 is due to the decrease of the internal construction site workforce in 36%.

Taxes payable

On December 31, 2015, our taxes payable totaled R$ 56 million, an increase of 11.0% when compared to R$50 million on December 31, 2014 and an increase of 15.3% when compared to R$48 on December 31, 2013. This increase in relation to 2014 was mainly due to an increase of the balance of tax payable (PIS and COFINS), according to the Executive Officers' understanding.

Land Payables – current and non-current

Consolidated (R$ thousands)	December 31			% Change	
	2013	2014	2015	2015/2013	2015/2014
Current	292,495	415,501	347,830	18.92%	-16.29%
Non-current	264,361	785,874	1,166,137	341.12%	48.39%
Total	**556,856**	**1,201,375**	**1,513,967**	171.88%	26.02%

On December 31, 2015, land payables totaled R$ 1,514 million, an increase of 26.0% when compared to R$1,201 million of December 31, 2014 and 171.9% when compared to R$557 million on December 31, 2013. This increase resulted from the land acquisitions volume in 2015, through financial swap or installment payment, due to favorable business opportunities, according to the Executive Officers' understanding.

Advances from customers – current and non-current

Consolidated (R$ thousands)	December 31			% Change	
	2013	2014	2015	2015/2013	2015/2014
Current	933,464	884,293	851,717	-8.76%	-3.68%
Non-current	576,386	639,742	716,813	24.36%	12.05%
Total	**1,509,850**	**1,524,035**	**1,568,530**	3.89%	2.92%

On December 31, 2015, our advances from customers totaled R$ 1,569 million, a decrease of 2.92% when compared to December 31, 2014 and 3.89% shorter than December 31, 2013.

These increases resulted from the amounts received from the sale of the units of the developments launched and not constructed, or the receipts of which exceed the recognized revenues, reflecting the greater volume of land acquired by swap and the strategy of raising the down payment at the selling time, aiming to improve the client's quality/commitment, according to the Executive Officers' understanding

Accrual for property maintenance – current and non-current

Consolidated (R$ thousands)	December 31			% Change	
	2013	2014	2015	2015/2013	2015/2014
Current	32,853	33,733	37,167	13.13%	10.18%
Non-current	89,988	89,772	98,704	9.69%	9.95%
Total	**122,841**	**123,505**	**135,871**	**10.61%**	**10.01%**

On December 31, 2015, our accrual for property maintenance, in view of the guarantee of five years after the completion of the development, totaled R$ 136 million, an increase of 10.0% as compared to December 31, 2014 and of 10.6% in relation to 2013.. This variation reflected the increase in the developments under construction for the period as well as the provisioning percentage. Due to the investments made in quality of our projects, we believe that the level of provisioning set in 2012 can be lowered because of the improvements in process efficiency that the Company had in the past three years, and therefore reduced the current provisioning level from 3% to 1.85%.

Obligations with related companies

As from 2007, our obligations with related companies were recorded in other accounts payable (see "Other accounts payable"). In accordance with the applicable standards for the preparation of the financial statements, our obligations with related companies were subject to disclosure in the note to the financial statements.

As from 2007, our obligations with related companies were significantly reduced mainly due to the settlement of the balances payable with MRV Serviços de Engenharia and CVG, former companies comprising the MRV Group.

Deferred tax liabilities

Consolidated (R$ thousands)	December 31			% Change	
	2013	2014	2015	2015/2013	2015/2014
Current	81,223	78,791	67,176	-17.29%	-14.74%
Non-current	61,671	48,403	42,123	-31.70%	-12.97%
Total	**142,894**	**127,194**	**109,299**	**-23.51%**	**-14.07%**

Our deferred tax liabilities comprise temporary differences calculated based on the difference between the cash method and the accrual method of accounting. Another measure that favored the homebuilding industry were two government resolutions, which were released by the end of 2013, changed the RET (Special Taxes Regime) tax rates. The first relevant change was the increase of the unit value from R$85,000 to R$100,000 to be eligible to the RET tax rate of 1%, as postponed to 2018 in 2014. For the other RET eligible units, the tax rate went from 6% to 4% as of 2013.

In 2014, after revising the income statements used for the tax collection, the Company adhered for paying in installments the federal taxes/REFIS. With the issuance of the Provisory Measure 651/2014, the Company was able to compensate partially its fiscal debts using its tax losses, which generated a positive result in the P&L. In 2015, there was no outcome of the installments of the federal taxes/REFIS.

Other payables

The balance of other payables is as follows for the dates indicated:

Consolidated (R$ thousands)	December 31			% Change	
	2013	2014	2015	2015/2013	2015/2014
Current	17,318	14,609	38,036	119.63%	160.36%
Non-current	13,543	16,379	13,192	-2.59%	-19.46%
Total	**30,861**	**30,988**	**51,228**	**66.00%**	**65.32%**

Our other payables totaled R$ 51 million on December 31, 2015, an increase of 65.3% compared to R$ 31 million on December 31, 2014.

Provisions for civil, labor and tax risks

Consolidated (In R$ thousands)	Balance on 12/31/14	Additions	Reversals	Payments	Inflation Adjustment	Balance on 12/31/15
Civil	29,402	56,710	-9,382	-29,645	4,926	52,011
Labor	18,890	20,316	-10,362	-12,429	2,027	18,442
Tax	35	12	-11	-25	3	14
Total	**48,327**	**77,038**	**-19,755**	**-42,099**	**6,956**	**70,467**

The increase in civil provisions compared to December 31, 2014, is due to the increase of provisions for contingencies regarding to legacy projects, and were calculated in accordance to the prevailing jurisprudence and to a more conservative criteria. In addition, the Company adopted a strong policy agreement during 2015, achieving favorable economic results and improving its business image for the judiciary and consumers.

Thus and considering the opinion of our legal counsel in the analyses of actions in course and historical resolutions, our administration believe that the recorded provisions for probable risks is able to cover estimated losses and the decisions for resolutions will not affect substantially the Company's equity.

The tax contingencies, under liabilities, refer mainly to municipal taxes payable by the potential purchasers of the Units.

Moreover, we are party to other claims/contingencies deemed by our legal advisors with a probability of possible losses. In accordance with the Accounting Practices Adopted in Brazil, we have not recorded provisions for possible losses.

Shareholders' equity

On December 31, 2015, our capital stock totaled R$ 4,060 million, an increase of 15.7% as compared to the R$ 3,507 million on December 31, 2014 and 26.9% when compared to the amount of R$ 3,198 million on December 31, 2013, basically related to the Retained Earnings Reserve Capitalization negotiated at the Ordinary Shareholders Metting held on April 30, 2015.

The shareholders' equity totaled R$ 5,050 million on December 31, 2015, compared to the R$ 4,673 million on December 31, 2014 and R$4,365 on December 31, 2013. According to the Executive Officers understanding, this increase in 2015 is basically related to the net income of R$ 548 million for the year.

Liquidity and capital resources

Our main sources of liquidity derived from the cash generated by our operations and, when necessary, from the real estate financing and loans, which are guaranteed by land, accounts receivable or fund shares. From 2007 to 2015, the expansion of our activities was financed by real estate loans and issuance of fixed income debt – debentures - in the capital market.

According to the Executive Officers' understanding, the financing and management of our cash flow are essential for our long-term activities. We seek to reduce our cash exposure for each real estate development project by adopting the following strategies: (i) swapping land for units to be built on the land or swapping land for part of the receivables from the units to be built; and (ii) financing of the construction with *SHF* proceeds. We believe that these sources will continue to be sufficient to meet our current resource needs, including investment capital, lending amortizing and working capital.

Cash flows

Our cash flows from the investment operating activities and financing activities in 2013, 2014 and 2015 are described below:

Consolidated (R$ thousands)	December 31			% Change	
	2013	2014	2015	2015/2013	2015/2014
Net cash used in operating activities	568,892	603,526	1,028,036	80.71%	70.34%
Net cash used in investment activities	-170,262	96,665	-101,329	-40.49%	-204.82%
Net cash useed in financing activities	-361,342	-905,289	-548,390	51.76%	-39.42%
Increase (decrease) in cash and cash equivalents	**37,288**	**-205,098**	**378,317**	**914.58%**	**n.a.**

In 2015, we reported an increasein our cash of R$ 378 million mainly due to the strong net cash generation mostly resulted from the operational activities of the Company, positively affected by the decrease of operational assets and increase of operating liabilities, according to the Executive Officers' understanding.

Investments

In 2015, we invested R$74 million, in 2014 were R$ 55 million and in 2013 were R$ 41 million, in property and equipment and intangible assets and investment property, to the building of commercial stands and acquisition of software licenses.

Transactions not registered in the financial statements

Currently, our operating revenues are recorded in the statement of income based on the percentage of completion of each development, being this percentage determined based on the total cost of the respective developments. In view of this accounting practice, at the end of each period, we have unrecorded gross operating revenues from sales transactions of properties already contracted, as regards to the properties not concluded yet. For further information, see item 10.8.

Quantitative and qualitative evaluation of the market risks

We are exposed to market risks inherited to the normal course of our activities. These market risks may affect the value of our financial liabilities and our equity condition. In 2015, we had no financial liabilities at amounts considered relevant against our assets and activities, according to the Board of Directors' understanding.

Interest rates

Our revenues and expenses may be affected by the changes in interest rates due to the effects of these changes against the following accounts: (i) receivables from real estate development; (ii) interest expenses from debt instruments at floating rates; and (iii) interest revenues generated from the cash and cash equivalents and financial investments.

Liquidity

We manage our liquidity risk based on our cash flows, by keeping a solid capital structure and low leverage levels. Moreover, our assets and liabilities levels are continuously monitored by our management.

Foreign exchange

Our operational results may also be affected indirectly by foreign exchange variations. Although almost all of our revenues are expressed in Brazilian reais, some of our inputs, such as cement and steel, are products with specific prices at the international market. Therefore, foreign exchange variations may affect the prices of these products. Moreover, the devaluation of the Brazilian real against the US dollar may result in additional inflationary pressures in Brazil and increase the interest rates. On the other hand, the devaluation of the Brazilian real against the US dollar may represent high inflationary levels, which could reduce the interest rates and increase the demand in real estate industry.

10.2. Financial and operational results

a) Company's operational results

Our operating revenues resulted mainly from the real estate development, construction and sales activities and include the amounts from the units sold in connection with our developments.

Our operating revenues are recorded in the statement of income based on the percentage of completion of each development, net of discounts and cancelations, in accordance with the accounting practices adopted in Brazil.

The Executive Officers believe that since 2007 our operating results have been positively affected by the increase in sales and volume of units built, reflecting the market conditions in our segment and our Company's execution capacity. In 2015, when compared to 2014, we had a 8.6% decrease in pre-sales and a 8.6% increase in built units that resulted in a 14.3% increase in net revenue. In the past 2 years the decrease in net pre-sales was offseted by the increase in built units, resulting in much higher net operating revenue.

In addition to the risks which affect the real estate market as a whole, such as the interruption of raw material supply, the price variation of raw materials and equipment, the availability of labor, the supply and demand for developments in specific regions, strikes, and environmental and zoning regulations, the Executive Officers understand that our activities are affected by the following risks:

(i) Our ability to maintain the continuous success of our sales efforts and our ability to implement successfully our operational strategy;
(ii) Our ability to realize our PSV;
(iii) Changes in the laws and regulations applicable to the real estate industry, as well as the enactment of future laws and regulations on the real estate, tax or zoning matters;
(iv) Increase in our costs and expenses, including the costs with land acquisition and construction of developments;
(v) Changes in real estate prices, attractiveness of our developments and competition conditions;
(vi) Our ability to transfer a portion of our receivables portfolio held by our clients at attractive rates;
(vii) The economic, political and business scenario in Brazil, including the economic growth indices, changes in foreign exchange, interest or inflation rates;
(viii) The effects of the international economic and financial crisis in Brazil;
(ix) Our ability to maintain labor, products, materials and service providers available continuously and at reasonable prices;
(x) The concession of permits and governmental authorizations for our projects and developments;
(xi) Our indebtness level, other financial obligations and our ability to contract loans whenever necessary and under reasonable terms;
(xii) Credit availability and real estate credit granting policies by the public banks;
(xiii) Interests of our Controlling Shareholder; and
(xiv) Other risks presented in item 4.1. of this Reference Form.

The Executive Officers believe that in the event any of the risks above take place, our activities, financial condition and operational results may be adversely affected.

The Company's Executive Officers assure the intention to keep dedicated to the Real Estate acquisition, development, administration, building, sale and financing.

b) Variations in revenues attributable to changes in prices, foreign exchange rates, inflation, volumes and introduction of new products and services

The Executive Officers believe that the operating revenues may be affected by the variation in the inflation indices according to which our sales agreements are adjusted. As regards to the long-term sales agreements, our accounts receivables with clients, in most part, are adjusted as follows: (i) up to the client's bank finance sign with the financial institution (during the construction stage) by INCC, and (ii) upon the concession of the Occupancy Permit (post-construction), at the interest rate of 12.0% per year, plus IGP-M rate.

In 2015, the average sale price per square meter was 8.3% higher than 2014 average.

In addition to the inflation impacts under the Company's receivables, our Executive Officers indicate that the market conditions have relevant impact, which may cause changes in the volume and sales price of new projects and significant change in the Company's revenues. Additionally, the volume of produced units in this year can cause material changes in the revenue recognition.

c) Effects from inflation, changes in the price of the main inputs and products, and foreign exchange and interest rates against the issuer's operational and financial results

According to the Executive Officers, the changes in the inflation and interest rates affect the real estate market to the extent such changes impact the economic activities, the consumption and the investment levels. Moreover, the Executive Officers believe the relative growth of the inflationary indices, specifically INCC that, in general, is the index applied to the construction costs, may affect the profitability of the real estate activities.

Currently, the Company does not have relevant exposure to foreign currencies and the exchange rate affects indirectly, through the impact in the Brazilian economy.

10.3. Events with material effects, occurred or expected, on the financial statements

a) Introduction or disposal of the operational segment

LOG Commercial Properties ("LOG") was established in June 2008 by our Company and Autonomy Investimentos to operate in the real estate industry focused on the development and rental of distribution centers, industrial condominiums, hubs (central units of the companies which use our hangars to centralize their operations in specific regions) and logistics condominiums (development for the rental of logistics operator companies – carriers – which rent a portion of the hangars and divide the common places, such as refectory, restaurant, room, support, among others). In November/13, LOG CP was registered as a publicly held corporation with the Brazilian Securities and Exchange Commission ("CVM") under the "b" category.

Urbamais was founded in July 2012 by our Company, with the goal to develop large urban areas in a sustainable way for residential and/or mixed products. In 2015, Urbamais reported good figures positively contributing to MRV's result. Clear lines were drawn to segregate the companies of the Group, setting Urbamais' business apart from LOG's and MRV's. The Company's nature itself and the business focus are different, suppressing potential interest conflicts.

The Executive Officers believe the introduction of this operational segment will be positive for the Company's Financial Statements, following the growth of its operations and maturation of its assets. The benefits over the years will positively affect net income and the value of our assets.

b) Formation, acquisition or disposal of shareholding interest

MRL Engenharia e Empreendimentos S.A.

In November 2007, we became the shareholders of Blás Engenharia e Empreendimentos S.A., through the subscription of shares, with a shareholding interest of 49% in Blás' capital stock. Blás operates in the affordable housing industry, focused mainly in the State of Rio de Janeiro and in the city of Belo Horizonte.

On May 1, 2010, Blás fully merged with LGB Construções Ltda. ("LGB"). On the same date, the latter's name was changed to MRL Engenharia e Empreendimentos S.A. ("MRL"). The incorporated net assets were of R$2,793 thousand. As a result, on this date the Company's interest in the capital of MRL Engenharia e Empreendimentos S.A. decreased from 49% to 37.73%.

In 2014 and 2015, the Company reported a decrease of its participation on MRL due to capital increase through call options by the employees. In virtue of this increase, the Company has gone from 37.65% to 37.59% in 2014 and to 37.41% in 2015 of MRL's capital stock.

The Executive Officers believe these operations do not have relevant impacts in the Company's financial statements.

Prime Incorporações e Construções S.A.

In September 2007, we acquired, through the subscription of shares, 50% of Prime's capital stock, which operates in the Popular Real Estate Developments industry, mainly in the Mid-West region. In November 2008, we increased our shareholding interest in Prime's capital stock to 60.0%.

The Executive Officers believe these operations do not have relevant impacts in the Company's financial statements.

LOG Commercial Properties e Participações S.A.

As from November 2008, our Company, together with Autonomy Investimentos, became the holder of 63.05% and 36.95%, respectively, of LOG's capital stock.

On March 15, 2010, the 35 percent interest in LOG, previously held by Autonomy Investimentos S.A., was acquired by Conedi Participações Ltda., a company controlled by the shareholder Rubens Menin Teixeira de Souza.

On July 15, 2011, the current shareholders of LOG together with Starwood Capital Group signed an Investment Agreement for the issuance of 62,650,009 common shares to be issued by LOG, totaling R$ 350 million, being R$ 250 million as Starwood's part and R$ 100 million for the current shareholders of LOG, of which R$ 63 million as the Company’s part. In August and October of 2011 the installment of the agreement of R$ 140 million and R$ 210 million, respectively, were paid. After these payments, the Company’s part decreased to 42.03% from 63.05%. In 2011, this operation resulted in an “other net revenues” gain of R$ 65.7 million.

At the shareholders meeting held in January 2012 the change of the corporate name and corporate brand of the former MRV Logística e Participações S.A. to LOG Commercial Properties e Participações S.A. (“LOG”) was approved. This amendment aims to reflect the company's business and to strengthen its strategy as commercial and industrial property builder.

On May 17, 2013, the current shareholders of LOG together with Bradesco BBI signed an Investment Agreement for the acquisition of 36,945,672 common shares to be issued by LOG, totaling R$ 278 million, being R$ 150 million for the current shareholders and R$ 128 million as part of FIP Multisetorial Plus (“FIP MPLUS”). FIP MPLUS is a private equity fund managed by Bradesco BBI. After these payments, the Company’s part decreased to 37.87% from 42.03%. The completion of this transaction is subject to specific customary conditions, including approval of the Administrative Council for Economic Defense - CADE.

In June 2013, the investments were subscribed. After the subscription, the Company’s share went from 42.03% to 37.87%. Despite this share reduction, due to the subscription have been done at fair price, higher than the accounted equity, there was a gain of R$22,681, net of operation costs, registered in our result in “Other operational revenues”.Since then the Company holds the same shareholding interest in LOG.

Urbamais Properties e Participações S.A

Urbamais was founded in July 2012 by our Company, participating with 60% of the capital stock.

c) Unusual events or transactions

In the second quarter of 2014, LOG Commercial Properties e Paticipações S.A. decided to register its assets at fair value (in accordance with the CPC28), setting the value of its properties up or down, incorporating in this fluctuation the potential depreciation and/or valuation of each property. Hence, in 2Q14, a net total result of R$ 706 million was recognized in LOG CP related to changes in the fair value of its properties, of which R$ 267.6 million were recorded in the Financial Statements of MRV, in the equity income account.

10.4. Material changes in accounting policies - opinion and emphasis in the auditor's report

a) Significant changes in accounting practices

The Company’s Executive Officers believe the financial statements for the year ended on December 31st, 2015 were elaborated according to the International Financial Reporting Standards (IFRS) applicable to real-estate development entities in Brazil as approved by CPC, CVM including technical guideline OCPC 04 – appliance of the technical interpretation ICPC 02 to the real-estate development entities in Brazil and by CPC, named IFRS, and according to the Accounting Practices Adopted in Brazil with all the pronouncements, technical interpretations and technical guidelines issued by CPC and approved by CVM.

The present accounting information must be read with our audited consolidated financial statements, regarding the fiscal year ended on December 31st, 2015, and its respective notes.

The mentioned consolidated financial statements were extracted from our financial statements, individual and consolidated, for the year ended in December 31, 2015, 2014 and 2013, and the respective financial statements, changes in equity, cash flows and value added statements for the years ended on December 20154 and 20143.

The balance sheets for the years ended in December 31st, 2015, 2014 and 2013 and respective statements of income, comprehensive income, changes in equity, cash flows and value added corresponding to those dates were audited by Ernst & Young Auditores Independentes S.S. in accordance with international and Brazilian auditing rules.

2015

There were no expressive changes in the accounting norms of the Company.

2014

There were no expressive changes in the accounting norms of the Company, except in the joint controlled LOG Commercial Properties e Participações S.A. that changed its accounting policy on investment properties to fair value, after being initially registered at the cost method. The effects of this change are demonstrated in item 10.4 (b).This change aimed to reflect in the financial statements, the market value of investments and thus get closer to the market value of the business.

2013

The change in the accounting norms in 2013 was a result of new accounting pronouncements that entered into force on January 1, 2013, and that were adopted by the Company, as follows:

CPC 19 (R2) – Joint Arrangements (IFRS 11): removed the option of consolidating projects that were jointly arranged using the proportional consolidation method. Thus, as of January 1, 2013, these projects will be recognized in the consolidated balance by the equity method. There were no changes on the individual financial statements, since they were already recognized by the equity method.

CPC 45 – Divulgação de Participação em Outras Entidades (Disclosure of Interests in Other Entities) (IFRS 12): establishes the minimum disclosures for entities that hold investments in subsidiaries, jointly controlled entities, associates, or other unconsolidated entities.

The first-time adoption of CPC 19 (R2) resulted in the restatement of the previous year (2012) comparative balances for comparative purposes and as required by CPC 23 these are listed below in the item 10.4 (b) below:

b) Significant effects of the changes in accounting practices:

Fiscal year ended on December 31, 2014

As mentioned in item 10.4 (a), the joint controlled LOG Commercial Properties e Participações S.A. changed its accounting policy on investment properties to the fair value method from the cost method. Accordingly, the balance of the investment in this joint controlled was adjusted to reflect this fair value measurement. In accordance with "ICPC 09 (R1) – individual, separated and consolidated financial statements and adoption of the equity income method of accounting", item 63, the Company elected to recognize the total effect of this adjustment to results from equity participation, as demonstrated below.

	2014
Fair value adjustment of investment property	269,801
Other current results for the year	9,154
Results from equity participation	**278,955**

Fiscal year ended on December 31, 2013

As mentioned on item 10.04 (a) the Executive Officers inform that the financial statements for the year ended on December 31st, 2013 were elaborated considering the new accounting policies that resulted from the adoption of new pronouncements that entered into force as of January 1, 2013. Thus, for comparative matters the financial statements for the year ended on December 31st, 2012 and the initial equity of January 1st, 2012, the balance of the financial statements, cash flows and value added were adjusted, as follows:

	Consolidated					
	01/01/2012			12/31/2012		
Balance sheet:	Originally stated	Adjustments	Restated	Originally stated	Adjustments	Restated
ASSETS						
Current assets						
Cash and cash equivalents	930,496	(140,270)	790,226	1,522,862	(137,555)	1,385,307
Receivables from real estate development	2,856,493	(274,914)	2,581,579	3,098,666	(365,519)	2,733,147
Real estate for sale	1,855,548	(156,924)	1,698,624	1,965,550	(231,156)	1,734,394
Other current assets	356,303	8,071	364,374	325,883	790	326,673
Total current assets	5,998,840	(564,037)	5,434,803	6,912,961	(733,440)	6,179,521
Noncurrent assets						
Receivables from real estate development	1,809,343	(204,072)	1,605,271	2,113,282	(184,725)	1,928,557
Real estate for sale	869,936	(8,588)	861,348	1,356,936	(6,683)	1,350,253

Receivables from related parties	65,694	1,838	67,532	61,760	2,693	64,453
Other noncurrent assets	81,922	(14,558)	67,364	120,694	15,679	136,373
Investments - interests in jointly controlled entities	-	476,621	476,621	-	553,615	553,615
Investment property	222,903	(222,903)	-	402,991	(402,991)	-
Property and equipment	77,809	(7,417)	70,392	95,466	(9,120)	86,346
Intangible assets	34,199	(3,459)	30,740	44,652	(3,565)	41,087
Total noncurrent assets	3,161,806	17,462	3,179,268	4,195,781	(35,097)	4,160,684
Total assets	9,160,646	(546,575)	8,614,071	11,108,742	(768,537)	10,340,205
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current liabilities						
Trade payables	249,619	(34,824)	214,795	251,893	(11,906)	239,987
Loans, financing and debentures	532,489	(86,063)	446,426	1,004,189	(105,641)	898,548
Land payables	286,660	(24,400)	262,260	246,875	(34,935)	211,940
Advances from customers	1,234,160	(175,295)	1,058,865	1,645,535	(168,906)	1,476,629
Deferred tax liabilities	224,520	(22,578)	201,942	158,944	(15,958)	142,986
Proposed dividends	180,524	-	180,524	125,297	-	125,297
Other current liabilities	165,123	(14,588)	150,535	213,173	(22,452)	190,721
Total current liabilities	2,873,095	(357,748)	2,515,347	3,645,906	(359,798)	3,286,108
Noncurrent liabilities						
Loans, financing and debentures	2,144,517	(178,831)	1,965,686	2,678,645	(374,999)	2,303,646
Advances from customers	115,204	(11,451)	103,753	216,211	(16,714)	199,497
Provision for maintenance of real estate	130,127	(13,950)	116,177	165,783	(20,272)	145,511
Deferred tax liabilities	108,076	(7,531)	100,545	84,984	(7,693)	77,291
Other noncurrent liabilities	119,538	22,936	142,474	229,240	10,939	240,179
Total noncurrent liabilities	2,617,462	(188,827)	2,428,635	3,374,863	(408,739)	2,966,124
Total liabilities	5,490,557	(546,575)	4,943,982	7,020,769	(768,537)	6,252,232
Shareholders' equity						
Share capital	2,650,220	-	2,650,220	2,650,615	-	2,650,615
Reserves	772,686	-	772,686	1,151,018	-	1,151,018
Equity attributable to Company shareholders	3,422,906	-	3,422,906	3,801,633	-	3,801,633
Noncontrolling interests	247,183	-	247,183	286,340	-	286,340
Total shareholders' equity	3,670,089	-	3,670,089	4,087,973	-	4,087,973
Total liabilities and shareholders' equity	9,160,646	(546,575)	8,614,071	11,108,742	(768,537)	10,340,205

	Consolidated 2012 Originally stated	Adjustments	Restated
Statement of Income:			
Net operating revenue	4,265,885	(462,077)	3,803,808
Cost of properties sold and services	(3,074,431)	336,824	(2,737,607)
Gross profit	1,191,454	(125,253)	1,066,201
Operating income (expenses)			
Operating expenses	(549,837)	44,907	(504,930)
Results from equity participation	-	59,431	59,431
Operating profit before financial income (expenses)	641,617	(20,915)	620,702
Financial income (expenses)	(35,341)	10,668	(24,673)
Income before income tax and social contribution	606,276	(10,247)	596,029
Income tax and social contribution	(31,439)	10,247	(21,192)
Net income	574,837	-	574,837
Net income attributable to:			
Company owners	527,566	-	527,566
Noncontrolling interests	47,271	-	47,271
	574,837	-	574,837
Statements of cash flows:			
Cash flows from operating activities:			
Net income	574,837	-	574,837
Adjustments to reconcile net income to cash to cash used in operating activities:			
Results from equity participation	-	(59,431)	(59,431)
Other adjustments to reconcile net income	166,980	178,192	345,172
	741,817	118,761	860,578
Increase in operating assets	(721,843)	181,336	(540,507)
Decrease in operating liabilities:	(74,286)	12,169	(62,117)
Net cash generated by (used in) operating activities	(54,312)	312,266	257,954
Cash flows from investing activities:			
Acquisition of investment property	(162,027)	162,027	-
Other changes in investing activities	21,683	(147,862)	(126,179)
Net cash used in investing activities	(140,344)	14,165	(126,179)
Cash flows from financing activities:			
Net cash generated by financing activities	787,022	(323,716)	463,306
Increase in cash and cash equivalents, net	592,366	2,715	595,081
Cash and cash equivalents			
At the beginning of the year	930,496	(140,270)	790,226
At the end of the year	1,522,862	(137,555)	1,385,307
Increase in cash and cash equivalents, net	592,366	2,715	595,081
Statement of value added:			
Revenues	4,665,531	(650,458)	4,015,073
Cost of properties sold and services: materials, land, electricity, outsourced services and other	(2,897,582)	448,796	(2,448,786)
Gross value added	1,767,949	(201,662)	1,566,287
Depreciation and amortization	(27,853)	4,412	(23,441)
Net value added generated by the company	1,740,096	(197,250)	1,542,846
Wealth received in transfer:			
Results from equity participation	-	59,431	59,431
Financial income	112,724	(8,669)	104,055
Total value added for distribution	1,852,820	(146,488)	1,706,332
Value added distributed:			
Personnel	447,912	(56,673)	391,239
Taxes, charges and contributions	359,775	(46,873)	312,902
Lenders and lessors	470,296	(42,942)	427,354
Shareholders:			
Dividends	125,297	-	125,297
Earnings retained in the year	402,269	-	402,269
Noncontrolling interests	47,271	-	47,271
Value added distributed	1,852,820	(146,488)	1,706,332

c) exceptions and emphasis paragraph included in the auditor's opinion

2015 and 2014

The Executive Board informs that the financial statements for the year ended in December 31st, 2015 and 2014 were audited by Ernst & Young Auditores Independentes S.S.. The Executive Officers understand that the report reflects the standard norm for developers and homebuilders in Brazil, since the auditor's opinion was issued following the guidance of technical communicate IBRACON, which is the Brazilian Independent Auditors Institute, guidances to be adopted by all real-estate development entities.

Basically, we inform that the audit report mentions that the financial statements developed in accordance with accounting practices adopted in Brazil and with IFRS applicable to real-estate development entities, additionally considering the guidance OCPC 04 edited by CPC, which deals with revenue recognition of this sector and involves subjects related to the meaning and application of the concept of continuous risk transference, benefits and units' sales control. The auditor's opinion is not safeguarded due to these matters.

In the auditor´s opinion, the individual and consolidated financial statements referred to above present fairly, in all material respects, the financial position of MRV Engenharia e Participações S.A. as of December 31, 2015 and 2014, and its financial performance and its cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and according to International Accounting Standards (International Financial Reporting Standards - IFRS) issued by the International Accounting Standards Board - IASB.

2013

The Executive Board informs that the financial statements for the year ended in December 31st, 2013 were audited by Ernst & Young Auditores Independentes S.S.. The Executive Officers understands that the report reflects the standard norm for developers and homebuilders in Brazil, since the auditor's opinion was issued following the guidance of technical communicate IBRACON which is the Brazilian Independent Auditors Institute, guidances to be adopted by all real-estate development entities.

Basically, we inform that the audit report mentions that the financial statements developed in accordance with accounting practices adopted in Brazil and with IFRS applicable to real-estate development entities, additionally considering the guidance OCPC 04 edited by CPC, which deals with revenue recognition of this sector and involves subjects related to the meaning and application of the concept of continuous risk transference, benefits and units' sales control, as well as highlights the restatements of values correspondent to the fiscal year of 2013, as a result of the accounting norms change, which entered into force on January 1, 2013. The auditor's opinion is not safeguarded due to these matters.

In the auditor´s opinion, the individual and consolidated financial statements referred to above present fairly, in all material respects, the financial position of MRV Engenharia e Participações S.A. as of December 31, 2013, and its financial performance and its cash flow for the year then ended, in accordance with accounting practices adopted in Brazil.

10.5. Critical Accounting Policies

General Comments

The Executive Board understands that the critical accounting practices are important to describe the Company's financial condition and operational results and require difficult, subjective or complex judgments, often due to the need to make estimatives about the effect of questions with inherent uncertainty. As the number of variables and premises, which affect the possible uncertainties future resolution increase, the judgements become more subject and complex. To understand how administration evaluates future events, including variables and premises inherent to the estimatives, besides the sensitivity of such evaluation regarding varied circumstances, the critical accounting principles were identified.

Basically the critical accounting policies are due to the fact that they involve estimatives and assumptions of the Board of Directors best assumptions, based on historical experience, among which (i) total projects budgeted cost to revenue to be recognized; (ii) loss assumption in accounts receivable realization; (iii) swapped land sale's price assumption and expectation of beginning of project to real state for sale and development; (iv) assumptions for conclusion of lawsuits for provisions for civil, labor and tax risks, and (v) estimate of spending on property maintenance. Moreover, the complexity of calculation in the determination of current and deferred taxes (PIS, COFINS, income tax and social contribution), depending on existing schemes in the Company and subsidiaries such as real income, deemed income and the special taxation - RET, and depending on a cash basis tax adopted for the calculation of current taxes, and the accrual basis of accounting adopted which involves calculation of deferred taxes.

The Executive Officers understand different use of premises may significantly change the Company's Financial Statements.

In preparing our financial statements our Executive Officers use estimates and premises in their best judgments and based on our accounting records and other factors considered relevant, which affect the amount of assets and liabilities presented, as well as the revenues, cost and expenses values. The liquidation of the transactions involving these estimates can result in different values from the presented in the financial statements.

The Executive Officers revises its estimates and premises at least, once a year. The effects from these revisions are recognized in the period when the estimates are revised if the revision affects at least this period if the revisions affect only this period, or also in further periods if the revisions affect both current and future periods.

Recognition of revenues and costs

The policies adopted for calculating and recognizing income and recording the amounts in the line items 'Revenue from real estate development', 'Properties for sale', 'Receivables from real estate development', and 'Advances from customers' follow the procedures and standards established by Guidance OCPC 04 of the Accounting Pronouncements Committee, which addresses the application of Interpretation ICPC 02 to Brazilian real estate entities, approved by CVM Resolution 653/10, as follows:

- For sales of uncompleted units, income is recognized based on the following criteria:
  (i) Operating revenues are allocated to profit or loss as construction progresses, as the incidental risks and rewards are transferred on a continuously basis. Accordingly, we adopt the percentage of completion method ("POC") for each project, i.e., revenue is recognized as construction progresses. Under this method, contract revenue is matched with cost incurred as compared to total budgeted costs of the related projects on contracted sale and revenue is calculated by multiplying this percentage (POC) of the contracted sales. The land and construction costs inherent to the related developments from sold units are allocated to the result when incurred;
  (ii) Operating revenues calculated according to item (i), measured at fair value, including inflation adjustment, net of installments already received, are recognized as accounts receivable or advances from customers, according to the ratio between recorded revenues and received amounts.

- For installment sales of completed units, income is fully recognized at the time the sale is performed, regardless of the term for receiving the amount established by contract, and revenue is measured at the fair value of the consideration receivable.

- Interest adjustment to present value are allocated to the income statement, in line item 'Revenue from real estate development' during the period before the delivery of the units and in line item 'Financial income' during the period after the delivery of the units, on the accrual basis, regardless of actual receipts.

- Revenue and expenses are recorded on the accrual basis.

MRV constitutes bad debt provision for amounts whose recovery is considered remote. Estimates are based on contracts that are considered difficult to recover and for which there are no real guarantees, which are directly linked to the transfer of the unit to the buyer. The Company periodically reviews its assumptions for the allowance for credit risk, due to the review of its current operations and improvement on the company´s estimates

Properties for sale

The inventory of finished units or under construction and not yet sold, including land bank inventories are stated at the incurred cost of each unit, which does not exceed the market value. The land bank inventory of the swaped units are valued at the potencial sales value and, exceptionally, by the sale price of the swaped units. The classification between short and long term is made based on the expected start of the project. The actual construction cost of swaped units is diluted among the other units.

Materials inventories are valued at the lower of the average cost of purchases and the net realizable values.

Provisions

Provisions for civil, labor and tax risks are recognized when there is a present obligation (legal or constructive) as a result of a past event, when a reliable estimate can be made of the amount of the obligation, and its settlement is probable. The amount recognized as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, considering the risks and uncertainties inherent to such obligation.

When some or all of the expenditure required settling, a provision is expected to be reimbursed by another party, the reimbursement is recognized when, and only when, it is certain that reimbursement will be received and the amount can be reliably measured.

Accrual for property maintenance

The accruals for the expected cost of property maintenance of are recognized in the income statement using the same criterion for the allocation of real estate development revenue, from the date the related real estate units are sold, based on management's best estimate of the disbursements required to settle the Company's obligation.

Taxation

Current and deferred income tax, social contribution and taxes on sales are recognized in profit or loss, except when they correspond to items recognized in 'Other comprehensive income', or directly in shareholders' equity, in which case current and deferred taxes are also recognized in 'Other comprehensive income' or directly in shareholders' equity, respectively. When current and deferred taxes result from the initial accounting of a business combination, the tax effect is accounted for upon the recognition of the business combination.

The income tax and social contribution, and taxes on sales expenses represent the sum of current, deferred taxes and deferred payments.

Deferred tax assets and liabilities are measured using the tax rates applicable for the period in which the liability is expected to be settled or the asset is expected to be realized, based on the tax rates set forth in the tax law prevailing at the end of each reporting period, or when new legislation has been substantially approved. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company and its subsidiaries expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Income tax and social contribution

Current taxes

As allowed by prevailing tax legislation, the Company and its subsidiaries adopt the cash basis to calculate income from real estate development, and this income is used to determine taxable income.

The provision for income tax and social contribution is based on taxable income for the year. Taxable income differs from the profit reported in the income statement, since it excludes income or expenses that are taxable or deductible in other years, as well as, permanently nontaxable or nondeductible items. The provision for income tax and social contribution is calculated separately for each Group company based on the prevailing tax rates.

The Company determines the Income Tax (IRPJ) and social contribution (CSLL) based on real income, assumed income or segregated estates with RET ("Special Tax Regime") as detailed below:

- Real Income

Adopted by the Company and some of its subsidiaries. Under this taxation system, each company's income for income tax is calculated based on the tax rate of 15%, plus 10% surtax on income exceeding R$240, and the social contribution is calculated based on the tax rate 9% on taxable income, and consider the tax losses compensation and negative basis of social contribution, limited to 30% of the taxable income in each fiscal year.

- Presumed Income

Adopted by some subsidiaries. On this system, the results for IRPJ and CSLL purposes of each Company was calculated by putting the defined rates for these actives (which are 8% and 12%, respectively) under the real state revenue income. Over the assumed result, the applied rates of were the income tax and social contribution rates valid on the date each fiscal year ended (15% plus an additional of 10% for income higher than an annual R$240 for income tax and 9% for social contribution).

- Special Tax Regime (RET)

Adopted by some projects of the Company and subsidiaries. As permitted by Law 12024 of August 27, 2009, which amends Law 10931/2004 that created the RET, it was elected to subject these projects to taxation based on the earmarked assets and, to opt forthe RET. For these projects, the consolidated income tax and social contribution, and the security funding tax on revenue (COFINS) and the social integration program tax on revenue (PIS) charges are calculated at the total overall tax rate of 4% on gross revenue or 1% on gross revenue received on contracts eligible for the *Minha Casa Minha Vida Program* (PMCMV) (Federal social housing program), within the statutory ceiling. The total income tax and social contribution rate is 1.92% under the RET and 0.47% under the RET – PMCMV.
Deferred taxes

Deferred income tax and social contribution ("deferred taxes") are fully recognized, as prescribed by CPC 32 and ("IAS 12") income tax on the differences between assets and liabilities recognized for tax purposes and related amounts recognized in the financial statements, and are determined taking into account tax bases (and laws) in effects on the date the financial statements were prepared and applicable when the related income tax and social contribution were performed.

Deferred tax assets are recognized only to the extent that is probable that there will be a positive tax base for which temporary differences can be used and tax loss carryforwards can be offset. The recovery of deferred tax

assets is reviewed at the end of each period, and when it is not probable that future taxable income will be available to allow the recovery of all or part of the assets, these are adjusted to the expected recoverable amount.
Taxes on revenues

Revenue is carried net of taxes on sales (PIS and COFINS). For PIS and COFINS calculation purposes, total tax rate is 9.25% for taxation based on actual taxable income, 3.65% for deemed income, 2.08% under the RET, and 0.53% under the RET - PMCMV contracts.

From July 1, 2015, as Decree 8426, financial revenues earned by companies subject to the non-cumulative calculation system began to have an effect on rates of 0.65% for PIS and 4% for COFINS.

10.6. Material itens not included in the Financial Statements

a) Directors should describe relevant items not disclosed in the financial statements of the issuer, including: a. the assets and liabilities held by the issuer, directly or indirectly, that do not appear in its balance sheet (off-balance sheet items), such as: i. operating leases, assets and liabilities; ii. receivables portfolios over which the entity maintains risks and responsibilities, indicating their liabilities; iii. contracts for future purchase and sale of products or services; iv. construction contracts; v. contracts of future financing.

Currently, sales revenues are allocated to the income statement using the method of percentage of completion of each project, and this percentage is measured based on the total estimated cost of the respective projects. As a result of this accounting practice, at the end of each period we have gross revenues to be recognized of transactions already contracted, referring to uncompleted projects, which are disclosed in the notes.

B. Other items not shown in the financial statements

There are no other relevant items not evidenced in our financial statements.

10.7. Comments of itens not included in the Financial Statements

a) How such items change or may change revenues, expenses, operating results, financial expenses or other items of the Company's financial statements.

The unearned revenues affect or will affect our operating income as the expansion of such projects

b) The nature and purpose of the transaction

Not applicable.

c) The nature and amount of obligations assumed and rights generated in favor of the issuer as a result of the operation

R$ thousand	**12/31/2015**	**12/31/2014**	**12/31/2013**
Gross revenue to be recognized	2,655,687	3,697,634	3,172,485

10.8 Business plan

a) investments (including the quantitative and qualitative description of the investments in progress and estimated investments, financing sources of relevant investment and divesture in progress and estimated divesture)

i. Quantitative and qualitative description of ongoing and expected investments

In 2015 and 2014 we invested R$ 74 million and R$ 55 million, respectively, in property and equipment and intangible assets, mainly allocated to the construction of sales stands and acquisition of software. In 2013 were invested R$ 41 million.

ii. Investment funding sources

The financing of our investments in property and equipment and intangible assets was funded through own and third parties resources.

iii. Ongoing and expected relevant divestments
No significant divestures were performed in 2015, 2014 and 2013.

In the Executive Officers' understanding, there are no estimated significant investments or divestures for the next years. The investments are aimed at maintaining operating conditions consistent with the operation, showing no significant changes in operating and financial results of the Company.

b) acquisitions already disclosed of blueprints, equipment, patents or other assets which may materially affect the Company's production capacity

Not applicable.

c) New products and services

Not applicable.

10.9. Other factors with material effect

All material and applicable information on this matter was disclosed in the items above.

11. Projections

11.1. The projections must indicate

Since 2013, the Company decided to no longer provide guidance on margins or sales. We decided the change after several studies and benchmarks, in our and other sectors, both in domestic and international markets, which found that the vast majority of companies does not provide guidance. The company thinks this is especially a reason for a very long cycle industry like ours, in the case of MRV of four years. To manage a long cycle, but being directed by a specific quarter, in our view, cannot be the best combination.

11.2. In the event of disclosure, during the last three years, of projections on the evolution of the indicators

Since 2013, the Company decided to no longer provide guidance on margins or sales. We decided the change after several studies and benchmarks, in our and other sectors, both in domestic and international markets, which found that the vast majority of companies does not provide guidance. The company thinks this is especially a reason for a very long cycle industry like ours, in the case of MRV of four years. To manage a long cycle, but being directed by a specific quarter, in our view, cannot be the best combination.

12. General Meeting and Management

12.1. Company’s administrative structure, in accordance with its bylaws and internal regulation

a) Responsibilities of each body and committee, identifying whether they have own bylaws

The Company’s management is exercised by the Board of Directors and the Executive Board. Moreover, we are supported by advisory committees which work together with the Board of Directors.

Board of Directors

The Board of Directors shall have at least 5 (five) and at most 7 (seven) members, all of them shareholders of the Company, elected by General Assembly, whose terms of office shall be unified and have a duration of 2 (two) years, as of the date of election, reelection being allowed.

The Board of Directors shall have 1 (one) Chairman and 1 (one) Vice-Chairman, who shall be elected by absolute majority of votes from those attending, during the first meeting of the Board immediately after the investment into office of such members, or whenever such offices become vacant.

The Board of Directors primary purpose is towards providing general directives regarding the Company’s business, as well as controlling and supervising its performance thereof, particularly deciding on the following matters: (a) to approve of and/or to make any alterations to the Company’s Business Plan; (b) to approve of the yearly operational and investment budgets and supervision of their performance; (c) to appoint and to dismiss members of the Executive Directors / Chief Officers and to determine their powers, duties and pay; (d) to control the Executive Directors’ / Chief Officers’ management; to examine, at any time, the Company’s books and documents; to demand information on agreements consummated or about to be consummated, and any other matters with respect to the chief officers management; (e) to summon General Assemblies of Shareholders when deemed to be appropriate; (f) to express its opinion on the management’s report and the Executive Directors’ / Chief Officers’ accounts and to submit the Company’s Financial Statements for approval by the General Assembly of Shareholders; (g) to decide on any business transacted with parties related; (h) to decide on acquisition of, disposal of and/or encumbrance on any interest in capital stock, except the constitution of corporations which are Controlled by the Company and which have been constituted as a corporation with the specific purpose to implement one or more of the Company’s real estate projects (i) to decide on divestiture of or encumbrance on, in any way, of any of the Company’s real estate property, the value of which exceeds R$30,000,000.00 (thirty million Reais); (j) to decide on divestiture of or encumbrance on, in any way, of any of the Company’s other assets, the value of which exceeds, in one or more such operations of the same kind during a period 12 (twelve) months, the amount of R$2,000,000.00 (two million Reais); (l) to hire employees whose yearly pay exceeds the amount of R$500,000.00 (five hundred thousand Reais); (m) to consummate agreements with service rendering companies whose yearly pay exceeds the amount of R$2,000,000.00 (two million Reais); (n) to grant and to obtain loans, financings and/or factoring or securitization of receivables, the value of which exceeds the amount of R$30,000,000.00 (thirty million Reais); (o) to appoint and dismiss the independent auditors, who shall be required to be registered with the Securities and Exchange Commission and shall perform the yearly auditing of the Company with quarterly reviews; (p) to issue common non-stock-convertible debentures without face value, the manner of subscription or placing thereof and the kind of debentures to be issued, their pay, terms of payment for interest thereon, share in profits and reimbursement bonus of such debentures, if any, as well as term and conditions of maturity, amortization or redemption of such debentures; (q) to acquire shares issued by the Company for cancellation or remaining in treasury, as well as on their re-sale or re-placement on the market, in compliance with the regulations issued by CVM and other applicable legal provisions; (r) to hire the financial depositing entity to render services with regard to the book entry shares; (s) to issue debt securities on the international market and of common, non-stock-convertible debentures without lien, for public or private distribution, as well as on the terms and conditions of such issue; (t) to issue commercial papers for public distribution in Brazil or abroad, as well as on the terms and conditions of such issue; (u) to propose to the General Assembly the declaration of interim and intercalary dividends, as well as interest on the stock, pursuant to the Law of Business Corporations and other applicable laws; (v) to manifest about any share acquisition public offering which have, as object, the Company's share issuance through previous reasoned opinion, released in up to 15 (fifteen) days of the public offering notice publication, which must contain, at least (i) the share acquisition public offering convenience and opportunity regarding the common shareholder concern and their securities liquidity; (ii) the share acquisition public offering repercussion over the Company's interests; (iii) the strategic planning released by the provider regarding the Company; (iv) other subjects the Board of Directors consider relevant, as well as the required information of the CVM's applicable established rules; and (w) to identify three companies specializing in economical valuation to prepare the Company's shares valuation report in the case of public offering acquisition to cancellation of the Company's registration as a publicly-held company or withdrawal from the New Market.

Executive Board

The Board of Executive Officers shall consist of up to ten (10) Officers, whether shareholders or not, subject to election and removal on any time by the Board of Directors and / or Chairman, of which one (1) Chief Executive Officer Region I, one (1) Chief Executive Officer Region II, one (1) Chief Financial Officer, one (1) Chief Investor Relations Officer, one (1) Chief Legal Officer, one (1) Chief Commercial Officer, one (1) Chief Production Officer, one (1) Chief Real Estate Credit Officer, one (1) Chief Real Estate Development Officer and one (1) Chief Management and Shared Service Center Officer, all elected and removable by the Board of Directors on any time, being allowed the position accumulation.

The Executive Board is responsible for the management of corporate business in general and the performance, for this purpose, of all acts required or appropriate, except those for whose responsibility, whether pursuant to law or to these Bylaws, lies with the General Assembly or the Board of Directors. In the performance of their duties, the Chief Officers may carry out all transactions and do all acts of ordinary management required to obtain the aims of their office, pursuant to the provisions of these Bylaws as to manner of representation, competence for doing certain acts, and the general guidelines for business determined by the Board of Directors, including deliberating on and approving of investment of resources, compromising, waiving, assigning rights, confessing debts, making agreements, signing commitments, contracting obligations, consummating contracts, purchasing, disposing of and encumbering effects and real estate, render escrow, sureties and guarantees, issuing, endorsing, escrowing, discounting, drawing and guaranteeing securities in general, as well as opening, operating and closing accounts in credit establishments, according to the legal restrictions and those set forth in these Bylaws. Additionally, the Executive Board is responsible for: (a) complying with and causing to comply with these Bylaws and the resolutions of the Board of Directors and the General Assembly; (b) submitting, yearly, to the appreciation of the Board of Directors, the Management Report and the accounts of the Executive Board, together with the report from the independent auditors, as well as the proposal for allocation of profits cleared during the last fiscal year; (c) preparing and submitting, to the Board of Directors, the Company's plans of business, operations and investments, including strategies for implanting such business and those with respect to entering new business; (d) deciding on any matter which is not sole responsibility of the General Assembly or of Board of Directors; (e) preparing and submitting, to the Board of Directors, the Company's strategic planning, the plans, programs and budgets for investments and operations, whether half-yearly, yearly or multiannual; (f) submitting to the Board of Directors the opportunities for investment and business which exceed the range of competence of each executive office; (g) approving hiring or promotion of employees to be invested in positions with management attributions, or their dismissal; (h) approving filing of suits or judicial actions for taxes or compensation or those which due to their consequences or contingencies involved are deemed to be of great relevance to the Company, according to the terms of the Shareholders' Agreement; (i) preparing and submitting during each fiscal year, to the Board of Directors and the General Assembly, the Yearly Management Report and the Company's Financial Statements and propose allocation of the income of such fiscal year; (j) authorizing the creation and extinction of branches, establishments, storage places and offices which the Company maintains within the national territory and abroad; (k) granting leaves of absence to the chief officers and appointing a substitute officer to assume the pertaining attributions of such officers during their period of absence; (l) deciding on all matters within the range of competence of the chief officers, as long as there is a vacancy, and on all other ones which could not be settled by the respective chief officers and which do not constitute matters of sole responsibility of the Board of Directors or the General Assembly; and (m) submitting to the Board of Directors the list of names of such employees as shall be invited to take part in the Stock Option Program respecting the yearly global amount of options already granted by the General Assembly for such fiscal year.

Executive Committees

The Executive Committees shall operate in accordance with the Company's needs and its respective internal regulations and shall have roles and objectives defined by the Chairman of the Board of Directors who is also responsible for the veto right. The Board of Directors may constitute other Committees, in accordance with the Company's interests and needs for the business. The members of the Executive Committees shall be elected by the Company's Board of Directors, with mandatory participation in every Executive Committee of at least 1 (one) Chief Executive Officer.

In the General Extraordinary Meeting held on February 20, 2015, the shareholders approved the establishment of the following Executive Committees:

(a) Risks and Compliance Committee;
(b) Governance, Ethics and Sustainability Committee;
(c) Human Resources Committee;
(d) Commercial and Real Estate Financing Committee;
(e) Real Estate Development Committee;
(f) Production Committee;
(g) Communication Committee;
(h) Juridical Committee.

In the meeting of the Board of Directors held on March 03, 2016 were approved the regulation of the Communication and Juridical Committee, on May 08, 2015 were approved the regulations of the following Committees: Risk and Compliance, Governance, Ethics and Sustainability and Human Resources and at the meeting of the Board of Directors held on May 20, 2015, were approved the regulations of the following Committees: Commercial and Credit, Real Estate Development and Production. The members of all Committees were elected in the meeting of the Board of Directors held on May 08, 2015, with the exception of the the members of the Communication and Juridical Committee that were approved on March 03, 2016.

The Risk and Compliance Committee will be composed by, at least, 3 (three) and, not exceeding, 10 (ten) effective members, and the other Committees will be composed by, at least, 3 (three) and, not exceeding, 5 (five) effective members. Members election will occur, preferentially, in the Board of Directors meeting that elects the Chief Officers, with term of 2 years, reelections allowed. It is mandatory the participation of the Chairman and 1 (one) of the Chief Executive Officers. Additionally, the Company's Chairman shall preside the Committee activities.

The Committees must submit to the Board of Directors recommendations about its competent issues and report its activities periodically to them. And the Committees must monitor the execution of its recommendations, periodically meeting with the Chief Officers and managers of the Company

Risk and Compliance Committee

The Committee's duties are: (i) evaluate and monitor Company's risk exposures, monitoring and supervising the risk management process; (ii) follow, require and ensure the strict implementation, by the Company, its administrators, employees and service providers, related to (a) all laws and regulations applicable to the business and activities, including, among others, rules and regulations of Securities and Exchange Commission ("CVM") and BM&FBovespa Novo Mercado regulation; and (b) Company's rules and internal manuals, among which: Conduct and Ethics Code, Relevant Act or Fact Disclosure Policy and Shares Trading Policy; (iii) ensure the adequacy, strengthening and operation of Company's systems and internal controls, aiming reduce, exterminate and/or mitigate existing risks and prevent potential risks, presenting improvement recommendations of policies, practices and procedures; (iv) disseminate the risk management culture and Company's internal controls, in order to ensure the strict compliance of all laws, rules and regulations applicable; (v) evaluate received complains and formally communicate to the Administration any suspect of: (a) non-respect of legal rules, regulatory and internal, that endanger Company activities, business, reputation and operational results; (b) frauds by Company employees or outsourced to activities or assets of the Company; (vi) issue recommendations about potential conflict interest situation among Company's related parties when deems necessary or by request from Company Board of Directors, Chief Executive Officers or Managers.
Members: Rubens Menin Teixeira de Souza, Rafael Nazareth Menin Teixeira de Souza, Eduardo Fischer Teixeira de Souza, Leonardo Guimarães Corrêa and Maria Fernanda Nazareth Menin Teixeira de Souza Maia.

Governance, Ethics and Sustainability Committee

The Committee's duties are: (i) ensure and disseminate the Company's commitment to management based on the pillars of corporate governance, sustainability and corporate ethics, including, but not limited to: (a) information transparency, (b) equity, (c) accountability, (d) corporate responsibility, (e) eradication of child labor, forced or compulsory (f) combating discrimination practices, under any conditions, (g) prevent moral and sexual harassment, (h) enhance diversity, (i) combating all forms of corruption, (j) environmental conservation, (k) monitoring and implementation of the guidelines of Institute MRV Association; (ii) promote continuous improvement of governance practices adopted by the Company, recommending new practices and / or proposing changes to existing practices; (iii) ensure the effective operation of the Board of Directors and its assistance committees, as well as promote good relationship between the Board of Directors, Chief Officers, shareholders and other stakeholders of the Company; (iv) coordinate the annual agenda of meetings of the Board of Directors and its assistance committees, and do quarterly meetings with each committee Secretary seeking to ensure the works' organization and progress and the periodic reporting to the Board of Directors; (v) periodically review, discuss and propose changes to the Bylaws, Internal Regulations of the assistance committees, the Company's Conduct and Ethics Code, as well as other documents, policies and internal rules of the Company related to governance, conduct and ethics; (vi) guarantee a regular training agenda about conduct and ethics to management and employees of the Company, and participate of the main trainings; (vii) review and discuss misconduct and / or ethical principles that are identified, reporting relevant deviations to the Board of Directors; (viii) monitor social, environmental and economic indicators of the Company and propose goals, actions and programs of corporate sustainability, periodically monitoring and evaluating the results from such goals, actions

and programs; (ix) Discuss, propose and update the social-environmental policies and guidelines of the Company.
Members: Rubens Menin Teixeira de Souza, Rafael Nazareth Menin Teixeira de Souza, Eduardo Fischer, Teixeira de Souza, Júnia Maria de Sousa Lima Galvão and Maria Fernanda Nazareth Menin Teixeira de Souza Maia.

Human Resources Committee

The Committee's duties are: (i) evaluate and propose improvements to people development, training, remuneration, benefits, incentives and talents retention methods; (ii) evaluate and propose improvements to recruitment and hiring methods adopted by the Company; (iii) propose succession plans and evaluate the succession plans of employees that hold key positions in the Company; (iv) evaluate organizational climate monitoring ways; (v) evaluate potential candidates for positions of administration members and key positions in the Company; (vi) evaluate and monitor the Company's profit sharing and stock options programs.
Members: Rubens Menin Teixeira de Souza, Rafael Nazareth Menin Teixeira de Souza Eduardo Fischer Teixeira de Souza, Júnia Maria de Sousa Lima Galvão and Levi Henrique.

Commercial and Credit Committee

The Committee's duties are: (i) define the commercial and real estate financing strategy of the Company, composed; among others, sales mix, pricing, team profile, market agents mix, etc; (ii) define media strategies; (iii) define real estate financing strategies.
Members: Rubens Menin Teixeira de Souza, Rafael Nazareth Menin Teixeira de Souza, Eduardo Fischer Teixeira de Souza, Eduardo Paes Barreto, Leonardo Guimarães Corrêa, José Adib Tomé Simão and Ricardo Paixão Pinto Rodrigues.

Real Estate Financing Committee

The Committee's duties is to define strategies of geographical expansion of the Company's activities and land acquisitions.
Members: Rubens Menin Teixeira de Souza, Rafael Nazareth Menin Teixeira de Souza, Eduardo Fischer Teixeira de Souza and Hudson Gonçalves Andrade.

Production Committee

The Committee's duties are: (i) 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; (ii) establish supplies and labor management strategies; (iii) monitor construction sites schedule; (iv) propose productivity optimization solutions; (v) ensure and propose action plans to reduce the environmental impacts of the production process, aiming to improve sustainable development practices in the sites constructions; (vi) revise and propose improvements in the sales and cost management processes, aiming the quality maintenance of the used services and products; (vii) revise and propose improvements for the production and labor training control plans; (viii) ensure the good practices maintenance in work safety; hygiene and organization in construction sites.
Members: Rubens Menin Teixeira de Souza, Rafael Nazareth Menin Teixeira de Souza, Eduardo Fischer Teixeira de Souza and Homero Aguiar Paiva.

Communication Committee

The Committee's duties are: (i) establish the Company's communication strategy with the stakeholders;
(ii) disclose the Company's Communication policy; (iii) interact with communication outlets in general;
(iv) submit to Board of Directors recommendations about its competent issues and report its activities periodically to them; (v) follow the execution of its recommendations,, meeting periodically with the Executive Board and Managers.
Members: Rubens Menin Teixeira de Souza, Rafael Nazareth Menin Teixeira de Souza, Eduardo Fischer Teixeira de Souza, Júnia Maria de Sousa Lima Galvão, Maria Fernanda Nazareth Menin Teixeira de Souza Maia e, Raphael Rocha Lafetá.

Juridical Committee

The Committee's duties are: (i) establish the Company's legal strategy in relation to main causes and mass litigation; (ii) establish the fiscal planning strategy; (iii) establish policies of judicial and extrajudicial agreements, disbursement and contingency; (iv) submit to Board of Directors recommendations about its competent issues and report its activities periodically to them; (v) follow the execution of its recommendations,, meeting periodically with the Executive Board and Managers.
Members: Rubens Menin Teixeira de Souza, Rafael Nazareth Menin Teixeira de Souza, Eduardo Fischer Teixeira de Souza, Maria Fernanda Nazareth Menin Teixeira de Souza Maia, Leonardo Guimarães Corrêa e, Raphael Rocha Lafetá.

b) date of creation of the Supervisory Board, if not permanent, and other committees

We do not have a permanent Supervisory Board.

The Human Resources Committee, Corporate Governance Committee and Clients Relationship Committee were created by our Board of Directors, at the meeting held on November 6, 2006.

The Real Estate Development Committee was created by our Board of Directors, at the meeting held on April 9, 2007.

The Risk Management Committee was created by our Board of Directors, at the meeting held on February 8, 2010.

The Ethics Committee was created by our Board of Directors, at the meeting held on June 11, 2012.

In the General Extraordinary Meeting held on February 20, 2015, the shareholders approved the establishment of the following Executive Committees:

(a) Risks and Compliance Committee;
(b) Governance, Ethics and Sustainability Committee;
(c) Human Resources Committee;
(d) Commercial and Real Estate Financing Committee;
(e) Real Estate Development Committee;
(f) Production Committee.

The members of all Committees were elected in the Meeting of the Board of Directors held on May 08, 2015, and their internal regulations were approved in the meetings of the Board of Directors held on May 08 and 20, 2015.

The members of the Communication and Juridical Committee were elected in the Meeting of the Board of Directors held on March 03, 2016 and their internal regulations were approved in the meeting of the Board held on the same date.

c) performance evaluation mechanisms of each body or committee and its members

There is no formal evaluation of the bodies and committees

d) as regards to the members of the Executive Board, their individual responsibilities and powers

The Chief Executive Officer Region I, in addition to the duties conferred by the Board of Directors, shall, implement the Company's business strategy in his respective regional office (Regions Midwest and Northeast, throughout the State of Minas Gerais, throughout the State of Espírito Santo and throughout the State of Rio de Janeiro), aiming at attaining the Company's growth and profitability goals: (i) define the short-term strategy and goals, (ii) define the commercial and marketing strategies, to answer for the development and implementation of commercial measures and initiatives, aiming the business development, (iii) define strategies and technology research for the Construction business divisions, as well as for the Supplies, Safety, Engineering and Technical Assistance areas, (iv) define strategies and measures to optimize the Company's funding by financial institutions, ensure the customer base's quality and enable client financing; (v) define real estate development and construction strategies, aiming the business development, in accordance with the guidelines set out by the Board of Directors; (vi) organize and supervise, in accordance with the guidelines of the Board of Directors, the implementation of the Region's activities.

The Chief Executive Officer Region II, in addition to the duties conferred by the Board of Directors, implement the Company's business strategy in his respective regional office (Regions South and throughout the State of São Paulo), aiming at attaining the Company's growth and profitability goals: (i) define the short-term strategy and goals, (ii) define the commercial and marketing strategies, to answer for the development and implementation of commercial measures and initiatives, aiming the business development, (iii) define strategies and technology research for the Construction business divisions, as well as for the Supplies, Safety, Engineering and Technical Assistance areas, (iv) define strategies and measures to optimize the Company's funding by financial institutions, ensure the customer base's quality and enable client financing; (v) define real estate development and construction strategies, aiming the business development, in accordance with the guidelines set out by the Board of Directors; (vi) organize and supervise, in accordance with the guidelines of the Board of Directors, the implementation of the Region's activities.

Functions of the Financial Officer: In addition to the duties conferred by the Board of Directors, the Chief Financial Officer shall define the Company's financial strategies in line with the current business plans, and monitor and supervise the accounting, treasury, financial planning and investor relations processes.

Functions of the Chief Investor Relations Officer: In addition to the duties conferred by the Board of Directors, the Investor Relations Officer shall represent the Company before the Brazilian Securities and Exchange Commission, shareholders, investors, stock exchanges, Central Bank of Brazil and any other agencies governing capital market activities, and shall define strategies and measures to optimize the Company's funding and fulfill the investors' interests.

Functions of the Chief Legal Officer: In addition to the duties conferred by the Board of Directors, the Chief Legal Officer shall develop legal strategies to monitor administrative and legal proceedings, carry out the engagement and management of third-party law firms, ensure the legal safety of any and all business transacted, be held liable for any and all legal matters involving the Company.

Functions of the Chief Sales Officer: In addition to the duties conferred by the Board of Directors, the Chief Sales Officer shall define the business and marketing strategies and be held liable for the development and implementation of business measures and initiatives, aiming at the business growth.

Functions of the Chief Production Officer: In addition to the duties conferred by the Board of Directors, the Chief Production Officer shall define the technology strategies and researches for the Construction business divisions and the corporate real estate supply, safety, engineering and technical support areas.

Functions of the Chief Real Estate Credit Officer: In addition to the duties conferred by the Board of Directors, the Chief Real Estate Credit Officer shall define the strategies and measures to optimize the Company's funding with financial institutions, ensure the quality of the customer portfolio and make the customers' financing possible.

Functions of the Chief Real Estate Development Officer: In addition to the duties conferred by the Board of Directors, the Chief Real Estate Development Officer shall define the real estate development and construction strategies, aiming at the business growth, in accordance with the guidelines set out by the Board of Directors.

Functions of the Chief Management and Shared Service Center Officer: In addition to the duties conferred by the Board of Directors, the Chief Management and Shared Service Center Officer shall define the Company's administrative, human resources, customer relationship and Information Technology strategies, in line with current business plans, in accordance with the guidelines set out by the Board of Directors.

12.2. Rules, policies and practices related to the general meetings

a) request periods

The Company's General Meetings are requested within, at least, 15 (fifteen) consecutive days in advance in the first call and within 8 (eight) consecutive days in advance in the second call.

b) responsibilities

The shareholders, at the general meetings, must resolve the following matters, without prejudice to the other obligations:

- Amendments to the Bylaws;
- Split-off of shares;
- Stock option plans;
- Delist from Novo Mercado;
- Selection of specialized company responsible for the determination of the Company's economic value in connection with the public offerings set forth in our Bylaws, amongst the triple list of companies indicated by our Board of Directors;
- Issuance of convertible and/or guaranteed debentures;
- Suspension of the exercise of the rights of the shareholder which was not able to comply with the obligations set forth in applicable law or our Bylaws;
- Evaluation of the assets as regards to which the shareholder intends to subscribe the shares;
- Approval of the transformation into a limited-liability company or any other type of company set forth in the Brazilian Corporate Law;
- Merger, incorporation or other company or spin-off;
- Dissolution and liquidation, election and removal of the liquidators, as well as approval of the accounts presented by the liquidators and also election of the members of the Supervisory Board, which must operate during the liquidation period; and
- Authorization of the request for bankruptcy or judicial or extrajudicial recovery.

c) addresses (physical or electronic) where the documents related to the general meeting will be at the disposal of the shareholders for analysis

Electronic: ri.mrv.com.br; www.cvm.gov.br; www.bmfbovespa.com.br.
Physical: Avenida Professor Mario Werneck, nº 621, Belo Horizonte, Minas Gerais

d) identification and management of conflict of interests

Under applicable law, the conflict of interests are identified and managed by the Chairman of the Board of Directors, through analysis of the purpose and contra-parties of the agreement.

In the event the interests of any shareholder conflict with the subject of the day, in accordance with the Brazilian legislation, such shareholder must not vote.

In this regard, this rule is applicable to the Company, considering that, generally speaking, the shareholders, whose interests conflict with the subject of the day, must not vote.

e) request of proxies by management for the exercise of the voting right

The Company accepts the vote of the shareholders' representative provided that such representative was duly established and the proxy includes the vote to be granted.

f) formal procedures necessary for acceptance of the proxies granted by the shareholders, indicating whether the issuer accepts proxies granted by the shareholders through electronic media

The shareholder may be represented at the General Meeting by an attorney-in-fact appointed in less than 1 (one) year, which is a shareholder, administrator, lawyer, financial institution or administrator of the investment funds representing the members. To attend to the General Meeting, the shareholder must deliver to the Company, on the date of the respective meeting, the respective proxy, duly regularized under applicable law and in accordance with these Bylaws, in the event of representation of the shareholder. The shareholder or the legal representative must attend to the General Meeting with the documents to confirm his/her identity, notarized, it is permitted notarization, consular and certified translation. The Company does not accept proxies granted by shareholders through electronic media.

g) formalities necessary for acceptance of ballot distance

The Company does not have voting system at a distance, but is studying the implementation to have available to shareholders in 2017.

h) if the company provides electronic system for receiving the ballot distance or distance participation

The Company does not have electronics but is studying the implementation together with the distance voting in 2017.

i) instructions for shareholder or group of shareholders to include resolution proposals, plates or candidates for members of the board of directors and the supervisory board on the ballot distance

Because the Company does not have implemented distance voting, there is no consolidated statement.

j) if the company offers forums and pages on internet to receive/share shareholders' comments on the agendas of meetings

The Company does not provide forums and pages on internet to receive and share shareholders' comments on the agendas of meetings. However, the Company has open relationship channel with its analysts and shareholders, through the website of Investor Relations (ri.mrv.com.br) and email (ri@mrv.com.br) used to answering questions and any information relating to the Company.

k) other information needed to participate distance and the exercise of voting rights the distance

The item k does not apply because the Company has not yet implemented the distance voting.

12.3. Describe the rules, policies and practices related to the board, including:

a) number of meetings held in the last year, distinguishing between the number of ordinary and extraordinary meetings

In the last fiscal year, the Company held 18 meetings, among them an Extraordinary General Meeting and Annual and Extraordinary General Meeting.

b) if any, the provisions of the shareholders' agreement that place restrictions or conditions on the exercise of voting rights of board members.

The Company has no shareholders' agreement in force.

c. rules for identifying and managing conflicts of interests

Under the law, conflicts of interest are identified and managed by the chairman of the board by means of object analysis and counter-parties to the contract.

If any shareholder has conflicting interests with the matter on the agenda, according to Brazilian law, it is forbidden to utter his vote.

In this regard, the Company applies this rule, not admitting the vote, as a rule, shareholders who have conflict with matter consisting on the agenda.

In addition, the Company has policy for Transactions with Related Parties, which established criteria for resolving conflicts of interest of its shareholders and managers. When identifying a matter of this nature, administrators must immediately express their conflict of interest. Additionally, should absent himself from discussions on the topic and abstain from voting. If requested by the Chairman of the Board of Directors or the Chief Executive Officer, as appropriate, such managers may participate in part of the discussion in order to provide more information on the transaction and the parties involved. In this case, should be absent from the end of the discussion, including the voting process of matter.

12.4. Description of the commitment clause to resolve conflicts through arbitration

In accordance with the Novo Mercado Regulation and article 50 of our Bylaws, our Company, shareholders, directors, executive officers and members of the Supervisory Board, when installed, agree to resolve, through arbitration, all and any dispute or difference amongst them, specifically related to or resulting from the application, validity, effectiveness, interpretation, violation and related effects of the provisions set forth in the Brazilian Corporate Law, our Bylaws, rules issued by CMN, BACEN and CVM, as well as the other rules applicable to the capital market in general, in addition to those included in the Novo Mercado Regulation, Arbitration Regulation of the Market Arbitration Chamber and the Novo Mercado Participation Agreement.

12.5/6 . Directors, executive officers and members

a) Name	b) Date of Birth	c) Profession	d) CPF / Passport	e) Title	f) Election date	g) Investure date	h) Mandate term	i) Other titles exercised	j) Elected by the Controller
Hudson Gonçalves de Andrade	14/01/1960	Engineer	436.094.226-53	Director	04/07/2015	04/07/2015	2 years	Real Estate Development Committee	No
José Adib Tomé Simão	02/12/1946	Engineer	071.004.346-53	Director	04/07/2015	04/07/2015	2 years	Comercial and Real Estate Financing Committee	No
Júnia Maria de Sousa Lima Galvão	21/08/1970	Auditor	878.532.996-72	Director	04/07/2015	04/07/2015	2 years	Human Resources Committee; Comercial and Real Estate Financing Committee	No
Leonardo Guimarães Corrêa	30/08/1958	Economist	275.939.836-68	Director	04/07/2015	04/07/2015	2 years	Risk Management Committee; Comercial and Real Estate Financing Committee; Juridical Committee	No
Maria Fernanda Nazareth Menin Teixeira de Souza Maia	29/12/1978	Lawyer	040.415.096-96	Director	04/07/2015	04/07/2015	2 years	Risk Management Committee; Corporate Governance; Ethic and Sustainability Committee; Communication Committee; Juridical Committee	No
Eduardo Fischer Teixeira de Souza	24/09/1973	Engineer	000.415.476-24	Director	04/07/2015	04/07/2015	2 years	Chief Executive Officer – Region II; Risk Management Committee; Corporate Governance; Ethic and Sustainability Committee; Human Resources Committee; Comercial and Real Estate Financing Committee; Real Estate Development Committee;Production Committee; Communication Committee; Juridical Committee	No
Eduardo Paes Barretto	15/09/1957	Administrator	006.078.718-06	Director	04/07/2015	04/07/2015	2 years	Comercial and Real Estate Financing Committee	No
Homero Aguiar Paiva	10/05/1961	Engineer	566.916.456-34	Director	04/07/2015	04/07/2015	2 years	Production Committee	No
Fernando Henrique da Fonseca	22/03/1940	Economist	199.017.396-91	Independent Director	04/30/2015	04/30/2015	2 years	No	No
Levi Henrique	31/05/1940	Engineer	029.704.148-72	Independent Director	04/30/2015	04/30/2015	2 years	Human Resources Committee;	No
Paulo Eduardo Rocha Brant	01/05/1952	Economist and Engineer	204.271.236-15	Independent Director	09/30/2016	09/30/2016	Until 2017 OGM	No	No
Rubens Menin Teixeira de Souza	12/03/1956	Engineer	315.836.606-15	Chairman of the Board of Directors	04/30/2015	04/30/2015	2 years	President of Risk Management Committee; Governance; Ethic and Sustainability Committee; Human Resources Committee; Comercial and Real Estate Financing Committee;	Yes

a) Name	b) Date of Birth	c) Profession	d) CPF / Passport	e) Title	f) Election date	g) Investure date	h) Mandate term	i) Other titles exercised	j) Elected by the Controller
								Real Estate Development Committee; Production Committee; Communication Committee; Juridical Committee	
Marco Aurélio de Vasconcelos Cançado	02/08/1950	Administrator	137.837.506-87	Independent Director	04/30/2015	04/30/2015	2 years	No	No
Rafael Nazareth Menin Teixeira de Souza	26/12/1980	Engineer	013.255.636-76	Director	04/30/2015	04/30/2015	2 years	Chief Executive Officer – Region I, Real Estate Development Committee; Human Resources Committee; Ethics Committee; Governance; Ethic and Sustainability Committee; Human Resources Committee; Comercial and Real Estate Financing Committee; Real Estate Development Committee; Production Committee; Communication Committee; Juridical	No

12.7/8 Committee Members

a) Name	b) Age	c) Profession	d) CPF / Passport	e) Committee (s)	f) Election date	g) Investure date	h) Mandate term	i) Other titles exercised
Levi Henrique	74	Engineer	029.704.148-72	Human Resources Committe	05/08/2015	05/08/2015	2 years	Board of Directors
Júnia Maria de Sousa Lima Galvão	44	Accountant	878.532.996-72	Human resources and Governance, Ethics and Sustainability Committees, Communication Committee*	05/08/2015 03/03/2016*	05/08/2015 03/03/2016*	2 years	Chief Management and Shared Service Center Officer
Leonardo Guimarães Corrêa	56	Economist	275.939.836-68	Risks and Compliance and Commercial and Credit Committees, Communication Committee*	05/08/2015 03/03/2016*	05/08/2015 03/03/2016*	2 years	Chief Financial and Investor Relations Officer
Rafael Nazareth Menin Teixeira de Souza	34	Engineer	013.255.636-76	Risks and Compliance, Governance, Ethics and Sustainability, Human Resources, Commercial and Credit, Real Estate Development and Production Committees Communication Committee*, Juridical Committee*	05/08/2015 03/03/2016*	05/08/2015 03/03/2016*	2 years	Director and Chief Executive Officer – Region I
Rubens Menin Teixeira de Souza	59	Engineer	315.836.606-15	President of Risks and Compliance, Governance, Ethics and Sustainability, Human Resources, Commercial and Credit, Real Estate Development	05/08/2015 03/03/2016*	05/08/2015 03/03/2016*	2 years	Chairman of the Board of Directors

				and Production Committees Communication Committee*, Juridical Committee*				
Maria Fernance Menin Teixeira de Souza Maia	35	Lawyer	040.415.096-96	Risks and Compliance and Governance, Ethics and Sustainability Committees Communication Committee*, Juridical Committee*	05/08/2015 03/03/2016*	05/08/2015 03/03/2016*	2 years	Chief Legal Officer
Eduardo Fischer Teixeira de Souza	41	Engineer	000.415.476-24	Risks and Compliance, Governance, Ethics and Sustainability, Human Resources, Commercial and Credit, Real Estate Development and Production Committees Communication Committee*, Juridical Committee*	05/08/2015 03/03/2016*	05/08/2015 03/03/2016*	2 years	Chief Executive Officer – Region II
Eduardo Paes Barretto	57	Businessman	006.078.718-06	Commercial and Credit Committee	05/08/2015	05/08/2015	2 years	Chief Commercial Officer
Homero Aguiar Paiva	54	Engineer	566.916.456-34	Production Committee	05/08/2015	05/08/2015	2 years	Chief Production Officer
Hudson Gonçalves de Andrade	55	Engineer	436.094.226-53	Real Estate Development Committee	05/08/2015	05/08/2015	2 years	Chief Real Estate Development Officer
José Adib Tomé Simão	68	Engineer	071.004.346-53	Commercial and Credit Committee	05/08/2015	05/08/2015	2 years	Chief Real Estate Financing Officer
Raphael Rocha Lafetá	48	Engineer	654.920.306-63	Communication Committee*, Juridical Committee*	05/08/2015 03/03/2016*	05/08/2015 03/03/2016*	2 years	Juridical Director

Working Experience / Statement of Criminal claims

Hudson Gonçalves de Andrade - 436.094.226-53 – 5th consecutive mandate.

Hudson Gonçalves de Andrade – Chief Real Estate Development Officer
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. Mr. Andrade was elected our Chief Real Estate Development Officer at the meeting of the Board of Directors held on June 2, 2006. Besides MRV, he had never worked in a publicly held Company. I, Hudson Gonçalves de Andrade, reelected on April 07,2015, declare, for all legal purposes that, over the last five years, I was not subject to the effects in connection with any criminal claim, plea or fine resulting from any administrative proceeding with CVM, as well as subject to any final and unappealable decision, at the legal and administrative levels, which resulted in the suspension or lack of qualification to exercise any professional or commercial activity.

José Adib Tomé Simão - 071.004.346-53 – 5th consecutive mandate

Jose Adib Tomé Simão – Chief Real Estate Financing Officer

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. Besides MRV, he had never worked in a publicly held Company. I, José Adib Tomé Simão, reelected on April 07,2015, declare, for all legal purposes that, over the last five years, I was not subject to the effects in connection with any criminal claim, plea or fine resulting from any administrative proceeding with CVM, as well as subject to any final and unappealable decision, at the legal and administrative levels, which resulted in the suspension or lack of qualification to exercise any professional or commercial activity.

Júnia Maria de Sousa Lima Galvão - 878.532.996-72 – 5th consecutive mandate

Júnia Maria de Sousa Lima Galvão – Chief Management and Shared Service Center Officer

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.. Besides MRV, she had never worked in a publicly held Company. I, Júnia Maria de Sousa Lima Galvão, reelected on April 07,2015, declare, for all legal purposes that, over the last five years, I was not subject to the effects in connection with any criminal claim, plea or fine resulting from any administrative proceeding with CVM, as well as subject to any final and unappealable decision, at the legal and administrative levels, which resulted in the suspension or lack of qualification to exercise any professional or commercial activity.

Leonardo Guimarães Corrêa - 275.939.836-68 – 5th consecutive mandate

Leonardo Guimarães Corrêa – Chief Financial Officer

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.. Besides MRV, he had never worked in a publicly held Company. I, Leonardo Guimarães Corrêa, reelected on April 07,2015, declare, for all legal purposes that, over the last five years, I was not subject to the effects in connection with any criminal claim, plea or fine resulting from any administrative proceeding with CVM, as well as subject to any final and unappealable decision, at the legal and administrative levels, which resulted in the suspension or lack of qualification to exercise any professional or commercial activity

Maria Fernanda Nazareth Menin Teixeira de Souza Maia - 040.415.096-96 – 3rd consecutive mandate.

Maria Fernanda Nazareth Menin Teixeira de Souza Maia – Chief Legal Officer

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.. Besides MRV, she had never worked in a publicly held Company. I, Maria Fernanda Nazareth Menin Teixeira de Souza Maia, reelected on April 07,2015, declare, for all legal purposes that, over the last five years, I was not subject to the effects in connection with any criminal claim, plea or fine resulting from any administrative proceeding with CVM, as well as subject to any final and unappealable decision, at the legal and administrative levels, which resulted in the suspension or lack of qualification to exercise any professional or commercial activity.

Eduardo Fischer Teixeira de Souza - 000.415.476-24 – 3rd consecutive mandate.

Eduardo Fischer Teixeira de Souza – Chief Executive Officer Regio II

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. Besides MRV, he had never worked in a publicly held Company. I, Eduardo Fischer Teixeira de Souza, declare, for all legal purposes that, over the last five years, I was not subject to the effects in connection with any criminal claim, plea or fine resulting from any administrative proceeding with CVM, as well as subject to any final and unappealable decision, at the legal and administrative levels, which resulted in the suspension or lack of qualification to exercise any professional or commercial activity.

Eduardo Paes Barretto - 006.078.718-06 - 3rd consecutive mandate

Eduardo Paes Barretto – Chief Commercial Officer

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. Besides MRV, he had never worked in a publicly held Company. I, Eduardo Paes Barretto, reelected on April 07, 2015, declare, for all legal purposes that, over the last five years, I was not subject to the effects in connection with any criminal claim, plea or fine resulting from any administrative proceeding with CVM, as well as subject to any final and unappealable decision, at the legal and administrative levels, which resulted in the suspension or lack of qualification to exercise any professional or commercial activity.

Homero Aguiar Paiva - 566.916.456-34 – 5th consecutive mandate

Homero Aguiar Paiva – Chief Production Officer

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. I, Homero Aguiar Paiva, reelected on April 07,2015, declare, for all legal purposes that, over the last five years, I was not subject to the effects in connection with any criminal claim, plea or fine resulting from any administrative proceeding with CVM, as well as subject to any final and unappealable decision, at the legal and administrative levels, which resulted in the suspension or lack of qualification to exercise any professional or commercial activity.

Fernando Henrique da Fonseca - 199.017.396-91 – 5th consecutive mandate.

He was elected member of the Board of Directors on general Shareholders Meeting on October 5, 2006, position that he holds until today. He holds a degree in economics from the Federal University of Minas Gerais - UFMG, having pursued specialized courses in the areas of finance, economics and business. He was CEO of Celulose Nipo-Brasileira S.A. (CENIBRA) from 2001 to 2011. He has more than 40 years of experience in the financial divisions of public and private companies, having held the following positions: President of the financial companies Banco Intermedium S.A., a multiple bank, and Credicon from 1994 to 2001; President of Banco Agrimisa between 1988 and 1993. Vice-President of BEMGE Bank from 1987 to 1988; President of Agrimisa Bank from 1988 to 1993; Executive Officer of Minas Gerais State Financial Policy Committee from 1983 to 1985; and Manager of the Companhia Siderúrgica Belgo-Mineira from 1967 to 1975. In addition to MRV, during his career, he worked for more three publicly held companies: as Regional Sales Planning and Exportation Manager at Companhia Siderúrgica Belgo-Mineira between 1967 and 1975; as Vice-President at Banco BEMGE between 1987 and 19988; and as President at Banco Agrimisa between 1988 and 1993.

I, Fernando Henrique da Fonseca, reelected on April 30, 2015, declare, for all legal purposes that, over the last five years, I was not subject to the effects in connection with any criminal claim, plea or fine resulting from any administrative proceeding with CVM, as well as subject to any final and unappealable decision, at the legal and administrative levels, which resulted in the suspension or lack of qualification to exercise any professional or commercial activity.

Levi Henrique - 029.704.148-72 – *5h consecutive mandate*.

He was elected member of the Board of Directors on Extraordinary Shareholders Meeting on June 1, 2006, position that he holds until today. Holds an engineering degree from the Instituto Tecnologico de Aeronautica - ITA. After graduating, he entered Cofap S.A. (company operating in the autoparts industry) 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., company operating in the steel industry, where he reached the position of Superintendent of the Non-Ferrous Division. He worked at that company for 8 years, up to1984, and then, between 1985 and 1993, he worked as a Superintendent at LaFonte Fechaduras S.A. Between 1987 and 1990, he worked as a Superintendent at Metalpo Indústria e Comércio Ltda., a company operating in the steel industry; and between 1990 and 1993, he worked as a Superintendent at Protendit Indústria e Comércio Ltda., a company operating in the civil construction industry. He established Geminids, his business management-consulting firm, in 1994, which was recently enclosed. Over the last five years, he worked at Suggar Eletrodomésticos Ltda. (2002–2006), manufacturer and seller of exhausters of kitchens and semi-automatic washing machines, as the CEO’s Assistant. In addition to MRV, during his career he worked at other two publicly-held companies: as Superintendent at LaFonte Fechaduras S.A., an integral part of the holding LaFonte Participações (1985–1986) and as Superintendent of the Non-Ferrous Division at Eluma S.A. (1978–1984). I, Levi Henrique, reelected on April 30, 2015, declare, for all legal purposes that, over the last five years, I was not subject to the effects in connection with any criminal claim, plea or fine resulting from any administrative proceeding with CVM, as well as subject to any final and unappealable decision, at the legal and administrative levels, which resulted in the suspension or lack of qualification to exercise any professional or commercial activity.

Marcos Alberto Cabaleiro Fernandez - 139.359.336-49 – 5h consecutive mandate.

He was elected member of the Board of Directors on Extraordinary Shareholders Meeting on June 1, 2006, position that he holds until today. Graduated with a law degree from the Milton Campos Law School in 1981. He founded Construtora Becker Cabaleiro, civil construction company, in 1977 and CVG developer in 1986. He was Vice-Chairman of the Real Estate Market Chamber of Belo Horizonte and the Civil Construction Union 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, and member of the Board of Directors and Chief Executive Officer of LOG Commercial Properties SA, a commercial and industrial properties company, since its founding in 2008, and member of the Board of Directors and Chief Executive Officer of Urbamais Properties e Participações S.A., with purpose of the development of large urban areas for residential and/or residential/office use, since its founding in 2012. In addition to MRV, he has not worked at other publicly held companies. I, Marcos Alberto Cabaleiro Fernandez, reelected on April 30, 2015, declare, for all legal purposes that, over the last five years, I was not subject to the effects in connection with any criminal claim, plea or fine resulting from any administrative proceeding with CVM, as well as subject to any final and unappealable decision, at the legal and administrative levels, which resulted in the suspension or lack of qualification to exercise any professional or commercial activity.

Rubens Menin Teixeira de Souza - 315.836.606-15 – 5h consecutive mandate.
Chairman of the Board of Directors. He was elected member of the Board of Directors on Extraordinary Shareholders Meeting on June 1, 2006, position that he holds until today. He holds a degree in civil engineering from the Federal University of Minas Gerais - UFMG, where he graduated in 1978. He is a founding partner of the MRV group in 1979 and the main executive, currently serves as Chairman of the Board of Directors. He is also a founding partner of Intermedium, multiple bank, and has been Chairman of its Board of Directors since its establishment in 1994, Chairman of the Board of Directors of LOG Commercial Properties SA, a commercial and industrial properties company, since its founding in 2008, and Chairman of the Board of Directors of Urbamais Properties e Participações S.A., with purpose of the development of large urban areas for residential and/or residential/office use, since its founding in 2012. In addition to MRV, he has not worked at other publicly held companies. I, Rubens Menin Teixeira de Souza, reelected on April 30, 2015, declare, for all legal purposes that, over the last five years, I was not subject to the effects in connection with any criminal claim, plea or fine resulting from any administrative proceeding with CVM, as well as subject to any final and unappealable decision, at the legal and administrative levels, which resulted in the suspension or lack of qualification to exercise any professional or commercial activity.

Marco Aurélio de Vasconcelos Cançado - 137.837.506-87 –1st mandate.

He was elected member of the Board of Directors on Extraordinary Shareholders Meeting on February 20, 2015, position that 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 Chied 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. I, Marco Aurélio de Vasconcelos cançado, reelected on April 30, 2015, declare, for all legal purposes that, over the last five years, I was not subject to the effects in connection with any criminal claim, plea or fine resulting from any administrative proceeding with CVM, as well as subject to any final and unappealable decision, at the legal and administrative levels, which resulted in the suspension or lack of qualification to exercise any professional or commercial activity.

Rafael Nazareth Menin Teixeira de Souza - 013.255.636-76 – *3th consecutive mandate.*

Rafael Nazareth Menin Teixeira de Souza – Chief Executive Officer – Region I. He was elected member of the Board of Directors on Annual and Extraordinary Shareholders Meeting on April 30, 2013, position that he holds until today. 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 member of the Board of Directors of Urbamais Properties e Participações S.A., with purpose of the development of large urban areas for residential and/or residential/office use, since its founding in 2012. He was elected MRV´s Chief Regional Officer at the meeting of the Board of Directors held on March 8, 2010, and afterwards appointed as Chief Executive Officer – Region I at the meeting of the Board of Directors held on March 27, 2014, position, which he holds until today. Besides MRV, Rafael does not have experience in any other publicly held Company. In addition to MRV, he has not worked at other publicly held companies. I, Rafael Nazareth Menin Teixeira de Souza, reelected on April 07, 2015, declare, for all legal purposes that, over the last five years, I was not subject to the effects in connection with any criminal claim, plea or fine resulting from any administrative proceeding with CVM, as well as subject to any final and unappealable decision, at the legal and administrative levels, which resulted in the suspension or lack of qualification to exercise any professional or commercial activity.

Paulo Eduardo Rocha Brant - 204.271.236-15 – 1st mandate

Graduated in economic and civil engineering, with specialization in economics and business strategy, Paulo Eduardo Rocha Brant exercised the leadership of various academic and financial institutions, having served as Secretary of State of Minas Gerais for Culture. Paulo Brant held the positions of Chief Superintendent, Chief Economist, Director of Area of Operations and Finance and Superintendent of the planning area of the Banco de Desenvolvimento de Minas Gerais (BDMG). He was also Chief Officer of BEMGE Distribuidora and Vice President Executive Officer and Investor Relations Director of the Banco do Estado de Minas Gerais (BEMGE). Paulo also was CEO of Celulose Nipo-Brasileira S.A. – CENIBRA. Among Paulo Brant's other activities there are also the presidency of the Brazilian Institute of Planning, the vice presidency of the Deliberative Council of the América Futebol Clube, and he was also Director of the Museum Clube da Esquina. Paulo Brant also served as Assistant Secretary of the Secretaria de Estado de Indústria e Comércio de Minas Gerais.

Mr. Paulo Eduardo Rocha Brant declared for all legal purposes that in the last five years he has not been subject to: (i) any criminal conviction; (ii) any conviction or application of penalty in administrative proceeding of the Securities and Exchange Commission of Brazil (CVM); (iii) any final conviction in the judicial or administrative field, which has suspended or disqualified him topractice a professional or commercial activity in the Civil Engineering field. Mr. Paulo Eduardo Rocha Brant also said that he has an administrative conviction regarding to a decision provided by the Brazil´s Central Bank No. 0001022690,and he is part of public civil action filled by the Minas Gerais Prosecution nº 0648079-02.2015.8.13.0000 in phase of special appeal to the Superior Court of Justice, which does not disqualified him to practice a professional or commercial activity in the Civil Engineering field.

Name	Committee Type	Title	Profession	Election date	Mandate term
CPF / Passport	**Others Committees Description**	**Other titles exercised**	**Date of Birth**	**Investure date**	
Other titles exercised by the issuer		**Working Experience / Statement of eventual convictions**			
Eduardo Fischer Teixeira de Souza	Others Committees	Committee Member (Permanent)	Engineer	05/08/2016	2 years
436.094.226-53	Production Committee		09/24/1973	05/08/2016	
Chief Executive Officer – Region II; Risk Management Committee; Corporate Governance; Ethic and Sustainability Committee; Human Resources Committee; Comercial and Real Estate Financing Committee; Real Estate Development Committee;Production Committee; Communication Committee; Juridical Committee					
Eduardo Fischer Teixeira de Souza	Others Committees	Committee Member (Permanent)	Engineer	05/08/2016	2 years
436.094.226-53	Risk Management Committee		09/24/1973	05/08/2016	
Chief Executive Officer – Region II; Production Committee; Corporate Governance; Ethic and Sustainability Committee; Human Resources Committee; Comercial and Real Estate Financing Committee; Real Estate Development Committee;Production Committee; Communication Committee; Juridical Committee					
Eduardo Fischer Teixeira de Souza	Others Committees	Committee Member (Permanent)	Engineer	05/08/2016	2 years
000.415.476-24	Corporate Governance, Ethic and Sustainability Committee		09/24/1973	05/08/2016	
Chief Executive Officer – Region II; Production Committee; Corporate Governance; Risk Management Committee; Human Resources Committee; Comercial and Real Estate Financing Committee; Real Estate Development Committee;Production Committee; Communication Committee; Juridical Committee					
Eduardo Fischer Teixeira de Souza	Others Committees	Committee Member (Permanent)	Engineer	05/08/2016	2 years
000.415.476-24	Human Resources Committee		09/24/1973	05/08/2016	
Chief Executive Officer – Region II; Production Committee; Risk Management Committee; Corporate Governance, Ethic and Sustainability Committee; Comercial and Real Estate Financing Committee; Real Estate Development Committee;Production Committee; Communication Committee; Juridical Committee					
Eduardo Fischer Teixeira de Souza	Others Committees	Committee Member (Permanent)	Engineer	05/08/2016	2 years
000.415.476-24	Comercial and Real Estate Financing Committee		09/24/1973	05/08/2016	
Chief Executive Officer – Region II; Risk Management Committee; Corporate Governance; Ethic and Sustainability Committee; Human Resources Committee; Real Estate Development Committee;Production Committee; Communication Committee; Juridical Committee					
Eduardo Fischer Teixeira de Souza	Others Committees	Committee Member (Permanent)	Engineer	05/08/2016	2 years
000.415.476-24	Real Estate Development Committee		09/24/1973	05/08/2016	
Chief Executive Officer – Region II; Risk Management Committee; Corporate Governance; Ethic and Sustainability Committee; Human Resources Committee; Comercial and Real Estate Financing Committee; Production Committee; Communication Committee; Juridical Committee					

Name	Committee Type	Title	Profession	Election date	Mandate term
CPF / Passport	**Others Committees Description**	**Other titles exercised**	**Date of Birth**	**Investure date**	
Other titles exercised by the issuer		**Working Experience / Statement of eventual convictions**			
Eduardo Fischer Teixeira de Souza	Others Committees	Committee Member (Permanent)	Engineer	03/03/2016	2 years
436.094.226-53	Communication Committee		09/24/1973	03/03/2016	
Chief Executive Officer – Region II; Risk Management Committee; Corporate Governance; Ethic and Sustainabilty Committee; Human Resources Committee; Comercial and Real Estate Financing Committee; Real Estate Development Committee; Production Committee; Communication Committee; Juridical Committee					
Eduardo Fischer Teixeira de Souza	Others Committees	Committee Member (Permanent)	Engineer	03/03/2016	2 years
436.094.226-53	Juridical Committee		09/24/1973	03/03/2016	
Chief Executive Officer – Region II; Risk Management Committee; Corporate Governance; Ethic and Sustainabilty Committee; Human Resources Committee; Comercial and Real Estate Financing Committee; Real Estate Development Committee; Production Committee; Communication Committee					
Eduardo Paes Barretto	Others Committees	Committee Member (Permanent)	Administrator	05/08/2015	2 years
006.078.718-06	Comercial and Real Estate Financing Committee		09/15/1957	05/08/2015	
Chief Commercial Officer					
Homero Aguiar Paiva	Others Committees	Committee Member (Permanent)	Engineer	05/08/2015	2 years
566.916.456-34	Production Committee		05/10/1961	05/08/2015	
Chief Production Officer					
Hudson Gonçalves de Andrade	Others Committees	Committee Member (Permanent)	Engineer	05/08/2015	2 years
436.094.226-53	Real Estate Development Committee		01/14/1960	05/08/2015	
Real Estate Development Officer					
José Adib Tomé Simão	Others Committees	Committee Member (Permanent)	Engineer	05/08/2015	2 years
071.004.346-53	Comercial and Real Estate Financing Committee		12/02/1946	05/08/2015	
Chief Real Estate Financing Officer					
Júnia Maria de Sousa Lima Galvão	Others Committees	Committee Member (Permanent)	Auditor	03/03/2016	2 years
878.532.996-72	Human Resources Committee		08/21/1970	03/03/2016	
Chief Management and Shared Service Center Officer; Corporate Governance Committee and Communication Commitee					

Name	Committee Type	Title	Profession	Election date	Mandate term
CPF / Passport	**Others Committees Description**	**Other titles exercised**	**Date of Birth**	**Investure date**	
Other titles exercised by the issuer		**Working Experience / Statement of eventual convictions**			
Júnia Maria de Sousa Lima Galvão	Others Committees	Committee Member (Permanent)	Auditor	05/08/2015	2 years
878.532.996-72	Corporate Governance, Ethic and Sustainability Committee		08/21/1970	05/08/2015	
Chief Management and Shared Service Center Officer; Human Resources Committee and Communication Commitee					
Júnia Maria de Sousa Lima Galvão	Others Committees	Committee Member (Permanent)	Auditor	03/03/2016	2 years
878.532.996-72	Communication Commitee		08/21/1970	03/03/2016	
Chief Management and Shared Service Center Officer; Human Resources Committee and Corporate Governance, Ethic and Sustainability Committee					
Leonardo Guimarães Corrêa	Others Committees	Committee Member (Permanent)	Economist	05/08/2015	2 years
275.939.836-68	Risk Management Committee		08/30/1958	05/08/2015	
Chief Financial and Investor Relations Officers; Comercial and Real Estate Financing Committee, Juridical Committee					
Leonardo Guimarães Corrêa	Others Committees	Committee Member (Permanent)	Economist	05/08/2015	2 years
275.939.836-68	Comercial and Real Estate Financing Committee		08/30/1958	05/08/2015	
Chief Financial and Investor Relations Officers; Risk Management Committee, Juridical Committee					
Leonardo Guimarães Corrêa	Others Committees	Committee Member (Substitute)	Economist	03/03/2016	2 years
275.939.836-68	Juridical Committee		08/30/1958	03/03/2016	
Chief Financial and Investor Relations Officers; Comercial and Real Estate Financing Committee, Risk Management Committee					
Levi Henrique	Others Committees	Committee Member (Permanent)	Engineer	05/08/2015	2 years
029.704.148-72	Human Resources Committee		05/31/1940	05/08/2015	
Board of Directors					
Maria Fernanda Nazareth Menin Teixeira de Souza Maia	Others Committees	Committee Member (Permanent)	Lawyer	05/08/2015	2 years
040.415.096-96	Risk Management Committee		12/29/1978	05/08/2015	
Chief Legal Officer; Corporate Governance, Ethic and Sustainability Committee, Communication Committee, Juridical Committee					

Name CPF/ Passport Other titles exercised by the issuer	Committee Type Others Committees Description	Title Other titles exercised	Profession Date of Birth	Election date Investure date	Mandate term
		Working Experience / Statement of eventual convictions			
Maria Fernanda Nazareth Menin Teixeira de Souza Maia 040.415.096-96 Chief Legal Officer; Risk Management Committee, Communication Committee, Juridical Committee	Others Committees Corporate Governance, Ethic and Sustainability Committee	Committee Member (Permanent)	Lawyer 12/29/1978	03/03/2016 03/03/2016	2 years
Maria Fernanda Nazareth Menin Teixeira de Souza Maia 040.415.096-96 Chief Legal Officer; Risk Management Committee, Communication Committee, Corporate Governance, Ethic and Sustainability Committee	Others Committees Juridical Committee	Committee Member (Permanent)	Lawyer 12/29/1978	03/03/2016 03/03/2016	2 years
Maria Fernanda Nazareth Menin Teixeira de Souza Maia 040.415.096-96 Chief Legal Officer; Risk Management Committee, Juridical Committee, Juridical Committee, Corporate Governance, Ethic and Sustainability Committee	Others Committees Communication Committee	Committee Member (Permanent)	Lawyer 12/29/1978	03/03/2016 03/03/2016	2 years
Rafael Nazareth Menin Teixeira de Souza 013.255.636-76 Chief Executive Officer – Region I; Board of Directors; Corporate Governance, Ethic and Sustainability Committee; Human Resources Committee; Comercial and Real Estate Financing Committee; Real Estate Development Committee;Production Committee; Communication Committee; Juridical Committee	Others Committees Risk Management Committee	Committee Member (Permanent)	Engineer 12/26/1980	08/05/2015 08/05/2015	2 years
Rafael Nazareth Menin Teixeira de Souza 013.255.636-76 Chief Executive Officer – Region I; Board of Directors; Human Resources Committee; Risk Management Committee; Comercial and Real Estate Financing Committee; Comercial and Real Estate Financing Committee; Production Committee; Communication Committee; Juridical Committee;	Others Committees Corporate Governance, Ethic and Sustainability Committee	Committee Member (Permanent)	Engineer 12/26/1980	08/05/2015 08/05/2015	2 years
Rafael Nazareth Menin Teixeira de Souza 013.255.636-76 Chief Executive Officer – Region I; Board of Directors; Corporate Governance, Ethic and Sustainability Committee; Risk Management Committee; Comercial and Real Estate Financing Committee; Comercial and Real Estate Financing Committee; Production Committee; Communication Committee; Juridical Committee;	Others Committees Human Resources Committee	Committee Member (Permanent)	Engineer 12/26/1980	08/05/2015 08/05/2015	2 years

Name	Committee Type	Title	Profession	Election date	Mandate term
CPF / Passport	Others Committees Description	Other titles exercised	Date of Birth	Investure date	
Other titles exercised by the issuer		Working Experience / Statement of eventual convictions			
Rafael Nazareth Menin Teixeira de Souza	Others Committees	Committee Member (Permanent)	Engineer	05/08/2015	2 years
013.255.636-76	Comercial and Real Estate Financing Committee		12/26/1980	05/08/2015	
Chief Executive Officer – Region I; Board of Directors; Corporate Governance, Ethic and Sustainability Committee; Risk Management Committee; Human Resources Committee; Comercial and Real Estate Financing Committee; Production Committee; Communication Committee; Juridical Committee;					
Rafael Nazareth Menin Teixeira de Souza	Others Committees	Committee Member (Permanent)	Engineer	05/08/2015	2 years
013.255.636-76	Real Estate Development Committee		12/26/1980	05/08/2015	
Chief Executive Officer – Region I; Board of Directors; Corporate Governance, Ethic and Sustainability Committee; Risk Management Committee; Human Resources Committee; Comercial and Real Estate Financing Committee; Production Committee; Communication Committee; Juridical Committee;					
Rafael Nazareth Menin Teixeira de Souza	Others Committees	Committee Member (Permanent)	Engineer	05/08/2015	2 years
013.255.636-76	Production Committee		12/26/1980	05/08/2015	
Chief Executive Officer – Region I; Board of Directors; Corporate Governance, Ethic and Sustainability Committee; Risk Management Committee; Human Resources Committee; Comercial and Real Estate Financing Committee; Real Estate Development Committee; Communication Committee; Juridical Committee;					
Rafael Nazareth Menin Teixeira de Souza	Others Committees	Committee Member (Substitute)	Engineer	03/03/2016	2 years
013.255.636-76	Communication Committee		12/26/1980	03/03/2016	
Chief Executive Officer – Region I; Board of Directors; Corporate Governance, Ethic and Sustainability Committee; Risk Management Committee; Human Resources Committee; Comercial and Real Estate Financing Committee; Real Estate Development Committee;Production Committee; Juridical Committee;					
Rafael Nazareth Menin Teixeira de Souza	Others Committees	Committee Member (Permanent)	Engineer	03/03/2016	2 years
013.255.636-76	Juridical Committee		12/26/1980	03/03/2016	
Chief Executive Officer – Region I; Board of Directors; Corporate Governance, Ethic and Sustainability Committee; Risk Management Committee; Human Resources Committee; Comercial and Real Estate Financing Committee; Real Estate Development Committee;Production Committee; Communication Committee;					

Name	Committee Type	Title	Profession	Election date	Mandate term
CPF / Passport	Others Committees Description	Other titles exercised	Date of Birth	Investure date	
Other titles exercised by the issuer		Working Experience / Statement of eventual convictions			
Raphael Rocha Lafetá	Others Committees	Committee Member (Permanent)	Engineer	03/03/2016	2 years
654.920.306-63	Communication Commitee		02/28/1968	03/03/2016	
Juridical Committee					
Raphael Rocha Lafetá	Others Committees	Committee Member (Permanent)	Engineer	03/03/2016	2 years
654.920.306-63	Juridical Commitee		02/28/1968	03/03/2016	
Communication Commitee					
Ricardo Paixão Pinto Rodrigues	Others Committees	Committee Member (Permanent)	Engineer	05/08/2015	2 years
039.096.196-57	Comercial and Real Estate Financing Committee		10/04/1980	05/08/2015	
Investor Relations and Financial Planning Director					
Rubens Menin Teixeira de Souza	Others Committees	President of the Committee	Engineer	05/08/2015	2 years
315.836.606-15	Risk Management Committee		03/12/1956	05/08/2015	
Chairman of the Board of Directors; Corporate Governance, Ethic and Sustainability Committee, Human Resources Committee, Comercial and Real Estate Financing Committee, Real Estate Development Committee;Production Committee; Communication Committee; Juridical Committee					
Rubens Menin Teixeira de Souza	Others Committees	President of the Committee	Engineer	05/08/2015	2 years
315.836.606-15	Corporate Governance, Ethic and Sustainability Committee		03/12/1956	05/08/2015	
Chairman of the Board of Directors; Risk Management Committee, Human Resources Committee, Comercial and Real Estate Financing Committee, Real Estate Development Committee;Production Committee; Communication Committee; Juridical Committee					
Rubens Menin Teixeira de Souza	Others Committees	President of the Committee	Engineer	05/08/2015	2 years
315.836.606-15	Human Resources Committee		03/12/1956	05/08/2015	
Chairman of the Board of Directors; Risk Management Committee, Corporate Governance, Ethic and Sustainability Committee, Comercial and Real Estate Financing Committee, Real Estate Development Committee;Production Committee; Communication Committee; Juridical Committee					

Name	Committee Type	Title	Profession	Election date	Mandate term
CPF / Passport	Others Committees Description	Other titles exercised	Date of Birth	Investure date	
Other titles exercised by the issuer		Working Experience / Statement of eventual convictions			
Rubens Menin Teixeira de Souza	Outros Comitês	President of the Committee	Engineer	05/08/2015	2 years
315.836.606-15	Comercial and Real Estate Financing Committee		02/28/1968	05/08/2015	
Chairman of the Board of Directors; Risk Management Committee, Corporate Governance, Ethic and Sustainability Committee, Human Resources Committee, Real Estate Development Committee;Production Committee; Communication Committee; Juridical Committee					
Rubens Menin Teixeira de Souza	Outros Comitês	President of the Committee	Engineer	05/08/2015	2 years
315.836.606-15	Real Estate Development Committee		02/28/1968	05/08/2015	
Chairman of the Board of Directors; Risk Management Committee, Corporate Governance, Ethic and Sustainability Committee, Human Resources Committee, Real Estate Development Committee;Production Committee; Communication Committee; Juridical Committee					
Rubens Menin Teixeira de Souza	Outros Comitês	President of the Committee	Engineer	05/08/2015	2 years
315.836.606-15	Production Committee		02/28/1968	05/08/2015	
Chairman of the Board of Directors; Risk Management Committee, Corporate Governance, Ethic and Sustainability Committee, Human Resources Committee, Real Estate Development Committee;Real Estate Development Committee; Communication Committee; Juridical Committee					
Rubens Menin Teixeira de Souza	Outros Comitês	President of the Committee	Engineer	03/03/2016	2 years
315.836.606-15	Communication Committee		02/28/1968	03/03/2016	
Chairman of the Board of Directors; Risk Management Committee, Corporate Governance, Ethic and Sustainability Committee, Human Resources Committee, Real Estate Development Committee;Real Estate Development Committee; Production Committee; Juridical Committee					
Rubens Menin Teixeira de Souza	Outros Comitês	President of the Committee	Engineer	03/03/2016	2 years
315.836.606-15	Juridical Committee		02/28/1968	03/03/2016	
Chairman of the Board of Directors; Risk Management Committee, Corporate Governance, Ethic and Sustainability Committee, Human Resources Committee, Real Estate Development Committee;Real Estate Development Committee; Production Committee; Communication Committee					

12.9. Marital relationships, stable unions or relatives up to the second degree amongst directors, controlled and controlers

a) Company's directors and executive officers

Nº	Name	CPF	Title	Kinship
1A	Rubens Menin Teixeira de Souza	315.836.606-15	Chairman of the Board of Directors	Father (1º degree of consanguinity)

Nº	Name	CPF	Title	Kinship
1B	Rafael Nazareth Menin Teixeira de Souza	013.255.636-76	Director and Chief Executive Officer – Region I	Son (1º degree of consanguinity)
1C	Maria Fernanda Nazareth Menin Teixeira de Souza Maia	040.415.096-96	Chief Legal Officer	Daughter (1º degree of consanguinity)

b) Company’s directors and executive officers and directors and executive officers controlled directly or indirectly by the Company

Not applicable

c) Company’s directors and executive officers or its direct or indirect subsidiaries and Company’s direct or indirect controllers

Not applicable

d) Company’s directors and executive officers and directors and executive officers controlled directly or indirectly by the Company

Not applicable

12.10 Relations of subordination, rendering of services or control held, over the last three years, amongst the Company's directors and executive officers

Identification Job Title/Function	CPF/CNPJ	Administrator interface type with the related person	Type of related person
12/31/2015			
Issuer Administrator Rubens Menin Teixeira da Costa Chairman of the Board of Directors	315.836.606-15	Control	Indirect Control
Related Person LOG CP E PARTICIPAÇÕES S/A Chairman of the Board of Directors	09.041.168/0001-10		
Issuer Administrator Rubens Menin Teixeira da Costa Chairman of the Board of Directors	315.836.606-15	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Chairman of the Board of Directors	10.571.175/0001-02		
Issuer Administrator Rafael Nazareth Menin Teixeira de Souza CEO	013.255.626-76	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Member of the Board of Directors	10.571.175/0001-02		
Issuer Administrator Leonardo Guimarães Corrêa CFO and IRO	275.939.836-68	Control	Indirect Control
Related Person LOG CP E PARTICIPAÇÕES S/A Member of the Board of Directors	09.041.168/0001-10		
Issuer Administrator Leonardo Guimarães Corrêa CFO and IRO	275.939.836-68	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Member of the Board of Directors	10.571.175/0001-02		
Issuer Administrator Marcos Alberto Cabaleiro Fernandez Member of the Board of Directors	139.359.336-49	Control	Indirect Control
Related Person LOG CP E PARTICIPAÇÕES S/A Member of the Board of Directors	09.041.168/0001-10		
Issuer Administrator Marcos Alberto Cabaleiro Fernandez Member of the Board of Directors	139.359.336-49	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Member of the Board of Directors	10.571.175/0001-02		
Issuer Administrator Maria Fernanda N. Menin T. de Souza Maia Executive Legal Officer	040.415.096-96	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Member of the Board of Directors	10.571.175/0001-02		

Identification Job Title/Function	CPF/CNPJ	Administrator interface type with the related person	Type of related person
12/31/2014			
Issuer Administrator Rubens Menin Teixeira da Costa Chairman of the Board of Directors	315.836.606-15	Control	Indirect Control
Related Person LOG CP E PARTICIPAÇÕES S/A Chairman of the Board of Directors	09.041.168/0001-10		
Issuer Administrator Rubens Menin Teixeira da Costa Chairman of the Board of Directors	315.836.606-15	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Chairman of the Board of Directors	10.571.175/0001-02		
Issuer Administrator Rafael Nazareth Menin Teixeira de Souza CEO	013.255.626-76	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Member of the Board of Directors	10.571.175/0001-02		
Issuer Administrator Leonardo Guimarães Corrêa CFO and IRO	275.939.836-68	Control	Indirect Control
Related Person LOG CP E PARTICIPAÇÕES S/A Member of the Board of Directors	09.041.168/0001-10		
Issuer Administrator Leonardo Guimarães Corrêa CFO and IRO	275.939.836-68	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Member of the Board of Directors	10.571.175/0001-02		
Issuer Administrator Marcos Alberto Cabaleiro Fernandez Member of the Board of Directors	139.359.336-49	Control	Indirect Control
Related Person LOG CP E PARTICIPAÇÕES S/A Member of the Board of Directors	09.041.168/0001-10		
Issuer Administrator Marcos Alberto Cabaleiro Fernandez Member of the Board of Directors	139.359.336-49	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Member of the Board of Directors	10.571.175/0001-02		
Issuer Administrator Maria Fernanda N. Menin T. de Souza Maia Executive Legal Officer	040.415.096-96	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Member of the Board of Directors	10.571.175/0001-02		

Identification Job Title/Function	CPF/CNPJ	Administrator interface type with the related person	Type of related person
12/31/2013			
Issuer Administrator Rubens Menin Teixeira da Costa Chairman of the Board of Directors	315.836.606-15	Control	Indirect Control
Related Person LOG CP E PARTICIPAÇÕES S/A Chairman of the Board of Directors	09.041.168/0001-10		
Issuer Administrator Rubens Menin Teixeira da Costa Chairman of the Board of Directors	315.836.606-15	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Chairman of the Board of Directors	10.571.175/0001-02		
Issuer Administrator Rafael Nazareth Menin Teixeira de Souza CEO	013.255.626-76	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Member of the Board of Directors	10.571.175/0001-02		
Issuer Administrator Leonardo Guimarães Corrêa CFO and IRO	275.939.836-68	Control	Indirect Control
Related Person LOG CP E PARTICIPAÇÕES S/A Member of the Board of Directors	09.041.168/0001-10		
Issuer Administrator Leonardo Guimarães Corrêa CFO and IRO	275.939.836-68	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Member of the Board of Directors	10.571.175/0001-02		
Issuer Administrator Marcos Alberto Cabaleiro Fernandez Member of the Board of Directors	139.359.336-49	Control	Indirect Control
Related Person LOG CP E PARTICIPAÇÕES S/A Member of the Board of Directors	09.041.168/0001-10		
Issuer Administrator Marcos Alberto Cabaleiro Fernandez Member of the Board of Directors	139.359.336-49	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Member of the Board of Directors	10.571.175/0001-02		
Issuer Administrator Maria Fernanda N. Menin T. de Souza Maia Executive Legal Officer	040.415.096-96	Control	Indirect Control
Related Person URBAMAIS PROPERTIES E PART S/A Member of the Board of Directors	10.571.175/0001-02		

12.11. Agreements, including insurance policies, establishing the payment or reimbursement of expenses assumed by the management

The Company contracted the Civil Liability insurance to cover the Directors and Executive Officers, in order to assure the Company's managers the payment of insurance indemnity due to compensation for damage caused by litigation from third. The current policy provides coverage of up to R$ 80.0 million, with a total prize of R$ 112,000.

The Company has not entered into any agreement in order to terminate the administrative or judicial proceedings, filed against the Company's directors and executive officers in connection with the exercise of their respective duties.

12.12. Corporate Governance Practices

Novo Mercado:

In order to maintain the highest standards of corporate governance, the company adhered to the “Novo Mercado” listing requirements. Companies in the “Novo Mercado” undergo voluntarily certain corporate governance practices and disclosure of information about what is required by Brazilian law, requiring, for example, to:

• The capital must be composed exclusively of common shares with voting rights;
• 100% tag along rights;
• In case of delisting or cancellation of the contract with BM&FBOVESPA, the Company must make a public tender offer to buy back the shares of all shareholders by economic value, at least;
• The Board of Directors shall be composed of at least five members, 20% of independent directors, with a maximum term of two years;
• The Company also undertakes to maintain at least 25% of the outstanding shares (free float);
• Release of completed financial data, including quarterly reports with cash flow statement and consolidated reports reviewed by an independent auditor;
• The Company must provide annual financial reports in an internationally accepted standard;
• Required monthly disclosure of trading securities of the Company by directors, officers and controlling shareholders.

ABRASCA *(Brazilian Association of Listed Companies)*

ABRASCA Code of Self-Regulation and Good Practice of Listed Companies ("Code") establishes principles, rules and recommendations in order to contribute to the improvement of corporate governance practices in order to promote investor confidence, facilitate capital market access and reduce the cost of capital, promoting sustainability and durability of Brazilian companies, as well as the creation of long-term value.

MRV Engenharia e Participacoes SA states applying the principles and rules established in this Code, and acceded to the code on August 15, 2011, except: (as per item 1.4 of the ABRASCA Code).

- Rule 5.1. -
The Company maintains systems of internal controls and risk management systems that provide its sustainability and longevity. These internal controls allow management to monitor financial and operational processes. In the meeting of the Board of Directors held on February 8, 2010, was approved the Risk Management Committee, which had responsibility for assigning and evaluating the financial and operational risks of the Company, and setting strategies to mitigate them. In the General Extraordinary Shareholders Meeting held on February 20, 2015, was established the Risks and Compliance Committee in replacement of the Risk Management Committee, and in the meeting of the Board of Directors held on May 08, 2015, was approved its internal regulation, where the Committee's duties are to evaluate and to monitor Company's risk exposures, monitoring and supervising the risk management process. The Company is following thus, item 5.1. of the ABRASCA Code.

- Rule 8.2. -
The administration adopts procedures to control material information, including a disclosure policy for material acts or facts defined by the Board of Directors deliberated and approved by the Board of Directors of the Company on June 8, 2009. The item 3.1 of this Policy elects the Chief IR Officer as responsible for implementing and monitoring this Disclosure Policy, in order to prevent leakage and use of material or privileged information, thus following item 8.2. of the ABRASCA Code.

Practice of Corporate Governance and the Recomendations of Brazilian Institute of Corporate Governance - IBGC

Corporate Governance is the system whereby organizations are run and overseen. It involves relationships between the shareholders, the Board of Directors, the Officers, the independent auditors and the Fiscal Counsil. The main principles are: (i) Transparency; (ii) Fairness; (iii) accountability; and (iv) Corporate Responsibility.

Among the practices of corporate governance recomended by IBGC in its Code of Best Practice of Corporate Governance, we adopt, among others:

(i) Emission of ordinary shares, exclusively;

(ii) “One share one vote” policy;

(iii) Clear Bylaws regarding (a) Call Notice and fulfillment of the General Meeting; (b) Board of Directors and Officers main powers; and (c) voting system, election, dismissal and terms of office of the members of the Board of Directors and Officers;

(iv) Elaboration of annual reports regarding the Company’s activities in the ended fiscal year, in comparison with the previous years and according to the international financial reporting standarts;

(v) Transparancy in public disclosure of the annual administration report;

(vi) Prevision in Bylaws regarding Fiscal Counsil instalation;

(vii) Pertinent Genereal meeting call and documentation, available since the date of the first call, detailing the agenda and always considering the realization of the meeting on time and date which allow the participation of the highest amount of shareholders;

(viii) Well defined voting rules, avaiable since the publication of the General Meeting call;

(ix) Prevision in Bylaws regarding that, in the hypothesis of the complete disposal of the controlling shareholders, the acquirer must conduct a public offer of share acquisition to all shareholders, in the same condition given to the controller (tag along);

(x) Share dissipation (free float), aiming the securities´ liquidity; and

(xi) Conflit resolution that may arise between the Company and its Shareholders through an arbitration procedure.

13. Compensation of Directors and Executive Officers

13.1. Description of compensation policy or practice, including non-statutory executives

a) objective of compensation policy or practice

Board of Directors:
The compensation policy of the Board of Directors includes a fixed monthly compensation by way of pro-labore. The Chairman of the Board of Directors, by having executive functions, also receives variable compensation linked to the performance of the Company and subject to the meeting of certain goals.

Also stock option plans of our issued stocks were granted to be exercised under the terms and conditions set forth in the Stock Option Plan

Executive Board:

The compensation of the executive officers is determined in accordance with (i) the duties and responsibilities of each one and as regards to the other executives of the real estate industry, and (ii) the collective performance of the executive management staff to meet our purpose to increase the value of our shares.

We enter into with each of our directors and executive officers the Management Agreement, which sets forth, in addition to the fixed monthly compensation, paid as pro labore compensation, a variable compensation subject to the performance of the director and/or executive officer and in accordance with the compliance with certain goals of the area.

Stock option plans were also granted to be exercised in accordance with the terms and conditions set forth in the Stock Option Plan.

Therefore, the compensation policy of our directors and executive officers includes: (i) a basic compensation and a variable compensation, related to the goals in accordance with the title and area of the director and/or executive officer; (ii) an indirect compensation, represented by the benefits indicated in the paragraph above; and (iii) a stock based compensation, in connection with the Stock Option Plan. This policy aligns short-, medium- and long-term purposes.

Non-Statutory Executive Board:

The compensation of the members of the Executive Board is based on the market practices, depending on the results of our Company. The compensation practice aims at contracting and assuring the retention of the highly qualified personnel. The compensation policy of the Executive Board is based on applicable legislation, since all executive officers are contracted based on the CLT legislation, in order to determine the compensation of each executive officer. Moreover, the members of our Executive Board receive stock based compensation, in connection with our Stock Option Plan.

Supervisory Board:

We do not have a Supervisory Board installed currently. The compensation policy of the members of the Supervisory Board, when installed, will be determined in accordance with applicable legislation. The Brazilian Corporate Law requires that the members of the Supervisory Board receive compensation of, at least, 10% of the average amount paid yearly to the executive officers.

Committees:

The members of the advisory committees under the Board of Directors do not receive compensation.

MRV's compensation policy considers the three related perspectives, as follows:

i. Employer perspective: promote the knowledge, skills and the behaviors necessary for successful business;
ii. Employee perspective: the compensation is a portion of an attractive proposal which is understood and supported by the employee;
iii. Cost perspective: the compensation costs are sustainable and do not affect the other investments.

b) compensation composition

i) Description of the compensation elements and purposes of each one:

a. Fixed compensation: base salary (Board of Directors, statutory and non-statutory Executive Board). Purpose: recognize and reflect the value of the title internally (company) and externally (market);

b. Short-term incentives: profit sharing (Chairmain of the Board of Directors, statutory and non-statutory Executive Board). Purpose: compensate for the Company's goals achieved and exceeded, at the department and individual levels, aligned to budget, strategic planning and competition;

c. Benefits: life insurance, health and odontological plan (statutory and non-statutory Executive Board). Purpose: supplement the corporate benefits;

d. Long-term incentives: stock option plan (Chairmain of the Board of Directors, statutory and non-statutory Executive Board). Purpose: reinforce the retention of employees and align the interests with the shareholders as regards to the creation of value for the business in a sustainable manner in the long term.

ii) Percentage of each element in the total compensation:

a. Board of Directors: 70% fixed compensation., 19% short-term incentives and 11% long-term incentives.

b. Statutory Executive Board: 55% fixed compensation, 26% short-term incentives, 3% benefits and 16% long-term incentives.

c. Non-statutory Executive Board: 68% fixed compensation, 17% short-term incentives, 4% benefits and 11% long-term incentives.

d. Supervisory Board: We do not have a Supervisory Board installed.

e. Committees: The members of the advisory committees under the Board of Directors do not receive compensation.

iii) Methodology for calculation and adjustment of the compensation elements:

Board of Directors

The compensation elements are defined at the general shareholders' meeting. The adjustments are based on market research with Brazilian companies of about the same size and different sectors. Based on that the adjustments are then analyzed by the Board of Directors and taken to General Assembly to be approved by the shareholders.
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Statutory Executive Board

The compensation elements and its annual limits are defined at the general shareholders' meeting. The adjustments are based on market research with Brazilian companies of about the same size and different sectors. . Based on that the adjustments are analyzed by the Board of Directors and taken to General Assembly to be approved by the shareholders.

Non-statutory Executive Board

The negotiation between the trade union of the employees of acquisition, sales, lease and property administration companies of the metropolitan area of Belo Horizonte and the civil construction employers' trade union of the State of Minas Gerais agreed an annual salary increase (percentage) to the Company's employees. As regards to the non-statutory Executive Board, this negotiation between the trade unions is followed. The Company authorized to adjust each element of the total compensation.

iv) Reasons which would justify the compensation composition:

The reason for the fact that most part of the total compensation is variable (short- or long-term) is the Company's focus on the results. Therefore, the attraction and retention strategy is also focused on the results.

v) There are no unpaid members in the Company's management.

c) main performance indicators considered in the determination of each compensation element

a. Fixed compensation: no performance indicators are considered;

b. Short-term incentives: the Company's main performance indicators considered to determine the variable compensation are: Net Margin, Net Income, Contracted Sales, Constructed Units, Client Satisfaction, Available Land Bank, Launches and Transfer to Clients;

c. Benefits: no performance indicators are considered;

d. Long-term incentives: the Company's main performance indicators considered to determine the variable compensation are: Net Margin, Net Income , Contracted Sales, Constructed Units, Client Satisfaction, Available Land Bank, Launches and Transfer to Clients.

d) compensation structure to reflect the growth of the performance indicators

a. Fixed compensation: no performance indicators are considered;

b. Short-term incentives: The monitoring of the indicators is performed at least monthly, and the final determination of the results is performed on the year subsequent to the year under discussion and approved by the Board of Directors. Each indicator has a specific weight which, as measured, consolidates the total variable compensation;

c. Benefits: no performance indicators are considered;

d. Long-term incentives: The monitoring of the long-term compensation is based on individual and collective performance criteria, generation of value to shareholders and future potential collaboration with the Company, and is approved on the subsequent year by the Board of Directors.

e) relation between the compensation policy or practice and the Company's interests

As set forth in item b (i), each compensation aspect performs a specific role in the short-, medium- and long-term. Since there is a strong relation with the results, the Company assures a sustainable compensation, without affecting any other investments.

a. Fixed compensation: base salary (Board of Directors, statutory and non-statutory Executive Board). Purpose: recognize and reflect the value of the title internally (company) and externally (market);

b. Short-term incentives: profit sharing (Chairmain of the Board of Directors, statutory and non-statutory Executive Board). Purpose: compensate for the Company's goals achieved and exceeded, at the department and individual levels, aligned to budget, strategic planning and competition;

c. Benefits: life insurance, health and odontological plan (statutory and non-statutory Executive Board). Purpose: supplement the corporate benefits;

d. Long-term incentives: stock option plan (Chairmain of the Board of Directors, statutory and non-statutory Executive Board). Purpose: reinforce the retention of employees and align the interests with the shareholders as regards to the creation of value for the business in a sustainable manner in the long term.

f) Compensation supported by subsidiaries, associated companies or direct or indirect controllers

See item 13.15.

g) compensation or benefits related to corporate events

There is no compensation or benefits related to corporate events.

13.2. Total compensation of the Board of Directors, Chief officers and fiscal council

Total Compensation estimated to the current fiscal year 12/31/2016 – Annual Amounts	**Board of Directors**	**Executive Board**	**Supervisory Board**	**Total**
Number of members	7	9	/	16
Number of compensated members	7	9	/	16
Annual fixed compensation (R$)	4,895,824	9,070,992		13,966,816
Salary / Pró-labore	3,930,000	6,473,281		10,403,281
Direct and indirect benefits	-	370,352		370,352
Participation in committees	-	-		
Other	965,824	2,227,359		3,193,183

Total Compensation estimated to the current fiscal year 12/31/2016 – Annual Amounts	**Board of Directors**	**Executive Board**	**Supervisory Board**	**Total**
Notes – other fixed compensation	Social Security (INSS): as per the guidelines of Circular/CVM/SEP/N. 2/2016, item 13.2, the INSS amount was shown separately. The social security (INSS) is not included in the overall Management compensation proposed for approval at the Annual Shareholders' Meeting. The amounts shown in this table refer to information that is different from the overall management compensation proposed for approval at the Annual Shareholders' Meeting, given that the proposed amount does not include INSS payments made by the employer.			
Variable compensation	1,853,285	4,549,658		6,402,943
Bonus	1,853,285	4,549,658		6,402,943
Profit sharing	-	-		
Participation in meetings	-	-		
Commissions	-	-		
Other	-	-		
Post-employment benefits				
Benefits due to dismissal				
Stock based compensation	641,930	2,171,748		2,813,677
Observation				
Total compensation	**6,691,039**	**16,492,398**		**23,183,437**

Total compensation of the fiscal year of 12/31/2015 – Annual amounts	**Board of Directors**	**Executive Board**	**Supervisory Board**	**Total**
Number of members	7	9	/	16
Number of compensated members	7	9	/	16
Annual fixed compensation (R$)				
Salary / Pró-labore	2,333,322	6,099,387		8,432,709
Direct and indirect benefits	-	277,783		277,783
Participation in committees	-	-		
Other	686,966	1,796,830		2,483,796
Notes – other fixed compensation	Social Security (INSS): as per the guidelines of Circular/CVM/SEP/N, 2/2016, item 13,2, the INSS amount was shown separately, The social security (INSS) is not included in the overall Management compensation proposed for approval at the Annual Shareholders' Meeting, The amounts shown in this table refer to information that is different from the overall management compensation proposed for approval at the Annual Shareholders' Meeting, given that the proposed amount does not include INSS payments made by the employer,			
Variable compensation	961,071	3,016,844		3,977,915
Bonus	961,071	3,016,844		3,977,915
Profit sharing	-	-		
Participation in meetings	-	-		
Commissions	-	-		
Other	-	-		
Post-employment benefits	-	-		
Benefits due to dismissal	-	-		
Stock based compensation		3,441,879		3,441,879
Observation				
Total compensation	**2,656,599**	**16,520,980**		**21,177,579**

Total compensation of the fiscal year of 12/31/2014 – Annual amounts	**Board of Directors**	**Executive Board**	**Supervisory Board**	**Total**
Number of members	6.7	10.2	/	16.9
Number of compensated members	6,7	10,2	/	16,9
Annual fixed compensation (R$)				
Salary / Pró-labore	2,106,253	5,848,433		7,954,686
Direct and indirect benefits	-	265,166		265,166
Participation in committees	-	-		
Other	618,670	1,717,860		2,336,530
Notes – other fixed compensation	Social Security (INSS): as per the guidelines of Circular/CVM/SEP/N, 22016, item 13,2, the INSS amount was shown separately, The social security (INSS) is not included in the overall Management compensation proposed for approval at the Annual Shareholders' Meeting, The amounts shown in this table refer to information that is different from the overall management compensation proposed for approval at the Annual Shareholders' Meeting, given that the proposed amount does not include INSS payments made by the employer,			
Variable compensation	901,659	2,756,308		3,657,967
Bonus				
Profit sharing	1,521,446	4,650,654		6,172,100
Participation in meetings	-	-		
Commissions	-	-		
Other	-	-		
Post-employment benefits	-	-		-
Benefits due to dismissal	-	-		-
Stock based compensation		2,269,000		2,269,000
Observation		In 2014, according to the Executive Board restructuring, the Company now has 10 officers, 2 are co-CEO, as of apr/14. .		
Total compensation	**4,246,369**	**14,751,413**		**18,997,782**

Total compensation of the fiscal year of 12/31/2013 – Annual Amount	**Board of Directors**	**Executive Board**	**Supervisory Board**	**Total**
Number of members	7	11	/	18
Number of compensated members	7	11	/	18
Annual fixed compensation (R$)				
Salary / Pró-labore	960,027	6,272,260		7,232,287
Direct and indirect benefits	-	-		
Participation in committees	-	-		
Other	192,005	1,254,452		1,446,457
Notes – other fixed compensation	Social Security (INSS): as per the guidelines of Circular/CVM/SEP/N, 2/2016, item 13,2, the INSS amount was shown separately, The social security (INSS) is not included in the overall Management compensation proposed for approval at the Annual Shareholders' Meeting, The amounts shown in this table refer to information that is different from the overall management compensation proposed for approval at the Annual Shareholders' Meeting, given that the proposed amount does not include INSS payments made by the employer,			
Variable compensation	-	3,992,886		3,992,886
Bonus	-	3,992,886		3,992,886
Profit sharing	-	-		
Participation in meetings	-	-		
Commissions	-	-		
Other	-	-		
Post-employment benefits	-	-		-
Benefits due to dismissal	-	-		-
Stock based compensation	-	2,116,000,00		2,116,000,00
Observation		The compensation increased in 2013, compared to 2012, due to profit sharing payment according to item 13.1 – b of this form		
Total compensation	1,152,032	**13,635,598**		**14,787,630**

13.3. Variable compensation for Board of Directors, Chief officers and fiscal council

Variable compensation expected for the current fiscal year - 2016	**Board of Directors**	**Statutory Executive Board**	**Supervisory Board**	**Total**
Number of members	6	9	na	15
Bonus (in R$ thousand)				
Minimum value established in the compensation plan	0	0	na	0
Maximum value established in the compensation plan	1,853,285	4,549,658	na	6,402,943
Estimated value established in the compensation plan in the event the goals are met	1,853,285	4,549,658	na	6,402,943
Value recognized in the statement of income	na	na	na	na
Profit Sharing (in R$ thousand)				
Minimum value established in the compensation plan	0	0	na	0
Maximum value established in the compensation plan	0	0	na	0
Estimated value established in the compensation plan in the event the goals are met	0	0	na	0
Value recognized in the statement of income	na	na	na	na

Variable compensation – for the fiscal year ended on 12/31/2015	Board of Directors	Statutory Executive Board	Supervisory Board	Total
Number of members	7	9	na	16
Bonus (in R$ thousand)				
Minimum value established in the compensation plan	0	0	na	0
Maximum value established in the compensation plan	1,153,809	4,691,836	na	5,845,645
Estimated value established in the compensation plan in the event the goals are met	1,153,809	4,691,836	na	5,845,645
Value recognized in the statement of income	961,071	3,016,844	na	3,977,915
Profit Sharing (in R$ thousand)				
Minimum value established in the compensation plan	0	0	na	0
Maximum value established in the compensation plan	0	0	na	0
Estimated value established in the compensation plan in the event the goals are met	0	0	na	0
Value recognized in the statement of income	0	0	na	0

Variable compensation – for the fiscal year ended on 12/31/2014	Board of Directors	Statutory Executive Board	Supervisory Board	Total
Number of members	5	10	na	15
Bonus (in R$ thousand)				
Minimum value established in the compensation plan	0	0	na	0
Maximum value established in the compensation plan	0	0	na	0
Estimated value established in the compensation plan in the event the goals are met	0	0	na	0
Value recognized in the statement of income	na	na	na	na
Profit Sharing (in R$ thousand)				
Minimum value established in the compensation plan	0	0	na	0
Maximum value established in the compensation plan	2,050,310	5,860,569	na	5,860,569
Estimated value established in the compensation plan in the event the goals are met	2,050,310	5,860,569	na	5,860,569
Value recognized in the statement of income	1,521,446	4,650,954	na	6,172,400

Note: there was no bonus payment in 2014.

Variable compensation - – for the fiscal year ended on 12/31/2013	Board of Directors	Statutory Executive Board	Supervisory Board	Total
Number of members	7,00,	11,00,	na	18,00,
Bonus (in R$ thousand)				
Minimum value established in the compensation plan	0	0	na	0
Maximum value established in the compensation plan	0	0	na	0
Estimated value established in the compensation plan in the event the goals are met	0	0	na	0
Value recognized in the statement of income	na	na	na	na
Profit Sharing (in R$ thousand)				
Minimum value established in the compensation plan	0	0	na	0
Maximum value established in the compensation plan	0	6,272,260	na	6,272,260
Estimated value established in the compensation plan in the event the goals are met	0	6,272,260	na	6,272,260
Value recognized in the statement of income	na	3,992,886	na	3,992,886

Note: there was no bonus payment in 2013.

13.4. Stock-based compensation plan of the Board of Directors and Chief Officers

a,	General terms and conditions

On April 2, 2007, our shareholders at the General Meeting approved the general conditions of our Stock Option Plan and the respective regulation, comprising 4,701,723 shares, equivalent to 5% of the total shares issued by our Company on such date and established the number of options and shares to be granted, as well as the exercise conditions, including the respective terms, The exercise price of the Stock Option Plan will be equivalent to the shareholders' equity value determined by the Board of Directors on the date of acceptance and approval of each program,

Our executives and employees, including the executives and employees of our subsidiaries, directly or indirectly, may be entitled to participate in such plan, In the event the labor agreement or the mandate of the associate is terminated due to (a) request for dismissal or waiver; or (b) dismissal (with or without just cause) or removal (with or without just cause), in accordance with, however the case may be, the definition of just cause set forth in the corporate legislation or the definition of just cause set forth in the labor legislation, as applicable; the options which exercise rights (i) were not acquired, up to such date, will be cancelled; and (ii) were already acquired on such date, may be exercised within 90 days, as from the termination date of the respective labor agreement or mandate, upon notice in writing submitted to the Chairman of our Board of Directors, being understood that, upon elapse of such period, the rights will be cancelled,

On December 17, 2009, the shareholders approved at a Shareholders Meeting the amendment of the Stock Option Plan to reflect the 1:3 stock split made on that date,
On October 15, 2013, the Company's shareholders approved at an Extraordinary Shareholders Meeting the amendment of the Stock Option Plan in which the option included in the plan will correspond to the amount resulted of incidence of, at most, 5% (five percent) of the total shares corresponding to the Company's Capital according to the Company Bylaws,

(i) Program 1
On April 09, 2007, the "Program 1" was approved, This program involves the Company's middle management in addition to its officers and senior management, who are elected by the Company's Chief Officers and approved by the Board of Directors, The option exercise price is R$1,004, corresponding to 2,846,687 stock options (equivalent to 8,540,061 common shares after the stock split), differentiated per participant by the number of options received and the related vesting period, of up to 7 years, This program has already been finalized,

(ii) Program 2:
On December 04, 2007, the "Program 2" was granted, totaling 467,400 stock options (equivalent to 1,402,200 common shares after the stock split) with exercise price of R$10,00, differentiated by the number of options received and the related vesting period, This program involves the Company's middle management in addition to its officers and senior management, who are elected by the Company's Chief Officers and approved by the Board of Directors, This program has already been finalized,

(iii) Program 3:
On March 8, 2010, a new stock option plan was approved with exercise price of R$11,80, equivalent to 1,700,631 common shares, differentiated by the number of options received, but maintaining the same five-year vesting period, Options can be exercised within up to three years after the date of the last year, The exercise price is based on the average quotation of the Company´s shares in the last 20 stock market sessions before and including May 10, 2010,
Eligibility for Program 3 includes, in addition to the executive officers, executives and managers considered key management personnel of the Company, who are elected by the Chief Officers and approved by the Board of Directors,

(iv) Program 4:
On June 11, 2012, a new stock option plan named "Program 4" was approved with exercise price of R$11,56, equivalent to 1,945 thousand common shares, maintaining the same five-year vesting period, Options can be exercised within up to three years after the date of the last year, The exercise price is based on the average quotation of the Company´s shares in the last 20 stock market sessions before and including August 31, 2011,
Eligibility for Program 4 includes, in addition to the executive officers, executives and managers considered key management personnel of the Company, who are elected by the Chief Officers and approved by the Board of Directors,

v) Program 5:
On August 20, 2013, a new stock option plan named "Program 5" was approved with exercise price of R$5,91, equivalent to 1,521,572 common shares, with five-years vesting period, Options can be exercised within up to three years after the vesting period, The exercise price is based on the quotation of the Company´s shares in the stock market session of July 05, 2013,
Eligibility for Program 5 includes, in addition to the executive officers, executives and managers considered key management personnel of the Company, who are elected by the Chief Officers and approved by the Board of Directors,

vi) Program 6:

On October 14, 2014, a new stock option plan named "Program 6" was approved with exercise price of R$6,50, equivalent to 1,700,000 common shares, with five-years vesting period, Options can be exercised within up to three years after the vesting period, The exercise price is based on the quotation of the Company´s shares in the stock market session of May 21, 2014,
Eligibility for Program 6 includes, in addition to the executive officers, executives and managers considered key management personnel of the Company, who are elected by the Chief Officers and approved by the Board of Directors,

Up to December 31, 2014, the Company had granted 74,1% of the total approved stock options,

vii) Program 7:
On June 01, 2015, a new stock option plan named "Program 7" was approved with exercise price of R$6,84, equivalent to 1,500,000 common shares, with five-years vesting period, Options can be exercised within up to three years after the vesting period, The exercise price is based on the quotation of the Company´s shares in the stock market session of June 01, 2015

vii) Program 8:
On June 09, 2016, a new stock option plan named "Program 8" was approved with exercise price of R$10,42, equivalent to 1,528,549 common shares, with five-years vesting period, Options can be exercised within up to three years after the vesting period, The exercise price is based on the average quotation of the Company´s shares in the stock market session from June 03 to 30, 2016.

Eligibility for Program 7 and 8 includes, in addition to the executive officers, executives and managers considered key management personnel of the Company, who are elected by the Chief Officers and approved by the Board of Directors,

Up to December 31, 2015, the Company had granted 81,43% of the total approved stock options,

b)	main plan's purposes

The purpose of this Stock Option Plan of shares of MRV Engenharia e Participacoes SA ("Company"), established under art, 168, § 3 of Law No, 6,404/76, approved by the General Assembly of the Company, hereinafter referred to as the Plan is to stimulate growth, success and performance of the Company's corporate purposes and shareholders' interests, allowing certain executives and employees to opt to purchase shares of the Company on the terms and conditions of the Plan,

c)	plan's contribution to these purposes

Once most part of the options is available in long term, the executive officers trend to work in the company at least up to such period and are able to obtain the results in the long term,

d)	how the plan is included in the issuer's compensation policy

As referred to in item 13,1b, the stock option plan is one of the four groups of compensation, being a long term incentive to enhance employee retention and to align interests with shareholders in value creation for the business in a sustainable manner and in long-term,

e)	how the plan aligns the interests of the directors, executive officers and issuer in the short, medium and long terms

The plan aligns the interests of the directors, executive officers, Company and shareholders through the benefits to the directors and executive officers in accordance with the performance of the shares issued by the Company, Through the plan, we seek to improve our management and retention of our executives, aiming at the gains resulting from our commitment with the long-term results and short-term performance, Moreover, the plan allows the Company to obtain and maintain the services rendered by specialized executives, by providing to such executive officers, as an additional advantage, the possibility of becoming the shareholders of our Company, under the terms and conditions set forth in the plan,

f)	maximum number of shares

On April 2, 2007, our shareholders, at the General Meeting, approved the general conditions of our Stock Option Plan and its respective regulation, which plan comprises 4,701,723 options or 4,701,723 shares, equivalent to 5% of the total shares issued by our Company on such date and establishes the number of options and shares to be granted, as well as the exercise conditions, including terms,

On December 17, 2009, the shareholders approved at a Shareholders Meeting the amendment of the Stock Option Plan to reflect the 1:3 stock split made on that date, The split was also applied to the executives Stock Option Plan, so that one option of Plan 1 and 2 correspond to three ordinary shares, while one option of Plan 3 correspond to one ordinary share, totaling 14,105,169 shares post-split,

On October 15, 2013, the Company's shareholders approved at an Extraordinary Shareholders Meeting the amendment of the Stock Option Plan in which the option included in the plan will correspond to the amount resulted of incidence of, at most, 5% (five percent) of the total shares corresponding to the Company's Capital according to the Company Bylaws, On December 31, 2014, this amount was equivalent to 22,459,984 shares,

g)	maximum number of options to be granted

In accordance with the Stock Option Plan approved on the Extraordinary Shareholders Meeting held on October 15, 2013, the options included in the plan will correspond to the amount resulted of incidence of, at most, 5% (five percent) of the total shares corresponding to the Company's Capital according to the Company Bylaws,

h)	conditions for the acquisition of shares

The participation in such program includes, in addition to the Chairmon of the Board of Directors, statutory and non-statutory, officers and managers, our medium-level managers,

Our executive officers and employees, inclusive the executive officers and employees of our subsidiaries, directly or indirectly, may be eligible to participate in such plan, The Board of Directors indicates, in accordance with such plan and for each program, those persons eligible to the options, which persons are duly invited in writing to participate in the plan,

The exercise price must be paid as determined by each program, according to the price indicated in item 13,4, (i) below, The option shall solely be exercised under the terms of the plan and each program, during the dates and periods established,

The person participating in the plan must be an active associate on the exercise date,

i)	criteria to determine the acquisition or exercise price

(i) Program 1:
The exercise price of the Stock Option Plan is equivalent to the shareholders' equity value determined by the Board of Directors on the release and approval of each program, being R$ 1,004,

(ii) Program 2:
The exercise price of the Stock Option Plan is equivalent to the shareholders' equity value determined by the Board of Directors on the release and approval of each program, being R$ 10,00,

(iii) Program 3:
The exercise price is based on the average quotation of the Company´s shares in the last 20 stock market sessions before and including May 10, 2010, being R$ 11,80,

(iv) Program 4:
The exercise price is based on the average quotation of the Company´s shares in the last 20 stock market sessions before and including August 31, 2011, being R$ 11,56,

(v) Program 5:
The exercise price is based on the quotation of the Company´s shares in the stock market session of July 05, 2013, being R$ 5,91,

(vi) Program 6:
The exercise price is based on the quotation of the Company´s shares in the stock market session of May 21, 2014, being R$ 6,50,

(vii) Program 7:
The exercise price is based on the quotation of the Company´s shares in the stock market session ofJune 01, 2015, being R$ 6,84,

(vii) Program 8:
The exercise price is based on the quotation of the Company´s shares in the stock market session ofJune 01, 2015, being R$ 10.42,

Observation: When Program 1 and 2 were released and approved, the Company did not yet have securities negotiated on the stock market, When Program 3, 4, 5, 6, 7 and 8 were released and approved, the Company did already have securities negotiated on the stock market, and as such, the criterium of price setting adopted by the Company should, necessarily, observe the stock quotes,

j) criteria for determination of the exercise period

The option can be exercised annually and each plan has its term of exercise according to the relevance of the associate and alignment with the plan's long-term purposes,

k) liquidation method

The options exercise entitle to MRV's common shares, by the exercise price, After each option exercise, the shares will be made available to the holder,

l) restrictions to the transfer of shares

The holder of the shares originally acquired in connection with the Plan must not sale, transfer or dispose such shares issued by the Company, as well as those shares acquired by virtue of bonus, split-offs, subscriptions or any other form of acquisition, provided that such rights have expired for the purchaser of the ownership of the shares in connection with the plan (referred to herein as "Shares"), for the minimum period set forth in the Invitation Letter, This transfer restrictive period only applies to the shares of program 1 being of 6 (six) months after the last exercise, Shares from Programs 2, 3, 4, 5, 6, 7 and 8 do not have restriction periods, The Invitation Letter is a document signed by the Company and the participant, where the exercise periods, number of options and exercise price, amongst others, are established,

The holder of the Shares also agrees not to provide such Shares in guarantee or subject such Shares to any burden or encumbrance,

The Company will include in the respective Book of Transfer of Shares the restrictions to the disposal of Shares,

Upon elapse of the restriction period above, in the event any beneficiary intends to, directly or indirectly, dispose or otherwise transfer the total or a portion of the shares to a third party, this beneficiary must notify the Company, in writing, including the name of the third party, the term, the payment conditions and the number of shares offered, as well as all information necessary for the Company to decide, within 30 (thirty) days, at most, whether the Company intends to exercise the preemptive right to acquire the shares of the beneficiary under the same terms and conditions, In the event the Company is not able to exercise the preemptive right within the above mentioned period of 30 (thirty) days, the beneficiary will be entitled to the right to sale the shares, within 90 (ninety) days as from the termination of such period, under the terms and conditions not less favorable than those offered to the Company,

m) criteria and events which, upon verification, will cause the plan to be suspended, changed or terminated

In the event the number of the shares issued by the Company is increased or decreased or in the event the shares are changed by different types or classes, as a result of stock premiums, split-offs of shares or reverse split-offs of shares, the necessary adjustments will be made to the number of Shares as regards to which the options were granted and not exercised yet, Any adjustments to the options will be performed without changing the total purchase value applicable to the portion not exercise of the option, including the adjustments corresponding to the exercise price for each share or any unit of the share in connection with the option,

The Board of Directors will stablish the applicable rules for the dissolution, transformation, incorporation, merger, spin off or reorganization cases in the Company,

n) effects in connection with the removal of the director from the bodies of the issuer as regards to the rights set forth in the stock based compensation

In the event the labor agreement or the mandate of the associate is terminated due to (a) request for dismissal or waiver; or (b) dismissal (with or without just cause) or removal (with or without just cause), in accordance with, however the case may be, the definition of just cause set forth in the corporate legislation or the definition of just cause set forth in the labor legislation, as applicable; the options which exercise rights (i) were not acquired, up to such date, will be cancelled; and (ii) were already acquired on such date, may be exercised within 90 days, as from the termination date of the respective labor agreement or mandate, upon notice in writing submitted to the Chairman of our Board of Directors, being understood that, upon elapse of such period, the rights will be cancelled, In the event of death of the beneficiary, its successors will be entitled with the right to exercise possible options not exercised, regardless of the compliance with the restriction periods related to the sale of the shares in connection with the Program and irrespective of the fact that the exercise right was not acquired, immediately and during the exercise period set forth in the Program, being understood that the number of shares to which the beneficiary is entitled is calculated based on the number of full days between the date the option was granted to the date of termination of the labor agreement or mandate, in accordance with the following formula:

(Shares x D) / P = Options Pro Rata

Where:

D is equivalent to the number of full days counted as from the date the option was granted to the date of termination of the labor agreement or mandate, or waiver,

P is equivalent to the period, in days, for the exercise of the Option in accordance with the respective Program,

In the event of retirement due to contribution period or age, after 60 (sixty) year old and provided that the services are discontinued, the options which exercise right (i) was not acquired up to such date, will be cancelled; and (ii) were already acquired on such date, may be exercised within 90 (ninety) days, as from the termination date of the respective labor agreement or mandate, upon notice in writing submitted to the Chairman of our Board of Directors, being understood that, upon elapse of such period, the rights will be cancelled,

13.5. Stock based compensation recognized in the statement of the Board of Directors and Chief Officers

2015

Stock based compensation in fiscal year 31/12/2015	Board of Directors						
	Program 1	Program 2	Program 3	Program 4	Program 5	Program 6	Program 7
Total number of members	7	7	7	7	7	7	7
Number of members granted	0	0	0	0	0	1	1
Average exercise price							
(a) of the options to be exercised at the beginning of the f	0,33	3,33	11,80	11,56	5,91	6,50	6,84
(b) of the lost options during the the fiscal year	na	na	na	na	na	na	na
(c) of the exercised options during the the fiscal year	0,33	3,33	11,8	11,56	5,91	6,50	6,84
(d) of the expired options during the the fiscal year	na	na	na	na	na	na	na
Option fair value at Granting date	7,74	23,51	5,25	9,43	4,22	4,00	3,56
Potential dilution in case of exercising all options	0,00%	0,00%	0,28%	0,36%	0,31%	0,32%	0,32%

Stock based compensation in fiscal year 31/12/2015	Chief Officers						
	Program 1	Program 2	Program 3	Program 4	Program 5	Program 6	Program 7
Total number of members	6	11	12	10	10	9	9
Number of members granted	6	11	12	10	10	9	9
Average exercise price							
(a) of the options to be exercised at the beginning of the f	0,33	3,33	11,80	11,56	5,91	6,50	6,84
(b) of the lost options during the the fiscal year	na	na	na	na	na	na	na
(c) of the exercised options during the the fiscal year	0,33	3,33	11,8	11,56	5,91	6,50	6,84
(d) of the expired options during the the fiscal year	na	na	na	na	na	na	na
Option fair value at Granting date	7,74	23,51	5,25	9,43	4,22	4,00	3,56
Potential dilution in case of exercising all options	0,00%	0,00%	0,28%	0,36%	0,31%	0,32%	0,32%

2014

Stock based compensation in fiscal year 31/12/2014	Board of Directors	Chief Officers					
	/	Program 1	Program 2	Program 3	Program 4	Program 5	Program 6
Total number of members	-	6	11	12	10	10	9
Number of members granted	0	6	11	12	10	10	9
Average exercise price	-	0	0	0	0	0	0
(a) of the options to be exercised at the beginning of the f	-	0,33	3,33	11,80	11,56	5,91	6,50
(b) of the lost options during the the fiscal year	-	na	3,33	11,80	11,56	5,91	na
(c) of the exercised options during the the fiscal year	-	0,33	3,33	na	na	5,91	6,50
(d) of the expired options during the the fiscal year	-	na	na	na	na	na	na
Option fair value at Granting date	-	7,74	23,51	5,25	9,43	4,22	4,00
Potential dilution in case of exercising all options	-	0,00%	0,00%	0,31%	0,39%	0,33%	0,33%

2013

Stock based compensation in fiscal year 31/12/2013	Board of Directors	Chief Officers				
	/	Program 1	Program 2	Program 3	Program 4	Program 5
Total number of members	-	6	11	12	10	10
Number of members granted	0	6	11	12	10	10
Average exercise price	-	0	0	0	0	0
(a) of the options to be exercised at the beginning of the f	-	0,33	3,33	11,80	11,56	5,91
(b) of the lost options during the the fiscal year	-	0,33	3,33	na	11,56	na
(c) of the exercised options during the the fiscal year	-	0,33	3,33	11,80	11,56	5,91
(d) of the expired options during the the fiscal year	-	na	na	na	na	na
Option fair value at Granting date	-	7,74	23,51	5,25	9,43	4,22
Potential dilution in case of exercising all options	-	0,64%	0,23%	0,29%	0,39%	0,32%

13.6. Outstanding options related to the stock based compensation of the Board of Directors and chief officers for the last fiscal year:

Outstanding options in fiscal year 31/12/2015	Board of Directors				
	Program 3	Program 4	Program 5	Program 6	Program 7
Total number of members	7	7	7	7	7
Number of members granted	0	0	0	1	1
Options not yet exercisable					
Quantity	0	0	0	162.057	171.060
Exercise date	Up to 31-12-15	Up to 31-08-16	Up to 31-12-17	Up to 31-12-18	Up to 31-12-19
Term in which they become exercisable	31/12/2018	31/08/2019	31/12/2020	31/12/2021	31/12/2022
The maximum term for the exercise of the options	na	na	na	na	na
Average exercise price	11,80	11,56	5,91	6,50	6,84
Option fair value at last fiscal year date	5,25	9,43	4,22	4,00	3,56
Exercisable Options					
Quantity	0	0	0	18.006	9.003
The maximum term for the exercise of the options	31/12/2018	31/08/2019	31/12/2020	31/12/2021	31/12/2021
The restrictive term for the transfer of the shares	na	na	na	na	na
Average exercise price	11,80	11,56	5,91	6,50	6,84
Option fair value at last fiscal year date	5,25	9,43	4,22	4,00	3,56
Total fair value of the options at last fiscal year date	0	0	0	72.024	32.051

Outstanding options in fiscal year 31/12/2015	Chief Officers				
	Program 3	Program 4	Program 5	Program 6	Program 7
Total number of members	11	10	10	9	9
Number of members granted	11	10	10	9	9
Options not yet exercisable					
Quantity	0	628.583	720.023	555.463	431.578
Exercise date	Up to 31-12-15	Up to 31-08-16	Up to 31-12-17	Up to 31-12-18	Up to 31-12-19
Term in which they become exercisable	31/12/2018	31/08/2019	31/12/2020	31/12/2021	31/12/2022
The maximum term for the exercise of the options	na	na	na	na	na
Average exercise price	11,80	11,56	5,91	6,50	6,84
Option fair value at last fiscal year date	5,25	9,43	4,22	4,00	3,56
Exercisable Options					
Quantity	670.258	109.908	120.314	61.718	34.868
The maximum term for the exercise of the options	31/12/2018	31/08/2019	31/12/2020	31/12/2021	31/12/2021
The restrictive term for the transfer of the shares	na	na	na	na	na
Average exercise price	11,80	11,56	5,91	6,50	6,84
Option fair value at last fiscal year date	5,25	9,43	4,22	4,00	3,56
Total fair value of the options at last fiscal year date	3.518.855	6.963.970	3.546.222	2.468.724	1.660.548

Observation 1: Theplans have several intermediate dates on which small quantities, which were previously established should be exercisable, The majority of the options become exercisable on the last day, indicated in the table above, In Plan 3,4,5,6 and 7 there is a 3-year term to exercise the options,

13.7. Options exercised and shares delivered related to the stock based compensation of the Board of Directors and Chief Officers:

Exercised Options - in fiscal year 31/12/2015	Board of Directors						
	Program 1	Program 2	Program 3	Program 4	Program 5	Program 6	Program 7
Total number of members	7	7	7	7	7	7	7
Number of members granted	0	0	0	0	0	1	1
Exercised Options							
Number of Shares	0	0	0	0	0	0	0
Average exercise price	0,33	3,33	11,80	11,56	5,91	6,50	6,84
Difference between the acquisition value and the market value	6,81	4,41	4,86	na	4,22	4,00	0,00
Delivered Shares							
Delivered Shares	0	0	0	0	0	0	0
Average purchase price	0,33	3,33	11,80	11,56	5,91	6,50	6,84
Difference between the acquisition value and the market value	6,81	4,41	4,86	na	4,22	4,00	na

Exercised Options - in fiscal year 31/12/2015	Chieff Officers						
	Program 1	Program 2	Program 3	Program 4	Program 5	Program 6	Program 7
Total number of members	6	11	12	10	10	9	9
Number of members granted	6	11	12	10	10	9	9
Exercised Options							
Number of Shares	2.609.091	1.904.636	3.313	0	6.748	2.500	0
Average exercise price	0,33	3,33	11,80	11,56	5,91	6,50	6,84
Difference between the acquisition value and the market value	6,81	4,41	4,86	na	4,22	4,00	0,00
Delivered Shares							
Delivered Shares	2.609.091	1.904.636	3.313	0	6.748	2.500	0
Average purchase price	0,33	3,33	11,80	11,56	5,91	6,50	6,84
Difference between the acquisition value and the market value	6,81	4,41	4,86	na	4,22	4,00	na

Exercised Options - in fiscal year 31/12/2014	Board of Directors	Chief Officers					
	/	Program 1	Program 2	Program 3	Program 4	Program 5	Program 6
Total number of members	-	6	11	12	10	10	9
Number of members granted	0	6	11	12	10	10	9
Exercised Options							
Number of Shares	-	2.609.091	24.000	0	0	6.748	2.500
Average exercise price	-	0,33	3,33	11,80	11,56	5,91	6,50
Difference between the acquisition value and the market value	-	6,81	4,41	na	na	1,83	1,24
Delivered Shares							
Delivered Shares	-	2.609.091	0	0	0	0	0
Average purchase price	-	0,33	3,33	11,80	11,56	5,91	6,50
Difference between the acquisition value and the market value	-	6,81	4,41	na	na	1,83	1,24

Exercised Options - in fiscal year 31/12/2013	Board of Directors	Chief officers				
	/	Program 1	Program 2	Program 3	Program 4	Program 5
Total number of members	-	6	11	12	10	10
Number of members granted	0	6	11	12	10	10
Exercised Options						
Number of Shares	-	186.363	3.000	224	0	0
Average exercise price	-	0,33	3,33	11,80	11,56	5,91
Difference between the acquisition value and the market value	-	6,60	3,60	4,86	na	na
Delivered Shares						
Delivered Shares	-	186.363	3.000	224	0	0
Average purchase price	-	0,33	3,33	11,80	11,56	5,91
Difference between the acquisition value and the market value	-	6,60	3,60	4,86	na	na

Observation: The numbers published in our Financial Statements and in Minutes of meetings of the Board of Directors contemplate all of our employees and not only our Statutory Executive Board,

13.8 – Necessary information to understand of the information disclodes on items 13,5 to 13,7 – Pricing method of the value of shares and options.

a) Pricing model

The option-pricing model used by the Company is the Black-Scholes model, using the simplified assumption that dividends are paid continuously,

b) Information and assumptions used in the pricing model, including the average weighted price of the shares, exercise price, estimated volatility, option useful life, estimated dividends and risk-free interest rate

Exercise Price

(i) Program 1:
The exercise price of the Stock Option Plan is equivalent to the shareholders’ equity value determined by the Board of Directors on the release and approval of each program, being R$ 1,004,

(ii) Program 2:
The exercise price of the Stock Option Plan is equivalent to the shareholders’ equity value determined by the Board of Directors on the release and approval of each program, being R$ 10,00,

(iii) Program 3:
The exercise price is based on the average quotation of the Company´s shares in the last 20 stock market sessions before and including May 10, 2010, being R$ 11,80,

(iii) Program 4:

The exercise price is based on the average quotation of the Company´s shares in the last 20 stock market sessions before and including August 31, 2011, being R$ 11,56,

(v) Program 5:
The exercise price is based on the quotation of the Company´s shares in the market session of July 05, 2013, being R$ 5,91,

(vi) Program 6:
The exercise price is based on the quotation of the Company´s shares in the market session of May 21, 2014, being R$ 6,50,

(vii) Program 7:
The exercise price is based on the quotation of the Company´s shares in the market session of June 01, 2015, being R$ 6,84,

(viii) Program 8:
The exercise price is based on the quotation of the Company´s shares in the market session of June 09, 2016, being R$ 10,46,

Observation: When Program 1 and 2 were released and approved, the Company did not yet have securities negotiated on the stock market, When Programs 3, 4, 5,6, 7 and 8 were released and approved, the Company did already have securities negotiated on the stock market, and as such, the criterium of price setting adopted by the Company should, necessarily, observe the stock quotes,

Weighted average price of shares

The Company's share price considered as basis for calculating the value of its options is the value of the shareholders' equity for Programs 1 and 2, and is based on market value for Programs 3, 4, 5,6,7 and 8 for calculating the exercise price,

Expected volatility

To calculate the expected volatility of Programs 1 and 2 we used the annualized standard deviation of the natural logarithms of the daily variations of the historical share price of four major companies in the industry, due to the fact that the company had no securities traded on an exchange,

To calculate the expected volatility of Program 3 we used the annualized standard deviation of natural logarithms of the daily variations of the historical price of our shares in the year 2010,

To calculate the expected volatility of Program 4 we used the annualized standard deviation of natural logarithms of the daily variations of the historical price of our shares in the year 2011,

To calculate the expected volatility of Program 5 we used the annualized standard deviation of natural logarithms of the daily variations of the historical price of our shares in the year 2013,

To calculate the expected volatility of Program 6 we used the annualized standard deviation of natural logarithms of the daily variations of the historical price of our shares in the year 2014,

To calculate the expected volatility of Program 7 we used the annualized standard deviation of natural logarithms of the daily variations of the historical price of our shares in the year 2015,

To calculate the expected volatility of Program 8 we used the annualized standard deviation of natural logarithms of the daily variations of the historical price of our shares in the year 2016,

Exercise Date

For grants of Programs 1 and 2, the deadline for exercising the option is one month from the date on which the options have become exercisable, Both programs were already fully exercised and, therefore, finalized,

For grants of Program 3, the deadline for exercising the option is up to 2018; counting for the date, the options have become exercisable,

For grants of Program 4, the deadline for exercising the option is up to 2019; counting for the date, the options have become exercisable,

For grants of Program 5, the deadline for exercising the option is up to 2020; counting for the date, the options have become exercisable, For grants of Program 6, the deadline for exercising the option is up to 2021; counting for the date, the options have become exercisable,

For grants of Program 7, the deadline for exercising the option is up to 2022; counting for the date, the options have become exercisable,

For grants of Program 8, the deadline for exercising the option is up to 2023; counting for the date, the options have become exercisable

Expected dividends

The dividend distribution rate represents the ratio of the dividend per share paid in a given period and the share price in the market, We use the simplified assumption that dividends are paid continuously at a 5% rate,

Risk-free Interest rate

The risk-free rates were obtained from the BM&FBovespa and refer to the Special System of Clearance and Custody (Selic) on the respective dates of grant,

c) Method adopted and assumptions assumed to consider the estimated advanced effects for the year

We did not incorporate the expected effects of early exercise, whereas the Stock Option Plan Stock does not include the right to early exercise, except in case of the death of the beneficiary,

d) Determination of the estimated volatility

To calculate the expected volatility of Programs 1 and 2 we used the annualized standard deviation of the natural logarithms of the daily variations of the historical share price of four major companies in the industry, due to the fact that the company had no securities traded on an exchange,

To calculate the expected volatility of Program 3 we used the annualized standard deviation of natural logarithms of the daily variations of the historical price of our shares in the year 2010,

To calculate the expected volatility of Program 4 we used the annualized standard deviation of natural logarithms of the daily variations of the historical price of our shares in the year 2011,

To calculate the expected volatility of Program 5 we used the annualized standard deviation of natural logarithms of the daily variations of the historical price of our shares in the year 2013,

To calculate the expected volatility of Program 6 we used the annualized standard deviation of natural logarithms of the daily variations of the historical price of our shares in the year 2014,

To calculate the expected volatility of Program 7 we used the annualized standard deviation of natural logarithms of the daily variations of the historical price of our shares in the year 2015,

To calculate the expected volatility of Program 8 we used the annualized standard deviation of natural logarithms of the daily variations of the historical price of our shares in the year 2016,

e) If any other characteristic of the option was considered in the measurement of the fair value

Not applicable, as no other characteristic of the option was considered in the measurement of the fair value

13.9 Information, by Board, about the share held by members of the Board of Directors, the Executive Board and the Fiscal Council:

MRV ENGENHARIA E PARTICIPAÇÕES S.A.	Directly hold shares	Indirectly hold shares	Total

Major Share holder	154.287.925	4.269.860	158.557.785
Board of Directors	5.618.093	219.485	5.837.578
Chief Officers	5.451.902	102.109	5.554.011
	165.357.920	**4.591.454**	**169.949.374**

The members of the Board of Directors and the Executive Board of the issuer hold the following securities from LOG Commercial Properties and Participações S.A.

LOG COMMERCIAL PROPERTIES E PARTICIPAÇÕES S.A.	Directly hold shares	Indirectly hold shares	Total
Major Share holder	1	24.109.551	24.109.552
Board of Directors	5.593.855	9.172.547	14.766.402
Chief Officers	4.068.259	8.850.201	12.918.460
	9.662.115	**42.132.299**	**51.794.414**

The members of the Board of Directors and the Executive Board of the issuer hold the following securities from Urbamais Properties e Participações S.A.

URBAMAIS PROPERTIES E PARTICIPAÇÕES S.A.	Directly hold shares	Indirectly hold shares	Total
Major Share holder	0	5.808.647	5.808.647
Board of Directors	486.000	170.806	656.806
Chief Officers	2.214.000	156.353	2.370.353
	2.700.000	**6.135.807**	**8.835.807**

13.10. Information about pension plan granted to the members of the Board of Directors and Statutory Executive Board

Not applicable, given that there are no existing pension plans granted to the members of the Board of Directors and Statutory Executive Board.

13.11. Maximim, minimum and average individual compensation as regards to the Board of Directors, Statutory Executive Board and Supervisory Board:

		31/12/2015	31/12/2014	31/12/2013
Board of Directors	Number of members	7	6,7	7
	Numbers of member granted	7	6,7	7
	Highest individual compensation	4,554,226	3,404,006	191,000
	Lowest individual compensation	186,600	110.015	110.000
	Average value of the individual compensation	839,301	584,783	164.576

		31/12/2015	31/12/2014	31/12/2013
Executive Board	Number of members	9	10,2	11
	Numbers of member granted	9	10,2	11
	Highest individual compensation	2,127,216	1,882,140	2.989.200
	Lowest individual compensation	734,016	653,554	772,938
	Average value of the individual compensation	1,455,813	1,308,360	1.239.600

Observation: The compensation increased in 2014, compared to 2013, due to the profit sharing payment,

13.12. Agreements, insurance policies and other instruments which structured the compensation systems or indemnities on behalf of the directors and executive officers:

The Company does not have agreements, insurance policies and other instruments which structured the compensation systems or indemnities on behalf of the directors and executive officers in the event of removal or retirement,

13.13. Percentage of the total compensation of each body recognized in the Company's statement of income related to the members of the Board of Directors, Executive Board or member of the Supervisory Board which are related to the direct or indirect controllers, as set forth in the accounting rules on the matter

Not applicable, given that there is no compensation recognized in the Company's statement of income related to the members of the Board of Directors, Executive Board or member of the Supervisory Board which are related to the direct or indirect controllers, as set forth in the accounting rules on the matter,

13.14. Values recognized in the statement of income of the issuer as compensation to the members of the Board of Directors, Executive Board or Supervisory Board, gathered by body, by any reason other than the title exercised, such as commissions and consulting or advisory services rendered

Not applicable, given that there are no values recognized in the statement of income of the issuer as compensation to the members of the Board of Directors, Executive Board or Supervisory Board, by any reason other than the title exercised,

13.15. Amounts recognized in the statement of income of direct or indirect controllers, companies under common control and subsidiaries of the issuer, as compensation of the members of the Board of Directors, Executive Board or Supervisory Board of the issuer, gathered by body, including the reason why such marketable securities were attributed to such persons

The amounts recognized below were paid due to participation on the Executive Boards of the subsidiaries.

Fiscal Year 2015	Board of Directors	Executive Board	Supervisory Board	Total
direct or indirect controllers	3,449,065	6,316,998	-	9,766,063
subsidiaries of the issuer	-	498,208	-	498,208
companies under common control	-	-	-	-

Fiscal Year 2014	Board of Directors	Executive Board	Supervisory Board	Total
direct or indirect controllers	899,145	7,055,540	-	7,954,685
subsidiaries of the issuer	-	458,684	-	458,684
companies under common control	-	-	-	-

Fiscal Year 2013	Board of Directors	Executive Board	Supervisory Board	Total
direct or indirect controllers	960,026,52	6,272,260,21	-	7,232,286,73
subsidiaries of the issuer	-	440,918	-	440,918
companies under common control	-	-	-	-

Fiscal Year 2012	Board of Directors	Executive Board	Supervisory Board	Total
direct or indirect controllers	904,000	5,389,000	-	6,293,000
subsidiaries of the issuer	-	1,391,000	-	1,391,000
companies under common control	-	-	-	-

13.16. Provide other information deemed relevant by the issuer

All relevant and applicable information on this item was disclosed in the items above.

14. Human Resources

14.1. Human Resources

a) Number of employees (total, per groups based on the activities performed and per geographic location):

State	ACTIVITY	12/31/2012	12/31/2013	12/31/2014
AL	Administrative	1	1	6
	Administrative – Construction	1	17	25
	Commercial	3	6	10
	Production	5	48	295
AL Total		**10**	**72**	**336**
BA	Administrative	24	47	33
	Administrative – Construction	20	132	89
	Commercial	16	20	0
	Production	340	571	1,078
BA Total		**400**	**770**	**1,200**
CE	Administrative	16	38	30
	Administrative – Construction	2	182	122
	Commercial	6	15	20
	Production	789	645	837
CE Total		**813**	**880**	**1,009**
DF	Administrative		83	0
	Administrative – Construction		96	19
	Commercial	3	5	109
	Production	29	178	0
DF Total		**32**	**362**	**128**
ES	Administrative	28	48	62
	Administrative – Construction	18	276	154
	Commercial	53	62	83
	Production	234	233	1,046
ES Total		**333**	**619**	**1,345**
GO	Administrative		54	0
	Administrative – Construction		53	1
	Commercial	3	5	13
	Production	327	133	3
GO Total		**330**	**245**	**17**
MA	Administrative		1	1
	Administrative – Construction		12	7
	Commercial		1	0
	Production	1	35	70
MA Total		**1**	**49**	**78**
MG	Administrative	953	1,278	1,183
	Administrative – Construction	313	639	550
	Commercial	366	331	540
	Production	1,724	785	2,152
MG Total		**3,356**	**3,033**	**4,425**
MS	Administrative		33	0
	Administrative – Construction		60	0
	Commercial		0	50
	Production		125	0
MS Total			**218**	**50**
MT	Administrative	0	29	0
	Administrative – Construction	0	77	0
	Commercial	0	0	14
	Production	53	218	0
MT Total		**53**	**324**	**14**
PB	Administrative	1	10	28
	Administrative – Construction	4	61	79
	Commercial	4	9	117
	Production	80	223	1,035
PB Total		**89**	**303**	**1,259**

State	ACTIVITY	12/31/2012	12/31/2013	12/31/2014
PE	Administrative	4	18	31
	Administrative – Construction	2	77	69
	Commercial	5	5	14
	Production	307	194	726
PE Total		**318**	**294**	**840**
PR	Administrative	49	176	84
	Administrative – Construction	128	196	201
	Commercial	40	40	57
	Production	570	290	899
PR Total		**787**	**702**	**1,241**
RJ	Administrative	71	234	34
	Administrative – Construction	1	224	384
	Commercial	71	69	82
	Production	456	340	1,580
RJ Total		**528**	**867**	**2,080**
RN	Administrative	12	23	36
	Administrative – Construction	14	102	66
	Commercial	7	8	12
	Production	404	246	332
RN Total		**437**	**379**	**446**
RS	Administrative	4	32	23
	Administrative – Construction	20	75	140
	Commercial	1	11	25
	Production	154	74	556
RS Total		**179**	**192**	**744**
SC	Administrative		15	1
	Administrative – Construction		21	31
	Commercial		3	7
	Production	41	21	101
SC Total		**41**	**60**	**140**
SE	Administrative	1	4	6
	Administrative – Construction	1	26	35
	Commercial	1	1	3
	Production	6	76	393
SE Total		**9**	**107**	**437**
SP	Administrative	254	714	405
	Administrative – Construction	512	1,046	1,076
	Commercial	186	220	281
	Production	1,988	957	4,413
SP Total		**2,940**	**2,937**	**6,175**
Total MRV ENGENHARIA		**10,656**	**12,413**	**21,964**

Group	12-31-2013	12-31-2014	12-31-2015
Administrative	2,838	1,962	1,898
Administrative - Construction	3,372	2,753	3,105
Commercial	811	1,355	1,010
Production	5,392	15,014	8,790
Total MRV ENGENHARIA	**12,413**	**21,084**	**14,803**

b) Number of outsourced employees (total, per groups based on the activities performed and per geographic location)

Total employees in the construction:

Regional	12-31-2013	12-31-2014	12-31-2015
Regional Minas Gerais	1,280	400	1156
Regional Rio de Janeiro + Espírito Santo	1,046	276	1704
Regional São Paulo	3,185	709	3048
Regional Centro-Oeste	1,049	248	521
Regional Nordeste	1,564	248	1587
Regional Sul	766	394	880
Total MRV ENGENHARIA	**8,889**	**2,275**	**8,896**

c) Rotation index

	12/31/2013	12/31/2014	12/31/2015
Rotation index	12.10%	8.97%	6.15%

Our rotation index is calculated as follows:

Rotation index: (hired + dismissed)/2 / (initial number / final number)/2

d) Exposure of the issuer to liabilities and labor contingencies

For further information, see item 4.3. of this Reference Form.

14.2. Relevant changes as regards human resources

The increase in the number of employees over the past years resulted from the increase in our operations since the Company's IPO. Additionally, the Company internalized employees allocated in the production and commercial areas, seeking to improve productivity, reduce turnover, reduce doubt regarding legal issues and improve our supervision and remuneration systems.

14.3. Compensation policies applied to the Company's employees

a) policy of salaries and variable compensation

Our salary policy is managed internally in accordance with the structure of the areas and labor market variations. Therefore, in accordance with the internal policy of titles and salaries, in which the salary of the employees is calculated under applicable law, being comprised of fixed salary, which may be added by profit sharing.

The annual profit sharing and Company's results depend on the minimum results of the Adjusted EBITDA Margin. The margin is defined yearly in the first quarter of the year by the Executive Board and registered with the trade union.

The selling staff has differentiated compensation, including salary based on sales commission, mixed salaries (fixed and variable salaries) and profit sharing. The sales commission is determined in accordance with the number of Units sold by the brokers.

Participation in our stock option plan to purchase shares includes, besides the executive officers, directors and managers, considered key employees of the Company, who are elected by the Executive Board and approved by the Board of Directors. Each participant is given a maximum of options. The actual amount to be exercised is linked directly and proportionately to performance (goal achievement) in the program of Profit sharing - PLR.

b) benefit policy

We offer the following benefits to our employees: life insurance, health plan, including dependents, odontological plan, meal ticket and transportation ticket.

The policy for assignment of these benefits is adopted as from the admission date, regardless of the title exercised or the registry period.

As from the admission date, all employees are entitled to meal ticket, transportation ticket, health and odontological plans (when requested and without grace period) and life insurance.

c) characteristics of the stock based compensation plans of the employees other than directors and executive officers; (ii) exercise conditions; (iii) exercise prices; (iv) exercise terms; (v) number of shares in connection with the plan

Our employees other than directors and executive officers may be entitled to participate in our Stock Option Plan for the purchase of Shares.

(i) Beneficiaries
Key employees, not necessarily linked to a function (can be directors, managers, supervisors, engineers, analysts, etc.) provided they are regarded as important for the company, for their knowledge and delivery capabilities.

(ii) Exercise Conditions
Participants should follow the deadlines to exercise programs

	(iii) Exercise Price	(iv) Exercise Date	(v) Number of shares in the plan (to be exercised)	(v) Number of exercised shares in the plan (exercised)
Program 1:	R$ 1.004	Until 2014	0	6,462,513
Program 2:	R$ 10.00	Until 2014	0	1,224,198
Program 3:	R$ 11.80	Until 2015	1,273,537	9,671
Program 4:	R$ 11.56	Until 2016	1,603,465	0
Program 5:	R$ 5.91	Until 2017	1,407,515	11,492
Program 6	R$ 6.50	Until 2018	1,466,347	6,194
Program 7	R$6.84	Until 2019	1,444,374	1,100
Program 8	R$ 10.42	Until 2020	1,528,549	0

14.4. Relationship between the Company and the trade unions

We believe we have a good relationship with several trade unions to which our employees are affiliated in the cities where we operate. The labor agreements are renegotiated on a yearly basis and, in the main cities, we maintain direct communication channels together with the Employees' and Employers' Civil Construction Trade Unions.

We list below the trade unions which represent our employees in the annual collective agreements, including other matters such as working hours, benefits, profit sharing and approvals, in addition to the traditional collective agreements per category:

Trade Union	State	City
RP SIND. DA CONSTR CIVIL DE CAMPINAS E AMERICANA	SP	Americana
SIND DOS TRAB NAS IND DA CONT CIVIL DE ESTADO DE SERGIPE	SE	Aracaju
SP-SINDICATO DOS TRABALHADORES NAS INDUSTRIAS DA CONSTR.E DO MOB. DE ARAÇATUBA	SP	Araçatuba
SIND DOS TRAB NAS IND DA CONST E DO MOB DE ARAPONGAS	PR	Arapongas
RP SINDICATO TRAB. INDUSTRIA CONST. CIVIL DE ARARAQUARA	SP	Araraquara
RP SIND. TRAB INDUSTRIA CONST CIVIL DE BARRETOS	SP	Barretos
RP SINDICATO TRAB. INDUSTRIA CONST.E DO MOBILIARIO DE BAURU E REGIAO	SP	Bauru
BH SIND. DOS TRAB. DAS IND. CONST. BELO HORIZONTE	MG	Belo Horizonte
BH SIND. DOS TEC. ANALISTA DE SISTEMAS	MG	Belo Horizonte
BH SIND. DAS SECRETARIAS DOS ESTADO MG	MG	Belo Horizonte
BH SIND. DOS ENGENHEIROS DO ESTADO MG	MG	Belo Horizonte
BH SIND. TECNICOS DE SEGURANÇA TRABALHO	MG	Belo Horizonte
BH SSEI- SIND. EMP EM EMP DE COMPRA,VENDA,LOC E ADM IMOVEIS	MG	Belo Horizonte

Trade Union	State	City
(CORRETORES)		
SIND. DOS TRAB. DAS IND. CONST. MOBIL DE BETIM	MG	Betim
RP SIND. DA CONSTR CIVIL DO MOB. DE BOTUCATU	SP	Botucatu
SIND.IND.CONST.CIVIL BSB	DF	Brasília
SIND. DA IND. DA CONST E DO MOBIL DO ESTADO DA PARAIBA - CAMPINA GRANDE	PB	Campina Grande
RP SINTEGE - SIND TRAB EMPR GDES ESTRU CPS	SP	Campinas
CP SSEI- SIND. EMP EM EMP DE COMPRA,VENDA,LOC E ADM IMOVEIS (CORRETORES)	SP	Campinas
SIND DOS TRAB DAS IND DA CONT CIVIL E DO MOB DE CAMPO E NOROESTE	RJ	Campos dos Goytacazes
BH SINTICOMC - SIND. DOS TRAB. DAS IND. CONSTR. MOB. CONTAGEM	MG	Contagem
SINDICATO TRABALHADORES DA INDUSTRIA DA CONSTRUCAO CIVIL CUIABÁ	MT	Cuiaba
CR SIND. DOS TRAB. NA IND. DA CONST. E DO MOB. - CURITIBA SINTRACON	PR	Curitiba
CR SIND. DOS ENGENHEIROS DO ESTADO DE CURITIBA	PR	Curitiba
SIND DOS TRAB NAS IND DE CONST CIVIL DE FEIRA DE SANTANA	BA	Feira de Santana
CR SINDICATO DOS TRAB NA CONSTRUÇÃO E MOBILIÁRIO DE FLORIANÓPOLIS E SÃO JOSÉ	SC	Florianoplis
CE SINDUSCON - CE	CE	Fortaleza
RP SIND. DOS TRAB NAS IND DA CONSTRUÇÃO E DO MOBILIARIO DE FRANCA	SP	Franca
GO-SINDUSCON-SINDICATO DA INDUSTRIA DA CONSTRUÇAO NO ESTADO DE GOIAS	GO	Goiânia
SP SIND DA IND E CONTRUÇÃO CIVIL DE GUARATINGUETA	SP	Guaratinguetá
SIND. TRAB IND CONSTRUÇÕES CIVIL GUARULHOS	SP	Guarulhos
SINDICATO TRABS IND CONST CIVIL MOB DE IPOJUCA & LITORAL SUL	PE	Ipojuca
SIND DOS TRAB. IND. CONT CIVIL E DO MOB E CERAMICAS DE ITU E REGIÃO	SP	Itu
SINDICATO DOS TRABALHADORES NAS INDUSTRIAS DA CONSTRUÇÃO E DO MOBILIARIO DE JACAREI	SP	Jacareí
PB - SIND. DOS TRAB. NAS IND DA CONSTRUCAO CIVIL DE JOÃO PESSOA E REGIÃO PB	PB	João Pessoa
SINDICATO DA INDUSTRIA DA CONSTRUÇÃO CIVIL DE JOINVILLE (SITICOM)	SC	Joinville
JF - SIND. DOS TRAB IND CONSTRUCAO CIVIL DE JUIZ DE FORA	MG	Juiz de Fora
CP SIND. DA CONSTR CIVIL DE JUNDIAI	SP	Jundiai
SIND DO TRABALHADORES NA IND CONST CIVIL E MONTAGEM E MANUNTENÇÃO - SINDTICCC - LAURO DE FREITAS	BA	Lauro de Freitas
SINDICATO DOS TRABALHADORES NAS INDÚSTRIAS DA CONSTRUÇÃO E DO MOBILIÁRIO DE LIMEIRA	SP	Limeira
CR SIND. TRAB. IND. CONST. E MOB. LONDRINA	PR	Londrina
MACAÉ SIND. DOS TRAB. DE PINTURA IND E DA CONSTRUÇÃO CIVIL	RJ	Macaé
SIND DOS TRAB DA IND DA CONT CIVIL E MOB DE ALAGOAS	AL	Maceió
SINDICATO DOS TRABALHADORES NAS INDÚSTRIAS DA CONSTRUÇÃO E DO MOBILIÁRIO DE MARÍLIA	SP	Marília
CP FEDERAÇÃO TRAB. IND. CONST. E MOBILIARIO DE MARINGA	PR	Maringá
SP SINDICATO DOS TRABALHADORES NAS IND. DA CONS. E DO MOBILIARIO DE MOGI DAS CRUZES	SP	Mogi das Cruzes
BH SIND. RURAL DE MONTE AZUL	MG	Monte Azul
SIND DOS TRAB NA IND DA CONT E MOB DO NORTE DE MINAS	MG	Montes Claros
RN-SIND.DOS TRABALHADORES NA IND.DA CONST.CIVIL E DO MOB.DO ESTADO DO RIO G.DO NORTE	RN	Natal
SINDICATO DOS TRABALHADORES NAS INDUSTRIAS DA CONSTRUÇÃO CIVIL E DO MOB. NOVA IGUAÇU	RJ	Nova Iguaçu
RP SIND. TRAB INDUSTRIA CONST CIVIL DE OURINHOS	SP	Ourinhos
RP SIND. DA CONSTR CIVIL DE PIRACICABA	SP	Piracicaba
CR SINDICATO DOS TRAB NA CONSTRUÇÃO E MOBILIÁRIO DE PONTA GROSSA	PR	Ponta Grossa
SINDICATO DOS TRABALHADORES NAS IND.CONSTRUÇÃO CIVIL PORTO ALEGRE	RS	Porto Alegre
SINDICATO DOS TRABALHADORES NAS INDUSTRIAS DA CONSTRUÇÃO E DO MOBILIARIO DE PRESIDENTE PRUDENTE	SP	Presidente Prudente
PE - SINDICATO DOS TRAB NA IN CONST CIVIL E PESADA DE PE	PE	Recife

Trade Union	State	City
RP SIND. TRAB INDUSTRIA CONST CIVIL DE RIBEIRÃO PRETO	SP	Ribeirão Preto
RP SSEI- SIND. EMP EM EMP DE COMPRA,VENDA,LOC E ADM IMOVEIS (CORRETORES)	SP	Ribeirão Preto
BH SIND. NACIONAL DOS AERONAUTAS	RJ	Rio de Janeiro
RJ SIND. DOS TRAB. DAS IND. CONST. RIO DE JANEIRO - SINDUSCON-RIO	RJ	Rio de Janeiro
SIND DOS TRAB NA IND DA CONST E DA MADEIRA NO EST DA BA	BA	Salvador
SINDICATO DOS TRABALHADORES NAS INDUSTRIAS DA CONSTRUÇÕA E DO MOBILIARIO DE SANTO ANDRE	SP	Santo André
SP SINDICATO DOS TRABALHADORES NAS IND. DA CONS. E DO MOB. DE SÃO BERNARDO DO CAMPO E DIADEMA	SP	São Bernardo do Campo
RP SIND. DOS TRAB NAS IND DA CONST E DO MOBILIÁRIO E MONTAGEM IND DE SÃO CARLOS	SP	São Carlos
SINDICATO DOS TRABALHADORES DO PLANO DA CONS. CIVIL E MOB. DE SÃO GONÇALO E REGIÃO	RJ	São Gonçalo
RP SIND. TRAB.INDUSTRIA CONST.CIVIL DE SÃO JOSÉ DO RIO PRETO	SP	São José do Rio Preto
SP SIND. DA CONSTR CIVIL DE SAO JOSE DOS CAMPOS	SP	São José dos Campos
SIND DAS IND DA CONT CIVIL E DO MOB DE ESTEIO	RS	São Leopoldo
SIND DOS TRAB NA IND DA CONST PESAD,MOB,ART DE CIM E O.ARTE DE S.LUIS,P.LUMIAR,S.J.RIBAMAR,RAPOSA E ALCANTARA	MA	São Luís Gonzaga do Maranhão
SINDICATO DOS TECNICOS DE SEGURANÇA DO TRABALHO NO ESTADO DE SÃO PAULO	SP	São Paulo
SP SIND. DOS ENGENHEIROS DO ESTADO DE SÂO PAULO	SP	São Paulo
SP SIND. TRAB IND CONSTRUÇÕES CIVIL SAO PAULO	SP	São Paulo
SP SIND. DOS ARQUITETOS E URBANISTA NO ESTADO DE SÃO PAULO	SP	São Paulo
SP SSEI- SIND. EMP EM EMP DE COMPRA,VENDA,LOC E ADM IMOVEIS (CORRETORES)	SP	São Paulo
CP SIND. DA CONSTR CIVIL DE SOROCABA	SP	Sorocaba
SINDICATO DOS TRABALHADORES NAS IND. DA CONS. E DO MOB. DE TAUBATE	SP	Taubaté
TR SIND. TRAB CONST MOB DE UBERABA	MG	Uberaba
TR SSEI- SIND. EMP EM EMP DE COMPRA,VENDA,LOC E ADM IMOVEIS (CORRETORES)	MG	Uberlândia
TR SIND. TRAB CONST MOB DE UBERLANDIA	MG	Uberlândia
SIND. DOS TRAB. DA IND. CONST CIVIL E MOB DE VESPASIANO E SÃO JOSE DA LAPA	MG	Vespasiano
ES-SINTRACONST SINDICATO DOS TRAB. DA INDUSTRIA DA CONST.CIVIL DO ESTADO DO ESP.SANTO	ES	Vitória
SINDICATO DAS INDUSTRIAS DA CONSTRUÇÃO E DO MOBILIARIO DE VOLTA REDONDA	RJ	Volta Redonda

14.5. Other relevant information

The Company believes that all relevant information has been addressed in previous.

15. Control

15.1 / 15.2. Shareholders or group of controlling shareholders

a) Shareholder	b) Country of birth	c) CNPJ	d) Number of common shares(1)	e) and f) %	g) Party to the shareholders' agreement	i) Date of the last update
Rubens Menin Teixeira de Souza	Brazil	315.836.606-15	156,832,926	35.31%	No	10/04/2016
Orbis Investment Management Limited	Bermuda		51,410,761	11.57%	No	08/08/2016
Treasury Shares			2,878,757	0.65%	No	10/04/2016
Other Shares			233,017,240	52.46%	No	10/04/2016
Total			**444,139,684**	**100.0%**		

(1) *The Company does not issue preference shares.*

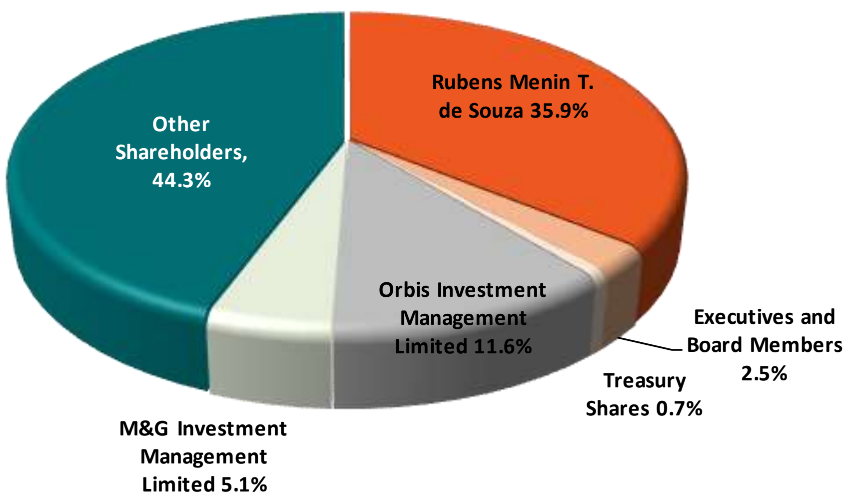
15.3. Distribution of the capital stock, as determined in the last shareholders' general meeting

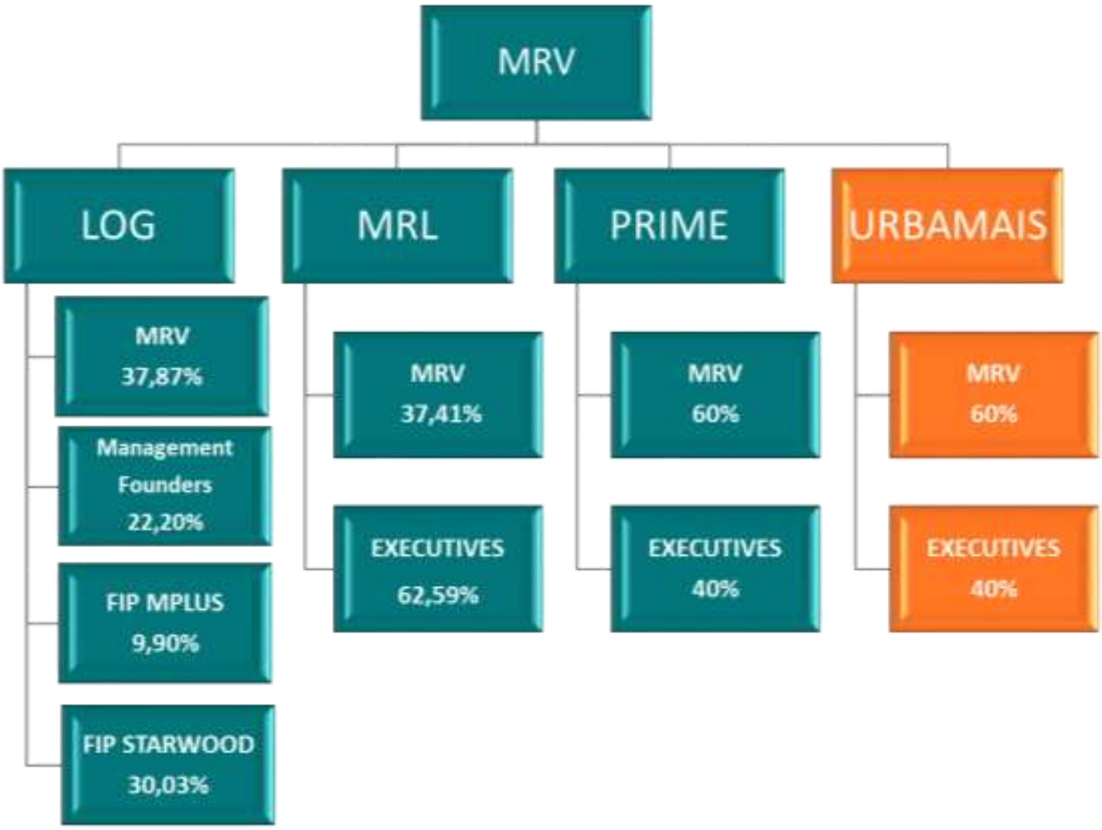
Description	Composition based on the General Meeting held on April 30, 2015
Number of shareholders - individuals	2,264
Number of shareholders – legal entities	231
Number of institutional investors	623

Number of outstanding shares, per class and type	276,121,834	62.17%

15.4. Organization Chart of shareholders and economic group

Organizational chart of the main shareholders and the main holdings of the issuer





15.5. Information of the shareholders' agreement governing the exercise of the voting rights or the transfer of the Company's shares, filed with the Company's main place of business and to which the controller is a party

There is no shareholders' agreement filed with the Company's main place of business.

15.6. Relevant changes in the shareholding interest of the members of the controlling group and the Company's directors and executive officers

On December 21, 2009 the controlling shareholder sold, by auction at BM&FBovespa, 10,500,000 shares of the Company.

On December 14, 2010 the controlling shareholder sold, by auction at BM&FBovespa, 12,000,000 shares of the Company.

15.7. Major corporate transactions

There was no request for bankruptcy based on relevant value or judicial or extrajudicial recovery of the Company.

	2013
a) Event:	Issuance of 36,945,672 ordinary shares by LOG Commercial Properties e Participações S.A.;
b) Main business conditions:	Price: Capital increase of R$ 278 million; Payment method: I R$ 128 million as FIP Multisetorial Plus' part and R$ 150 million for the current shareholders of LOG. Pending approval by regulatory agencies: The

	2013
	completion of this transaction is subject to specific customary conditions, including approval of the Administrative Council for Economic Defense - CADE.
c) Shareholders:	LOG Commercial Properties e Participações S.A and FIP MPLUS
d) Results in corporate structure:	MRV's interest in the capital of LOG Commercial Properties decreased from 42.03% to 37.87%.
e) Corporate structure before and after the event:	(see table below)
f) mechanisms used to ensure equitable treatment of shareholders:	According to EGM, held on 25.06.2013, was expressly disclaims and part of all other shareholders to their respective preemptive rights established by law.

Starwood Investment	Before	After
MRV Engenharia e Participações S.A.	42.03%	37.87%
Starwood Capital do Brasil	33.33%	30.03%
Other	24.64%	22.20%
FIP MPLUS	0.00%	9.90%
	100.0%	100.0%

	2015
a) Event:	Acquisition of equity interest of the company MRV LOG SP I Incorporations SPE LTDA ("Office Park Pirituba").
b) Main business conditions:	Price: R $ 110 million Payment: payment of R $ 11 million and 30 monthly installments of R $ 3.3 million adjusted by the IPCA.
c) Shareholders:	LOG Commercial Properties and Holdings S.A., LDI LOG Real Estate Development Ltd. and MRV Engenharia e Participações SA
d) Results in corporate structure:	Acquisition of 100.00% of the percentage share of the company MRV LOG SP I Incorporations SPE Ltda MRV Engenharia e Participações SA
e) Corporate structure before and after the event:	(see table below)

Starwood Investment	Before	After
MRV Engenharia e Participações S.A.	99.99%	0.00%
Starwood Capital do Brasil	0.01%	0.00%
Other	0.00%	100.00%
FIP MPLUS	**100.0%**	**100.0%**
	99.99%	0.00%

f) mechanisms used to ensure equitable treatment of shareholders:
Equity interest acquisition approved at the board of directors meeting held on March 16, 2015.

16. Related-Party Transactions

16.1. Rules, policies and practices adopted by the Company as regards to the performance of related-party transactions (as set forth by the accounting rules on the matter)

On May 16, 2013 our Board of Directors approved the Related Parties Trading Policy. This policy can be accessed at the Company's headquarters and on the company´s IR website. Any changes to the said policy may be decided by the Board of Directors. In addition to this approved policy, the Company's Bylaws provides tight control in this direction and this can be located in the same places.

I – PURPOSE AND SCOPE
This present Policy aims at assuring that the decisions, especially those involving Related Parties and other potential situations with conflict of interest, are taken bearing in mind the interest of MRV ENGENHARIA E PARTICIPAÇÕES S.A. (the “Company” or “MRV”) and its shareholders. It applies to all employees and Management of the Company and its subsidiaries.

II – RELATED PARTIES DEFINITION
According to the Technical Pronouncement CPC no. 5, issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM) through CVM Deliberation no. 560, of December 11, 2008, the trading with related parties are described as “transfer of resources, services or obligations between related parties, regardless of any value being allocated, or not, to the transaction. For the purposes of this Policy, “Related Parties” shall be considered as those ones in this Pronouncement.

III – DEFINITION OF SITUATIONS INVOLVING CONFLICTS OF INTEREST
Within this Policy, it is defined that the potential conflicts of interest are those in which the personal objectives of the decision makers, by any reason, might not be aligned with those of the Company in specific matters.
Bearing in mind the potential conflicts of interest in those situations, MRV seeks to assure that all the decisions that may grant a private benefit to any of its managers, family members, entities or persons related to them are taken with total integrity, respecting the Company’s interest.

IV – RULES FOR DECISIONS INVOLVING RELATED PARTIES OR OTHER CONFLICTS OF INTEREST
As a matter of this subject is identified, the Management shall immediately manifest their conflict of interest. Additionally, they shall leave the discussions over the matter and abstain themselves from voting. If requested by the President of the Board of Directors or the President Director, according to each case, those managers may partially participate in the discussion, aiming at proportioning more information on the operation and the related parts. In such case, they shall leave by the end of the discussion, including the voting process of the matter
In case of any Director or Executive Director who might have potential private gains originated from a decision does not manifest their conflicts of interest, any other member of the entity he/she is a part of who has knowledge about the matter may do so
In such case, the fact that the manager did not voluntarily manifested himself or herself, is considered a violation of this Policy and of MRV’s Code of Ethics, being taken to the Ethics Committee to be assessed and to be proposed potential corrective action to the Board of Directors .
The manifestation of the situation of conflict of interest and the subsequent abstention shall be included in the meeting’s Minute.
On taking office, MRV’s Managers shall sign a document affirming that they received, read and committed themselves to follow the Related Parties Trading Policy.

V – Policy alignment with the Corporation Law
This Policy is in accordance with the demands of Law 6.404 of 1976, particularly regarding the Managers’ Duty of Loyalty towards the Company. According to article 155, the manager must loyally serve the Company, demanding that the Company’s interests always takes precedence over the decision makers’ personal ones.
Moreover, Article 156 determines that, when there are conflicts of interest it is up to the Manager to communicate the others, as well as the Board of Directors, of the conflict, therefore becoming prevented to intervene in the operation, and there shall be written in the Minute of the Board of Directors’ Meeting the nature and extension of the interest.

VI – Transparency and periodical review of the Policy
MRV shall annually make available to external audiences, information about transactions between the Company and Related Parties, in accordance with the demands of Novo Mercado and CVM’s regulations.
As a way to ensure the continuous evolution of the practices, the Ethics Committee will periodically review this Policy.

16.2. Regarding the related-party transactions (Parent Company's balances)

Related Parties	LOG Commercial Properties e Participações S.A.;
Transaction Date	07/29/2016
Amount involved (Reais)	R$ 135,000,000
Existing balance (Reais)	R$ 135,000,000
Duration	10/28/2016
Loan and debt	Yes
Interest rate	CDI + 2.36% p.a.
Relationship with the issuer	Companies related to MRV and to the controller
Agreement subject	Refers to the 9th issue of debentures with private placement, non-convertible, unsecured debentures, in the amount of R $ 135 million, maturing in 90 days, with a cost of CDI + 2.36% p.a. which was fully subscribed and paid by the parent together MRV Engenharia e Participações SA on July 29, 2016.
Guarantee and insurance	No guarantee
Termination or extiguishment	Not applicable
Agreement purpose	Acquisition of issuance of debentures of jointly controlled company. The purpose of the issue of debentures by the related company is to obtain funds for the payment of existing debt and working capital.

Related Parties	LOG Commercial Properties e Participações S.A.; MRL Engenharia e Empreendimentos S.A.; Prime Incorporações e Construções S.A.; Urbamais Properties e Participações S.A.; Construtora Verde Grande Ltda.; MRV Serviços de Engenharia Ltda.; Expar Êxito Participações Ltda.; Intermedium Crédito Financiamento e Investimento S.A. and Partners in development of projects.
Transaction Date	-
Amount involved (Reais)	R$ 46,949520,36
Existing balance (Reais)	R$ 4,259,162.26
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	No
Interest rate	0.000
Relationship with the issuer	Companies related to MRV and to the controller
Agreement subject	Construction, sale and administrative support agreements. The revenue from the provision of construction services charged by the Company is calculated from 15% of the incurred cost, in case of contracts for construction, and 7.6% (Expar and CVG) and 8.5% (Serviços) of the sales price, in case of constract for sales of units and administrative support. The joint controlled, LOG, MRL and Prime, hold agrement of administrative services provision with the Company and the revenue is established by monthly payment of R$5,500.00 by development (LOG) and a fixed monthly payment (annualy readjusted) of each Company's operations multiplied by the amount executed by MRL and Prime. The revenue from Intermedium refers to the comission of business approach from 0.15% of the total of suppliers which discount their bills with the bank. The amount released at "Amount Involved" is the sum of the transactions of 2014.
Guarantee and insurance	Not applicable
Termination or extiguishment	End of construction and end of sales of units
Agreement purpose	Services

Related Parties	MRV Serviços de Engenharia Ltda.
Transaction Date	08/22/2014
Amount involved (Reais)	R$ 24,000,000.00
Existing balance (Reais)	R$ 9,365,940.55
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	No
Interest rate	0.000
Relationship with the issuer	Companies related to the controller
Agreement subject	Acquisition of use and ownership rights of the trademark "MRV Engenharia".
Guarantee and insurance	Not applicable
Termination or extiguishment	Not applicable
Agreement purpose	Acquisition of use and ownership rights of the trademark "MRV Engenharia". The balance has charges calculated by the SELIC rate.

Related Parties	MRV Construções Ltda.
Transaction Date	-
Amount involved (Reais)	R$ 359,865,000.00
Existing balance (Reais)	R$ 27,886,747.72
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000
Relationship with the issuer	Companies related to the controller
Agreement subject	Construction Services provided for the Company and its subsidiaries.
Guarantee and insurance	Not applicable
Termination or extiguishment	Not applicable
Agreement purpose	Construction Services provided for the Company and its subsidiaries. The amount released at “Amount involved” refers to the sum of transactions of 2014.

Related Parties	Ancona Engenharia Ltda.
Transaction Date	-
Amount involved (Reais)	R$ 32,499,525.41
Existing balance (Reais)	R$ 20,930,678.17
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000

Relationship with the issuer	Partner in development projects
Agreement subject	Loan agreement with Ancona Engenharia Ltda.
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due including charges
Agreement purpose	Loan agreement. The amount released at “Amount involved” refers to the maximum limit of the loan, established by the agreement between the parties.

Related Parties	LCG Engenharia e Representações Ltda.
Transaction Date	-
Amount involved (Reais)	R$ 20,840,871.47
Existing balance (Reais)	R$ 495,163.78
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000
Relationship with the issuer	Partner in development projects
Agreement subject	Loan agreement with LCG Engenharia e Representações Ltda.
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due including charges
Agreement purpose	Loan agreement. The amount released at “Amount involved” refers to the maximum limit of the loan, established by the agreement between the parties. The balances are corrected by CDI + 2.01% per year.

Related Parties	Prime Incorporações e Construções Ltda.
Transaction Date	-
Amount involved (Reais)	R$ 103,123,631.38
Existing balance (Reais)	R$ 37,520,393.52
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000
Relationship with the issuer	Joint controlled Company
Agreement subject	Loan agreement with Prime Incorporações e Construções Ltda.
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due including charges
Agreement purpose	Loan agreement. The amount released at “Amount involved” refers to the maximum limit of the loan, established by the agreement between the parties. The balances are corrected by CDI + 2.36% per year.

Related Parties	S. Figueiredo Construtora Ltda.
Transaction Date	-
Amount involved (Reais)	R$ 8,547,759.40
Existing balance (Reais)	R$ 1,566,960.97
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000
Relationship with the issuer	Partner in development projects
Agreement subject	Loan agreement with S. Figueiredo Construtora Ltda.
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due including charges
Agreement purpose	Loan agreement. The amount released at “Amount involved” refers to the maximum limit of the loan, established by the agreement between the parties. The balances are corrected by CDI + 2.01% per year.

Related Parties	Seitec Serviços de Engenharia e Instalações Ltda.
Transaction Date	-
Amount involved (Reais)	R$ 1,682,656.90
Existing balance (Reais)	R$ 345,080.42
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000
Relationship with the issuer	Partner in development projects
Agreement subject	Loan agreement with Seitec Serviços de Engenharia e Instalações Ltda.
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due including charges
Agreement purpose	Loan agreement. The amount released at “Amount involved” refers to the maximum limit of the loan, established by the agreement between the parties. The balances are corrected by CDI + 2.01% per year.

Related Parties	Caieiras Engenharia
Transaction Date	-
Amount involved (Reais)	R$ 17,276,104.13
Existing balance (Reais)	R$ 465,858.87
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000
Relationship with the issuer	Partner in development projects
Agreement subject	Loan agreement with Caieiras Engenharia
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due including charges
Agreement purpose	Loan agreement. The amount released at “Amount involved” refers to the maximum limit of the loan, established by the agreement between the parties. The balances are corrected by CDI + 2.01% per year.

Related Parties	Topos Engenharia e Projetos Ltda.
Transaction Date	-
Amount involved (Reais)	R$ 21,135,414.27
Existing balance (Reais)	R$ 3,108,750.87
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000
Relationship with the issuer	Partner in development projects
Agreement subject	Loan agreement with Topos Engenharia e Projetos Ltda.
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due including charges
Agreement purpose	Loan agreement. The amount released at “Amount involved” refers to the maximum limit of the loan, established by the agreement between the parties. The balances are corrected by CDI + 2.01% per year.

Related Parties	Unit Engenharia Ltda.
Transaction Date	-
Amount involved (Reais)	R$ 9,395,038.49
Existing balance (Reais)	R$ 9,395,038.49
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000
Relationship with the issuer	Partner in development projects
Agreement subject	Loan agreement with Unit Engenharia Ltda.
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due including charges
Agreement purpose	Loan agreement. The amount released at “Amount involved” refers to the maximum limit of the loan, established by the agreement between the parties. The balances are corrected by CDI + 2.01% per year.

Related Parties	EBL Participações
Transaction Date	-
Amount involved (Reais)	R$ 1,060,800.56
Existing balance (Reais)	R$ 38,922.57
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000
Relationship with the issuer	Partner in development projects
Agreement subject	Loan agreement with EBL Participações.
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due including charges
Agreement purpose	Loan agreement. The amount released at “Amount involved” refers to the maximum limit of the loan, established by the agreement between the parties. The balances are corrected by CDI + 2.01% per year.

Related Parties	IMA
Transaction Date	-
Amount involved (Reais)	R$ 7,294,169.38
Existing balance (Reais)	R$ 7,294,169.38
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000
Relationship with the issuer	Partner in development projects
Agreement subject	Loan agreement with IMA.
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due including charges
Agreement purpose	Loan agreement. The amount released at “Amount involved” refers to the maximum limit of the loan, established by the agreement between the parties. The balances are corrected by CDI + 2.01% per year.

Related Parties	Habit Empreendimentos Imobiliários Ltda.
Transaction Date	-
Amount involved (Reais)	R$ 45,235,399.10
Existing balance (Reais)	R$ 2,406,560.29
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000
Relationship with the issuer	Partner in development projects
Agreement subject	Loan agreement with Habit Empreendimentos Imobiliários Ltda.
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due including charges
Agreement purpose	Loan agreement. The amount released at “Amount involved” refers to the maximum limit of the loan, established by the agreement between the parties. The balances are corrected by CDI + 2.01% per year.

Related Parties	Magis Incorporação e Desenvolvimento Imobiliário Ltda.
Transaction Date	-
Amount involved (Reais)	R$ 12,000,000.00
Existing balance (Reais)	R$ 892,157.22
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000
Relationship with the issuer	Partner in development projects
Agreement subject	Loan agreement with Magis Incorporação e Desenvolvimento Imobiliário Ltda.
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due including charges
Agreement purpose	Loan agreement. The amount released at “Amount involved” refers to the maximum limit of the loan, established by the agreement between the parties. The balances are corrected by CDI + 2.01% per year.

Related Parties	Construtora QBHZ Ltda.
Transaction Date	-
Amount involved (Reais)	R$ 2,213,989.92
Existing balance (Reais)	R$ 1,518,304.59
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000
Relationship with the issuer	Partner in development projects
Agreement subject	Loan agreement with Construtora QBHZ Ltda.
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due including charges
Agreement purpose	Loan agreement. The amount released at “Amount involved” refers to the maximum limit of the loan, established by the agreement between the parties. The balances are corrected by CDI + 2.01% per year.

Related Parties	Moura Dubeux
Transaction Date	-
Amount involved (Reais)	R$ 3,248,306.95
Existing balance (Reais)	R$ 3,208,148.65
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	Yes
Interest rate	0.000
Relationship with the issuer	Partner in development projects
Agreement subject	Loan agreement with Moura Dubeux.
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due including charges
Agreement purpose	Loan agreement. The amount released at “Amount involved” refers to the maximum limit of the loan, established by the agreement between the parties. The balances are corrected by CDI + 2.01% per year.

Related Parties	Prime Incorporação e Construções S.A.; MRL Engenharia e Empreendimentos S.A.; LOG Commercial Properties and Participações S.A.; MDI Desenvolvimento Imobiliário Ltda.; silente and specific purpose partnerships and partners in development projects.
Transaction Date	-
Amount involved (Reais)	R$ 0.00
Existing balance (Reais)	R$ 5,733,540.13
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	No
Interest rate	0.000
Relationship with the issuer	Companies related to MRV
Agreement subject	Balances receivable from controlled companies and partners regarding capital contributions and advances.
Guarantee and insurance	Not applicable
Termination or extiguishment	Total amortization of balance due
Agreement purpose	The balances receivable from controlled companies and partners regarding capital contributions are not subject to financial charges and are received imediatelly after the collection executed by the Company. Since it is a current transaction, related to investments in projects controlled by the Company, with shareholding of controlled companies and / or partners that are under construction there are not an agreement establishing the amount or transaction limit. The investments are recorded / required during the projects’construction or whenever necessary.

Related Parties	Intermedium Crédito Financiamento e Investimento S.A. with MRV Engenharia e Participações S.A..
Transaction Date	-
Amount involved (Reais)	R$ 0.00
Existing balance (Reais)	R$ 103,147,553.79
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	No
Interest rate	0.000
Relationship with the issuer	Company related to the controller
Agreement subject	Bank Deposit Certificates (CDB).
Guarantee and insurance	Not applicable
Termination or extiguishment	Redemption
Agreement purpose	Financial applications in CDB. The balances are corrected, on average, by 109.28% of CDI.

Related Parties	Intermedium Crédito Financiamento e Investimento S.A. with LOG Commercial Properties e Participações S.A..
Transaction Date	-
Amount involved (Reais)	R$ 0.00
Existing balance (Reais)	R$ 12,675,521,90
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	No
Interest rate	0.000
Relationship with the issuer	Company related to the controller
Agreement subject	Bank Deposit Certificates (CDB).
Guarantee and insurance	Not applicable
Termination or extiguishment	Redemption
Agreement purpose	Financial applications in CDB. The balances are corrected, on average, by 108% of CDI.

Related Parties	Intermedium Crédito Financiamento e Investimento S.A. with MDI Desenvolvimento Imobiliário Ltda.
Transaction Date	-
Amount involved (Reais)	R$ 0.00
Existing balance (Reais)	R$ 14,735,219.65
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	No
Interest rate	0.000
Relationship with the issuer	Company related to the controller
Agreement subject	Bank Deposit Certificates (CDB).
Guarantee and insurance	Not applicable
Termination or extiguishment	Redemption
Agreement purpose	Financial applications in CDB. The balances are corrected, on average, by 111.16% of CDI.

Related Parties	Intermedium Crédito Financiamento e Investimento S.A. with Urbamais Properties e Participações S.A.
Transaction Date	-
Amount involved (Reais)	R$ 0.00
Existing balance (Reais)	R$ 2,117,272.82
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	No
Interest rate	0.000
Relationship with the issuer	Company related to the controller
Agreement subject	Bank Deposit Certificates (CDB).
Guarantee and insurance	Not applicable
Termination or extiguishment	Redemption
Agreement purpose	Financial applications in CDB. The balances are corrected, on average, by 112% of CDI.

Related Parties	Intermedium Crédito Financiamento e Investimento S.A. with Cabral Investimentos SPE Ltda.
Transaction Date	-
Amount involved (Reais)	R$ 0.00
Existing balance (Reais)	R$ 13,889,252.69
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	No
Interest rate	0.000
Relationship with the issuer	Company related to the controller
Agreement subject	Bank Deposit Certificates (CDB).
Guarantee and insurance	Not applicable
Termination or extiguishment	Redemption
Agreement purpose	Financial applications in CDB. The balances are corrected, on average, by 110.11% of CDI.

Related Parties	Intermedium Crédito Financiamento e Investimento S.A. with specific purpose companies.
Transaction Date	-
Amount involved (Reais)	R$ 0.00
Existing balance (Reais)	R$ 2,917,529.02
Amount (Reais)	Not possible to calculate
Duration	Undetermined
Loan and debt	No
Interest rate	0.000
Relationship with the issuer	Company related to the controller
Agreement subject	Bank Deposit Certificates (CDB).
Guarantee and insurance	Not applicable
Termination or extiguishment	Redemption
Agreement purpose	Financial applications in CDB. The balances are corrected, on average, by 110.47% of CDI.

Related Parties	MRL Engenharia e Empreendimentos S.A.
Transaction Date	09/01/2011
Amount involved (Reais)	R$ 196,667,975.57
Existing balance (Reais)	R$ 196,667,975.57
Amount (Reais)	Not possible to calculate
Duration	10/31/2017
Loan and debt	No
Interest rate	0.000
Relationship with the issuer	Joint controlled company
Agreement subject	MRV Engenharia e Participações S.A. endorsed bank credit certificates for the joint controlled MRL Engenharia e Empreendimentos S.A.
Guarantee and insurance	Not applicable
Termination or extiguishment	Pay off debt
Agreement purpose	Endorse bank credit certificates

Related Parties	Prime Incorporações e Construções S.A.
Transaction Date	09/01/2011
Amount involved (Reais)	R$ 229,662,772.91
Existing balance (Reais)	R$ 229,662,772.91
Amount (Reais)	Not possible to calculate
Duration	10/31/2017
Loan and debt	No
Interest rate	0.000
Relationship with the issuer	Joint controlled company
Agreement subject	MRV Engenharia e Participações S.A. endorsed bank credit certificates for the joint controlled Prime Incorporações e Construções S.A.
Guarantee and insurance	Not applicable
Termination or extiguishment	Pay off debt
Agreement purpose	Endorse bank credit certificates

Related Parties	MA Cabaleiro Participações Ltda.
Transaction Date	06/07/2011
Amount involved (Reais)	R$ 964,000.00
Existing balance (Reais)	R$ 0.00
Amount (Reais)	R$ 964,000.00
Duration	Undetermined
Loan and debt	No
Interest rate	0.000
Relationship with the issuer	Company held by the director Marcos Alberto Cabaleiro Fernandez
Agreement subject	Floor rental in commercial building
Guarantee and insurance	Not applicable
Termination or extiguishment	Not applicable
Agreement purpose	floor rental in commercial building. The amount released in “Amount involved” refers to the sum of the transactions of 2014.

16.3. Identification of the measures adopted to resolve the conflict of interests

a) identification of the measures adopted to resolve the conflict of interests

The Company adopts the corporate governance practices and those recommended and/or required by applicable legislation.

The Company's management bodies are responsible to approve the Company's operations, in accordance with the provisions set forth in the Bylaws. Therefore, the Company's operations, specifically those performed with related parties, were duly submitted for approval by the proper bodies, under applicable rules. In the event of possible conflict of interests between the matters under analysis and the interests of any member of our resolutive bodies, the respective member must not vote, and the matter must be resolved by the other embers with no relationship with the matter under discussion.

In accordance with CVM Instruction 480, from December 07, 2009, we must submit to BM&FBOVESPA, however the case may be, the information of all and any agreement entered into between our Company and our subsidiaries, associated companies, controlling shareholders, directors and executive officers and subsidiaries and associated companies of the directors, executive officers and controlling shareholders, as well as other companies comprising the same economic group with such persons, whether in law or equity, totaling, in a single or successive agreements, with or without the same purpose, in any period of one year, an amount equivalent to or greater than R$ 50 million, or amount 1% on our shareholders' equity, whichever is the greater. This information disclosed must include the related parties and their relations with the issuer, the purpose and main terms and conditions of the agreement, if, when, how and to what extent the counterpart in the transaction, their partners or managers took part in the process and justifications of the reasons why the issuer's management considers that the transaction was in compliance with commutative conditions or forecasts proper compensatory payment.

b) demonstrate the commutative system of the conditions agreed or proper compensation payment

Our operations and businesses are supported by the prior evaluations of the Company's conditions and interests and are performed in accordance with the conditions contracted by the parties.

Summary of the related-party transactions (parent company)

	R$ thousand
Description	**12.31.2015**
Customers service	4,260
Receivables from related companies (loan agreements)	48,413
Payables to related companies (loan agreements)	3,915
Financial investments	129,723
Other receivables	6,517
Providers	9,366
Payables for acquisition of land	4,568
Payables for acquisition of investment	5,062
Endorsements	480,774

Clients for services rendered

The Company provides administrative services for the subsidiary Urbamais Properties and Holdings SA and the jointly controlled LOG Commercial Properties and Holdings SA (LOG), MRL Engenharia e Empreendimentos SA (MRL) and Prime Real Estate Development and Construction S.A. (PRIME). The contract with LOG sets monthly payment of R$ 4.5 per enterprise LOG or its subsidiaries in 2015 (R$ 5.5 in 2014). On December 01, 2015, the parties entered into a contract repactuando the monthly payment of $ R4.0 per enterprise. This amount is adjusted annually by the average percentage practiced by the category in which they are classified employees of the Company. The contract has a term of three years from 2 December 2013, automatically renewable for equal periods if there is no opposition from either party. Revenue from the provision of administrative services to the Company charges the MRL and PRIME is calculated monthly based on the fixed value (adjusted annually) for each operation in the Company multiplied by quantitative run for these companies.

The Companies Construtora Verde Grande Ltda. (CVG), MRV Serviços de Engenharia Ltda. (Serviços) and Expar Exito Participações Ltda. are controlled by the Company's shareholders Marcos Alberto Cabaleiro Fernandez, Lucas Cabaleiro Fernandez, Rubens Menin Teixeira de Souza and by Mário Lúcio Pinheiro Menin, but are not part of the Company's corporate group. The Company provides building services to these related parties. The receivables from services provided stated in the table above include the agreements between the Company and said companies.

Revenue collected by the Company is calculated at the rate of 15% on construction costs in the case of the construction constract, and at the rate of 7.6% (CVG) and 8.5% (Services) on actual sales in the case of the unit sale and administrative support agreement. The agreements are effective until the end of construction and the end of unit sales.

Revenue from the provision of construction services is calculated from 15% of the incurred cost, in case of contracts for construction, and 7.6% (Expar and CVG) and 8.5% (MRV Serviços) of the sales price, in the cases of contracts for sales of units and administrative support. The contracts are for the duration after completion of construction and upon completion of the sales of units.

Service revenue charged by the Company from Intermedium refers to the business introduction commission corresponding to 0.15% of total the Company's trade payables, discounted from the invoices payable to the bank.

Related-party credits (loan agreements)

The loan agreements represent most part of the related-party transactions, as detailed in item 16.2. These operations were mainly performed with the purpose to allow the initial stage of the developments and are compensated based on the CDI rate plus an average of 2.01% per annum for 2014 (2.57% p.a. in 2013).

The related-party transactions described above were performed in view of the selling transactions maintained with the parties for the development of our incorporation and construction activities. We are not able to confirm that these operations would generate the same results had these transactions been carried out with non-related parties.

Financial Investments

The Company, its controlled entities and its jointly controlled entities possess banking credit notes at Intermedium Crédito Financiamento e Investimento S.A. (Intermedium), a Company controlled by the shareholder Rubens Menin Teixeira de Souza (Controller).

Other amounts to be received

Besides the loan amounts, the Company has balances receivable of controlled and partners in development projects, related to capital contributions and advances. The balances receivable of capital contributions do not incur charges and are receivable immediately after being collected by the Company.

Suppliers

The amounts refer to construction services provided to the Company and its subsidiaries and the acquisition of the use and property rights of "MRV Engenharia" brand.

Guarantees

The Company guaranteed Bank Credit Notes obtained by some of its subsidiaries from financial institutions, as described below:

R$ (thousand)	Start	Maturity	Amount
MRL Engenharia e Empreendimentos S.A.			
	29/04/2013	13/04/2016	872
	30/04/2013	14/04/2016	2,062
	02/09/2011	02/03/2016	7,342
	06/09/2011	02/03/2016	14,684
	30/09/2013	10/09/2016	35,122
	10/10/2014	10/10/2017	15,126
	30/09/2015	28/09/2018	36,066
	21/12/2015	05/06/2018	85,394
	29/04/2013	13/04/2016	872
	30/04/2013	14/04/2016	2,062
	02/09/2011	02/03/2016	7,342
	06/09/2011	02/03/2016	14,684
Prime Incorporações e Construções S.A.			
	02/09/2011	02/03/2016	8.915
	06/09/2011	02/03/2016	25.697

R$ (thousand)	Start	Maturity	Amount
	29/04/2013	13/04/2016	1.654
	30/04/2013	14/04/2016	3.093
	02/10/2013	12/09/2016	35.122
	26/02/2014	05/02/2017	41.918
	10/10/2014	10/10/2017	30.252
	29/09/2015	11/01/2016	36.150
LOG Commercial Properties e Participações S.A			
	21/12/2015	20/06/2016	50.212
			480,774

16.4. Other information

All material information were disclosed above.

Capital Stock

17.1. General information on the capital stock

Type of capital	Authorization date	Type of shares	Number of shares	Value of Capital (R$)
Capital stock issued	04/29/2016	Common shares	444,139,684	4,509,520,659.07
Subscribed capital stock	04/29/2016	Common shares	444,139,684	4,509,520,659.07
Paid capital stock	04/29/2016	Common shares	444,139,684	4,509,520,659.07
Authorized capital stock	04/29/2016	Common shares		5,000,000,000.00

17.2. Company's capital increases

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
04/27/2010	Board of Directors	04/27/2010	169,200.00	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
50,760	0	50,760	0.00888888	3.33	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
04/27/2010	Board of Directors	04/27/2010	4,116.40	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
12,300	0	12,300	0.0002	0.33	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
05/27/2010	Board of Directors	05/27/2010	312,623.51	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
934,134	0	934,134	0.0163	0.33	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
10/01/2010	Board of Directors	10/01/2010	432,002,452.39	Without share issuance	n/a	n/a

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
0	0	0	n/a	n/a	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
12/23/2010	Board of Directors	12/23/2010	105,300.00	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
31,590	0	31,590	0,0045	3.33	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
12/23/2010	Board of Directors	12/23/2010	2,309.20	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
6,900	0	6,900	0,0001	0.33	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
06/16/2011	Board of Directors	06/16/2011	88,900.18	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
265,638	0	265,638	0,0038	0.33	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
07/26/2011	Board of Directors	07/26/2011	105,480.20	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
8,939	0	8,939	0,0045	11.80	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
10/17/2011	Board of Directors	10/17/2011	300,000,000.00	Without share issuance	n/a	n/a

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
0	0	0	n/a	n/a	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
01/27/2012	Board of Directors	01/27/2012	2,309.20	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
6,900	0	6,900	0,00009	0.33	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
01/27/2012	Board of Directors	01/27/2012	89,700.00	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
26,910	0	26,910	0,0034	3.33	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
06/11/2012	Board of Directors	06/20/2012	295,901.89	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
884,169	0	884,169	0,01116	0.33	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
06/11/2012	Board of Directors	06/20/2012	2,643.20	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
224	0	224	0,0001	11.80	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
03/13/2013	Board of Directors	03/13/2013	36,947.20	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
110,400	0	110,400	0,00139	0.33	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
03/13/2013	Board of Directors	03/13/2013	85,500.00	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
25,650	0	25,650	0,00323	3.33	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
04/30/2013	EGSM	04/30/2013	546,999,022.94	Without share issuance	n/a	n/a

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
0	0	0	n/a	n/a	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
05/16/2013	Board of Directors	05/16/2013	73,965.74	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
221,013	0	221,013	0.0023	0.33	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
05/16/2013	Board of Directors	05/16/2013	3,400.00	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
1,020	0	1,020	0.00011	3.33	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
05/16/2013	Board of Directors	05/16/2013	4,861.60	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
412	0	412	0.00015	11.80	R$ per unit

Deliberation	Deliberation	Issuance	Issuance Value	Type of	Criteria to determine	Payment

Date		Date	(R$)	increase	issuance price	form
01/27/2014	Board of Directors	01/27/2014	371,560.00	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
111,468	0	111,468	0.011	3.33	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
01/27/2014	Board of Directors	01/27/2014	45,229.23	Private Underwriting	value per share equivalent to the exercise price of the call option	Cash

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
7,653	0	7,653	0.0014	5.91	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
04/30/2014	Board of Directors	04/30/2014	308,970,455.44	Without share issuance	n/a	n/a

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
0	0	0	n/a	n/a	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
04/30/2015	Board of Directors	04/30/2015	552,315,127.30	Without share issuance	n/a	n/a

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
0	0	0	n/a	n/a	R$ per unit

Deliberation Date	Deliberation	Issuance Date	Issuance Value (R$)	Type of increase	Criteria to determine issuance price	Payment form
04/29/2016	Board of Directors	04/29/2016	450,000,000.00	Without share issuance	n/a	n/a

Common (units)	Preferential (units)	Total (units)	Underwriting / Previous Capital	Issuance Price	Factor Price
0	0	0	n/a	n/a	R$ per unit

17.3. Split-offs, reverse split-offs and bonus

Not applicable since there were no Split-offs, reverse split-offs or bonuses over the last three years.

17.4. Regarding the issuer's capital decreases

Deliberation Date	Decrease Date	Decrease Value (R$)	Common (units)	Preferential (units)	Total (units)	Decrease/ Previous	per share (R$)

						Capital	
06/11/2012	06/11/2012	0.00	884,393	0	884,393	n/a	0.00
01/27/2014	01/27/2014	0.00	6,000,000	0	6,000,000	n/a	0.00
06/02/2014	06/02/2014	0.00	14,081,659	0	14,081,659	n/a	0.00
10/14/2014	10/14/2014	0.00	14,000,000	0	14,000,000	n/a	0.00
11/23/2015	11/30/2015	0.00	5,000,000	0	5,000,000	n/a	0.00

17.5. Other relevant information

We understand that there is no other relevant information related to the composition of our capital stock, specifically as regards to the capital increases and decreases, as well as split-offs, reverse split-offs or bonus.

18. Marketable securities

18.1. Rights of each class and type of shares issued

Species	common shares
Tag along	100%
Dividend right	In accordance with the Bylaws and Brazilian Corporate Law, the holders of the shares issued by the Company are entitled to receive dividends or other distributions carried out as regards to the shares issued by the Company, proportionally to their shareholding interest in the capital stock. Under the terms of article 33, paragraph 4, of our Bylaws, our shareholders are entitled with the right to receive mandatory annual dividends of at least 25% of our net income for the year, less or plus the following values: (i) amount allocated to the legal reserve; (ii) amount allocated to the reserve for contingencies and reversal of these reserves established in prior years; and (iii) amount from the reversal of the unrealized revenue reserve established in prior years, as set forth in article 202, item II, of Brazilian Corporate Law.
Voting right	Full
Conversion into another class or type of share	No
Capital reimbursement rights	Yes
Description of the Capital reimbursement rights	In the event of liquidation of the Company, the shareholders will receive the payments related to the capital reimbursement, proportionally to their shareholding interest in the capital stock, upon the payment of all Company's obligations. The shareholders who do not agree with certain resolutions at the general meeting may withdraw from the Company, upon reimbursement of the value of the shares based on the equity value, as set forth in Brazilian Corporate Law. In the event the Company' shares (i) are liquid, that is, comprise the BM&FBOVESPA's general index or an index of any other stock exchange, as determined by CVM; and (ii) are diluted in the market in a way that the controlling shareholders, parent company or other companies under common control hold less than 50% of the shares, the shareholders will not be entitled with withdrawal rights in the following cases: (a) Company's merger; (b) Company's merger into another company; and (c) comprising a group of companies.
Lock-up agreements	No
Right to participate in the public offering in connection with the disposal of the shareholding control	In accordance with the Novo Mercado Regulation, the Company's shareholding control, both through a single transaction and successive transactions, must be contracted under the suspensive or resolutive condition that the purchaser is obligated to perform the public offering for the acquisition of the other shares held by the other Company's shareholders, in order to assure the same conditions provided to the selling controlling shareholders. A declaration must be submitted to BM&FBOVESPA including the price and the other conditions of the disposal of the Company's shareholding control. This offering is also required in the event of assignment of the rights for subscription of shares or rights related to marketable securities convertible into shares, which would result in the disposal of the Company's shareholding control and, in the event of disposal of shareholding control of a company which holds the shareholding control over the Company, in this case, the selling controlling shareholders must report to BM&FBOVESPA the value attributed to the Company in connection with such disposal and attach the supporting documents to confirm such value. As set forth in Brazilian Corporate Law and the Novo Mercado Regulation, in the event of the disposal of the Company's shareholding control, all holders of the common shares must be entitled with the right to include their shares in the public offering for the acquisition of shares, which offering must be performed by the respective purchaser, as well as to receive 100% of the value paid per share with voting right, comprising the control block.
Conditions to change the rights assigned in connection with such marketable securities	In accordance with the Brazilian Corporate Law, neither the Company's Bylaws nor the resolutions at the general meeting may prohibit the shareholders from exercising the following rights: (i) profit sharing; (ii) participate, in the event of liquidation of the Company, in the distribution of any remaining assets, proportionally to their interest shareholding in the capital stock; (iii) inspect the Company's management, in accordance with Brazilian Corporate Law; (iv) preemptive right in the subscription of future capital increases, except for certain cases set forth in the Brazilian Corporate Law; and (v) withdraw from the Company in accordance with the cases set forth in the Brazilian Corporate Law.
Other relevant characteristics	There are no additional relevant characteristics.

18.2. Statutory rules limiting the voting rights of significant shareholders or obligating such shareholders to perform the public offering

In accordance with the Novo Mercado Regulation, the disposal of the Company's Control, directly or indirectly, whether by one single transaction or by a series of successive transactions, shall be carried out on suspensive or resolutory conditions that the buyer undertakes to tender a public offer for acquisition of all further shares held by the other shareholders, in compliance with the terms and conditions provided in the current law and in the New Market Regulation, so that they may be accorded the same treatment as given to the Selling Controlling Shareholder.

The public tender offer referred to in article 38 of the Company's bylaws shall be required: (i) whenever there has been a remunerated assignment of subscription rights for shares and other securities, or rights related to securities convertible into shares, resulting in disposal of the Company's Control; and (ii) whenever there has been the disposal of a controlling interest in a company that holds the Company's Control; in this case, the Selling Controlling Shareholder shall advise BM&FBOVESPA of the value ascribed to the Company under the aforesaid disposal transaction, attaching supporting documentation in this regard.

The Selling Controlling Shareholder or the Group of Selling Controlling Shareholders shall not transfer title to their shares nor shall the Company make annotation of any transfer of shares to the Buyer, until the latter signs the Statement of Consent from Controlling Shareholders referred to by the New Market Regulations. The Company shall not make annotation of any transfer of shares to any the buying shareholder or to those shareholder(s) who may hold the Power of Control, until the latter sign(s) the Statement of Consent from Controlling Shareholders referred to in the New Market Regulation. No Shareholders' Agreement which provides on the exertion of Power of Control may be filed at the Company's headquarters until its signatories subscribe the Statement of Consent.

Whoever acquires the Power of Control by means of a private share purchase agreement entered into with the Controlling Shareholder, whatever the volume of shares involved, shall be required to: (i) tender the public offer referred to in article 38 of the Company's By-Laws; (ii) pay, in the terms described as follows, the amount equivalent to the difference between the value of the public offer and the amount paid for the acquired stock in the 6 (six) months prior to the date of acquisition of the Power of Control, properly updated until the payment date. The amount shall be distributed between everyone who sold Company's shares in the trading session the Buying Shareholder made acquisitions, relative to daily net sales of each person, being BM&FBovespa's responsibility to operationalize the distribution, according to its regulations; (iii) take the actions necessary to restore the minimum Free Float of 25% (twenty five percent) within the 6 (six) months after the acquisition of Control.

In the event the shareholders in General Extraordinary Assembly decide on (i) the Company's delisting from the New Market so that its securities may be registered from trade outside the New Market or (ii) a corporate reorganization whereby the resulting company will not have its securities listed on the New Market between 120 (one hundred and twenty) days beginning in the General Shareholders Meeting which approved the reorganization, the Controlling Shareholder shall tender a public offer for acquisition of the shares held by the other shareholders of the Company. The minimum offer price shall be equal to the Economic Value determined in the appraisal report, pursuant to article 44 of these By-Laws, in compliance with the applicable legal rules and regulations.

The delisting of the New Market due to noncompliance with the Rules of the New Market is conditioned to the effective public offer for acquisition of shares, at least, by the shares' Economic Value, to be defined in valuation report as described on Article 44 of this Bylaws, according to the applicable laws and regulations.

Any Buying Shareholder who reaches, directly or indirectly, an interest in the Float equal to or over 10% (ten percent) of the Company's stock capital, and who wishes to make a new acquisition of outstanding shares, shall be required to (i) transact each new acquisition on BM&FBOVESPA, not being allowed private business transactions or on the over-the-counter market; (ii) before each new acquisition, inform in writing the Company's Chief Officer for Investor Relations about the number of outstanding shares they intend to purchase, at least 3 (three) business days prior the actual acquisition.

In the event the Buying Shareholder does not comply with the requirement imposed in this article, the Company's Board of Directors shall convene a General Extraordinary Assembly, in which the Buying Shareholder may not vote, to decide on suspension of the Buying Shareholder's rights inherent to the shares bought in breach of the requirement imposed by this article, as provided in article 120 of the Law of Business Corporations.

18.3. Exceptions and suspensive clauses related to the equity or political rights set forth in the Bylaws

Our Bylaws sets forth the following restrictions related to the equity or political rights:

Exclusion or reduction of the preemptive right

In accordance with paragraph 3, Article 6, of our Bylaws, at the discretion of the Board of Directors, the preemptive right may be excluded or the exercise period may be reduced as regards to the issuance of common shares, debentures convertible into common shares and subscription bonus, the placement of which is performed upon the (i) sale in stock exchange or public subscription; or (ii) exchange of shares, in connection with the public offering for acquisition of the shareholding control, under the terms of applicable law, within the authorized capital stock.

Members of the Board of Directors

In accordance with paragraphs 4 and 5, of Article 15 of our Bylaws, the members of the Board of Directors must have good reputation and a person must not be elected a member of the Board of Directors, except for the express waiver of the majority of its members, the person that: (i) is in charge of companies considered competitors of the Company; or (ii) has or represents interests conflicting with the Company's interests. The voting rights must not be entitled by the member of the Board of Directors in the event the cases mentioned above take place subsequently. Moreover, the member of the Board of Director must not have access to the information or participate at the meetings of the Board of Directors, as regards to matters to which such member has or represents interests conflicting with the Company.

Shareholders

In accordance with the caput of Article 48 of our Bylaws, any purchasing shareholder holding, directly or indirectly, outstanding shares equivalent to or greater than 10% (ten percent) of the Company's capital stock, which shareholder intends to perform a new acquisition of the outstanding shares, such shareholder will be obligated to carry out such acquisition in accordance with article 46 of the Bylaws.

In accordance with sole paragraph, Article 48, in the event the purchasing shareholder is not able to comply with the obligations set forth in such article, the Company's Board of Directors will request the Extraordinary General Meeting, at which the purchasing shareholder may not vote, in order to resolve about the suspension of the purchasing shareholders' right in connection with the shares acquired in violation against the obligation set forth in article 48 of the Company's Bylaws, in accordance with article 120 of the Brazilian Corporate Law.

18.4. The trading volume and the minimum and maximum quotations of marketable securities traded in the stock exchange or organized over-the-counter market, in each of the quarters over the last three years

Trading on BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros

The quotation below was adjusted on a retroactive basis to reflect the split-off of shares in December 2009 (in R$)

Quarter ending	Volume (R$)	Maximum	Minimum
2012			
03/31/2012	5,038,821,587	15.49	10.75
06/30/2012	4,121,786,534	13.80	7.82
09/30/2012	4,128,653,976	12.84	9.19
12/31/2012	2,680,732,744	12.75	9.81
2013			
03/31/2013	3,551,494,635	12.99	8.24
06/30/2013	2,499,030,241	9.96	5.91
09/30/2013	2,519,803,306	7.48	5.98
12/31/2013	2,053,810,580	10.94	8.33
2014			
03/31/2014	2,157,943,153	9.17	6.88
06/30/2014	2,124,047,057	8.40	6.46
09/30/2014	1,446,254,346	9.85	6.93
12/31/2014	1,224,820,786	9.01	6.83

Quarter ending	Volume (R$)	Maximum	Minimum
2015			
03/31/2015	1,152,566,743	7.81	6.17
06/30/2015	1,230,669,221	7.51	8.57
09/30/2015	1,377,772,471	8.85	6.00
12/31/2015	1,316,191,376	9.15	6.11

18.5. Other marketable securities (other than shares)

1st Debentures Issuance

a) Identification: 1st issuance of simple debentures

b) Number: 30,000

c) Value: R$ 300 million

d) Issuance Date: June 15, 2008

e) Lock-up agreement: None

f) Conversion into shares: Not applicable

g) Advanced redemption:

The Issuer may, at its exclusive discretion, upon approval at the Board of Director's Meeting, perform, at any time, the offering for the advanced redemption of the debentures, fully or partially, addressed to the debentureholders of the 1st series, to the debentureholders of the 2nd series, or to the debentureholders of both series, being assured to all debentureholders of each series the same conditions to accept the redemption of the debentures held as regards to the other debentureholders of the same series.

The offering of the advanced redemption will be performed as follows:

The value to be paid to the debentureholders in connection with the advanced redemption offering will be equivalent to the nominal value, or nominal value balance, however the case may be, plus (i) the earnings payable and not paid up to the redemption date; and (ii) possible redemption premium to be offered to the debentureholders of each series, at the exclusive discretion of the issuer

h) In the event the marketable securities are considered as debt

i) Maturity date: June 15, 2013

Accelerated Maturity
The debentures may mature in advance under the case of non-compliance, by the issuer, with any obligation related to the debentures. One of which is the failure to maintain the financial indices determined and reviewed on a quarterly basis by the Fiduciary Agent: (Net Debt+Real Properties Payable)/(Shareholders' Equity < 0.65); and (Receivables + Unearned Income + Inventories)/ (Net Debt+ Real Properties Payable + Unexpired Cost) >1.6 or < 0.

ii) Interest

1st series
Adjustment: the face value of 1st series debentures shall not be adjusted.
Interest: DI (interbank deposit rate) plus spread of 1.5% per year.

2nd series
Adjustment: IPCA (extended consumer price index)
Interest: 10.80% per year

iii) Collateral No
iv) Species Unsecured
v) Restrictions: See comments above on accelerated maturity

vi) Trustee: Oliveira Trust Distribuidora de Títulos e Valores Mobiliários S.A.. The trustee's compensation shall be R$3,250.00 per quarter, adjusted based on IGP-M (general market price index).

i) Conditions for changes to debentures' rights

All debenture holders are entitled to one vote, in person or represented by proxy. Matters shall be decided by majority of those present and voting, except matters for which there is a quorum established by law or indenture

- Resolve, by mutual agreement with the issuer, the new adjustment parameter for debentures in the event of discontinuance, temporary unavailability or lack of determination of DI and/or IPCA for more than 10 consecutive days after the expected date for their determination and/or disclosure or even in case of discontinuance or impossibility of their use under legal provision or judicial order, for which quorum shall be 75% of total debentures outstanding;

- Non-declaration of accelerated maturity of debentures in the hypotheses outlined in items (i), (ii), (iii), (ix), (xi) and (xii) of clause 5.1.1 of the indenture, for which quorum for approval shall be 75% of debentures outstanding;

- Call for Meeting of Debenture Holders, for which quorum shall be 10% of debentures outstanding;

- Merger or consolidation with third parties or spin-off and/or issuer's corporate restructuring, for which quorum shall be at least 75% of 1st series debentures and 75% of 2nd series debentures outstanding;

- Changes in interest rate, type, duration, maturity and amortization, as well as changes in conditions for automatic acceleration of maturity and/or provisions regarding quorum specified by indenture, shall be approved by debenture holders representing at lest 95% of debentures outstanding; and

- Other changes, including, but not limited to, changes to characteristics and conditions of debentures and issue, shall be approved by debenture holders representing at least 75% of debentures outstanding.

j) Other significant characteristics

Debenture Interest Payment Date: 1st series debentures pay interest semiannually and 2nd series debentures pay interest annually, starting from issue date to maturity date. 2nd series debentures interest is paid on face value.

Amortization: The face value of debentures is payable by the issuer in 3 equal, annual, consecutive installments from the end of the 36th month beginning on the issue date.

Discretionary acquisition: The issuer may at any time acquire debentures outstanding for a price not higher than the face value or the face value balance, if applicable, plus interest computed on a pro rata basis from the issue date to the effective acquisition date, in accordance with paragraph 2 of article 55 of Corporate Law. The acquired debentures may be cancelled, held in treasury or placed again in the market.

Number of Debentures: 30,000, being 27,140 Debentures of the 1st Series and 2,860 of the 2nd Series.

2nd Debentures issuance

a) Identification: Simple, nonconvertible debentures

b) Quantity: 100

c) Amount: R$100 million

d) Issue date: May 25, 2011

e) Circulation restrictions: None

f) Convertibility: Not applicable

g) Possibility of early redemption: No

h) When securities are debt instruments

i) Maturity date: May 25, 2011

Accelerated Maturity

The debentures may mature in advance under the case of non-compliance, by the issuer, with any obligation related to the debentures. One of which is the failure to maintain the financial indices determined and reviewed on a quarterly basis by the Fiduciary Agent: (Net Debt+Real Properties Payable)/(Shareholders' Equity < 0.65); and (Receivables + Unearned Income + Inventories)/ (Net Debt+ Real Properties Payable + Unexpired Cost) >1.6 or < 0.

ii)	**Interest**	CDI + 3.7% per year
iii)	**Collateral**	Properties
iv)	**Species**	Not applicable
v)	**Restrictions:**	See comments above on accelerated maturity
vi)	**Trustee:**	Planner Trustee DTVM Ltda. The trustee's compensation is R$4,000.00 per quarter, adjusted based on the IGP-M

i) Conditions for changes to debentures' rights

Changes in interest rate, type, duration, maturity and amortization, as well as changes in conditions for automatic acceleration of maturity and/or provisions regarding established quorum shall be approved by debenture holders representing at least 95% of the debentures outstanding. Other changes, including, but not limited to, changes in characteristics and conditions of debentures and issue shall be approved by debenture holders representing at least 75% of the debentures outstanding.

j) Other significant characteristics

Interest Payment Date: quarterly

Amortization: 5 quarterly, consecutive installments starting May 25, 2010

Discretionary acquisition: The issuer may at any time acquire debentures outstanding for a price not higher than the face value or the face value balance, if applicable, plus interest computed on a pro rata basis from the issue date to the effective acquisition date, in accordance with paragraph 2 of article 55 of Corporate Law. The acquired debentures may be cancelled, held in treasury or placed again in the market.

3rd Debentures issuance

a) Identification:	Simple debentures
b) Quantity:	51.640
c) Amount:	R$516 million
d) Issue date:	Febuary 1, 2010
e) Circulation restrictions:	None
f) Convertibility:	Not applicable

g) Possibility of early redemption:

After the 18th month, counted from the date of issue the Issuer shall be entitled to promote early redemption of the Debentures, in whole or in part ("Provision for Early Redemption") by (a) determination of its board of directors (b) publication of notice to debenture holders to be widely published in advance, at least 30 days from the date of redemption, stating: (i) the effective date for early redemption and payment of debenture holders, (ii) if the redemption will be total or partial, and in this case, the procedure for partial redemption, as paragraph 1 of Article 55 of the Corporations Act, and (iii) the amount payable to debenture holders as a result of early redemption. The amount payable to debenture holders as a result of the Provision for Early Redemption will be equal to the Nominal Value or balance of the Face Value, if any, plus (i) remuneration calculated on a pro rata basis from the Issue Date or the last date of payment of remuneration, as appropriate, until the actual date of redemption and (ii) the redemption premium of 0.75% on volume of debentures redeemed, calculated pursuant to the Issue Deed.

h) When securities are debt instruments

i) **Maturity date:** Febuary 1, 2014

Accelerated Maturity

The debentures may mature in advance under the case of non-compliance, by the issuer, with any obligation related to the debentures. One of which is the failure to maintain the financial indices determined and reviewed on a quarterly basis by the Fiduciary Agent: (Net Debt+Real Properties Payable)/(Shareholders' Equity < 0.65); and

(Receivables + Unearned Income + Inventories)/ (Net Debt+ Real Properties Payable + Unexpired Cost) >1.6 or < 0.

ii)	**Interest**	CDI + 3.7% per year
iii)	**Collateral**	No
iv)	**Species**	Unsecured
v)	**Restrictions:**	See comments above on accelerated maturity
vi)	**Trustee:**	Pentágono S.A. Distribuidora de Títulos e Valores Mobiliários Planner Trustee DTVM Ltda. The trustee's compensation is R$4,000.00 per quarter, adjusted based on the IGP-M.

i) Conditions for changes to debentures' rights

The deliberations to be taken in a debenture holders meeting, should be approved by debenture holders, representing at least 75% of the outstanding Debentures.

The deliberations of the meeting of debenture holders on (i) changes in the conditions of the Debentures, including, among others, remuneration, type, duration, maturity, amortization, early redemption, prepayment, quorums and (ii) authorizations or permits (waivers) with respect to obligations of the Issuer shall obtain approval of debenture holders representing at least 95% of the outstanding Debentures.

j) Other significant characteristics

Interest Payment Date: quarterly

Amortization: 5 quarterly, consecutive installments starting May 25, 2010

Discretionary acquisition: The issuer may at any time acquire debentures outstanding for a price not higher than the face value or the face value balance, if applicable, plus interest computed on a pro rata basis from the issue date to the effective acquisition date, in accordance with paragraph 2 of article 55 of Corporate Law. The acquired debentures may be cancelled, held in treasury or placed again in the market.

4th Debentures issuance

a) Identification: Simple, nonconvertible debentures

b) Quantity: 300

c) Amount: R$300 million

d) Issue date: December 23, 2010

e) Circulation restrictions: Yes

f) Restriction descriptions:

The Debentures may only be traded by qualified investors in accordance with CVM Instruction 409, from August 18, 2004, after 90 (ninety) days of their subscription or acquisition by each qualified investor, in accordance with Article 13 from CVM Instruction 476.

g) Convertibility: No

h) Possibility of early redemption:

The Debentures may be fully or partially redeemed and/or amortized in advance, and the anticipated partial amortization, if it occurs, shall comprise 100% of the outstanding debentures, restricted to 95% of the Face Value or the balance of the Face Value, at any time.

i) When securities are debt instruments

i) **Maturity date:** December 1, 2017

Accelerated Maturity
The debentures may mature in advance under the case of non-compliance, by the issuer, with any obligation related to the debentures. One of which is the failure to maintain the financial indices determined and reviewed on

a quarterly basis by the Fiduciary Agent: (Net Debt+Real Properties Payable)/(Shareholders' Equity < 0.65); and (Receivables + Unearned Income + Inventories)/ (Net Debt+ Real Properties Payable + Unexpired Cost) >1.6 or < 0.

ii) Interest TR + 8.25%-10.25% per annum

TR + 8.25% per year, for the portion of the proceeds from the 4th Debenture Issue not released for Company use, equivalent to the balance of the Settlement Account, as defined in the Indenture, or for the portion to be used to finance the housing units of the Financed Projects, representing a sales price lower than or equal to that established by Resolution 460/04 issued by the Board of Trustees of the Government Severance Indemnity Fund (FGTS) for those units falling within the area parameters established for Low Income Housing; and

TR + 10,25% per year for the portion of the proceeds from the 4th Debenture Issue used to finance the housing units of the Financed Projects, representing a sales price above that established by Resolution 460/04 issued by the Board of Trustees of the Government Severance Indemnity Fund (FGTS) for those units falling within the area parameters established for Low Income Housing, but equal to or lower than the maximum value permitted for financing housing units through the Housing Finance System (SFH) ("Remuneration").

iii) Collateral Additional Guarantees

iv) Species Unsecured
v) Restrictions: See comments above on accelerated maturity
vi) Trustee: Pavarini Distribuidora de Títulos e Valores Mobiliários Ltda. The trustee's compensation is R$ 42,000.00 per year, adjusted based on the IGP-M.

j) Conditions for changes to debentures' rights

The deliberations to be taken in a debenture holders meeting, should be approved by debenture holders, representing at least 2/3 of the outstanding Debentures.

The deliberations of the meeting of debenture holders shall obtain approval of debenture holders representing at least 90% of the outstanding Debentures; on remuneration, payment dates, renegotiation or default.

k) Other significant characteristics

Interest Payment: the interest payment will be made in 14 semi-annual installments, with the first installment scheduled to start 6 month after the issuance date and calculated on a pro rata form from the date of issue and the maturity date.

Principal Repayment: will be made in 9 semi-annual installments, with the first installment due on December 1, 2013, according to the following payment plan: from the 1st to 3rd installments equivalent to 20% of nominal value, from the 4th to 8th equivalent to 3.33% of the nominal value and the 9th equivalent to 23.33%.

5th Debentures issuance

a) Identification: Simple debentures

b) Quantity: 500,000

c) Amount: R$500 million

d) Issue date: July 15, 2011

e) Circulation restrictions: None

f) Convertibility: Not applicable

g) Possibility of early redemption: No

No early redemption of the Debentures, except in case of no agreement between the Company and the Debenture holders regarding the replacement rate in case of extinction, temporary unavailability or absence of verification of the DI rate.

h) When securities are debt instruments

i) Maturity date: July 1, 2016

Accelerated Maturity
The debentures may mature in advance under the case of non-compliance, by the issuer, with any obligation related to the debentures. One of which is the failure to maintain the financial indices determined and reviewed on a quarterly basis by the Fiduciary Agent: (Net Debt+Real Properties Payable)/(Shareholders' Equity < 0.65); and (Receivables + Unearned Income + Inventories)/ (Net Debt+ Real Properties Payable + Unexpired Cost) >1.6 or < 0.

ii) **Interest** CDI + 1.5% per year

iii) **Collateral** No

Additional Guarantees
The debentures will be guaranteed by the fiduciary assignment of credit rights from the sale of housing units from residential construction projects ("Receivables") whether they are financed by the proceeds from the Debentures ("Financed Project") or not;and by the fiduciary sale under guarantee of accounts linked to the 4th Issue and to the permitted investment of the proceeds from said issue and the proceeds from the payment of the Receivables; and by the fiduciary sale under guarantee of the sites of the Financed Projects, except those Financed Projects which will be funded by the Caixa Econômica Federal through from Crédito Associativo ("Additional Guarantees").

iv) **Species** Unsecured
v) **Restrictions:** See comments above on accelerated maturity
vi) **Trustee:** SLW CORRETORA DE VALORES E CÂMBIO LTDA. The trustee's compensation is R$12,000.00 per year, adjusted based on the IGP-M.

i) Conditions for changes to debentures' rights

The deliberations to be taken in a debenture holders meeting, should be approved by debenture holders, representing at least 75% of the outstanding Debentures.

The deliberations of the meeting of debenture holders on (i) changes in the conditions of the Debentures, including, among others, remuneration, type, duration, maturity, amortization, early redemption, prepayment, quorums and (ii) authorizations or permits (waivers) with respect to obligations of the Issuer shall obtain approval of debenture holders representing at least 95% of the outstanding Debentures.

j) Other significant characteristics

Interest Payment Date: the Remuneration will be paid in six-monthly installments, the first on January 1th, 2012.

Amortization: Payment of the Nominal Value of the Debentures will be in 2 equal installments, the first installment being on the 48th month, and the final payment on the 60th, both counting from the issuance date

6th Debentures issuance

a) Identification: Simple debentures

b) Quantity: 500,000

c) Amount: R$500 million (R$1,000 each)

d) Issue date: May 3, 2012

e) Circulation restrictions: None

f) Convertibility: Not applicable

g) Possibility of early redemption: No

h) When securities are debt instruments

i) **Maturity date:** May 3, 2017

Accelerated Maturity
The debentures may mature in advance under the case of non-compliance, by the issuer, with any obligation related to the debentures. One of which is the failure to maintain the financial indices determined and reviewed on a quarterly basis by the Fiduciary Agent: (Net Debt+Real Properties Payable)/(Shareholders' Equity < 0.65); and

(Receivables + Unearned Income + Inventories)/ (Net Debt+ Real Properties Payable + Unexpired Cost) >1.6 or < 0.

ii)	**Interest**	1st series: CDI + 1.50% per year 2nd series: CDI + 1.55% per year
iii)	**Collateral**	No
iv)	**Species**	Unsecured
v)	**Restrictions:**	See comments above on accelerated maturity
vi)	**Trustee:**	Oliveira Trust Distribuidora de Títulos e Valores Mobiliários S.A.. The trustee's compensation shall be R$5,500 per annum, adjusted based on IGP-M (general market price index).

i) Conditions for changes to debentures' rights

For the deliberations of a debenture holders meeting, every debenture holder is entitled to one vote, in person or represented by proxy. The deliberations to be taken in a debenture holders meeting, should be approved by debenture holders, representing at least 75% of the outstanding Debentures.

The deliberations of the meeting of debenture holders on (i) changes in the conditions of the Debentures, including, among others, remuneration, type, duration, maturity, amortization, early redemption, prepayment, quorums and (ii) authorizations or permits (waivers) with respect to obligations of the Issuer shall obtain approval of debenture holders representing at least 95% of the outstanding Debentures.

j) Other significant characteristics

Interest Payment Date: the Remuneration will be paid in six-monthly installments up to maturity date, the first on November 3, 2012.

Amortization of the 1st Series: Payment of the Nominal Value of the Debentures will be in 2 annual, equal and sequent installments, starting from the end of the 4th year

Amortization of the 2nd Series: Payment of the Nominal Value of the Debentures will be in 2 annual, equal and sequent installments, starting from the end of the 5th year

Number of Debentures: 500,000, being 500,000 Debentures of the 1st Series and 0 of the 2nd Series.

7th issuance Debentures

a) Identification:	Simple, nonconvertible debentures
b) Quantity:	30,000
c) Amount:	R$300 million (R$10,000 each)
d) Issue date:	December 05, 2014
e) Maturity date;	December 05, 2016
f) Circulation restrictions:	Yes

g) Restriction descriptions:

The Debentures may only be traded by qualified investors in accordance with Article 4 from CVM Instruction 476 and with Article 109 from CVM Instruction 409, from August 18, 2014, after 90 (ninety) days from the subscription or acquisition by each qualified investor, in accordance with article 13 from CVM Instruction 476.

h) Convertibility:	No
i) Possibility of early redemption:	No

j) Characteristics of the Securities:

i) Maturity date:

December 05, 2016

Accelerated maturity: The Debentures may mature in advance in the event of noncompliance, by the Company, of obligations related to the Debentures, in accordance with the Issuance Deed concluded between the Company and the Trustee. Among other events of early maturity provided in the Issuance Deed, the failure to maintain the financial indices determined and reviewed on a quarterly basis by the Fiduciary Agent: (Net Debt+Real Properties Payable)/(Shareholders' Equity < 0.65); and (Receivables + Unearned Income + Inventories)/ (Net Debt+ Real Properties Payable + Unexpired Cost) >1.6 or < 0.

ii) Interest — CDI + 1.60% per year
iii) Collateral — No
iv) Species — Unsecured
v) Restrictions: — See comments above on accelerated maturity
vi) Trustee: — Pentágono S.A. Distribuidora de Títulos e Valores Mobiliários. The trustee's compensation shall be R$2,500 per annum, adjusted based on IGP-M (general market price index).

k) Conditions for changes to debentures' rights

For the deliberations of a debenture holders meeting, every debenture holder is entitled to one vote, in person or represented by proxy. The deliberations to be taken in a debenture holders meeting, should be approved by debenture holders, representing at least 75% of the outstanding Debentures.

The deliberations of the meeting of debenture holders on (i) changes in the conditions of the Debentures, including, among others, remuneration, type, duration, maturity, amortization, early redemption, prepayment, quorums and (ii) authorizations or permits (waivers) with respect to obligations of the Issuer shall obtain approval of debenture holders representing at least 95% of the outstanding Debentures.

l) Other significant characteristics

Interest Payment Date: the Remuneration will be paid semiannualy in June and December, from the issuance date, with the first installment on June 05, 2015 up to maturity date.

Amortization: The Face Value will be payed in full in the maturity date.

Promissory Notes

a) Identification: Nota Promissória

b) Quantity: 100

c) Amount: R$100 million

d) Issue date: March 26, 2009

e) Circulation restrictions: Yes. The Debentures may only be traded among qualified investors, as defined in terms of CVM 409 of August 18, 2004 ("Qualified Investor") after the expiration of ninety (90) days of their subscription or acquisition by each Qualified Investor, pursuant to article 13 of CVM Instruction 476

f) Convertibility: Not applicable

g) Possibility of early redemption:

Early redemption by the issuer with express consent of the respective holder, at the subscription date and payment of the simple debentures, not convertible into shares, with collateral, of the second issuance of the Issuer, which will be subject to public offering, with restricted distribution efforts under the CVM Instruction 476, outside of the first program of distribution of debentures of the Issuer, to be mediated by the Leading Coordinator, under the current regulations.

Regarding When the subscription/purchase of the Promissory Note, the holder has given his agreement with the terms and conditions of the Redemption, as described in the letter.

The Buyback will be made upon payment of the Par Value plus Remuneration, calculated pro rata from the Issue Date until the effective date of Redemption.

(i) If there is no issue of Debentures, the Issuer may apply the Early redemption of the Promissory Note, upon payment of the Par Value plus compensation calculated on a pro rata basis, provided that it communicates by writing with five (5) working days in advance.

h) When securities are debt instruments

i)	**Maturity date:**	June 24, 2009
ii)	**Interest**	CDI + 3.7% per year
iii)	**Collateral**	No
iv)	**Species**	Unsecured
v)	**Restrictions:**	See comments above on accelerated maturity
vi)	**Trustee:**	/

i) Conditions for changes to debentures' rights

No prevision

j) Other significant characteristics

In March 2009, we completed our 1st issue of promissory notes for public distribution on a restricted efforts placement basis, in conformity with CVM Instruction No. 476, in a single series, with a fixed charge over cash investments, in the total amount of R$100.0 million, due on June 24, 2009. The promissory notes were redeemed in advance on June 23, 2009, which was the subscription and payment date of 2nd series debentures issued for public distribution on a restricted efforts placement basis under the promissory notes deed.

The promissory notes paid rates of interest on face value, equivalent to 100% of the CDI (interbank deposit rate) plus spread of 3.70% per year.

The promissory notes contained restrictive covenants requiring compliance with the same financial ratios as for the 1st issue of debentures.

18.6. Brazilian markets in which Company's securities are admitted for trading

The Company's shares are admitted for trading on the BM&FBOVESPA S.A.

The 1st issuance of debentures are listed for trading on the secondary market through the SND (national debenture system), managed by CETIP.

The 2nd issuance of debentures are listed for trading in the secondary market through: 1) SND managed by CETIP and 2) BOVESPAFIX and SOMAFIX, trading markets for assets managed by BM&FBOVESPA.

The 3rd issuance of debentures are listed for trading in the secondary market i) through SDT and/or SND both managed by CETIP and/or ii) through DDA and/or BOVESPAFIX, both managed by BM&FBOVESPA.

The 4th issuance of debentures are listed for trading on the secondary market through the SND (national debenture system), managed by CETIP.

The 5th issuance of debentures are listed for trading on the secondary market through the SND (national debenture system), managed by CETIP.

The 6th issuance of debentures are listed for trading on the secondary market through the SND (national debenture system), managed by CETIP.

The 7th issuance of debentures are listed for trading on the secondary market through the CETIP21 – Securities ("CETIP21"), managed by CETIP.

18.7. Securities admitted for trading in foreign markets

On March 17, 2009, CVM approved (under No. CVM/SER/RDR/2009/006) American Depositary Receipts (ADRs) programs abroad, with issue of Level 1 sponsored depositary receipts for trading in the United States market under the symbol "MRVNY".

Under the ADR program, Bradesco is the custodian institution for our common shares in Brazil and The Bank of New York Mellon is the depositary bank in the United States responsible for issuing depositary receipts at a ratio of one depositary receipt to two common shares.

a) country

United States of America

b) market

MRV's ADRs trade on the over-the-counter market under number CUSIP 553479106, number ISIN US5534791067 and symbol MRVNY.

c) market entity in which securities are admitted for trading

OTC Markets Group, the largest electronic trading system for intermediaries and trading technology and financial information provider for over-the-counter securities.

d) date securities were admitted for trading

Trading on the OTC started on March 31, 2009.

e) indicate trading segment, if any

MRV trades on the OTCQX.

OTCQX is the top tier of the OTC market. Exclusively for companies that meet the highest financial standards and undergo a qualitative review. Investor focused companies use the quality-controlled OTCQX platform to offer investors transparent trading, superior information, and easy access through their regulated U.S. broker-dealers. The innovative OTCQX platform offers companies and their investors a level of marketplace services formerly available only on a U.S. exchange.

f) effective date of listing in the trading market

The Company began trading on the OTCQX on December 2, 2009

g) percentage of trading amount abroad in relation to total trading amount of each class and type for last year

Volume (thousand)	**2013**	**2014**	**2015**
OTCQX (US$)	$ 17,602	$ 1,197	$ 0,313
BRL/USD (12/31)	2.3426	2.6804	3.9420
OTCQX (R$)	R$ 41,235	R$ 3,207	R$ 1,234
BM&FBovespa	R$ 10,624,138	R$ 6,953,065	R$ 5,077,199
OTCQX/BM&FBovespa	0.39%	0.05%	0.02%

h) depositary shares abroad, if any, in relation to each class and type of shares

The ratio is 1 depositary share to 2 common shares.

i) depositary bank, if any

The Bank of New York Mellon is the depositary bank in the United States.

j) custodian institution, if any

Banco Bradesco SA is the custodian institution for MRV's common shares in Brazil.

18.8. Securities issued abroad

Not applicable, since the Company has no securities issued abroad

18.9. Public offerings made by the Company or by third parties, including controlling companies and affiliated and subsidiary companies, for Company's securities

Shares

On July 23, 2007, our shares began to trade on the *Novo Mercado* segment of the BM&FBOVESPA, under the symbol "MRVE3" under our primary and secondary offering of common shares. The offering was conducted in Brazil in the non-organized over-the-counter market for institutional and non-institutional investors, with placement efforts abroad, based on registration exemptions under Securities Act of 1933. The offering closing was announced on August 6, 2007, with the distribution of 45,900,000 common shares for the price of R$26.00 per common share, totaling R$1,193,400,000.00, as follows: (i) 41,198,277 common shares issued by the Company, amounting to R$1,071,155,202.00; and (ii) 4,701,723 common shares issued by the Company and owned by selling shareholders, amounting to R$122,244,798.

On June 24, 2009, we, together with Autonomy, conducted a primary and secondary offering of common shares in Brazil in the non-organized over-the-counter market for institutional and non-institutional investors, with placement efforts abroad, based on registration exemptions under Securities Act of 1933. The offering closing was announced on July 15, 2009, with the distribution of 29,475,000 common shares for the price of R$24.50 per common share, totaling R$722,137,500.00, as follows: (i) 24,300,000 common shares issued by the Company, amounting to R$595,350,000.00; and (ii) 5,175,000 common shares issued by the Company and owned by Autonomy, amounting to R$126,787,500.00.

Other securities

Debentures – 1st issue

In July 2008 we introduced our debenture distribution program in the amount of up to R$1.3 billion and concurrently there was the first issue of debentures not convertible into shares for public distribution. For further information, please refer to item 18.5 of this form.

Promissory notes

In March 2009, we completed our first issue of promissory notes of a single series on a restricted efforts basis under CVM Instruction No. 476. For further information, please refer to item 18.5 of this form.

Debentures – 2nd issuance

In June 2009, we completed our public distribution of debentures on a restricted efforts basis under CVM Instruction No. 476. For further information, please refer to item 18.5 of this form.

Debentures – 3rd issuance

In March 2010, we completed our public distribution of debentures with firm guarantee of placement under CVM Instruction No. 476. For further information, please refer to item 18.5 of this form.

Debentures – 4th issuance

In December 2010, we completed our public distribution of debentures on a restricted efforts basis under CVM Instruction No. 476. For further information, please refer to item 18.5 of this form.

Debentures – 5th issuance

In July 2011, we completed our public distribution of debentures on a restricted efforts basis under CVM Instruction No. 476. For further information, please refer to item 18.5 of this form.

Debentures – 6th issuance

In May 2012, we completed our public distribution of debentures with firm guarantee of placement under CVM Instruction No. 476. For further information, please refer to item 18.5 of this form.

Debentures – 7th issuance

In January 2015, we completed our public distribution of debentures with firm guarantee of placement under CVM Instruction No. 476. For further information, please refer to item 18.5 of this form.

18.10. Tender offers for shares issued by third parties

Shares

On July 23, 2007, our shares began to trade on the *Novo Mercado* segment of the BM&FBOVESPA, under the symbol "MRVE3" under our primary and secondary offering of common shares. The offering was conducted in Brazil in the non-organized over-the-counter market for institutional and non-institutional investors, with placement efforts abroad, based on registration exemptions under Securities Act of 1933. The offering closing was announced on August 6, 2007, with the distribution of 45,900,000 common shares for the price of R$26.00 per common share, totaling R$1,193,400,000.00, as follows: (i) 41,198,277 common shares issued by the Company, amounting to R$1,071,155,202.00; and (ii) 4,701,723 common shares issued by the Company and owned by selling shareholders, amounting to R$122,244,798.

On June 24, 2009, we, together with Autonomy, conducted a primary and secondary offering of common shares in Brazil in the non-organized over-the-counter market for institutional and non-institutional investors, with placement efforts abroad, based on registration exemptions under Securities Act of 1933. The offering closing was announced on July 15, 2009, with the distribution of 29,475,000 common shares for the price of R$24.50 per common share, totaling R$722,137,500.00, as follows: (i) 24,300,000 common shares issued by the Company, amounting to R$595,350,000.00; and (ii) 5,175,000 common shares issued by the Company and owned by Autonomy, amounting to R$126,787,500.00.

Other securities

Debentures – 1st issue

In July 2008 we introduced our debenture distribution program in the amount of up to R$1.3 billion and concurrently there was the first issue of debentures not convertible into shares for public distribution. The funds for the purchase of land acquisitions and construction and the development and construction projects. There were no relevant differences between the effective use of resources and its proposed application. For further information, please refer to item 18.5 of this form.

Promissory notes

In March 2009, we completed our first issue of promissory notes of a single series on a restricted efforts basis under CVM Instruction No. 476. For further information, please refer to item 18.5 of this form. There were no relevant differences between the effective use of resources and its proposed application.

Debentures – 2nd issuance

In June 2009, we completed our public distribution of debentures on a restricted efforts basis under CVM Instruction No. 476. The proceeds were allocated to compulsory early payment of the 1st issue of Promissory Notes, whose proceeds were intended for the construction of housing units.For further information, please refer to item 18.5 of this form.

Debentures – 3rd issuance

In March 2010, we completed our public distribution of debentures with firm guarantee of placement under CVM Instruction No. 476. The proceeds were used to acquire land for development of new projects, to finance the construction of units and to strength the working capital. For further information, please refer to item 18.5 of this form.

Debentures – 4th issuance

In December 2010, we completed our public distribution of debentures on a restricted efforts basis under CVM Instruction No. 476. For further information, please refer to item 18.5 of this form. The funds raised were used for construction of housing units. There were no relevant differences between the effective use of resources and its proposed application.

Debentures – 5th issuance

In July 2011, we completed our public distribution of debentures on a restricted efforts basis under CVM Instruction No. 476. For further information, please refer to item 18.5 of this form. The proceeds will be used to extend the debt profile through the short-term debt payment. There were no relevant differences between the effective use of resources and its proposed application.

Debentures – 6th issuance

In May 2012, we completed our public distribution of debentures with firm guarantee of placement under CVM Instruction No. 476. For further information, please refer to item 18.5 of this form. The proceeds will be used to extend the debt profile through the short-term debt payment. There were no relevant differences between the effective use of resources and its proposed application.

Debentures – 7th issuance

In January 2015, we completed our public distribution of debentures with firm guarantee of placement under CVM Instruction No. 476. For further information, please refer to item 18.5 of this form. The proceeds will be used to extend the debt profile through the short-term debt payment and to strength the working capital. There were no relevant differences between the effective use of resources and its proposed application.

18.11. Description of public offerings of acquisitions made by the issuer related to third-party shares.

Not apllicable, as there were no public offering for share acquisition of other companies made by the company.

18.12. Description of public offerings of acquisitions made by the issuer related to third-party shares.

All material information pertinent to this topic were **disclosed in the items above.**

Buyback Plans and Treasury Shares

19.1. Provide the following information about issuer's stock buyback plans

a) Date	Repurchase period	Available Reserves and Profits (R$)	Species	Class	Estimated Quantity (units)	% of approved in relation to total in circulation	Approved acquired quantity	Weighted average price	Quote factor	% acquired
07/09/2012	08/10/2012 / 08/09/2014	686,778,000	Common	/	9,730,000	3.30	7,495,100	6,89	R$/unit	77,00
03/17/2014	03/18/2014 / 03/17/2015	774,348,000	Common		15,000,000	5.17	15,000,000	6.96	R$/unit	100.00
06/02/2014	06/03/2014 / 06/02/2015	774,348,000	Common		20,000,000	7.15	18,314,500	7.54	R$/unit	91.57
03/16/2015	06/03/2015 / 06/02/2016	826,347,000	Common		12,000,000	4.12	0	0	R$/unit	0.00
06/17/2016	06/20/2016 / 12/19/2017	242,502,000	Common		20,000,000	4.50	20,000,000	0	R$/unit	0.00

b. with respect to each plan

BUYBACK PLAN 2012-2013
other important characteristics:
(1) the operations will be carried out on the stock exchange at market prices and will be brokered by SANTANDER CCVM S/A with head office at Avenida Presidente Juscelino Kubitschek, 2.041, 2.235 part – 24th floor – São Paulo/SP; CREDIT SUISSE BRASIL S.A. CTVM with head office at Avenida Brigadeiro Faria Lima, 3.064 13th floor - São Paulo/SP; BRADESCO S.A. CTVM with head office at Avenida Paulista, 1.450 7th floor - São Paulo/SP; BTG PACTUAL CTVM S.A. with head office at Avenida Brigadeiro Faria Lima, 3.729 10th floor - part - São Paulo/SP; ITAÚ CV S/A with head office at Avenida Brigadeiro Faria Lima, 3.400 10th floor - São Paulo/SP; FLOW CCTVM, with head office at Rua Joaquim Floriano, 100 conjunto 121 - São Paulo/SP or H.H. PICCHIONI S.A. CCVM with head office at Avenida Bernardo Monteiro, 1.539 – Belo Horizonte/MG; without any reduction in the capital stock, using the funds available in the profit or capital reserves, and are aimed at maximizing value generation for shareholders;
(2) the sum of the total price of the Shares acquired and the product of the number of shares and the respective price will not exceed the Available Reserves;
(3) Up to a maximum of 10,000,000 shares will be repurchased, deduced from the amount of shares bought back on the current Share Buyback Program between July 9, 2012 and its expiration on August 09, 2012;
(4) On June 18, 2013 the Meeting of the Board of Directors approved the extension for 365 days as of 10 August, 2013, of the Share Buyback Program approved on the Meeting of the Board of Directors on 9 July, 2012. The Board of Directors established that 8,580,000 is the maximum amount of Shares, deduced from the amount of shares bought back on the current Share Buyback Program between June 18 and its expiration on August 09, 2013.

BUYBACK PLAN 2014 I
other important characteristics:
(1) the operations will be carried out on the stock exchange at market prices and will be brokered by SANTANDER CCVM S/A with head office at Avenida Presidente Juscelino Kubitschek, 2.041, 2.235 part – 24th floor – São Paulo/SP; CREDIT SUISSE BRASIL S.A. CTVM with head office at Avenida Brigadeiro Faria Lima, 3.064 13th floor - São Paulo/SP; BRADESCO S.A. CTVM with head office at Avenida Paulista, 1.450 7th floor - São Paulo/SP; BTG PACTUAL CTVM S.A. with head office at Avenida Brigadeiro Faria Lima, 3.729 10th floor - part - São Paulo/SP; ITAÚ CV S/A with head office at Avenida Brigadeiro Faria Lima, 3.400 10th floor - São Paulo/SP; FLOW CCTVM, with head office at Rua Joaquim Floriano, 100 conjunto 121 - São Paulo/SP or H.H. PICCHIONI S.A. CCVM with head office at Avenida Bernardo Monteiro, 1.539 – Belo Horizonte/MG; without any reduction in the capital stock, using the funds available in the profit or capital reserves, and are aimed at maximizing value generation for shareholders;
(2) the sum of the total price of the Shares acquired and the product of the number of shares and the respective price will not exceed the Available Reserves;

BUYBACK PLAN 2014 II
other important characteristics:
(1) the operations will be carried out on the stock exchange at market prices and will be brokered by SANTANDER CCVM S/A with head office at Avenida Presidente Juscelino Kubitschek, 2.041, 2.235 part – 24th floor – São Paulo/SP; CREDIT SUISSE BRASIL S.A. CTVM with head office at Avenida Brigadeiro Faria Lima, 3.064 13th floor - São Paulo/SP; BRADESCO S.A. CTVM with head office at Avenida Paulista, 1.450 7th floor - São Paulo/SP; BTG PACTUAL CTVM S.A. with head office at Avenida Brigadeiro Faria Lima, 3.729 10th floor - part - São Paulo/SP; ITAÚ CV S/A with head office at Avenida Brigadeiro

Faria Lima, 3.400 10th floor - São Paulo/SP; FLOW CCTVM, with head office at Rua Joaquim Floriano, 100 conjunto 121 - São Paulo/SP or H.H. PICCHIONI S.A. CCVM with head office at Avenida Bernardo Monteiro, 1.539 – Belo Horizonte/MG; VOTORANTIM CORRETORA DE TÍTULOS E VALORES MOBILIÁRIOS, com endereço na Av. das Nações Unidas, 14.171, Torre A – 14th floot – Vila Gertrudes – São Paulo/SP, CEP: 04794-000 without any reduction in the capital stock, using the funds available in the profit or capital reserves, and are aimed at maximizing value generation for shareholders;
(2) the sum of the total price of the Shares acquired and the product of the number of shares and the respective price will not exceed the Available Reserves;

BUYBACK PLAN 2015
other important characteristics:
(1) the operations will be carried out on the stock exchange at market prices and will be brokered by SANTANDER CCVM S/A with head office at Avenida Presidente Juscelino Kubitschek, 2.041, 2.235 part – 24th floor – São Paulo/SP; CREDIT SUISSE BRASIL S.A. CTVM with head office at Avenida Brigadeiro Faria Lima, 3.064 13th floor - São Paulo/SP; BRADESCO S.A. CTVM with head office at Avenida Paulista, 1.450 7th floor - São Paulo/SP; BTG PACTUAL CTVM S.A. with head office at Avenida Brigadeiro Faria Lima, 3.729 10th floor - part - São Paulo/SP; ITAÚ CV S/A with head office at Avenida Brigadeiro Faria Lima, 3.400 10th floor - São Paulo/SP; FLOW CCTVM, with head office at Rua Joaquim Floriano, 100 conjunto 121 - São Paulo/SP or H.H. PICCHIONI S.A. CCVM with head office at Avenida Bernardo Monteiro, 1.539 – Belo Horizonte/MG; VOTORANTIM CORRETORA DE TÍTULOS E VALORES MOBILIÁRIOS, com endereço na Av. das Nações Unidas, 14.171, Torre A – 14th floot – Vila Gertrudes – São Paulo/SP, CEP: 04794-000 without any reduction in the capital stock, using the funds available in the profit or capital reserves, and are aimed at maximizing value generation for shareholders;
(2) the sum of the total price of the Shares acquired and the product of the number of shares and the respective price will not exceed the Available Reserves;

BUYBACK PLAN 2016
other important characteristics:
(1) the sum of the total price of the Shares acquired and the product of the number of shares and the respective price will not exceed the Available Reserves; The Share Buyback Program aims to increase the shareholder value through the acquisition of shares on the Stock Exchange, at market price, to be held in Treasury, cancellation or subsequent alienation of the shares on the market or their allocation to possible exercise of stock options under the Company's Stock Option Plan.
(2) The Company may, in its sole discretion and in accordance with the Share Buyback Program, in the terms of Article 8 of ICVM 567/15 acquire up to 20,000,000 common, nominative, book-entry and without par value shares issued by the Company corresponding to up to 4.5% of the Company's total issued shares and up to 7.3% of the Outstanding Shares. The acquisition operation will be held at Brazilian Securities, Commodities and Futures Exchange ("BM&FBOVESPA"), at market price, and the Executive Board of the Company will decide the timing and amount of shares to be acquired, either in a single transaction or in a series of operations, within the limits provided in the applicable regulations.

19.2. With respect to acquisition of shares held in treasury, indicate quantity, total amount and weighted average acquisition price, in tabular format, segregated by type and class

12/31/2015	Quantity of Common Shares (Unidades)	Weighted Average Price
Initial	3,323,400	
Acquisition	3,623,400	6.94
Alienation*	966,648	3.35
Cancellation	5,000,000	
Final	2,979,952	
% in relation to free float	0,006709%	

*Observation: Transfer of shares held in treasury to the benefitiaries of Programs II, V and VI of the Company's Stock Options Plan.

12/31/2014	Quantity of Common Shares (Unidades)	Weighted Average Price
Initial	9,338,111	
Acquisition	31,161,100	7.34
Alienation*	3,094,152	0.33
Cancellation	34,081,659	
Final	3,323,400	

% in relation to free float		

*Observation: Transfer of shares held in treasury to the benefitiaries of Program I of the Company's Stock Options Plan.

12/31/2013	**Quantity of Common Shares (Unidades)**	**Weighted Average Price**
Initial	5,313,011	
Acquisition	4,025,100	6.56
Alienation	0	
Cancellation	0	
Final	9,338,111	
% in relation to free float		

19.3. Other material information

Transaction of shares held in treasury - 2016

	Quantity of Common Shares (Units)
Initial	2,979,952
Acquisition	-
Alienation*	101,195
Cancellation	-
Final	2,878,757
% in relation to free float	1,24%

*Observation: Transfer of shares held in treasury to the benefitiaries of Program I of the Company's Stock Options Plan.

20. Securities Trading Policy

20.1. Information on the securities trading policy

a) Date of approval

April 07, 2015.

b) Binded parties

Officers, members of the Board of Directors, Fiscal Council and bodies with technical or advisory duties to be created by Bylaws provisions, as well as executive officers, managers, employees holding the Company shares and others who in view of title and position held at the Company, its subsidiaries or associated companies have or may have access to material information.

c) Principal characteristics

The Company designates the Investor Relations Officer (“IRO”) as the officer liable for the execution, oversight and management of this Trading Policy and for all communication between the Company and the Brazilian Securities and Exchange Commission (“CVM”) and the Stock Exchanges, as well as between the Company and the market, investors and analysts.

Doubts related to this present Trading Policy, construal of applicable rules and/or about the possibility or not of certain trades with securities issued by the Company and not provided for herein shall be clarified with the IRO.

The Personal Trading Plan means the individual plans for the trading of securities issued by the Company which may be drawn up by either Binding Party and through which these persons indicate their intention of investing with their own funds or desinvest in the long term in the Company securities.

Once observed the prohibitions, the Binding Parties are authorized to trade the Company securities, as long as the trade is based on the Personal Trading Plan, previously filed at the Company’s head offices, with the Investor Relations Officer. For this effect, the Personal Trading Plan shall be filed at the company for more than thirty (30) days, including any amendments.

The Personal Trading Plan can neither be filed nor altered if there is any material act or fact pending that the interested party is aware of.

The Investor Relations Officer may refuse to file the Personal Trading Plan at the Company which disagrees with this present Policy or prevailing laws.

Personal Trading Plans shall mandatorily indicate if the plan is of investment or divestment, as well as the approximate volume of resources that the interested party plans to invest or the approximate number of securities to be traded, within validity term set forth in the Personal Plan, which cannot be less than twelve (12) months and once expired, the interested party shall submit a brief report on related development.

The securities acquired based on the Personal Trading Plan may not be sold before sixty (60) days as of the date of their acquisition. We understand that during the sixty-(60) day period, the shareholding may not be less than the amount acquired based on the Personal Trading Plan as of said acquisition.

The Binding Parties which failed to comply with any provision of this Trading Policy undertake to fully indemnify the Company and/or other Binding Parties for damages to be incurred directly or indirectly deriving from this default.

This present Policy may not be altered if there is any material act or fact pending disclosure.

d) Blackout periods and description of procedures adopted to monitor trading in said periods

The Company and Binding Parties may not directly or indirectly trade securities issued by the Company:

a) In the period between the date they took cognizance of a material information until the date of its disclosure to the market. Material information means any and all information that may cause an economic impact on the Company or on the value of its shares;

b) If there is any intention of promoting incorporation, total or partial spin-off, merger or corporate transformation or restructuring;

c) In the period between the decision taken by the appropriate corporate body of increasing share capital, distributing dividends and paying interest on equity, bonus shares or derivatives or approving stock split and the publication of related notices or announcements;

d) within fifteen (15) days prior to the disclosure of the quarterly financial information (ITR) and annual financial information (DFP and IAN) of the Company.

The persons below are also prevented from trading securities issued by the Company, as long as they are aware of material act or fact not yet disclosed:

a) those maintaining business, professional or trust relationship with the Company, such as independent auditors, securities analysts, consultants and institutions composing the distribution system, who shall verify the disclosure of information before the trade of securities issued by the Company or referred thereto; and
b) managers to leave the Company's Management before the public announcement of business or fact initiated during their managerial period within six (6) months after their withdrawal or disclosure of material fact to the market, prevailing which occurs first.

The Binding Parties shall notify the Company's Investor Relations Officer about those who had access to information referring to the Company's Material Fact not yet disclosed and shall endeavor their best efforts so that they sign the statement of adhesion to the Company's Trading Policy.

20.2. Other material information

The Company and Binding Parties may not directly or indirectly trade securities issued by the Company:

a) In the period between the date they took cognizance of a material information until the date of its disclosure to the market. Material information means any and all information that may cause an economic impact on the Company or on the value of its shares;
b) If there is any intention of promoting incorporation, total or partial spin-off, merger or corporate transformation or restructuring;
c) In the period between the decision taken by the appropriate corporate body of increasing share capital, distributing dividends and paying interest on equity, bonus shares or derivatives or approving stock split and the publication of related notices or announcements;
d) within fifteen (15) days prior to the disclosure of the quarterly financial information (ITR) and annual financial information (DFP and IAN) of the Company.

The prohibitions provided for in letters "a" and "b" shall no longer be effective as soon as the Company discloses the material fact to the market, unless if the stock trading may interfere with trade conditions, to the detriment of the Company's shareholders or the Company itself.

The prohibitions provided for in letters "a" and "b" shall not apply to the acquisition of treasury shares through private trading, deriving from the call option exercise pursuant to the stock option plan approved at the shareholders' meeting, as well as shall not apply to the trades based on the Personal Trading Plan, under the terms of Chapter IV hereof and Attachment II.

The Company's shares purchases under the buyback program to later sale and cancellation or to be held in treasury, do not forbid the Company and Binding Parties to trade securities issued by the Company.

For the purposes of Article 5, indirect trades means trades in which the Company or Binding parties, as appropriate, although they do not trade on their behalf, have the control and decision-making power on the trading execution.

For the purposes of Article 5 and Article 20 of CVM Instruction 358/02, indirect trades are not those conducted by investment funds to which the Binding Parties and other people mentioned herein are quota holders, as long as these are not stand-alone investment funds and fund manager's trading decisions cannot be influenced by quota holders.

The trading of securities issued by the Company by Binding Parties, during non-trading periods or in the occurrence of non-trade assumptions provided herein, may be exceptionally authorized by the Company's Executive Board, by means of written request containing the justification for such trading.

The persons below are also prevented from trading securities issued by the Company, as long as they are aware of material act or fact not yet disclosed:

a) those maintaining business, professional or trust relationship with the Company, such as independent auditors, securities analysts, consultants and institutions composing the distribution system, who shall verify the disclosure of information before the trade of securities issued by the Company or referred thereto; and
b) managers to leave the Company's Management before the public announcement of business or fact initiated during their managerial period within six (6) months after their withdrawal or disclosure of material fact to the market, prevailing which occurs first.

Likewise, the following persons are forbidden to trade:

a) investment funds and portfolio managers, companies, institutions or entities to which the Binding Parties are the sole quotaholders or shareholders or in which may influence trading decisions.
b) any legal entity directly or indirectly controlled by the Binding Parties; and
c) any person who had access to material act or fact through any Binding Parties and persons prevented from trading, such as, but not limited to their spouses, partners and descendants.

For the purposes of item (c) above, the Binding Parties undertake to make all their spouses, partners and descendants cognizant of this present Policy.

In order to ensure the aforementioned provision, the Binding Parties shall notify the Company’s Investor Relations Officer about those who had access to information referring to the Company’s Material Fact not yet disclosed and shall endeavor their best efforts so that they sign the statement of adhesion to the Company’s Trading Policy.

The Board of Directors shall be forbidden to resolve on the acquisition or sale of the Company shares, while the following information is not publicly known through a material fact:

a) execution of any agreement or contract aiming the transfer of the Company’s controlling interest;
b) granting of option or proxy in order to transfer the Company’s controlling interest; or
c) the intention of promoting incorporation, total or partial spin-off, merger, corporate transformation or restructuring.

If, once approved by the Company the stock buyback program, occurs any of the events referred to, the Company shall suspend its stock trades, until related material fact is disclosed.

21. Information disclosure policy

21.1. Rules, regulations or internal procedures adopted by the Company to ensure that information to be disclosed to the public is gathered, processed and published in an accurate and timely manner

The disclosure and communication of Material Information about the Company shall be made by the Investor Relations Officer who is responsible for dissemination of material information in the most efficient manner possible, considering the political-administrative, technical, business or financial-economic interests of the Company. The Investor Relations Officer promotes the material information disclosure and communication to the market and relevant public and private agencies.

The controlling shareholders, executive officers and directors, members of the fiscal council and professionals must (i) communicate to the Investor Relations Officer any material information about the Company of which they have knowledge; (ii) ensure that all documents related to the material information are circulated with confidentiality and restricted access notice and, also, that mails or e-mails are addressed to reliable persons aware of their confidential nature, observing the Company's electronic mail security standards; (iii) communicate immediately to the Investor Relations Officer any suspicion or occurrence of information leak within their restricted and determinable environment.

The controlling shareholders, executive officers and directors, members of the fiscal council and professions who have knowledge of material information about the Company that notice, after communicating the material information to the Investor Relations Officer, the unjustified omission by the Investor Relations Officer, must communicate the Material Information in question to the CVM. Omission shall not be considered unjustified when it refers to circumstances in which, in the opinion of the controlling shareholders and the Investor Relations Officer, there are reasons to keep Material Information about the Company confidential, to protect the political-administrative, technical, business or financial-economic interests of the Company.

21.2. Material fact disclosure policy adopted by the Company (including procedures for keeping undisclosed material information confidential)

Our Information Disclosure Policy was approved at the Board of Directors' meeting held on June 8, 2009, and amended by the same body on March 27, 2014.

The Investor Relations Officer must disclose the material information about the Company to the market immediately or as soon as possible (i) in any newspaper with large nationwide circulation usually used by the Company, or (ii) as accepted by CVM in the Instruction 547/2014 which modified CVM Instruction 358, in news portal with a website in the world wide web, which makes available in an area free of charges, the information in its complete form, and (iii) if deemed necessary, by any other relevant means of communication.

The disclosure of material information in the manner above may, at the discretion of the controlling shareholders and the Investor Relations Officer, be in the summary form, indicating the website where the complete material information about the Company may be obtained, with the same content as that submitted to the CVM and to the trading markets.

The disclosure of material information about the Company must occur, whenever possible, before the start or after the end of transactions on trading markets. If needed, the Investor Relations Officer may disclose the material information about the Company within the trading time on trading markets and request suspension of trading for an adequate period for information dissemination.

The Investor Relations Officers and, in the event of his unjustified omission, the controlling shareholders, members of the fiscal council and other professionals must communicate the material information about the Company to the CVM and to the trading markets, in accordance with CVM Instruction No. 358.

Until disclosure to the market as indicated above, the controlling shareholders, directors, officers, members of the fiscal council and professionals must keep confidentiality of any material information about the Company of which they have knowledge, as well must their subordinates and trustworthy third parties act in the same manner, under penalty of joint liability, in conformity with Corporate Law.

At the discretion of the controlling shareholders and officers and directors and according to the provisions of the item below, material information about the Company may not be disclosed or disclosed immediately for the purpose of protecting the political-administrative, technical, business and financial-economic interests of the Company according to article 6 of CVM Instruction No. 358.

In the hypothesis of the preceding paragraph, the following shall be considered:

> (i) the controlling shareholders or officers or directors who decide to keep confidentiality for the benefit of the Company must communicate immediately and formally to the Investor Relations Officer the fact considered material, with information necessary for correct understanding.

(ii) the Investor Relations Officer or also other officers or directors or controlling shareholders of the Company – the last two groups, through simultaneous communication to the Investor Relations Officer – may request confidentiality analysis by the CVM, provided that the request is addressed to the CVM's president in a registered envelope bearing a legend stating the mail is confidential. If the CVM decides that the material information should be disclosed, it will also determine communication to the trading markets and to the organized over-the-counter market in which securities are admitted for trading;

(iii) in any hypothesis of confidentiality of material information, with occurrence of situations that fall into the item "Unusual Situations" or when the situation goes beyond control of addressees, the Investor Relations Officer must be immediately informed and must adopt the procedures set forth in item (ii) above or immediately disclose the respective material fact, which shall not exempt the controlling shareholders and directors and officers from their responsibility for disclosure.

If (i) there is any unusual fluctuation in quotation, price or trading amount of securities or (ii) the undisclosed material information is made public, the Investor Relations Officer or the persons who have access to the material information must immediately disclose the material information in accordance with the Information Disclosure Policy of the Company and prevailing legislation.

Observing the provisions of the preceding item, the Investor Relations Officer (i) must make inquiries of persons who have access to material fact or information to determine if they have knowledge of information about MRV that should be disclosed to the market, and (ii) may request suspension of trading of securities for the period necessary for adequate dissemination of material information.

The Company publishes its material facts in Estadão website (http://economia.estadao.com.br/fatos-relevantes/) and the IR website (ri.mrv.com.br) and the CVM´s website (www.cvm.gov.br).

21.3. Officers and directors responsible for implementing, maintaining, assessing and overseeing the information disclosure policy

The Chief Investor Relations Officer is responsible for the Disclosure Policy performance and control.

The Board of Directors may at any time, make changes to this Disclosure Policy, which shall be promptly notified by the Director of Investor Relations to its recipients, the CVM, to Trading Markets and market entities in which the securities issued by the Company are admitted to trading, being applied to all from the data of knowledge.

If a legislative amendment might alter the rules, in particular to CVM Instruction 358, this amendment will supersede the provisions of this Disclosure Policy and the Board will provide for its amendment.

21.4. Other material information

All material information pertinent to this topic has been disclosed in the items above.