

Construtora Tenda S.A.
CNPJ/MF Nº 71.476.527/0001-35
NIRE 35.300.348.206

Notice to the Market

São Paulo, December 8, 2017

To

B3 S.A. – BRASIL, BOLSA, BALCÃO

Rua XV de Novembro, 275, 6º andar, São Paulo – SP

Attn.: Mr. Nelson Barroso Ortega

Superintendency of Corporate Support

C/W

BRAZILIAN SECURITIES & EXCHANGE COMMISSION - CVM

Rua Sete de Setembro, 111, 33º andar, Rio de Janeiro – RJ

Attn.: Mr. Fernando Soares Vieira – Superintendency of Corporate Affairs

Mr. Francisco José Bastos Santos – Superintendency of Market Affairs and Intermediaries

REF.: REQUEST FOR CLARIFICATION ABOUT THE PIECE OF NEWS REPORTED IN THE PRESS

Dear Sirs:

TENDA S.A., a publicly-held company with head offices in the City of São Paulo, State of São Paulo, at Rua Álvares Penteado, 61, 5º andar, Centro, with Taxpayer ID (CNPJ/MF) number 74.476.527/0001-35 (“Tenda” or “Company”); herein represented by its Chief Executive, Financial and Investor Relations Officer, comes respectfully to you to make the clarifications required by B3 S.A. – Brasil, Bolsa, Balcão (“B3”), under the terms of Official Letter 1.844/2017-SAE (“Official Letter”) dated December 7, 2017, received by the Company on the same date.

To better understand the consultation made and the clarifications to be provided, a transcription of the Official Letter's inquiries is provided below:

“An article published by the Valor Econômico newspaper, on December 7, 2017, under the heading “Tenda prevê lançar entre 10% e 15% a mais em 2018” (“Tenda plans to launch 10%–15% more in 2018”), states, among other things, that said company:

- 1. plans to increase its launches by 10% to 15% next year, compared to 2017;*
- 2. will end this year with Potential Sales Value (PSV) of BRL 1.6 billion, representing a 20% increase compared to 2016;*
- 3. this year, it spent BRL 100 million to BRL 130 million in the acquisition of land, a level that may grow 25% next year;*
- 4. estimates to be able to pay dividends in 2019.*

We request clarifications about the items above, until December 8, 2017, with your confirmation or not, as well as other information deemed as important.”

Related to the questions above, Tenda would like to clarify, first and foremost, that it is its policy not to make projections or estimates about future financial results. However, real estate ventures are projects whose planning and execution are long-term oriented by definition. Given the peculiar characteristics of the sector and the way these projects are sold and accounted for, certain variations in results are easily anticipated by simply reading the quarterly financial statements.

Regarding the specific points, we would like to clarify:

1. The signaling of an expansion between 10% and 15% in the 2018 launches compared to the previous years was given in the context of a broader presentation, of possible financial difficulties for mortgages to be faced by the Company as well as bank’s exposure to the minimum Basel limits required for financial institutions. This is not, therefore, an expectation, a projection, let alone a guarantee of growth for the Company, but rather an evaluation of the possible environment impacts that could eventually, even if temporarily, reduce our historic growth if the present scenario remains unchanged over 2018, which would lead us to foresee a decrease in the expansion rate of our launches.
2. Regarding the Potential Sales Value (PSV) the full article informs that if Tenda maintains the level presented in the last 12 months until the end of Q3 2017, it would close 2017 with a PSV of BRL 1.6 billion. This is not a forecast or guidance, but rather a simple mathematical exercise performed by the journalist herself, who is an expert in the real estate sector.
3. Regarding the amount spent in the acquisition of land, which would range from BRL 100 million to BRL 130 million in 2017, we clarify that said piece of information is in line with what is disclosed on page 53, note 15 to the Quarterly Information regarding Q3 2017 (ITR 3Q2017), where we already stated that at the end of 2016 that we would have BRL 130 million to spend in 2017. We can also verify that part of said

amount was actually spent, since the amount was reduced by BRL 72 million, which correspond to the amounts already paid in the 9 first months of year 2017.

Regarding the 25% growth in 2018, this is a mere extrapolation of the growth we have presented in the last 2 years in total land payable. If one analyzes the amounts stated in the same note abovementioned, comparing the amounts since 2015, we would have an increase of BRL 240 million in total land payable in 2015 (Note 15, page 58 of the Standardized Financial Statements (DFP) of the fiscal year ended in 2016) to BRL 395 million in 2017, or a BRL 102 million increase compared to 2015, representing an average growth of 25.9% p.a.

4. Finally, regarding the eventual distribution of dividends, we can affirm that Tenda currently carries accumulated losses and there is no possibility of a distribution of profits while this situation is still pending. However, the management has been endeavoring their best efforts to reverse said condition, with results that are evident in the already disclosed financial statements. If we are to observe the maintenance of the current trend, it would be reasonable to assume that the loss carryover would be completely reversed over the next year. With that in mind, only in 2019 the Company would have a scenario of distribution of profits, even if only the mandatory minimum of 25% of the adjusted net income. Moreover, we reaffirm our commitment to maximizing returns to our shareholders, and to pursuing profitability, which is the only way to ensure the Company's long-term sustainability.

Company's Management restates its commitment with the best practices regarding the disclosure of material information related to its businesses, in accordance with CVM Instruction 358/02, the Novo Mercado regulations and its Material Act or Fact Disclosure Policy.

With nothing further, we take the opportunity to renew our highest esteem and most distinguished consideration, and remain available for any further explanations that might be necessary.

TENDA S.A.

Rodrigo Osmo

Chief Executive, Financial and Investor Relations Officer

Investor Relations

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About Tenda

With over 45 years of history and more than 75,000 units delivered, Tenda is one of Brazil's leading homebuilders and real estate developers operating in the low-income housing segment within the "Minha Casa, Minha Vida" ("MCMV") program, levels 1,5 and 2. The Company concentrates its activities in six of the largest metropolitan regions of the country: São Paulo, Rio de Janeiro, Porto Alegre, Belo Horizonte, Salvador and Recife and relies on more than 40 stores and its own sales force.