

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

## Notice to the Market

### 4Q17 and 2017 OPERATING AND FINANCIAL RESULTS

**Tenda ends 2017 with cash generation of R\$239 million and net income of R\$107 million. Launches reach R\$1.7 billion with acquisition of R\$3.9 billion in potential PSV of landbank.**

**FOR IMMEDIATE RELEASE** - São Paulo, March 8, 2018 – Construtora Tenda S.A., 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, today reports its operating and financial results for the fourth quarter and fiscal year of 2017.

#### HIGHLIGHTS

- Landbank increased and reached launch potential of R\$6.7 billion after the acquisition of R\$3.9 billion in 2017 and R\$820 million in 4Q17.
- Launches totaled R\$459 million in 4T17 and R\$1.7 billion in 2017, or a 26% year-on-year growth.
- Net pre-sales reached R\$434 million in 4Q17 and R\$1.5 billion in 2017, up 35% year-on-year. Sales over Supply (“Net SoS”) reached 26.9% in 4Q17 and 56.7% in 2017.
- Cash generation, excluding the effect of Gafisa’s capital reduction, totaled R\$75 million in 4Q17 and R\$239 million in 2017, higher than the cash generation of R\$103 million in 2016.
- Adjusted EBITDA of R\$170 million in 2017, increase of 30% year-on-year.
- Net income of R\$107 million in 2017, increase of 88% year-on-year. ROE reached 9.7% in 2017, a 4.4 p.p. growth evidencing the consistency of improved results.

#### CONFERENCE CALL AND WEBCAST

March 9, 2018 - Friday  
11:00 a.m.(BRT)  
9 a.m. (NY)

Dial-in:  
+55 (11) 3127-4971  
+1 (516) 300 1066  
Code: Tenda  
Webcast: [Click here](#)

## MESSAGE FROM MANAGEMENT

The last quarter closed out a 2017 with significant milestones. The year was marked by the Company's listing on the Brazilian stock exchange, back to an independent operating company. From both operational and financial standpoints, we have proved the solid results of our New Business Model, which first initiated in 2013.

The consistency of the New Business Model has allowed us to maintain a strong rhythm of growth. Launches have grown by five times over these four last years, from R\$339 million in 2013 to R\$1.7 billion in 2017. In this last year our growth ended at the level of 26%, with net sales over supply reaching 57% in the year and 27% in 4Q17.

The accelerated construction cycle, sustained by the aluminum mold technology, allowed us to deliver all projects launched since 2015. The confidence in our business model and building quality allowed us to startup our first geographic expansion under the new model in 4Q17, our operation in Curitiba the capital of the State of Paraná.

Our target market, the low-income residential segment, faced challenges in the second half of the year relating to uncertainties regarding the Caixa Econômica Federal's capacity to continue to act as the main supporting bank within the "Minha Casa, Minha Vida" program. This fact led us to anticipate some launches in this last quarter. This situation, however, is now settled and as of November we noticed a gradual stabilization, allowing a cash generation of R\$74.9 million in 4Q17, ending 2017 with R\$239.2 million.

The good performance in landbank acquisitions in 2017 will allow us to sustain our business plan over the upcoming years. In 2017, we acquired R\$3.9 billion, ending the year with a final landbank position of R\$6.7 billion, 50% higher than the final landbank of 2016.

Efficiency in transfers and its consequent cash generation left us in a zone of comfort, with a solid capital structure. Our cash position by the end of December, totaling R\$498 million, was more than sufficient to cover our total debt of R\$270 million. This performance positions us as one of the most unleveraged companies in the market. Acknowledging this solid capital structure, S&P recently granted an A+ corporate rating to the Company.

Our operational performance and trajectory of increasing returns have been acknowledged by the equity markets. Our shares ended 2017 with a 146% appreciation and average of daily traded volume of R\$8 million. With TEND3's the recent liquidity evolution, since January 2018 our shares were included in the theoretical portfolios of the Brazilian Stock Index (IBRA) and the Small Caps Index (SMML), as well as the construction (ICON), real estate (IMOB) and industrial sector (INDX) indexes and the Corporate Governance Index (IGCT).

Due to business volume growth and gross margin gains result from a higher productivity at the construction sites, our net income totaled R\$107 million in 2017, resulting in an ROE of 9.7%, 4.4 p.p. higher than in 2016. Despite a solid operational performance, our profitability is still impacted by legacy projects' contingencies. We registered a peak in lawsuits in 2017, a trend which should be reverted in the medium term, with a more effective reduction as of 2019, sustaining our vision of becoming Brazil's low-income segment company which delivers the best return to its shareholders.

**The Management**

**OPERATIONAL AND FINANCIAL HIGHLIGHTS**

Operational and Financial Highlights	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
<b>Operational Highlights</b>								
Launches	458.3	488.4	(6.1%) ↓	373.9	22.6% ↑	1,695.2	1,342.5	26.3% ↑
Net pre-sales	433.5	385.3	12.5% ↑	311.7	39.1% ↑	1,544.6	1,141.5	35.3% ↑
Sales over Supply (SoS)	26.9%	24.7%	2.1 p.p. ↑	22.3%	4.6 p.p. ↑	56.7%	51.3%	5.4 p.p. ↑
Delivered projects (Units)	3,252	1,672	94.5% ↑	2,668	21.9% ↑	9,707	6,838	42.0% ↑
<b>Financial Highlights</b>								
Net Revenue	357.2	361.4	(1.2%) ↓	286.9	24.5% ↑	1,357.9	1,052.7	29.0% ↑
Adjusted Gross Profit <sup>1</sup>	134.0	143.7	(6.8%) ↓	109.1	22.8% ↑	498.8	351.1	42.1% ↑
Adjusted Gross Margin <sup>1</sup>	37.5%	39.8%	(2.2 p.p.) ↓	38.0%	(0.5 p.p.) ↓	36.7%	33.3%	3.4 p.p. ↑
Adjusted EBITDA <sup>2</sup>	58.5	48.7	20.2% ↑	47.4	23.4% ↑	169.5	130.2	30.2% ↑
Adjusted EBITDA Margin <sup>2</sup>	16.4%	13.5%	2.9 p.p. ↑	16.5%	(0.1 p.p.) ↓	12.5%	12.4%	0.1 p.p. ↑
Net Financial Result	(0.1)	(0.8)	83.3% ↑	(5.5)	97.6% ↑	(0.9)	(20.0)	95.7% ↑
Net Income (Loss) <sup>3</sup>	36.2	30.7	17.9% ↑	20.2	79.4% ↑	106.7	56.7	88.3% ↑
Backlog Revenues	325.1	302.2	7.6% ↑	255.4	27.3% ↑	325.1	255.4	27.3% ↑
Backlog Results <sup>4</sup>	158.0	145.0	9.0% ↑	118.9	32.9% ↑	158.0	118.9	32.9% ↑
Backlog Margin <sup>4</sup>	48.6%	48.0%	0.6 p.p. ↑	46.5%	2.1 p.p. ↑	48.6%	46.5%	2.1 p.p. ↑
Cash and cash equivalents <sup>5</sup>	497.7	387.5	28.5% ↑	223.5	122.7% ↑	497.7	223.5	122.7% ↑
Net Debt	(227.6)	(256.8)	11.4% ↑	(88.5)	(157.1%) ↓	(227.6)	(88.5)	(157.1%) ↓
Adjusted Net Debt <sup>6</sup>	(227.6)	(152.9)	(48.9%) ↓	11.5	(2,077.6%) ↓	(227.6)	11.5	(2,077.6%) ↓
Shareholders' Equity + minority shareholders	1,163.7	1,126.8	3.3% ↑	1,075.6	8.2% ↑	1,163.7	1,075.6	8.2% ↑
Net Debt / (SE + Minority)	(19.6%)	(22.8%)	3.2 p.p. ↑	(8.2%)	(11.3 p.p.) ↓	(19.6%)	(8.2%)	(11.3 p.p.) ↓
Adjusted Net Debt <sup>6</sup> / (SE + Minority)	(19.6%)	(13.6%)	(6.0 p.p.) ↓	1.1%	(20.6 p.p.) ↓	(19.6%)	1.1%	(20.6 p.p.) ↓
Net Income (Loss) (last 12 months)	106.7	90.7	17.7% ↑	56.7	88.3% ↑	106.7	56.7	88.3% ↑
NOPAT (last 12 months) <sup>7</sup>	135.6	128.5	5.6% ↑	95.4	42.2% ↑	135.6	95.4	42.2% ↑
Adjusted Capital Employed <sup>8</sup>	936.0	973.9	(3.9%) ↓	1,087.1	(13.9%) ↓	936.0	1,087.1	(13.9%) ↓
ROE (last 12 months) <sup>9</sup>	9.7%	8.1%	1.6 p.p. ↑	5.3%	4.4 p.p. ↑	9.7%	5.3%	4.4 p.p. ↑
ROCE (last 12 months) <sup>10</sup>	13.4%	12.4%	1.0 p.p. ↑	8.6%	4.8 p.p. ↑	13.4%	8.6%	4.8 p.p. ↑

1) Adjusted by capitalized interests.

2) Adjusted by capitalized interests, expenses with stock option plans (non-cash) and minority shareholders.

3) Adjusted by minority shareholders.

4) Backlog results comprise the projects restricted by condition precedent.

5) Cash and cash equivalents and securities.

6) Net debt adjusted by payment obligations from the capital reduction on December 14, 2016. This obligation is recorded in the Balance Sheet under Others Non-current Creditors.

7) NOPAT is composed of net income excluding financial result and capitalized interest effects.

8) Adjusted Capital Employed is composed of the sum of adjusted net debt, shareholders' equity and minority shareholders.

9) ROE is calculated by net income of the last 12 months adjusted by minority shareholders divided by the average shareholders' equity. Average referring to the opening and closing position in the last 12 months.

10) ROCE is calculated by NOPAT of the last 12 months divided by average capital employed. Average referring to the opening and closing position in the last 12 months.

## LAUNCHES

Launches volume totaled R\$459 million in 4Q17. The year of 2017 ended with a 26% growth compared to 2016, reaching R\$1.7 billion, as a result of the expansion strategy within the six metropolitan regions where the Company operates and the startup of Curitiba's operation in 4Q17.

Launches <sup>1</sup>	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
Number of Launches	12	13	(7.7%) ↓	11.0	9.1% ↑	45	41	9.8% ↑
PSV (in R\$ million)	458.3	488.4	(6.1%) ↓	373.9	22.6% ↑	1,695.2	1,342.5	26.3% ↑
Number of units	3,268	3,388	(3.5%) ↓	2,748	18.9% ↑	11,768	9,819	19.8% ↑
Average price per unit (in R\$ thousand)	140.3	144.1	(2.7%) ↓	136.1	3.1% ↑	144.0	136.7	5.4% ↑
Average size of launches (in units)	272	261	4.5% ↑	250	9.0% ↑	262	239	9.2% ↑

1) Tenda holds 100% equity interest in projects launched under the New Business Model.

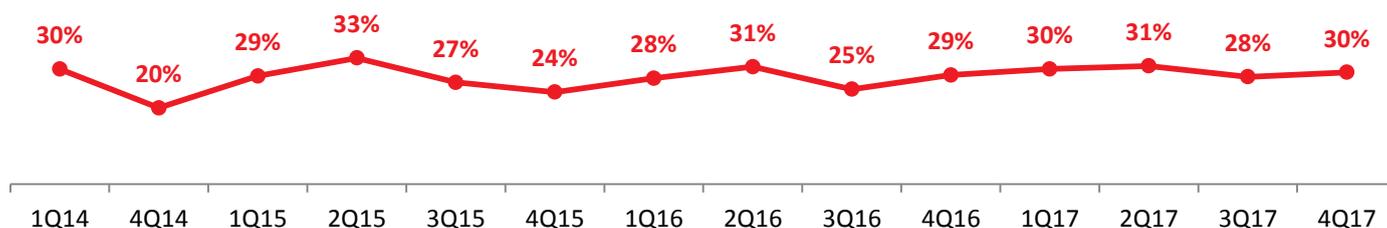
## GROSS SALES

Gross sales totaled R\$478 million in 4Q17 and R\$1.8 billion in 2017, up 28% in the annual comparison due to better availability of products in the areas of operation.

The sales over supply ("Gross SoS") reached 29.6% in 4Q17 and 66.4% in 2017, a 2.7 p.p. y-o-y increase, supported by market resilience.

Gross Sales	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
PSV (in R\$ million)	477.7	443.1	7.8% ↑	403.5	18.4% ↑	1,808.2	1,417.9	27.5% ↑
Number of units	3,355	3,098	8.3% ↑	2,860	17.3% ↑	12,742	10,059	26.7% ↑
Average price per unit (in R\$ thousand)	142.4	143.0	(0.5%) ↓	141.1	0.9% ↑	141.9	141.0	0.7% ↑
Gross SoS	29.6%	28.4%	1.2 p.p. ↑	28.9%	0.7 p.p. ↑	66.4%	63.7%	2.7 p.p. ↑
New Business Model	31.3%	30.7%	0.6 p.p. ↑	30.3%	1.0 p.p. ↑	67.9%	63.1%	4.7 p.p. ↑
Legacy	11.9%	7.9%	3.9 p.p. ↑	17.9%	(6.0 p.p.) ↓	39.9%	68.8%	(28.9 p.p.) ↓

Sales over Supply – Gross SoS (%)



## CANCELLATIONS AND NET PRE-SALES

Cancellations in the quarter represented 9% of the gross sales, down 13.5 p.p. year-on-year and 3.8 p.p. when compared to 3Q17. In 2017, cancellations represented 15% of the gross sales, down 4.9 p.p. year-on-year, returning to stable operating level, as anticipated over the last quarters.

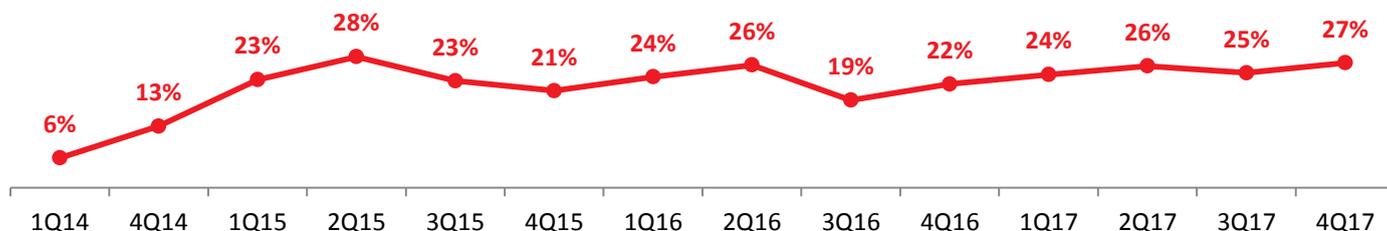
The sales over supply ("Net SoS") reached 26.9% in 4Q17 and 56.7% in 2017, up 5.4 p.p. year-over-year.

(in R\$ million)	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
<b>Gross Sales</b>	<b>477.7</b>	<b>443.1</b>	<b>7.8% ↑</b>	<b>403.5</b>	<b>18.4% ↑</b>	<b>1,808.2</b>	<b>1,417.9</b>	<b>27.5% ↑</b>
New Business Model	460.8	430.8	7.0% ↑	375.0	22.9% ↑	1,749.6	1,274.8	37.2% ↑
Legacy	16.8	12.3	36.7% ↑	28.5	(41.1%) ↓	58.7	143.1	(59.0%) ↓
<b>Cancellations</b>	<b>44.2</b>	<b>57.9</b>	<b>(23.6%) ↓</b>	<b>91.8</b>	<b>(51.9%) ↓</b>	<b>263.6</b>	<b>276.4</b>	<b>(4.6%) ↓</b>
New Business Model	37.1	48.7	(23.8%) ↓	67.9	(45.3%) ↓	219.7	186.4	17.9% ↑
Legacy	7.1	9.1	(22.7%) ↓	23.9	(70.5%) ↓	43.9	90.0	(51.3%) ↓
<b>Net Pre-Sales</b>	<b>433.5</b>	<b>385.3</b>	<b>12.5% ↑</b>	<b>311.7</b>	<b>39.1% ↑</b>	<b>1,544.6</b>	<b>1,141.5</b>	<b>35.3% ↑</b>
% Launch <sup>1</sup>	82.4%	67.7%	14.7 p.p. ↑	76.7%	5.7 p.p. ↑	53.2%	48.9%	4.4 p.p. ↑
% Inventory	17.6%	32.3%	(14.7 p.p.) ↓	23.3%	(5.7 p.p.) ↓	46.8%	51.1%	(4.4 p.p.) ↓
<b>Cancellations / Gross Sales</b>	<b>9.2%</b>	<b>13.1%</b>	<b>(3.8 p.p.) ↓</b>	<b>22.8%</b>	<b>(13.5 p.p.) ↓</b>	<b>14.6%</b>	<b>19.5%</b>	<b>(4.9 p.p.) ↓</b>
<b>Net SoS</b>	<b>26.9%</b>	<b>24.7%</b>	<b>2.1 p.p. ↑</b>	<b>22.3%</b>	<b>4.6 p.p. ↑</b>	<b>56.7%</b>	<b>51.3%</b>	<b>5.4 p.p. ↑</b>
New Business Model	28.8%	27.2%	1.6 p.p. ↑	24.8%	4.0 p.p. ↑	59.4%	53.9%	5.4 p.p. ↑
Legacy	6.9%	2.0%	4.8 p.p. ↑	2.9%	4.0 p.p. ↑	10.1%	25.5%	(15.4 p.p.) ↓

(in units)	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
Gross Units Sold	3,355	3,098	8.3% ↑	2,860	17.3% ↑	12,742	10,059	26.7% ↑
Cancelled Units	321	419	(23.4%) ↓	653	(50.8%) ↓	1,915	1,924	(0.5%) ↓
<b>Net Units Sold</b>	<b>3,034</b>	<b>2,679</b>	<b>13.3% ↑</b>	<b>2,207</b>	<b>37.5% ↑</b>	<b>10,827</b>	<b>8,135</b>	<b>33.1% ↑</b>
<b>Cancellations / Gross Sales</b>	<b>9.6%</b>	<b>13.5%</b>	<b>(4.0 p.p.) ↓</b>	<b>22.8%</b>	<b>(13.3 p.p.) ↓</b>	<b>15.0%</b>	<b>19.1%</b>	<b>(4.1 p.p.) ↓</b>

1) Launches of current year.

Sales over Supply – Net SoS (%)



## UNITS TRANSFERRED, DELIVERED AND CONSTRUCTION SITE

Transfers in PSV totaled R\$359 million in 4Q17 and R\$1.4 billion in 2017, up 34% year-over-year. We delivered 3.2 thousand units in 4Q17 and 9.7 thousand units in 2017, up 95% q-o-q and 42% y-o-y. It is worth mentioning that we ended 2017 with 38 ongoing construction sites, all of them on schedule.

Transfers, Deliveries and Construction Sites	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
<b>PSV Transferred (in R\$ million)</b>	<b>358.8</b>	<b>381.8</b>	<b>(6.0%) ↓</b>	<b>321.1</b>	<b>11.8% ↑</b>	<b>1,415.0</b>	<b>1,058.2</b>	<b>33.7% ↑</b>
New Business Model	353.2	374.5	(5.7%) ↓	291.7	21.1% ↑	1,371.9	913.1	50.3% ↑
Legacy	5.6	7.3	(22.6%) ↓	29.3	(80.8%) ↓	43.1	145.2	(70.3%) ↓
<b>Transferred Units</b>	<b>2,806</b>	<b>2,986</b>	<b>(6.0%) ↓</b>	<b>2,551</b>	<b>10.0% ↑</b>	<b>11,176</b>	<b>8,270</b>	<b>35.1% ↑</b>
New Business Model	2,765	2,932	(5.7%) ↓	2,338	18.3% ↑	10,855	7,210	50.6% ↑
Legacy	41	54	(24.1%) ↓	213	(80.8%) ↓	321	1,060	(69.7%) ↓
<b>Delivered Units</b>	<b>3,252</b>	<b>1,672</b>	<b>94.5% ↑</b>	<b>2,668</b>	<b>21.9% ↑</b>	<b>9,707</b>	<b>6,838</b>	<b>42.0% ↑</b>
<b>Construction Sites</b>	<b>38</b>	<b>40</b>	<b>(5.0%) ↓</b>	<b>38</b>	<b>0.0% ↑</b>	<b>38</b>	<b>38</b>	<b>0.0% ↑</b>

## INVENTORY AT MARKET VALUE

The expansion in Company's launches volume and gains of operating scale in 2017 increased Tenda's inventory to R\$1.2 billion, explaining the 9% increase year-on-year. Inventory turnover<sup>1</sup> is currently at 9.2 months.

Inventory at Market Value	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
<b>PSV (in R\$ million)</b>	<b>1,179.8</b>	<b>1,172.5</b>	<b>0.6% ↑</b>	<b>1,085.4</b>	<b>8.7% ↑</b>	<b>1,179.8</b>	<b>1,085.4</b>	<b>8.7% ↑</b>
Number of Units	8,272.0	8,091.0	2.2% ↑	7,530.0	9.9% ↑	8,272	7,530.0	9.9% ↑
Average price per unit (in R\$ thousand)	142.6	144.9	(1.6%) ↓	144.1	(1.0%) ↓	142.6	144.1	(1.0%) ↓

Status of Construction	4Q17	Not Initiated	Up to 30% built	30% to 70% built	More than 70% built	Finished units
<b>PSV (in R\$ million)</b>	<b>1,179.8</b>	<b>313.6</b>	<b>318.3</b>	<b>314.5</b>	<b>129.2</b>	<b>104.2</b>
New Business Model MCMV	1,047.7	313.6	318.3	259.4	129.2	27.2
Legacy MCMV	121.0	0.0	0.0	55.2	0.0	65.8
Legacy non-MCMV	11.2	0.0	0.0	0.0	0.0	11.2

1) (Inventory PSV at current market value/ PSV of net sales in the last 12 months) x 12 months.

## LANDBANK

The Company's landbank increased 6% compared to 3Q17 and 50% versus 4Q16. In the quarter, 13 phases/projects were acquired, distributed over all the regions where the Company operates, representing potential launches of R\$820 million. We note that all projects of our landbank are feasible within the range 2, and in some cases, may be adapted to range 1.5 of the "Minha Casa, Minha Vida" housing program.

Landbank <sup>1</sup>	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
Number of Projects	206	193	6.7% ↑	138	49.3% ↑	206	138	49.3% ↑
<b>PSV (in R\$ million)</b>	<b>6,695.0</b>	<b>6,333.7</b>	<b>5.7% ↑</b>	<b>4,461.8</b>	<b>50.1% ↑</b>	<b>6,695.0</b>	<b>4,461.8</b>	<b>50.1% ↑</b>
Acquisitions / Adjustments (in R\$ million)	819.7	1,716.4	(52.2%) ↓	632	29.8% ↑	3,928.4	1,071.3	266.7% ↑
Number of Units	45,795	42,975	6.6% ↑	32,707	40.0% ↑	45,795	32,707	40.0% ↑
Average price per unit (in R\$ thousands)	146.2	147.4	(0.8%) ↓	136.4	7.2% ↑	146.2	136.4	7.2% ↑
% Swap Total	28.4%	27.2%	1.1 p.p. ↑	17.2%	11.1 p.p. ↑	28.4%	17.2%	11.1 p.p. ↑
% Swap Units	17.7%	17.1%	0.6 p.p. ↑	10.4%	7.3 p.p. ↑	17.7%	10.4%	7.3 p.p. ↑
% Swap Financial	10.6%	10.1%	0.5 p.p. ↑	6.8%	3.8 p.p. ↑	10.6%	6.8%	3.8 p.p. ↑

1) Tenda owns 100% equity interest of its landbank.

## NEW BUSINESS MODEL UPDATE

In 4Q17, the Company initiated operations in Curitiba, expanding its activities up to seven metropolitan regions: São Paulo, Rio de Janeiro, Belo Horizonte, Porto Alegre, Salvador, Recife and Curitiba, with a total of 137 projects/phases and launched PSV of R\$5.1 billion since 2013. We point out that all the projects launched until 2015 have already been delivered, reinforcing the consistency and agility of the New Business Model.

New Business Model Update	2013	2014	2015	2016	2017
Number of Projects	7	14	30	41	45
Units launched	2,460	4,315	7,711	9,819	11,768
Total PSV (R\$ 000)	313.9	613.3	1,088.9	1,342.5	1,695.2
Units Sold	2,442	4,235	7,576	8,530	5,512
% Sold	99.3%	98.1%	98.2%	86.9%	46.8%
Avg SoS (Month)	8.6%	6.5%	8.3%	10.7%	9.9%
Units transferred	2,437	4,226	7,530	8,260	4,397
% Units transferred	99.1%	97.9%	97.7%	84.1%	37.4%
% Construction	100.0%	100.0%	100.0%	93.9%	40.6%

## NET OPERATING REVENUE

Net operating revenue increased year-on-year, driven by higher net pre-sales volume (“Net PSV”).

In 2Q17, the Company adopted a more conservative profile in the criterion of provision for doubtful accounts, sustaining the increase of this provision in 2017.

A strong reversal of provisions for cancellations throughout 2017 occurred due to one-off increase in cancellations volume, effect of a review of unilateral cancellation process executed by Tenda between 3Q16 and 2Q17.

(in R\$ million)	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
Gross Operating Revenues	367.0	375.7	(2.3%) ↓	358.2	2.5% ↑	1,420.4	1,170.7	21.3% ↑
Provision for doubtful accounts	5.3	(3.2)	(268.1%) ↓	(10.3)	(151.7%) ↓	(19.4)	(16.4)	18.1% ↑
Provision for cancellations	(2.9)	7.2	(140.3%) ↓	(39.0)	92.6% ↑	24.1	(20.8)	216.1% ↑
Taxes on sales of properties and services	(12.3)	(18.3)	(32.7%) ↓	(21.9)	(43.8%) ↓	(67.1)	(80.8)	(16.9%) ↓
<b>Net Operating Revenue</b>	<b>357.2</b>	<b>361.4</b>	<b>(1.2%) ↓</b>	<b>286.9</b>	<b>24.5% ↑</b>	<b>1,357.9</b>	<b>1,052.7</b>	<b>29.0% ↑</b>

## GROSS PROFIT

Gross profit growth is due to operating scale gains under the New Business Model coupled with market resilience.

The adjusted gross margin increased 3.4 p.p. year-over-year. This growth was due to projects concentrated in more profitable marketplaces.

(in R\$ Million)	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
Net Revenue	357.2	361.4	(1.2%) ↓	286.9	24.5% ↑	1,357.9	1,052.7	29.0% ↑
<b>Gross Profit</b>	<b>126.7</b>	<b>131.1</b>	<b>(3.3%) ↓</b>	<b>95.9</b>	<b>32.1% ↑</b>	<b>468.6</b>	<b>323.0</b>	<b>45.1% ↑</b>
Gross Margin	35.5%	36.3%	(0.8 p.p.) ↓	33.4%	2.0 p.p. ↑	34.5%	30.7%	3.8 p.p. ↑
(-) Financial Costs	7.3	12.6	(42.4%) ↓	13.2	(44.8%) ↓	30.1	28.1	7.4% ↑
<b>Adjusted Gross Profit<sup>1</sup></b>	<b>134.0</b>	<b>143.7</b>	<b>(6.8%) ↓</b>	<b>109.1</b>	<b>22.8% ↑</b>	<b>498.8</b>	<b>351.1</b>	<b>42.1% ↑</b>
Adjusted Gross Margin	37.5%	39.8%	(2.2 p.p.) ↓	38.0%	(0.5 p.p.) ↓	36.7%	33.3%	3.4 p.p. ↑

1) Adjusted by capitalized interest rates.

## SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (SG&A)

Selling expenses increased 1.2 p.p. to 7.6% of gross sales in 2017, due to higher marketing investments.

General and administrative expenses ("G&A") represented 5.6% of launches in 2017, a 1.1 p.p. decrease year-over-year, evidencing that the Company's growth strategy has operating gains of scale, despite a higher allocation of funds for a gradual geographic expansion.

(in R\$ Million)	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
Selling Expenses	(38.4)	(35.5)	8.0% ↑	(25.4)	51.1% ↑	(136.9)	(90.5)	51.3% ↑
General & Admin Expenses	(25.6)	(24.8)	3.1% ↑	(27.6)	(7.2%) ↓	(95.2)	(89.7)	6.0% ↑
<b>Total SG&amp;A Expenses</b>	<b>(64.0)</b>	<b>(60.4)</b>	<b>6.0% ↑</b>	<b>(53.0)</b>	<b>20.7% ↑</b>	<b>(232.0)</b>	<b>(180.2)</b>	<b>28.7% ↑</b>
Gross Sales	477.7	443.1	7.8% ↑	403.5	18.4% ↑	1,808.2	1,417.9	27.5% ↑
Launches	458.3	488.4	(6.1%) ↓	373.9	22.6% ↑	1,695.2	1,342.5	26.3% ↑
<b>Selling Expenses / Gross Sales</b>	<b>8.0%</b>	<b>8.0%</b>	<b>0.0 p.p. ↑</b>	<b>6.3%</b>	<b>1.7 p.p. ↑</b>	<b>7.6%</b>	<b>6.4%</b>	<b>1.2 p.p. ↑</b>
<b>G&amp;A Expenses / Launches</b>	<b>5.6%</b>	<b>5.1%</b>	<b>0.5 p.p. ↑</b>	<b>7.4%</b>	<b>(1.8 p.p.) ↓</b>	<b>5.6%</b>	<b>6.7%</b>	<b>(1.1 p.p.) ↓</b>

## OTHER OPERATING REVENUES/EXPENSES

The decrease in other operating revenues and expenses this quarter is justified by the completed revision of the Company's lawsuits in 3Q17 resulting in a non-recurring impact in 3Q17 of R\$21 million on litigation provisions.

In 2017, operating revenues and expenses increased 168% due to higher provisions for litigation expenses and the end of an arbitration proceeding related to legacy projects mentioned in 1Q17.

(in R\$ Million)	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
<b>Other Operating Revenues and Expenses</b>	<b>(12.1)</b>	<b>(36.0)</b>	<b>(66.3%) ↓</b>	<b>(3.7)</b>	<b>223.9% ↑</b>	<b>(98.5)</b>	<b>(36.7)</b>	<b>168.1% ↑</b>
Litigation Expenses	(4.8)	(28.3)	(83.1%) ↓	(0.8)	468.7% ↑	(51.8)	(21.2)	144.0% ↑
Other	(7.3)	(7.7)	(4.5%) ↓	(2.9)	152.9% ↑	(46.7)	(15.5)	201.0% ↑
Equity Income	(0.4)	(0.4)	10.2% ↑	(5.5)	(92.9%) ↓	(1.1)	(5.5)	(79.6%) ↓

## ADJUSTED EBITDA

Adjusted EBITDA increase is sustained by the Company's operational growth.

(in R\$ Million)	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
Net Income	36.2	30.7	17.9% ↑	20.2	79.4% ↑	106.7	56.7	88.3% ↑
(+) Financial result	0.1	0.8	(83.3%) ↓	5.5	(97.6%) ↓	0.9	20.0	(95.7%) ↓
(+) Income taxes and social contribution	11.3	(0.3)	3,717.4% ↑	7.9	41.8% ↑	18.0	21.0	(14.2%) ↓
(+) Depreciation and amortization	3.3	3.4	(3.0%) ↓	3.2	4.1% ↑	13.5	12.3	9.7% ↑
(+) Capitalized interests	7.3	12.6	(42.4%) ↓	13.2	(44.8%) ↓	30.1	28.1	7.4% ↑
(+) Expenses with Stock Option Plan	1.0	1.7	(41.5%) ↓	0.5	103.9% ↑	2.4	1.5	58.1% ↑
(+) Minority Shareholders	(0.7)	(0.3)	(157.7%) ↓	(3.1)	77.0% ↑	(2.1)	(9.4)	78.1% ↑
<b>Adjusted EBITDA<sup>1</sup></b>	<b>58.5</b>	<b>48.7</b>	<b>20.2% ↑</b>	<b>47.4</b>	<b>23.4% ↑</b>	<b>169.5</b>	<b>130.2</b>	<b>30.2% ↑</b>
Net Revenue	357.2	361.4	(1.2%) ↓	286.9	24.5% ↑	1,357.9	1,052.7	29.0% ↑
<b>Adjusted EBITDA Margin<sup>1</sup></b>	<b>16.4%</b>	<b>13.5%</b>	<b>2.9 p.p. ↑</b>	<b>16.5%</b>	<b>(0.1 p.p.) ↓</b>	<b>12.5%</b>	<b>12.4%</b>	<b>0.1 p.p. ↑</b>

1) Adjusted by capitalized interests, expenses with stock option plans (non-cash) and minority shareholders.

## FINANCIAL RESULTS

In 2017, the increase of 3% in financial revenues is due to the higher cash volume invested which offset the drop in interest rates. Financial expenses decreased 39% year-over-year, also due to the interest rate drop and payment of the FGTS debenture in November 2016.

(in R\$ Million)	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
Financial Income	6.3	8.0	(22.2%) ↓	3.4	84.6% ↑	28.1	27.3	3.3% ↑
Financial Expenses	(6.4)	(8.8)	(27.7%) ↓	(8.9)	(28.3%) ↓	(29.0)	(47.3)	(38.7%) ↓
<b>Financial Results</b>	<b>(0.1)</b>	<b>(0.8)</b>	<b>83.3% ↑</b>	<b>(5.5)</b>	<b>97.6% ↑</b>	<b>(0.9)</b>	<b>(20.0)</b>	<b>95.7% ↑</b>

## NET INCOME

Increases in net income and net margin are due to higher contribution from the New Business Model and market resilience.

(in R\$ million)	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
Net Income after Income Tax and Social Contribution	35.5	30.4	16.6% ↑	17.1	108.1% ↑	104.6	47.3	121.4% ↑
(-) Minority shareholders	0.7	0.3	157.7% ↑	3.1	(77.0%) ↓	2.1	9.4	(78.1%) ↓
<b>Net Income</b>	<b>36.2</b>	<b>30.7</b>	<b>17.9% ↑</b>	<b>20.2</b>	<b>79.4% ↑</b>	<b>106.7</b>	<b>56.7</b>	<b>88.3% ↑</b>
Net Margin	10.1%	8.5%	1.6 p.p. ↑	7.0%	3.1 p.p. ↑	7.9%	5.4%	2.5 p.p. ↑

## BACKLOG RESULTS

The Backlog margin of 48.6% attests the quality of the New Business Model projects and construction cost-savings.

(in R\$ million)	December 17	September 17	QoQ (%)	December 16	YoY (%)
Backlog Revenues	325.1	302.2	7.6% ↑	255.4	27.3% ↑
Backlog Costs (units sold)	(167.1)	(157.3)	6.3% ↑	(136.6)	22.4% ↑
<b>Backlog Results<sup>1</sup></b>	<b>158.0</b>	<b>145.0</b>	<b>9.0% ↑</b>	<b>118.9</b>	<b>32.9% ↑</b>
Backlog Margin	48.6%	48.0%	0.6 p.p. ↑	46.5%	2.1 p.p. ↑

1) Comprises the projects restricted by precedent condition.

## CASH AND CASH EQUIVALENT AND FINANCIAL INVESTMENTS

(in R\$ million)	December 17	September 17	QoQ (%)	December 16	YoY (%)
Cash & Cash Equivalents	39.4	36.7	7.4% ↑	28.4	38.6% ↑
Short term investments	458.3	350.8	30.7% ↑	195.1	135.0% ↑
<b>Total Cash Position</b>	<b>497.7</b>	<b>387.5</b>	<b>28.5% ↑</b>	<b>223.5</b>	<b>122.7% ↑</b>

## ACCOUNTS RECEIVABLE FROM DEVELOPMENT AND SERVICES RENDERED

(in R\$ million)	December 17	September 17	QoQ (%)	December 16	YoY (%)
Up to 2017 <sup>1</sup>	100.2	223.2	(55.1%) ↓	363.5	(72.4%) ↓
2018	287.4	245.4	17.1% ↑	96.5	197.7% ↑
2019	79.8	37.8	111.3% ↑	63.2	26.2% ↑
2020 and beyond	61.0	61.5	(0.8%) ↓	32.2	89.5% ↑
<b>Total Accounts Receivable</b>	<b>528.4</b>	<b>567.8</b>	<b>(6.9%) ↓</b>	<b>555.4</b>	<b>(4.9%) ↓</b>
(-) Present value adjustment	(10.9)	(14.8)	26.4% ↑	(2.9)	(275.0%) ↓
(-) Provision for doubtful accounts	(99.0)	(104.3)	5.1% ↑	(79.6)	(24.4%) ↓
(-) Provision for cancellations	(21.7)	(18.8)	(15.4%) ↓	(45.8)	52.6% ↑
<b>Accounts Receivable</b>	<b>396.8</b>	<b>429.9</b>	<b>(7.7%) ↓</b>	<b>427.1</b>	<b>(7.1%) ↓</b>

1) Overdue and falling due.

Accounts Receivable Tenda <sup>2</sup> (in R\$ million)	December 17	September 17	QoQ (%)	December 16	YoY (%)
Before delivery to buyer (Pro-Soluto)	24.4	22.3	9.3% ↑	17.8	37.0% ↑
After delivery to buyer (TCD)	144.6	133.0	8.7% ↑	91.3	58.4% ↑
<b>Tenda Receivables</b>	<b>169.0</b>	<b>155.3</b>	<b>8.8% ↑</b>	<b>109.1</b>	<b>54.9% ↑</b>
Total accounts receivable	396.8	429.9	(7.7%) ↓	427.1	(7.1%) ↓
Backlog Revenues	325.1	302.2	7.6% ↑	255.4	27.3% ↑
<b>Tenda Receivables/(Total accounts receivable + Backlog Revenues)</b>	<b>23.4%</b>	<b>21.2%</b>	<b>2.2 p.p. ↑</b>	<b>16.0%</b>	<b>7.4 p.p. ↑</b>

2) Amounts of not transferred receivables net of provisions, with installment payments directly to the Company, since bank loans not absorb 100% of the property value.

## INDEBTEDNESS

Tenda ended the fourth quarter of 2017 with a total debt of R\$270 million, duration of 30.6 months and weighted average cost of debt of 8.1% APY. This total debt is covered by a cash position of R\$498 million at the end of December 2017.

Debt Maturity Schedule (in R\$ million)	Project Finance	Corporate Debt	Total
2017	0.0	0.0	0.0
2018	8.3	22.7	31.0
2019	29.7	1.1	30.8
2020	38.3	0.0	38.3
2021 onwards	170.0	0.0	170.0
<b>Total Debt</b>	<b>246.4</b>	<b>23.8</b>	<b>270.2</b>
Duration (in months)			30.6

Debt Breakdown (in R\$ million)	Maturity	Charges (APY)	Balance Due December 17	Balance Due September 17
<b>Project Finance</b>			<b>246.4</b>	<b>77.2</b>
SFH	until 10/2021	TR + 8.3% to 9.5%	92.4	77.2
Debenture	until 01/2021	CDI + 0.9% INCC-DI Variation	154.0	0.0
<b>Corporate Debt</b>			<b>23.8</b>	<b>53.5</b>
Working Capital	until 06/2019	CDI + 2.3% to 4.25% INCC-DI Variation	23.8	53.5

Weighted Average Cost of Debt (in R\$ million)	Balance Due December 17	Balance Due / Total Debt	Average Cost (APY)
CDI	174.1	64.5%	CDI + 1.15%
TR	92.4	34.2%	TR + 8.3%
INCC	3.6	1.3%	INCC + 0%
<b>Total</b>	<b>270.2</b>	<b>100%</b>	<b>8.1%</b>

## NET DEBT

Tenda has an adjusted net debt/shareholders' equity ratio of negative 19.6%, one of the most unleveraged companies in the market. The cash generation, excluding the effect of Gafisa's capital reduction, totaled R\$75 million in 4Q17 and R\$239 million in 2017, higher than the R\$103 million recorded in 2016.

(in R\$ million)	December 17	September 17	QoQ (%)	December 16	YoY (%)
Gross Debt	270.2	130.7	106.7% ↑	135.0	100.1% ↑
(-) Cash and cash equivalents and financial investments	(497.7)	(387.5)	28.5% ↑	(223.5)	122.7% ↑
Net Debt	(227.6)	(256.8)	11.4% ↑	(88.5)	(157.1%) ↓
(+) Capital Reduction	0.0	103.9	(100.0%) ↓	100.0	(100.0%) ↓
<b>Adjusted Net Debt<sup>1</sup></b>	<b>(227.6)</b>	<b>(152.9)</b>	<b>(48.9%) ↓</b>	<b>11.5</b>	<b>(2,077.6%) ↓</b>
Shareholders' Equity + Minority Shareholders	1,163.7	1,126.8	3.3% ↑	1,075.6	8.2% ↑
Net Debt/ (Shareholders' Equity + Minority Shareholders)	(19.6%)	(22.8%)	3.2 p.p. ↑	(8.2%)	(11.3 p.p.) ↓
Adjusted Net Debt/ (Shareholders' Equity + Minority Shareholders)	(19.6%)	(13.6%)	(6.0 p.p.) ↓	1.1%	(20.6 p.p.) ↓
Adjusted EBITDA (Last 12 months)	169.5	158.4	7.0% ↑	130.2	30.2% ↑
Adjusted Net Debt/Adjusted EBITDA (last 12 months)	(134.2%)	(96.5%)	(37.7 p.p.) ↓	8.8%	(143.1 p.p.) ↓

1) Net debt adjusted by payment obligations from the capital reduction on December 14, 2016. This amount was recorded in the balance sheet under other liabilities.

**INCOME STATEMENT**

(in R\$ million)	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
Net Revenue	357.2	361.4	(1.2%) ↓	286.9	24.5% ↑	1,357.9	1,052.7	29.0% ↑
Operating Costs	(230.5)	(230.3)	0.1% ↑	(191.0)	20.7% ↑	(889.3)	(729.7)	21.9% ↑
<b>Gross Profit</b>	<b>126.7</b>	<b>131.1</b>	<b>(3.3%) ↓</b>	<b>95.9</b>	<b>32.1% ↑</b>	<b>468.6</b>	<b>323.0</b>	<b>45.1% ↑</b>
<i>Gross Margin</i>	35.5%	36.3%	(0.8 p.p.) ↓	33.4%	2.0 p.p. ↑	34.5%	30.7%	3.8 p.p. ↑
Operating Expenses	(79.8)	(100.2)	(20.3%) ↓	(65.4)	22.1% ↑	(345.1)	(234.7)	47.0% ↑
Selling Expenses	(38.4)	(35.5)	8.0% ↑	(25.4)	51.1% ↑	(136.9)	(90.5)	51.3% ↑
General and Administrative Expenses	(25.6)	(24.8)	3.1% ↑	(27.6)	(7.2%) ↓	(95.2)	(89.7)	6.0% ↑
Other Operating Revenue/Expenses	(12.1)	(36.0)	(66.3%) ↓	(3.7)	223.9% ↑	(98.5)	(36.7)	168.1% ↑
Depreciation and Amortization	(3.3)	(3.4)	(3.0%) ↓	(3.2)	4.1% ↑	(13.5)	(12.3)	9.7% ↑
Equity Income	(0.4)	(0.4)	(10.2%) ↓	(5.5)	92.9% ↑	(1.1)	(5.5)	79.6% ↑
<b>Operational Result</b>	<b>46.9</b>	<b>30.9</b>	<b>51.6% ↑</b>	<b>30.5</b>	<b>53.6% ↑</b>	<b>123.5</b>	<b>88.3</b>	<b>39.9% ↑</b>
Financial Income	6.3	8.0	(22.2%) ↓	3.4	84.6% ↑	28.1	27.3	3.3% ↑
Financial Expenses	(6.4)	(8.8)	(27.7%) ↓	(8.9)	(28.3%) ↓	(29.0)	(47.3)	(38.7%) ↓
<b>Net Income Before Taxes on Income</b>	<b>46.8</b>	<b>30.1</b>	<b>55.2% ↑</b>	<b>25.0</b>	<b>87.0% ↑</b>	<b>122.6</b>	<b>68.2</b>	<b>79.7% ↑</b>
Deferred income tax and social contribution	(5.6)	8.8	(163.7%) ↓	0.7	(963.3%) ↓	9.1	(4.9)	285.7% ↑
Current Income Tax and Social Contribution	(5.6)	(8.5)	(33.9%) ↓	(8.6)	(34.4%) ↓	(27.1)	(16.1)	68.1% ↑
<b>Net Income After Taxes on Income</b>	<b>35.5</b>	<b>30.4</b>	<b>16.6% ↑</b>	<b>17.1</b>	<b>108.1% ↑</b>	<b>104.6</b>	<b>47.3</b>	<b>121.4% ↑</b>
(-) Minority Shareholders	0.7	0.3	157.7% ↑	3.1	(77.0%) ↓	2.1	9.4	(78.1%) ↓
<b>Net Income</b>	<b>36.2</b>	<b>30.7</b>	<b>17.9% ↑</b>	<b>20.2</b>	<b>79.4% ↑</b>	<b>106.7</b>	<b>56.7</b>	<b>88.3% ↑</b>

**BALANCE SHEET**

(in R\$ million)	December 17	September 17	QoQ (%)	December 16	YoY (%)
<b>Current Assets</b>	<b>1,412.7</b>	<b>1,378.5</b>	<b>2.5% ↑</b>	<b>1,217.4</b>	<b>16.0% ↑</b>
Cash and cash equivalents	39.4	36.7	7.4% ↑	28.4	38.6% ↑
Short term investments	458.3	350.8	30.7% ↑	195.1	135.0% ↑
Receivables from clients	277.1	335.2	(17.3%) ↓	250.5	10.6% ↑
Properties for sale	517.2	528.2	(2.1%) ↓	563.6	(8.2%) ↓
Other accounts receivable	55.9	48.6	15.2% ↑	104.6	(46.5%) ↓
Land for sale	64.8	79.1	(18.0%) ↓	75.2	(13.8%) ↓
<b>Non-Current Assets</b>	<b>593.6</b>	<b>531.6</b>	<b>11.7% ↑</b>	<b>448.9</b>	<b>32.2% ↑</b>
Receivables from clients	119.8	94.7	26.5% ↑	176.7	(32.2%) ↓
Properties for sale	417.0	366.9	13.7% ↑	211.7	97.0% ↑
Other	56.8	70.0	(18.9%) ↓	60.6	(6.3%) ↓
<b>Intangible, Property and Equipment</b>	<b>63.5</b>	<b>58.2</b>	<b>9.1% ↑</b>	<b>48.0</b>	<b>32.2% ↑</b>
<b>Investments</b>	<b>65.4</b>	<b>65.8</b>	<b>(0.6%) ↓</b>	<b>147.8</b>	<b>(55.7%) ↓</b>
<b>Total Assets</b>	<b>2,135.2</b>	<b>2,034.1</b>	<b>5.0% ↑</b>	<b>1,862.1</b>	<b>14.7% ↑</b>
<b>Current Liabilities</b>	<b>405.8</b>	<b>376.6</b>	<b>7.7% ↑</b>	<b>353.5</b>	<b>14.8% ↑</b>
Loans and financing	31.0	58.5	(47.0%) ↓	41.3	(24.9%) ↓
Debentures	0.0	0.0	0.0% ↑	0.0	0.0% ↑
Obligations for purchase of land and advances from customers	204.7	166.2	23.2% ↑	131.3	55.9% ↑
Material and service suppliers	22.7	31.6	(28.1%) ↓	31.7	(28.2%) ↓
Taxes and contributions	27.4	32.1	(14.8%) ↓	30.5	(10.2%) ↓
Other	119.9	88.1	36.1% ↑	118.8	1.0% ↑
<b>Non-current liabilities</b>	<b>565.7</b>	<b>530.7</b>	<b>6.6% ↑</b>	<b>433.0</b>	<b>30.6% ↑</b>
Loans and financing	85.1	72.2	18.0% ↑	93.7	(9.1%) ↓
Debentures	154.0	0.0	0.0% ↑	0.0	0.0% ↑
Obligations for purchase of land and advances from customers	240.1	229.6	4.6% ↑	104.3	130.1% ↑
Deferred taxes	5.9	5.8	1.4% ↑	11.4	(48.8%) ↓
Provision for contingencies	31.5	67.7	(53.5%) ↓	45.0	(30.0%) ↓
Other creditors	0.0	103.9	(100.0%) ↓	100.0	(100.0%) ↓
Other	49.1	51.6	(4.8%) ↓	78.6	(37.6%) ↓
<b>Shareholders' Equity</b>	<b>1,163.7</b>	<b>1,126.8</b>	<b>3.3% ↑</b>	<b>1,075.6</b>	<b>8.2% ↑</b>
Shareholders' Equity	1,158.7	1,121.0	3.4% ↑	1,049.1	10.4% ↑
Minority Shareholders	5.0	5.8	(12.5%) ↓	26.5	(81.0%) ↓
<b>Total Liabilities and Shareholders' Equity</b>	<b>2,135.2</b>	<b>2,034.1</b>	<b>5.0% ↑</b>	<b>1,862.1</b>	<b>14.7% ↑</b>

**CASH FLOW**

(in R\$ million)	4Q17	3Q17	QoQ (%)	4Q16	YoY (%)	2017	2016	YoY (%)
<b>Cash Used in Operating Activities</b>	<b>(17.2)</b>	<b>64.1</b>	<b>(126.8%) ↓</b>	<b>42.7</b>	<b>(140.2%) ↓</b>	<b>188.4</b>	<b>137.1</b>	<b>37.5% ↑</b>
Net Income (loss) before taxes	46.8	30.1	55.2% ↑	25.0	87.0% ↑	122.6	68.2	79.7% ↑
Depreciation and amortization	4.9	5.2	(6.3%) ↓	4.1	18.5% ↑	18.4	15.5	18.9% ↑
Impairment	6.5	(1.7)	475.9% ↑	(1.8)	466.3% ↑	5.0	(14.8)	134.1% ↑
Stock option plan expenses	1.0	1.7	(41.5%) ↓	0.5	103.9% ↑	2.4	1.5	58.1% ↑
Penalty fee over delayed projects	(0.5)	(0.0)	(2,588.9%) ↓	(0.3)	(54.1%) ↓	(1.0)	0.1	(827.7%) ↓
Unrealized interest and charges, net	0.4	8.6	(95.4%) ↓	4.3	(90.8%) ↓	18.9	24.2	(22.0%) ↓
Equity income	0.4	0.4	10.2% ↑	5.5	(92.9%) ↓	1.1	5.5	(79.6%) ↓
Disposal of fixed asset	0.0	0.6	(93.1%) ↓	(0.1)	144.2% ↑	1.1	2.3	(50.5%) ↓
Warranty provision	0.3	(9.8)	102.6% ↑	(0.7)	137.9% ↑	0.2	4.9	(96.2%) ↓
Provision for contingencies	(4.7)	21.1	(122.2%) ↓	(31.0)	84.9% ↑	18.1	(10.6)	269.9% ↑
Profit sharing provision	4.6	4.2	10.1% ↑	0.8	478.3% ↑	18.5	11.1	65.9% ↑
Provision (reversal) for doubtful accounts and cancellations	(5.3)	3.8	(238.0%) ↓	19.4	(127.3%) ↓	11.3	22.6	(49.9%) ↓
Provision for cancellations and cancellations payable	(0.0)	(1.5)	99.5% ↑	1.1	(100.8%) ↓	2.0	(0.2)	1,073.3% ↑
Clients	39.4	7.2	443.5% ↑	(1.9)	2,223.7% ↑	27.0	15.1	79.0% ↑
Properties for sale	(10.7)	(74.6)	85.7% ↑	(8.4)	(27.4%) ↓	(108.0)	14.3	(853.1%) ↓
Other receivables	1.0	2.7	(63.6%) ↓	(0.8)	217.6% ↑	9.4	(5.6)	266.2% ↑
Obligations for purchase of real properties	31.3	89.6	(65.1%) ↓	11.4	173.8% ↑	147.7	(5.0)	3,046.4% ↑
Taxes and contributions	1.5	(21.0)	107.2% ↑	(6.3)	123.9% ↑	0.2	(13.2)	101.6% ↑
Accounts payable	(8.9)	2.8	(419.2%) ↓	4.7	(289.8%) ↓	(8.9)	18.0	(149.5%) ↓
Salaries, payroll charges and bonus provision	(5.6)	(7.4)	23.9% ↑	(5.9)	5.7% ↑	(11.1)	(13.8)	19.8% ↑
Other accounts payable	(102.3)	(11.4)	(794.7%) ↓	22.0	(564.0%) ↓	(109.9)	5.4	(2,147.1%) ↓
Current account operations	1.3	15.1	(91.4%) ↓	6.3	(79.1%) ↓	51.2	4.4	1,072.0% ↑
Taxes paid	(7.1)	(8.7)	18.6% ↑	(5.2)	(37.6%) ↓	(27.8)	(12.7)	(119.3%) ↓
Present value adjustment	(3.9)	2.4	(263.9%) ↓	0.0	0.0% ↑	8.0	0.0	0.0% ↑
Other operating revenue/expenses	(1.8)	0.0	(8,213.6%) ↓	0.0	0.0% ↑	(0.9)	0.0	0.0% ↑
Deferred income tax and social contribution	(5.7)	4.7	(220.0%) ↓	0.0	0.0% ↑	(7.1)	0.0	0.0% ↑
<b>Cash used in investment activities</b>	<b>(117.8)</b>	<b>(91.6)</b>	<b>(28.5%) ↓</b>	<b>(7.1)</b>	<b>(1,563.6%) ↓</b>	<b>(298.2)</b>	<b>5.0</b>	<b>(6,068.0%) ↓</b>
Purchase of property and equipment	(10.2)	(8.5)	(19.9%) ↓	(5.7)	(77.9%) ↓	(35.0)	(22.6)	(54.5%) ↓
Redemption of securities, sureties and credits	33.0	358.5	(90.8%) ↓	596.5	(94.5%) ↓	1,238.0	1,920.7	(35.5%) ↓
Investments in marketable securities and restricted credits	(140.5)	(441.6)	68.2% ↑	(597.8)	76.5% ↑	(1,501.3)	(1,903.1)	21.1% ↑
<b>Cash provided by financing activities</b>	<b>137.6</b>	<b>(20.2)</b>	<b>780.3% ↑</b>	<b>(67.9)</b>	<b>302.5% ↑</b>	<b>120.8</b>	<b>(135.3)</b>	<b>189.3% ↑</b>
Capital Increase	0.2	0.0	0.0% ↑	0.0	0.0% ↑	0.2	0.0	0.0% ↑
Capital Reserve Increase	0.3	0.0	0.0% ↑	0.0	0.0% ↑	0.3	0.0	0.0% ↑
Loans and financing increase	258.2	91.8	181.1% ↑	102.1	152.8% ↑	549.6	290.5	89.2% ↑
Amortization of loans and financing	(122.9)	(143.7)	14.5% ↑	(170.8)	28.1% ↑	(431.2)	(428.0)	(0.8%) ↓
Loan operations	1.9	31.7	(93.9%) ↓	0.8	150.8% ↑	1.9	2.2	(13.3%) ↓
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>2.7</b>	<b>(47.8)</b>	<b>105.6% ↑</b>	<b>(32.4)</b>	<b>108.3% ↑</b>	<b>11.0</b>	<b>6.8</b>	<b>62.2% ↑</b>
At the beginning of the period	36.7	84.5	(56.6%) ↓	60.8	(39.7%) ↓	28.4	21.7	31.2% ↑
At the end of the period	39.4	36.7	7.4% ↑	28.4	38.6% ↑	39.4	28.4	38.6% ↑

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## About Tenda

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Construtora Tenda S.A. (B3: TEND) is Brazil's second largest homebuilder focused on the low-income housing segment, listed on the Novo Mercado, B3's highest level of corporate governance. The Company concentrates its activities in six of the largest metropolitan regions of the country, where is leader with average market share of 19%, exclusively operating in the ranges 1.5 and 2 of the federal housing program "Minha Casa, Minha Vida" (MCMV). With a strategy of sustainable growth, excellent execution and solid business model, Tenda has been able to deliver strong cash generation and growing profits, maintaining its vision of offering to investors the highest returns in the low-income segment.