



Construtora Tenda S.A.
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Notice to the Market

PREVIEW OF OPERATIONAL RESULTS 1Q18

1Q18 highlights include 25.2% Net Pre-Sales growth y-o-y and Net SoS of 28.8%. PSV Transferred up by 29.0% to R\$413 million versus 1Q17.

FOR IMMEDIATE RELEASE - São Paulo, April 11, 2018 – Construtora Tenda S.A., a leading Brazilian homebuilder and real estate developer focused on low-income residential projects within the government’s “Minha Casa, Minha Vida” (“MCMV”) housing program, 1.5 and 2 ranges, today announced its launches, gross sales, cancellations, net pre-sales, unit transfers, delivered units, construction sites and landbank for the first quarter of 2018. These results are preliminary and unaudited, subject to audit review.

HIGHLIGHTS

- Net pre-sales reached R\$424 million in the quarter, up 25% year-on-year. Sales over Supply (“Net SoS”) reached 29%, up 4.4 p.p. versus 1Q17.
- Landbank expanded to R\$6.9 billion with the acquisition of R\$443 million in this quarter. Units transferred totaled R\$413 million in PSV in 1Q18, up 29% year-on-year.
- 41 on-going construction sites, an increase of 21% in relation to 1Q17.



LAUNCHES

Launches in 1Q18 came in line compared to 1Q17, however, volume in PSV went down 12% versus 1Q17. This drop is due to a reduced number of units per project launched and delays in the registration of the real estate projects in few locations, an issue that was solved in April 2018.

Launches ¹	1Q18	4Q17	QoQ (%)	1Q17	YoY (%)	3M18	3M17	YoY (%)
Number of Launches	8	12	(33.3%) ↓	8	0.0% ↑	8	8	0.0% ↑
PSV (in R\$ million)	266.3	458.3	(41.9%) ↓	302.1	(11.8%) ↓	266.3	302.1	(11.8%) ↓
Number of units	1,852	3,268	(43.3%) ↓	2,060	(10.1%) ↓	1,852	2,060	(10.1%) ↓
Average price per unit (in R\$ thousand)	143.8	140.3	2.5% ↑	146.6	(1.9%) ↓	143.8	146.6	(1.9%) ↓
Average size of launches (in units)	232	272	(15.0%) ↓	258	(10.1%) ↓	232	258	(10.1%) ↓

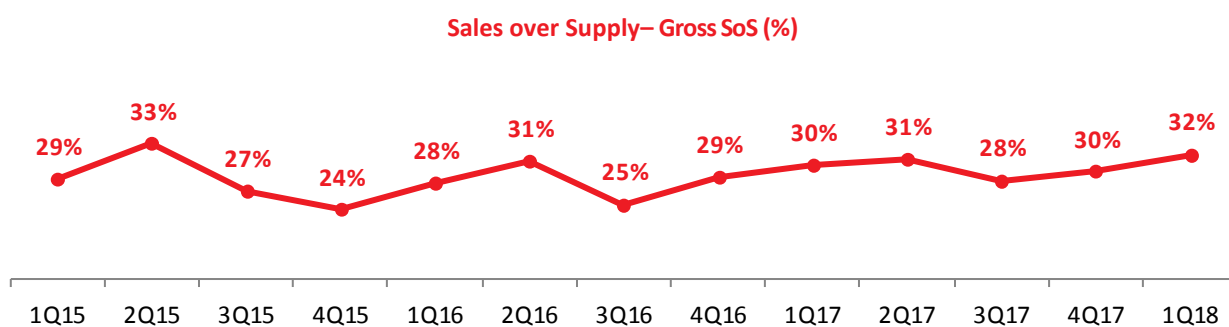
1) Tenda holds 100% equity interest in projects launched.

GROSS SALES

Gross sales totaled R\$471 million in 1Q18, an increase of 11% in the annual comparison, in line with 4Q17, compatible with a higher number of units sold year-on-year.

Sales over Supply ("Gross SoS") reached 32% in 1Q18, a 1.5 p.p. increase year-on-year, and up 2.4 p.p. quarter-on-quarter.

Gross Sales	1Q18	4Q17	QoQ (%)	1Q17	YoY (%)	3M18	3M17	YoY (%)
PSV (in R\$ million)	471.2	477.7	(1.3%) ↓	424.6	11.0% ↑	471.2	424.6	11.0% ↑
Number of units	3,393	3,355	1.1% ↑	3,034	11.8% ↑	3,393	3,034	11.8% ↑
Average price per unit (in R\$ thousand)	138.88	142.37	(2.5%) ↓	140.0	(0.8%) ↓	138.9	140.0	(0.8%) ↓
Gross SoS	32.0%	29.6%	2.4 p.p. ↑	30.5%	1.5 p.p. ↑	32.0%	30.5%	1.5 p.p. ↑





CANCELLATIONS AND NET PRE-SALES

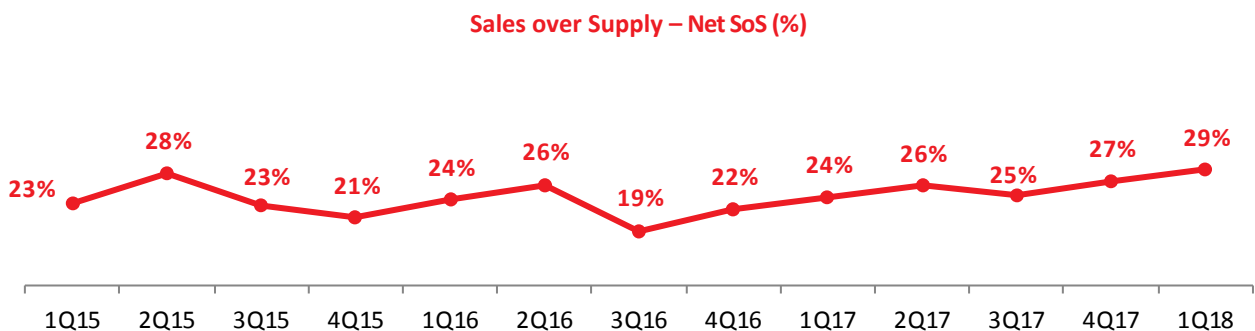
Cancellations over gross sales ratio in 1Q18 ended at 10%, down 10.2 p.p. year-on-year, due to the stabilization of this ratio at healthy levels, as we have been anticipating over the last quarters.

Sales over Supply (“Net SoS”) reached 29% in 1Q18, a 4.4 p.p. increase year-on-year and up 1.9 p.p. quarter-on-quarter.

(in R\$ million)	1Q18	4Q17	QoQ (%)	1Q17	YoY (%)	3M18	3M17	YoY (%)
Gross Sales	471.2	477.7	(1.3%) ↓	424.6	11.0% ↑	471.2	424.6	11.0% ↑
Cancellations	47.0	44.2	6.4% ↑	85.8	(45.2%) ↓	47.0	85.8	(45.2%) ↓
Net Pre-Sales	424.2	433.5	(2.1%) ↓	338.9	25.2% ↑	424.2	338.9	25.2% ↑
% Launch ¹	8.2%	82.4%	(74.2 p.p.) ↓	16.1%	(7.9 p.p.) ↓	8.2%	16.1%	(7.9 p.p.) ↓
% Inventory	91.8%	17.6%	74.2 p.p. ↑	83.9%	7.9 p.p. ↑	91.8%	83.9%	7.9 p.p. ↑
Cancellations / Gross Sales	10.0%	9.2%	0.7 p.p. ↑	20.2%	(10.2 p.p.) ↓	10.0%	20.2%	(10.2 p.p.) ↓
Net SoS	28.8%	26.9%	1.9 p.p. ↑	24.3%	4.4 p.p. ↑	28.8%	24.3%	4.4 p.p. ↑

(in units)	1Q18	4Q17	QoQ (%)	1Q17	YoY (%)	3M18	3M17	YoY (%)
Gross Units Sold	3,393	3,355	1.1% ↑	3,034	11.8% ↑	3,393	3,034	11.8% ↑
Cancelled Units	341	321	6.2% ↑	621	(45.1%) ↓	341	621	(45.1%) ↓
Net Units Sold	3,052	3,034	0.6% ↑	2,413	26.5% ↑	3,052	2,413	26.5% ↑
Cancellations / Gross Sales	10.1%	9.6%	0.5 p.p. ↑	20.5%	(10.4 p.p.) ↓	10.1%	20.5%	(10.4 p.p.) ↓

1) Launches of current year.





UNITS TRANSFERRED, DELIVERED AND CONSTRUCTION SITES

PSV transferred totaled R\$413 million in 1Q18, up 29% year-on-year and 15% quarter-on-quarter, this is the result of the solution for the held back transfers problem in 4Q17 and this year's stability in operating with financial institutions. Tenda delivered 1.4 thousand units this quarter and finished 1Q18 with 41 on-going construction sites.

Transfers, Deliveries and Construction Sites	1Q18	4Q17	QoQ (%)	1Q17	YoY (%)	3M18	3M17	YoY (%)
PSV Transferred (in R\$ million)	413.1	358.8	15.1% ↑	320.3	29.0% ↑	413.1	320.3	29.0% ↑
Transferred Units	3,255	2,806	16.0% ↑	2,577	26.3% ↑	3,255	2,577	26.3% ↑
Delivered Units	1,404	3,252	(56.8%) ↓	2,647	(47.0%) ↓	1,404	2,647	(47.0%) ↓
Construction Sites	41	38	7.9% ↑	34	20.6% ↑	41	34	20.6% ↑

LANDBANK

In 1Q18, the Company sustained its landbank expansion, with a 50% growth year-on-year. In 1Q18, 10 phases/projects were acquired, distributed in the regions where the Company operates, representing potential launches of R\$443 million. We note that all projects of our landbank are feasible within the range 2, and in several cases, may be adapted to range 1.5 of the "Minha Casa, Minha Vida" housing program.

Landbank ¹	1Q18	4Q17	QoQ (%)	1Q17	YoY (%)	3M18	3M17	YoY (%)
Number of Projects	208	206	1.0% ↑	139	49.6% ↑	208	139	49.6% ↑
PSV (in R\$ million)	6,872.0	6,695.0	2.6% ↑	4,516.7	52.1% ↑	6,872.0	4,516.7	52.1% ↑
Acquisitions / Adjustments (in R\$ million)	443.4	819.7	(45.9%) ↓	357.1	24.2% ↑	0.2	0.1	49.6% ↑
Number of Units	47,219	45,795	3.1% ↑	32,827	43.8% ↑	47,219	32,827	43.8% ↑
Average price per unit (in R\$ thousands)	145.5	146.2	(0.5%) ↓	137.6	5.8% ↑	145.5	137.6	5.8% ↑
% Swap Total	28.8%	28.4%	0.4 p.p. ↑	14.8%	14.0 p.p. ↑	28.8%	14.8%	14.0 p.p. ↑
% Swap Units	17.8%	17.7%	0.1 p.p. ↑	7.5%	10.3 p.p. ↑	17.8%	7.5%	10.3 p.p. ↑
% Swap Financial	11.0%	10.6%	0.4 p.p. ↑	7.4%	3.6 p.p. ↑	11.0%	7.4%	3.6 p.p. ↑

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



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About Tenda

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