

Construtora Tenda S.A.

Corporate Taxpayer's Registry (CNPJ/MF) No. 71.476.527/0001-35

Corporate Registry Identification Number (NIRE) 35.300.348.206

Notice to the Market

4Q18 & 2018 EARNINGS RELEASE

Tenda's net income reached R\$200.3 million in 2018 (+87.7% YoY), ROE of 17.0% and cash generation of R\$261.4 million. The Company recorded R\$1.85 billion in net sales (+ 20.1% YoY) and adjusted gross margin of 36.3% in the year

FOR IMMEDIATE RELEASE – São Paulo, March 12, 2019 – Construtora Tenda S.A. (“Company”, “Tenda”), a leading Brazilian homebuilder and real estate developer focused on low-income residential projects operating within the 1.5 and 2 brackets of the “Minha Casa, Minha Vida” (“MCMV”) federal government housing program, today reports its operating and financial results for the fourth quarter and fiscal year of 2018.

HIGHLIGHTS

- Net Income totaled R\$48.0 million in 4Q18 and R\$200.3 million in 2018, an 87.7% increase YoY. 17.0% ROE in 2018, 7.3 p.p. above the return recorded in the previous year
- Cash generation totaled R\$68.9 million in 4Q18 and R\$261.4 million in the full year, 9.3% growth over 2017. Capital structure remains deleveraged, with a net debt to shareholders' equity ratio of -26.0%.
- Landbank increased to R\$8.89 billion in PSV, up 32.8% year-on-year, with acquisitions of R\$1.58 billion in 4Q18.
- Launches totaled PSV of R\$530.6 million in 4Q18 and R\$1.91 billion in 2018, up 12.8% year-on-year.
- In 2018, net pre-sales reached PSV of R\$1.85 billion, up 20.1% year-on-year.
- 10.244 units were delivered in 2018, up 5.5% year-on-year.

CONFERENCE CALL AND WEBCAST

Wednesday, March 13, 2019

11h00 a.m. (BRT)

10h00 a.m. (NY)

Dial in:

International: +1-516-300-1066

Brazil: +55-11-3127-4971

Code: Tenda

Webcast: [Click here](#)

MESSAGE FROM THE MANAGEMENT

2018 was an year of consolidation for Tenda's current business model, which was implemented in 2013 and has been able to provide, with quality and agility, affordable housing units for low-income families, while at the same time has guaranteed consistent returns to investors.

With the launch of 13,636 units in the year, up 15.9% year-on-year, Tenda reached R\$1.91 billion in PSV launched and continued the strategy to grow rationally, expanding to the eighth metropolitan area of operation, Goiânia, where it launched the Parque Cerrado I project in December 2018. In 2017, Tenda made its first expansion under the current business model, launching a project in Curitiba. In 2018, the Company entered Goiânia. The Company's business model has allowed the expansion of the operation to a new region per year, a strategy that has proved to be effective in increasing Tenda's presence in new metropolitan regions.

Tenda's landbank totaled R\$8.89 billion in PSV at the end of 2018, an increase of 32.8% compared to the previous year. In 2018, the Company acquired R\$4.11 billion in PSV, 2.15 times above the PSV launched during the year. As a result, the Company reiterates its commitment to maintain a landbank equivalent to three years of launch in each of its operating regions, guaranteeing operational stability.

In April 2018, the delivery of the first project with elevator in São Paulo was also a milestone, allowing the construction of popular units with better use of the land, an equally attractive price and similar costs, increasing the Company's potential to absorb demand in Brazil's largest metropolitan region.

Efficiency in production costs and in sales transfers, two of Tenda's business model pillars, led to good operating margins and cash generation. Adjusted gross margin for the year was 36.3%, 0.3 p.p. above the expectations of the Company, as disclosed in guidance. Cash generation totaled R\$261.4 million in 2018, which further deleveraged the Company throughout the year, resulting in a net debt to shareholders' equity ratio of -26.0%.

Tenda has the long-term objective of reaching a leverage ratio between -10% and 10%, leading to a still conservative but more balanced capital structure. To support this process, the Company started initiatives to distribute capital to shareholders: two share buyback programs were announced in 2018, with a total of R\$184.2 million in funds available, of which R\$148.7 million were repurchased during the year; the buyback programs were complemented by the cancellation of 2 million shares, with a positive impact on the stock price; in addition, the Company also paid R\$25.0 million in interim dividends at the end of the year.

Consistent operating results over time allowed Tenda to reach R\$200.3 million in net income in 2018, which resulted in return on equity (ROE) of 17.0% in the year. As a result, the Company's shares (B3: TEND3) appreciated 61% in 2018, well above the 15% appreciation of Brazil's main stock exchange index, the IBOVESPA. As the daily trading volume increased throughout the year, the Company entered the IBRX100 index, composed of the 100 most traded shares in B3, in the beginning of 2019.

In 2019, changes in the format of the Minha Casa, Minha Vida should reduce Tenda's participation in the program's bracket 1.5, a solution created by the Federal Government in 2016 to give access to subsidized acquisition for families with monthly income lower than R\$2,600. On the one hand, some of the Company's operating indicators (such as SoS and selling expenses) performed exceptionally well in 2018, mainly due to Tenda's greater participation in MCMV's bracket 1.5. On the other hand, the changes announced aim to reduce the pressure for FGTS resources, contributing positively to the long-term sustainability of the program. The Company's expectations for adjusted gross margin and net sales in 2019, released in February (see page 4), already take into account the changes in the format of the MCMV.

In a year that must provide a challenging business environment for the entire low-income market, Tenda maintains the ambition to be the company in the country's economic entrepreneurship market that delivers the best return to its shareholders.

OPERATIONAL AND FINANCIAL HIGHLIGHTS

Operational and Financial Highlights	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
Operational Highlights (R\$ million, PSV)								
Launches	530.6	576.7	(8.0%) ↓	458.3	15.8% ↑	1,912.7	1,695.2	12.8% ↑
Net Pre-Sales	459.5	489.9	(6.2%) ↓	433.5	6.0% ↑	1,854.8	1,544.9	20.1% ↑
Sales over Supply (SoS) (%)	28.6%	31.5%	(2.9 p.p.) ↓	26.9%	1.7 p.p. ↑	61.8%	56.7%	5.1 p.p. ↑
PSV Transferred	346.8	439.5	(21.1%) ↓	358.8	(3.3%) ↓	1,648.3	1,415.0	16.5% ↑
Units Delivered (#)	2,488	2,632	(5.5%) ↓	3,252	(23.5%) ↓	10,244	9,707	5.5% ↑
Landbank	8,893.6	7,843.3	13.4% ↑	6,695.0	32.8% ↑	8,893.6	6,695.0	32.8% ↑
Landbank - Acquisitions / Adjustments	1,580.8	1,289.1	22.6% ↑	819.7	92.9% ↑	4,111.2	3,928.4	4.7% ↑
Financial Highlights (R\$ million)								
Net Revenue	454.6	461.5	(1.5%) ↓	357.2	27.3% ↑	1,681.3	1,357.9	23.8% ↑
Adjusted Gross Profit ¹	170.2	161.3	5.5% ↑	134.0	27.0% ↑	610.5	498.8	22.4% ↑
Adjusted Gross Margin ¹ (%)	37.4%	35.0%	2.5 p.p. ↑	37.5%	(0.1 p.p.) ↓	36.3%	36.7%	(0.4 p.p.) ↓
Adjusted EBITDA ²	69.5	82.7	(16.0%) ↓	58.5	18.9% ↑	278.8	169.5	64.5% ↑
Adjusted EBITDA Margin ² (%)	15.3%	17.9%	(2.6 p.p.) ↓	16.4%	(1.1 p.p.) ↓	16.6%	12.5%	4.1 p.p. ↑
Net Financial Result	0.9	1.0	(15.3%) ↓	(0.1)	751.1% ↑	8.5	(0.9)	1,092.5% ↑
Net Income (Loss) ³	48.0	64.4	(25.5%) ↓	36.2	32.5% ↑	200.3	106.7	87.7% ↑
Backlog Revenues	546.7	524.0	4.3% ↑	325.1	68.2% ↑	546.7	325.1	68.2% ↑
Backlog Results ⁴	238.3	230.3	3.5% ↑	158.0	50.8% ↑	238.3	158.0	50.8% ↑
Backlog Margin ⁴ (%)	43.6%	43.9%	(0.4 p.p.) ↓	48.6%	(5.0 p.p.) ↓	43.6%	48.6%	(5.0 p.p.) ↓
Cash and Cash Equivalents ⁵	855.6	847.5	1.0% ↑	497.7	71.9% ↑	855.6	497.7	71.9% ↑
Net Debt	(313.1)	(306.2)	(2.2%) ↓	(227.6)	(37.6%) ↓	(313.1)	(227.6)	(37.6%) ↓
Shareholders' Equity + Minority Shareholders	1,203.8	1,218.1	(1.2%) ↓	1,163.7	3.4% ↑	1,203.8	1,163.7	3.4% ↑
Net Debt / (SE + Minority) (%)	(26.0%)	(25.1%)	(0.9 p.p.) ↓	(19.6%)	(6.5 p.p.) ↓	(26.0%)	(19.6%)	(6.5 p.p.) ↓
Cash Generation ⁶	0.0	0.0	0.0% ↑	0.0	0.0% ↑	261.4	239.2	9.3% ↑
Operating Cash Generation ⁷	0.0	0.0	0.0% ↑	0.0	0.0% ↑	264.6	245.6	7.8% ↑
Net Income (Loss) (LTM)	200.3	188.5	6.3% ↑	106.7	87.7% ↑	200.3	106.7	87.7% ↑
NOPAT ⁸ (LTM)	217.5	206.6	5.3% ↑	135.6	60.4% ↑	217.5	135.6	60.4% ↑
Capital Employed ⁹	890.7	911.8	(2.3%) ↓	936.0	(4.8%) ↓	890.7	936.0	(4.8%) ↓
ROE ¹⁰ (LTM)	17.0%	16.2%	0.8 p.p. ↑	9.7%	7.3 p.p. ↑	17.0%	9.7%	7.3 p.p. ↑
ROCE ¹¹ (LTM)	23.8%	21.9%	1.9 p.p. ↑	13.4%	10.4 p.p. ↑	23.8%	13.4%	10.4 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. Cash Generation is obtained through the difference between the variation of Available Cash and the variation of Gross Debt, adjusted to the amounts of Share Buyback, Dividends Capital Reduction and non-operating effects

7. Operating Cash Generation is a result of the company's managerial calculation which neither reflects nor is compared with the figures reported in the financial statements.

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

9. Capital Employed is composed of the sum of net debt, shareholders' equity and minority shareholders.

10. 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.

11. 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.

GUIDANCE

Aiming at generating useful comparative information and providing predictability to the market on our figures, Tenda opted to disclose guidance based on scenarios identified with defined variables and assumptions. We reached the following results in 2018:

- For **Adjusted Gross Margin**, which is the ratio of consolidated gross profit for the year less financial charges, as stated in Note 12 to the financial statements and consolidated net revenue for the year, the Company reached 36.3% at the end of 2018, 0.3 p.p. above the upper limit of the guidance (between 34% and 36%). The slight deviation can be attributed to the performance in 4Q18, in which the Company posted gross profit increase despite lower net revenue when compared to the previous quarter.
- For **Net Pre-Sales**, defined as the product of gross sales for the year (in R\$ million) less cancellations for the year (in R\$ million), adjusting all amounts to Tenda's equity interest, the Company estimated a fluctuation between the minimum of R\$ 1,650.0 million and the maximum of R\$1,850.0 million. The ratio came slightly above the upper limit of guidance, totaling R\$1,854.8 million. The 0.3% deviation in relation to the upper limit of guidance is mainly due to the drop in the cancellations/gross sales ratio, which in 4Q18 reached the lowest level of the Company's historical series (8.9%).

Guidance 2018	Minimum	Maximum	1Q18	2Q18	3Q18	4Q18	2018
Adjusted Gross Margin Range (%)	34.0%	36.0%	35.2%	37.6%	35.0%	37.4%	36.3%
Net Pre-Sales Range (R\$ million)	1,650.0	1,850.0	424.2	481.3	489.9	459.5	1,854.8

As a result of the assertiveness regarding 2018 figures, the Company again opted to disclose guidance for 2019. As described in a material fact disclosed to the market on February 11, the Company estimates the following projections for the full year of 2019:

- For **Adjusted Gross Margin**, a range between 34,0% and 36,0%;
- For **Net Pre-Sales**, a range between R\$1.95 billion and R\$2.15 billion.

Guidance 2019	Minimum	Maximum
Adjusted Gross Margin Range (%)	34.0%	36.0%
Net Pre-Sales Range (R\$ million)	1,950.0	2,150.0

LAUNCHES

In 4Q18, the volume of launches totaled R\$530.6 million in PSV. Thus, Tenda reached 49 projects launched in 2018, or R\$1.91 billion in PSV. 12 projects were launched in 4Q18, being Parque Cerrado I the first launched in the metropolitan region of Goiânia since the adoption of Tenda's current business model, in 2013. With this expansion to Goiânia, Tenda now reaches eight Brazilian metropolitan areas.

Projects containing units within the bracket 1.5 of the MCMV were launched at the end of 2018 and are in compliance with the program's new regulations for 2019.

Launches ¹	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
Number of projects launched	12	14	(14.3%) ↓	12	0.0% ↑	49	45	8.9% ↑
PSV (R\$ million)	530.6	576.7	(8.0%) ↓	458.3	15.8% ↑	1,912.7	1,695.2	12.8% ↑
Number of units launched	3,572	4,160	(14.1%) ↓	3,268	9.3% ↑	13,636	11,768	15.9% ↑
Average price per unit (R\$ thousand)	148.5	138.6	7.2% ↑	140.3	5.9% ↑	140.3	144.0	(2.6%) ↓
Average size of projects launched (in units)	298	297	0.2% ↑	272	9.3% ↑	278	262	6.4% ↑

1. Tenda holds 100% equity interest in all projects launched since 2013 (when it launched its current business model).

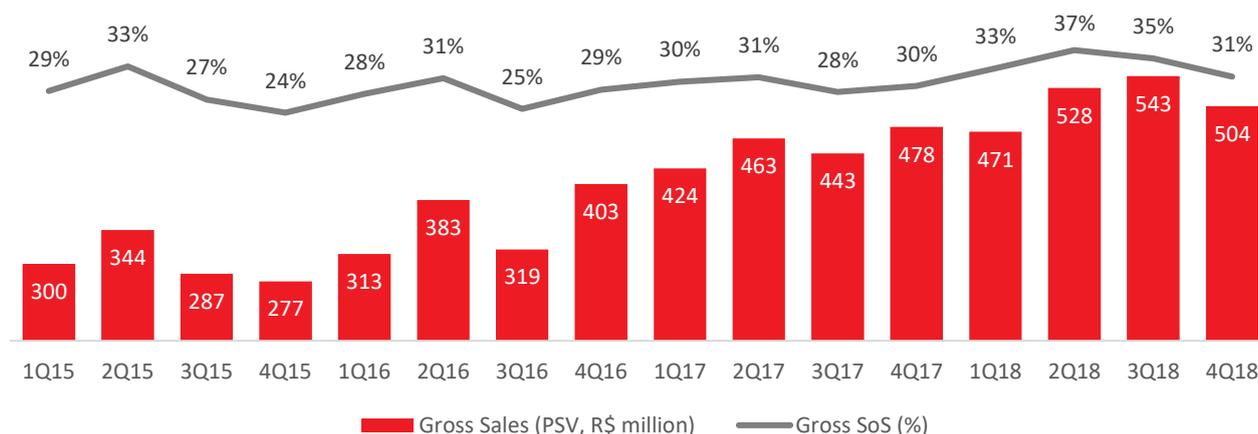
GROSS SALES

Gross sales totaled in PSV, R\$504.3 million in 4Q18 and R\$2.05 billion in 2018, an increase of 13.3% in the annual comparison.

Sales over Supply ("Gross SoS") reached 31.4% in 4Q18, up 1.8 p.p. year-on-year, but down 3.6 p.p. quarter-on-quarter.

Gross Sales	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
PSV (R\$ million)	504.3	543.5	(7.2%) ↓	477.7	5.6% ↑	2,047.2	1,807.5	13.3% ↑
Number of units	3,685	3,980	(7.4%) ↓	3,355	9.8% ↑	14,881	12,736	16.8% ↑
Average price per unit (R\$ thousand)	136.9	136.5	0.2% ↑	142.4	(3.9%) ↓	137.6	141.9	(3.1%) ↓
Gross SoS	31.4%	35.0%	(3.6 p.p.) ↓	29.6%	1.8 p.p. ↑	68.3%	66.3%	2.0 p.p. ↑

Gross Sales (PSV, R\$ million) e Gross SoS (%)



CANCELLATIONS AND NET PRE-SALES

Cancellations over gross sales ratio ended 4Q18 at 8.9% (and 9.4% in 2018). In 2018, cancellations over gross sales ratio varied between 8.9% and 10.0%, below 2017 (14.5%).

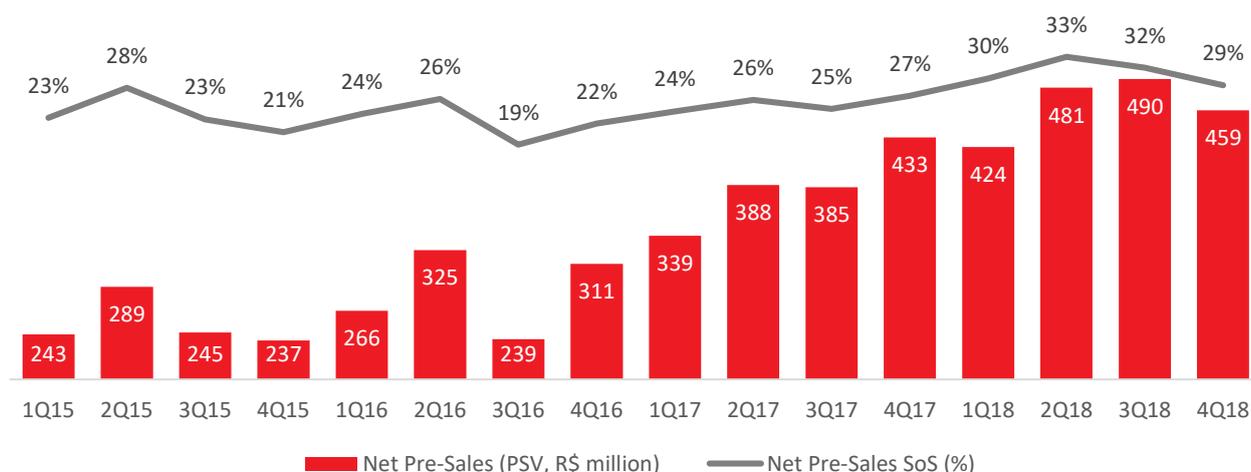
Net pre-sales totaled in PSV, R\$459.5 million in 4Q18 and R\$1.85 billion in 2018, up 20.1% year-on-year. Sales over Supply ("Net SoS") reached 28.6% in 4Q18, up 1.7 p.p. year-on-year and down 2.9 p.p. quarter-on-quarter. To avoid the sales of units that might not be suitable for the new MCMV regulations, the Company concentrated its launches in the last week of 2018, negatively impacting both net sales and Net SoS.

(PSV, R\$ million)	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
Gross Sales	504.3	543.5	(7.2%) ↓	477.7	5.6% ↑	2,047.2	1,807.5	13.3% ↑
Cancellations	44.9	53.6	(16.3%) ↓	44.2	1.6% ↑	192.4	262.7	(26.8%) ↓
Net Pre-Sales	459.5	489.9	(6.2%) ↓	433.5	6.0% ↑	1,854.8	1,544.9	20.1% ↑
% Launches ¹	66.2%	66.9%	(0.7 p.p.) ↓	82.4%	(16.2 p.p.) ↓	46.2%	53.2%	(7.0 p.p.) ↓
% Inventory	33.8%	33.1%	0.7 p.p. ↑	17.6%	16.2 p.p. ↑	53.8%	46.8%	7.0 p.p. ↑
Cancellations / Gross Sales	8.9%	9.9%	(1.0 p.p.) ↓	9.2%	(0.3 p.p.) ↓	9.4%	14.5%	(5.1 p.p.) ↓
Net SoS	28.6%	31.5%	(2.9 p.p.) ↓	26.9%	1.7 p.p. ↑	61.8%	56.7%	5.1 p.p. ↑

(in units)	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
Gross Units Sold	3,685	3,980	(7.4%) ↓	3,355	9.8% ↑	14,881	12,736	16.8% ↑
Cancelled Units	338	395	(14.4%) ↓	321	5.3% ↑	1,415	1,907	(25.8%) ↓
Net Units Sold	3,347	3,585	(6.6%) ↓	3,034	10.3% ↑	13,466	10,829	24.4% ↑
Cancellations / Gross Sales	9.2%	9.9%	(0.7 p.p.) ↓	9.6%	(0.4 p.p.) ↓	9.5%	15.0%	(5.5 p.p.) ↓

1. Current year launches.

Net Sales (PSV, R\$ million) e Net SoS (%)



UNITS TRANSFERRED, DELIVERED, AND CONSTRUCTION SITES

PSV transferred totaled R\$346.8 million in 4Q18 and R\$1.65 billion in 2018, up 16.5% year-on-year. The 21.1% quarter-on-quarter drop is mainly due to the need of relocating funds from the FGTS (Government Severance Indemnity Fund for Employees) budget among cities and shortage of subsidies to the bracket 1.5 of MCMV Program at the year's end. These two factors have already been addressed for 2019.

We ended 4Q18 with 2,488 units delivered, totaling 10,244 units delivered in 2018, up 5.5% year-on-year. We ended the quarter with 44 construction sites.

Transfers, Deliveries and Construction Sites	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
PSV Transferred (in R\$ million)	346.8	439.5	(21.1%) ↓	358.8	(3.3%) ↓	1,648.3	1,415.0	16.5% ↑
Transferred Units	2,808	3,567	(21.3%) ↓	2,806	0.1% ↑	13,204	11,176	18.1% ↑
Delivered Units	2,488	2,632	(5.5%) ↓	3,252	(23.5%) ↓	10,244	9,707	5.5% ↑
Construction Sites	44	43	2.3% ↑	38	15.8% ↑	44	38	15.8% ↑

INVENTORY AT MARKET VALUE

Tenda ended 2018 with R\$1.14 billion in inventory at market value, 3.0% lower than in 2017, but 7.6% higher than the previous quarter due to the timing of 4Q18 launches and the increase in units developed to meet the MCMV bracket 2 in the Company's inventory mix.

Finished inventory units ended 2018 with a 31% decrease over 2017, totaling R\$72.2 million (6.3% of the total inventory). Inventory turnover is 7.4 months, above 2Q18 and 3Q18 levels (when it ranged between 6.7 and 7.0 months), but below 2017 figures (when it ranged 9.2 and 10.4 months).

Inventory at Market Value	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
PSV (R\$ million)	1,144.5	1,064.0	7.6% ↑	1,179.8	(3.0%) ↓	1,144.5	1,179.8	(3.0%) ↓
Number of Units	8,000	7,771	2.9% ↑	8,032.0	(0.4%) ↓	8,000	8,032.0	(0.4%) ↓
Average price per unit (R\$ thousand)	143.1	136.9	4.5% ↑	146.9	(2.6%) ↓	143.1	146.9	(2.6%) ↓

Status of Construction	4Q18	Not Initiated	Up to 30% built	30% to 70% built	More than 70% built	Finished units
PSV (R\$ million)	1,144.5	312.6	452.9	221.7	85.1	72.2

LANDBANK

Tenda ended 2018 with a total landbank of R\$8.89 billion in PSV, 32.8% higher than in 2017. Acquisitions and adjustments, which account for the difference between PSV acquired and PSV launched, totaled R\$4.11 billion.

In 4Q18, 36 phases/projects were acquired, distributed in the regions where the Company operates, representing potential launch of R\$1.58 billion in PSV. We reiterate that all the projects of our landbank are feasible within the MCMV bracket 2, and, in some cases, may be adapted to the MCMV bracket 1.5.

Landbank ¹	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
Number of Projects	253	229	10.5% ↑	206	22.8% ↑	253	206	22.8% ↑
PSV (in R\$ million)	8,893.6	7,843.3	13.4% ↑	6,695.0	32.8% ↑	8,893.6	6,695.0	32.8% ↑
Acquisitions / Adjustments (in R\$ million)	1,580.8	1,289.1	22.6% ↑	820	92.9% ↑	4,111.2	3,928.4	4.7% ↑
Number of Units	60,124	53,746	11.9% ↑	45,795	31.3% ↑	60,124	45,795	31.3% ↑
Average price per unit (in R\$ thousands)	147.9	145.9	1.4% ↑	146.2	1.2% ↑	147.9	146.2	1.2% ↑
% Swap Total	24.2%	25.2%	(1.0 p.p.) ↓	28.4%	(4.2 p.p.) ↓	24.2%	28.4%	(4.2 p.p.) ↓
% Swap Units	11.1%	12.2%	(1.1 p.p.) ↓	17.7%	(6.6 p.p.) ↓	11.1%	17.7%	(6.6 p.p.) ↓
% Swap Financial	13.0%	13.0%	0.0 p.p.	10.6%	2.4 p.p. ↑	13.0%	10.6%	2.4 p.p. ↑

1. Tenda holds 100% equity interest of its landbank.

CURRENT BUSINESS MODEL UPDATE

We have delivered 32,473 units and R\$4.54 billion in PSV under the current business model, and all projects launched before 2015 have been 100% completed, reinforcing the stability and the high turnover of the operation.

Current Business Model Update	2013	2014	2015	2016	2017	2018
Number of Projects	7	14	30	40	45	49
Units launched	2,460	4,315	7,711	9,579	11,768	13,636
Total PSV (R\$ 000)	313.9	613.3	1,088.9	1,315.0	1,695.2	1,912.7
Units Sold	2,450	4,254	7,623	9,226	11,234	6,606
% Sold	99.6%	98.6%	98.9%	96.3%	95.5%	48.4%
Avg SoS (Month)	8.6%	6.5%	8.3%	11.2%	12.4%	11.1%
Units transferred	2,450	4,250	7,612	9,145	11,003	5,230
% Units transferred	99.6%	98.5%	98.7%	95.5%	93.5%	38.4%
% Construction	100.0%	100.0%	100.0%	98.6%	92.9%	37.8%

LEGACY UPDATE

Over the past several years, the impact of legacy projects on both our results and on capital employed¹ has decreased. The speed of this phase-out will slowly decline until liquidation, due to the low liquidity of inventory and portfolio.

Legacy Update	2011	2012	2013	2014	2015	2016	2017	2018
Operational								
Inventory at Market Value	1,171.5	826.7	478.7	365.1	226.2	154.9	132.1	58.2
Gross Sales	249.0	1,091.9	874.4	508.0	228.3	143.1	58.7	75.3
Cancellations	468	1,166	583	414	121	90	44	17
Net Sales	(218.8)	(74.3)	291.4	93.9	107.5	53.1	14.8	57.9
Cancellations / Gross Sales	187.9%	106.8%	66.7%	81.5%	52.9%	62.9%	74.7%	23.1%
Sales over Supply (SoS)	(23.0%)	(9.9%)	37.8%	20.5%	32.2%	25.5%	10.1%	49.9%
Gross SoS	702.9	1,182.6	900.3	459.9	214.6	145.2	108.7	55.9
Delivered Units	14	16,889	7,027	6,076	1,848	0	0	0
Construction Sites	138	63	26	5	1	1	1	1
Financial								
Adjusted Capital Employed ¹	2,516.9	2,089.7	1,152.4	755.1	547.2	324.5	211.4	123.7
Accounts Receivable ¹	1,465.9	1,233.5	623.3	317.8	232.0	117.0	47.6	31.6
AR Clients	1,465.9	1,233.5	623.3	306.4	223.7	97.7	19.9	12.4
AR Landbank Sold	ND ²	ND ²	ND ²	11.4	8.3	19.2	27.6	19.2
Inventory ²	1,051.0	856.2	529.1	437.2	315.2	207.5	163.9	92.1
Inventory	1,023.8	730.8	421.3	332.7	213.7	132.3	99.1	55.7
Landbank for Sale	27.2	125.4	107.8	104.5	101.5	75.2	64.8	36.4
Other Operating Revenues and Expenses	(60.3)	(47.8)	(24.8)	(62.2)	(52.6)	(36.7)	(98.5)	(81.5)
Litigation Expenses	(15.2)	(17.5)	(18.1)	(51.2)	(27.3)	(21.2)	(51.8)	(53.9)
Other	(45.2)	(30.3)	(6.7)	(11.0)	(25.3)	(15.5)	(46.7)	(27.6)
Net Revenue	439.3	1,069.1	722.5	273.8	168.3	(52.2)	7.2	76.5
Gross Profit (Loss)	(281.9)	130.4	27.0	(3.1)	(29.2)	(87.0)	(70.5)	(32.5)
Gross Margin	(64.2%)	12.2%	3.7%	(1.1%)	(17.4%)	NA ²	(979.8%)	(42.6%)

1. Managerial information

2. ND: Not published; NA: Does not apply

NET OPERATING REVENUE

In 2018, net operating revenue grew by 23.8% YoY. In 4Q18, it posted a 27.3% increase YoY but a 1.5% reduction QoQ.

(R\$ million)	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
Gross Operating Revenues	468.4	478.6	(2.1%) ↓	367.0	27.6% ↑	1,746.6	1,420.4	23.0% ↑
Reversal (constitution) of estimated losses on doubtful accounts	(11.0)	(7.0)	58.0% ↑	5.3	306.6% ↑	(31.5)	(19.4)	62.0% ↑
Provision for cancellations	4.8	3.2	51.2% ↑	(2.9)	266.9% ↑	6.6	24.1	(72.8%) ↓
Taxes on sales of properties and services	(7.5)	(13.4)	(43.7%) ↓	(12.3)	(38.8%) ↓	(40.4)	(67.1)	(39.8%) ↓
Net Operating Revenue	454.6	461.5	(1.5%) ↓	357.2	27.3% ↑	1,681.3	1,357.9	23.8% ↑

GROSS PROFIT

The adjusted gross profit (adjusted for capitalized interest) totaled R\$610.5 million in 2018, up 22.4% over 2017, resulting in an adjusted gross margin of 36.3%, slightly higher than the guidance for the year (between 34.0% and 36.0%). In 4Q18, adjusted gross margin increased 2.5 p.p. QoQ. It should be noted that the gross profit for 3Q18 has a R\$18.0 million negative impact due to cost recognition incurred in a phase of the undelivered legacy project *Mirante do Lago*.

(R\$ million)	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
Net Revenue	454.6	461.5	(1.5%) ↓	357.2	27.3% ↑	1,681.3	1,357.9	23.8% ↑
Gross Profit	163.3	155.0	5.4% ↑	126.7	28.9% ↑	585.8	468.6	25.0% ↑
Gross Margin	35.9%	33.6%	2.3 p.p. ↑	35.5%	0.4 p.p. ↑	34.8%	34.5%	0.3 p.p. ↑
(-) Financial Costs	6.9	6.3	9.7% ↑	7.3	(4.9%) ↓	24.7	30.1	(18.1%) ↓
Adjusted Gross Profit¹	170.2	161.3	5.5% ↑	134.0	27.0% ↑	610.5	498.8	22.4% ↑
Adjusted Gross Margin	37.4%	35.0%	2.5 p.p. ↑	37.5%	(0.1 p.p.) ↓	36.3%	36.7%	(0.4 p.p.) ↓

1. Adjusted by capitalized interest rates.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (SG&A)

In 2018, selling expenses accounted for 7.1% of gross sales, a decrease of 0.5 p.p. compared to the previous year, demonstrating efficiency in the Company's commercial process. In 4Q18, however, the indicator was higher than in the previous quarter (7.7%), mainly due to the sharp fall in gross sales, a consequence of the concentration of launches at the end of the quarter. Selling expenses totaled R\$145.3 million in the year, of which R\$38.6 million in 4Q18.

General and administrative expenses ("G&A") accounted for 7.4% of the year's net operating revenue, up 0.4 p.p. year-on-year. In 4Q18, G&A totaled R\$35.0 million, an increase of 23.5% over the previous quarter, explained mainly by (i) an increase in the stock option plan, due to the extraordinary grace period in the case of the plan approved in 2018 (a 5-month grace period versus a standard 24-month grace period) and (ii) an increase in the provision for profit sharing, as a result of a review in the Company's turnover, which was lower than the original forecast for the year.

(R\$ million)	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
Selling Expenses	(38.6)	(39.2)	(1.6%) ↓	(38.4)	0.6% ↑	(145.3)	(136.9)	6.1% ↑
General & Admin Expenses	(35.0)	(28.3)	23.5% ↑	(25.6)	36.6% ↑	(123.8)	(95.2)	30.2% ↑
Total SG&A Expenses	(73.6)	(67.6)	8.9% ↑	(64.0)	15.0% ↑	(269.1)	(232.0)	16.0% ↑
Gross Sales	504.3	543.5	(7.2%) ↓	477.7	5.6% ↑	2,047.2	1,807.5	13.3% ↑
Launches	530.6	576.7	(8.0%) ↓	458.3	15.8% ↑	1,912.7	1,695.2	12.8% ↑
Selling Expenses / Gross Sales	7.7%	7.2%	0.4 p.p. ↑	8.0%	(0.4 p.p.) ↓	7.1%	7.6%	(0.5 p.p.) ↓
G&A Expenses / Launches	6.6%	4.9%	1.7 p.p. ↑	5.6%	1.0 p.p. ↑	6.5%	5.6%	0.9 p.p. ↑
G&A Expenses / Net Operating Revenue	7.7%	6.1%	1.6 p.p. ↑	7.2%	0.5 p.p. ↑	7.4%	7.0%	0.4 p.p. ↑

OTHER OPERATIONAL REVENUES (EXPENSES)

Other operating income and expenses totaled R\$81.5 million in expenses in 2018, down 17.2% on the previous year, confirming the prospect of a progressive reduction of legal contingencies related to the legacy projects. In 4Q18, however, the increase in litigation expenses is mainly explained by provisions related to two cases, which together generated an impact of approximately R\$12 million. Both are tax claims that have taxable events referring to years prior to the current business model.

(R\$ million)	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
Other Operating Revenues and Expenses	(32.2)	(13.7)	135.4% ↑	(12.1)	165.2% ↑	(81.5)	(98.5)	(17.2%) ↓
Litigation Expenses	(21.4)	(7.9)	170.3% ↑	(4.8)	347.1% ↑	(53.9)	(51.8)	4.1% ↑
Outras	(10.8)	(5.7)	87.2% ↑	(7.3)	46.5% ↑	(27.6)	(46.7)	(40.9%) ↓
Equity Income	(0.2)	0.3	170.9% ↑	(0.4)	(49.2%) ↓	0.6	(1.1)	(155.4%) ↓

ADJUSTED EBITDA

In 2018, the Company's adjusted EBITDA totaled R\$278.8 million, an increase of 64.5% compared to 2017.

(R\$ million)	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
Net Income	48.0	64.4	(25.5%) ↓	36.2	32.5% ↑	200.3	106.7	87.7% ↑
(+) Financial result	(0.9)	(1.0)	15.3% ↑	0.1	(751.1%) ↓	(8.5)	0.9	(1,092.5%) ↓
(+) Income taxes and social contribution	7.0	6.6	4.9% ↑	11.3	(38.1%) ↓	26.5	18.0	47.4% ↑
(+) Depreciation and amortization	3.5	3.2	9.7% ↑	3.3	4.7% ↑	16.4	13.5	21.8% ↑
(+) Capitalized interests	6.9	6.3	9.7% ↑	7.3	(4.9%) ↓	24.7	30.1	(18.1%) ↓
(+) Expenses with Stock Option Plan	5.3	2.4	120.1% ↑	1.0	432.5% ↑	18.4	2.4	655.2% ↑
(+) Minority Shareholders	(0.3)	0.8	(131.7%) ↓	(0.7)	63.8% ↑	1.1	(2.1)	151.4% ↑
Adjusted EBITDA¹	69.5	82.7	(16.0%) ↓	58.5	18.9% ↑	278.8	169.5	64.5% ↑
Net Revenue	454.6	461.5	(1.5%) ↓	357.2	27.3% ↑	1,681.3	1,357.9	23.8% ↑
Adjusted EBITDA Margin¹	15.3%	17.9%	(2.6 p.p.) ↓	16.4%	(1.1 p.p.) ↓	16.6%	12.5%	4.1 p.p. ↑

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

FINANCIAL RESULTS

In 2018, Tenda posted a positive financial result, totaling R\$8.5 million, due to improved cash position versus its indebtedness, as well as better conditions for the Company to access debt capital markets, as a lower risk perception by creditors resulted in lower interest rates.

(R\$ million)	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
Financial Income	12.7	9.6	32.3% ↑	6.3	103.3% ↑	42.9	28.1	52.4% ↑
Financial Expenses	(11.9)	(8.6)	37.9% ↑	(6.4)	85.5% ↑	(34.4)	(29.0)	18.5% ↑
Financial Results	0.9	1.0	(15.3%) ↓	(0.1)	751.1% ↑	8.5	(0.9)	1,092.5% ↑

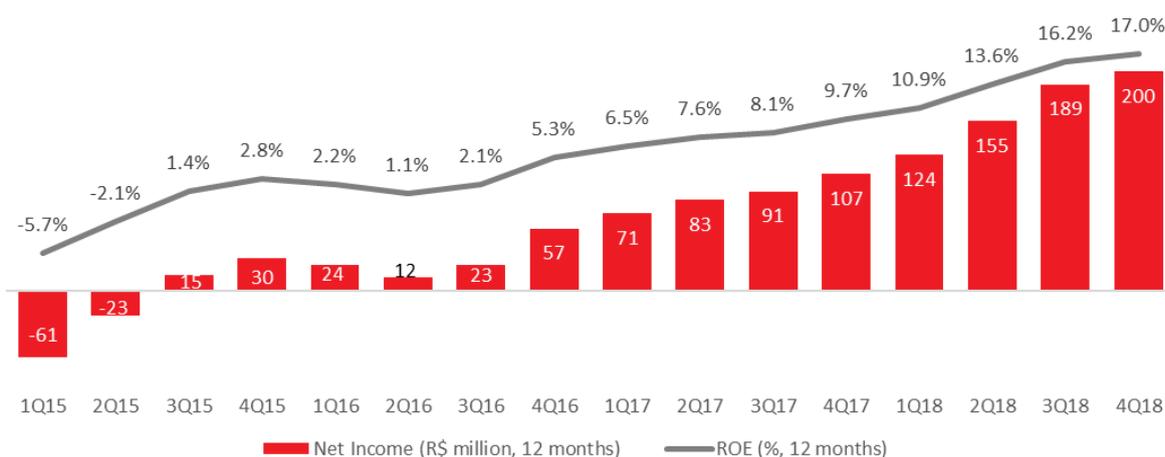
NET INCOME

Focus on the business model developed in 2013 has allowed continuous gains in operating efficiency and sustained growth in metropolitan areas where Tenda operates. As a result, the Company's net income and net margin kept growing in 2018, reaching R\$ 200.3 million and 11.9%, respectively.

In 4Q18, Tenda's net income totaled R\$ 48.0 million, up 32.5% over the same period in 2017, but down 25.5% compared to the previous quarter.

(R\$ million)	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
Net Income after Income Tax and Social Contribution	47.7	65.3	(26.8%) ↓	35.5	34.5% ↑	201.3	104.6	92.4% ↑
(-) Minority shareholders	0.3	(0.8)	131.7% ↑	0.7	(63.8%) ↓	(1.1)	2.1	(151.4%) ↓
Net Income	48.0	64.4	(25.5%) ↓	36.2	32.5% ↑	200.3	106.7	87.7% ↑
Net Margin	10.6%	14.0%	(3.4 p.p.) ↓	10.1%	0.4 p.p. ↑	11.9%	7.9%	4.1 p.p. ↑

Net Income (R\$ million, 12 months) e ROE (% , 12 months)



BACKLOG RESULTS

Backlog margin at 43.6%, down 0.4 p.p. QoQ and down 5.0 p.p. YoY.

(R\$ million)	December 18	September 18	QoQ (%)	December 17	YoY (%)
Backlog Revenues	546.7	524.0	4.3% ↑	325.1	68.2% ↑
Backlog Costs (of Units Sold)	(308.4)	(293.7)	5.0% ↑	(167.1)	84.6% ↑
Backlog Results¹	238.3	230.3	3.5% ↑	158.0	50.8% ↑
Backlog Margin	43.6%	43.9%	(0.4 p.p.) ↓	48.6%	(5.0 p.p.) ↓

1. Comprises the projects restricted by precedent condition.

CASH AND CASH EQUIVALENTS, AND FINANCIAL INVESTMENTS

(R\$ million)	December 18	September 18	QoQ (%)	December 17	YoY (%)
Cash & Cash Equivalents	34.3	35.6	(3.8%) ↓	39.4	(12.9%) ↓
Short-term Investments	821.3	811.8	1.2% ↑	458.3	79.2% ↑
Total Cash Position	855.6	847.5	1.0% ↑	497.7	71.9% ↑

ACCOUNTS RECEIVABLE FROM DEVELOPMENTS AND SERVICES RENDERED

(R\$ million)	December 18	September 18	QoQ (%)	December 17	YoY (%)
Until 2018 ¹	84.6	167.5	(49.5%) ↓	387.6	(78.2%) ↓
2019	386.3	355.0	8.8% ↑	79.8	384.1% ↑
2020	98.3	49.5	98.6% ↑	24.1	308.7% ↑
2021	28.3	24.7	14.3% ↑	21.4	32.0% ↑
2022	19.0	15.7	20.9% ↑	15.5	22.4% ↑
2023	8.7	10.0	(13.1%) ↓	0.0	0.0% ↑
2024 and beyond	6.1	0.0	0.0% ↑	0.0	0.0% ↑
Total Accounts Receivable	631.3	622.5	1.4% ↑	528.4	19.5% ↑
(-) Present value adjustment	(10.0)	(11.9)	16.1% ↑	(10.9)	8.2% ↑
(-) Provision for doubtful accounts	(130.5)	(119.4)	(9.2%) ↓	(99.0)	(31.8%) ↓
(-) Provision for cancellations	(15.1)	(20.0)	24.2% ↑	(21.7)	30.3% ↑
Accounts Receivable	475.7	471.2	1.0% ↑	396.8	19.9% ↑
Days of Accounts Receivable	103	109	(4.9%) ↓	107	(3.2%) ↓

1. Overdue

Accounts Receivable Tenda ¹ (R\$ million)	December 18	September 18	QoQ (%)	December 17	YoY (%)
Before delivery to buyer (Pro-Soluto)	39.5	39.4	0.2% ↑	24.4	61.8% ↑
After delivery to buyer (TCD)	176.6	166.0	6.4% ↑	144.6	22.2% ↑
Tenda Receivables	216.1	205.4	5.2% ↑	169.0	27.9% ↑
Total accounts receivable	475.7	471.2	1.0% ↑	396.8	19.9% ↑
Backlog Revenues	502.5	524.0	(4.1%) ↓	325.1	54.5% ↑
Tenda Receivables / (Total accounts receivable + Backlog Revenues)	22.1%	20.6%	1.4 p.p. ↑	23.4%	(1.3 p.p.) ↓

1. 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

The Company ends 2018 with a total debt of R\$ 542.5 million, duration of 30.7 months and weighted average cost of debt of 7.8% per year. The Company's gross debt is lower than its cash, cash equivalents and financial investments position, which totaled R\$855.6 million at the end of 2018.

Debt Maturity Schedule (R\$ million)	Total
2019	10.1
2020	36.8
2021	380.2
2022	65.4
2023	50.0
2024 onwards	0.0
Total Debt	542.5
Duration (in months)	30.7

Debt Breakdown (R\$ million)	Maturity	Charges (APY)	Balance Due December 18	Balance Due September 18
Total			542.5	541.2
CRI	until 01/2021	CDI + 0.90%	285.1	278.9
Debenture	until 09/2023	CDI + 1.75%	152.6	149.6
SFH	until 12/2022	TR + 8.3% to 9.5%	103.3	110.8
CCB	until 06/2019	Based on INCC-DI	1.5	1.9

Weighted Average Cost of Debt (R\$ million)	Balance Due December 18	Balance Due / Total Debt	Average Cost (APY)
CDI	437.7	80.7%	CDI + 0.97%
TR	103.3	19.0%	TR + 8.3%
INCC	1.5	0.3%	INCC + 0%
Total	542.5	100%	7.8%

RATING

As a result of good operating and financial results, Standard & Poor's Global Ratings ("S&P") reaffirmed Tenda's brAA+ corporate credit rating, with a stable outlook.

NET DEBT

Tenda has an adjusted net debt to shareholders' equity ratio of -26.0%, being one of the most deleveraged companies in the sector. To support its long-term goal of maintaining leverage closer to 0%, resulting in a still conservative, but more balanced capital structure, several initiatives to distribute capital to shareholders were promoted. The Company opened two share buyback programs in 2018, with a total of R\$ 184.2 million in funds available, and paid R\$ 25.0 million in interim dividends at the end of the year.

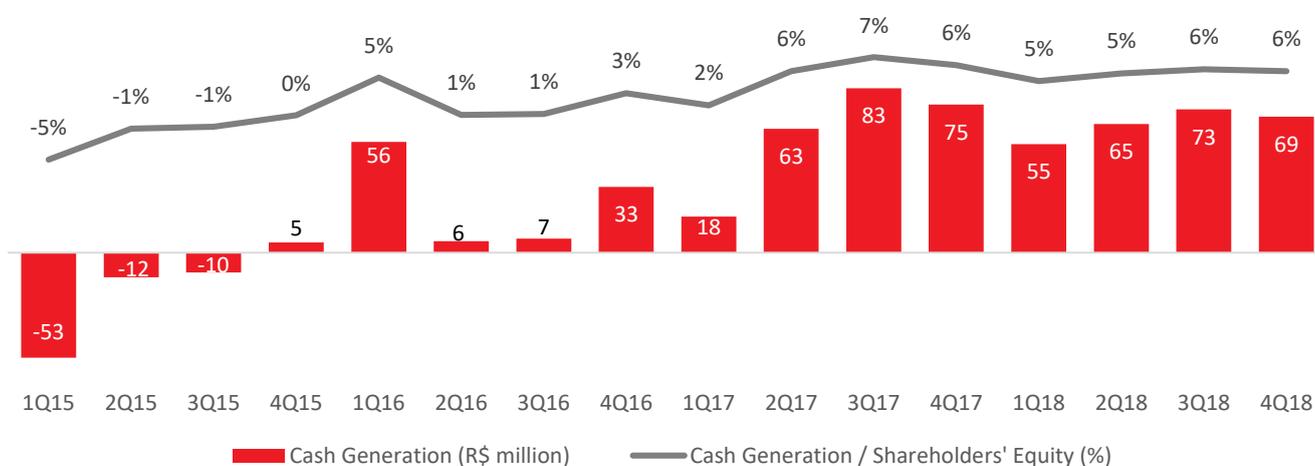
Cash generation totaled R\$ 68.9 million in 4Q18, down 5.0% QoQ.

(R\$ million)	December 18	September 18	QoQ (%)	December 17	YoY (%)
Gross Debt	542.5	541.2	0.2% ↑	270.2	100.8% ↑
(-) Cash and cash equivalents and financial investments	(855.6)	(847.5)	1.0% ↑	(497.7)	71.9% ↑
Net Debt	(313.1)	(306.2)	(2.2%) ↓	(227.6)	(37.6%) ↓
Shareholders' Equity + Minority Shareholders	1,203.8	1,218.1	(1.2%) ↓	1,163.7	3.4% ↑
Net Debt/ (Shareholders' Equity + Minority Shareholders)	(26.0%)	(25.1%)	(0.9 p.p.) ↓	(19.6%)	(6.5 p.p.) ↓
Adjusted EBITDA (Last 12 months)	282.7	270.1	4.6% ↑	169.5	66.7% ↑
Cash Generation ¹	68.9	72.5	(5.0%) ↓	74.9	(8.0%) ↓
Operating Cash Generation ²	66.8	74.5	(10.3%) ↓	73.1	(8.6%) ↓

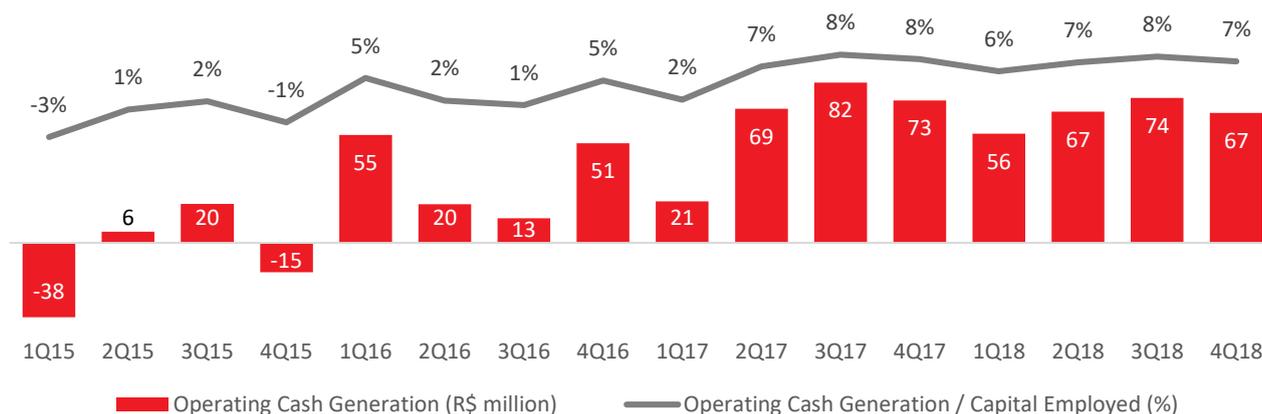
1. Cash Generation is obtained through the difference between the variation of Available Cash and the variation of Gross Debt, adjusted to the amounts of Share Buyback, Dividends Capital Reduction and non-operating effects

2. Operating Cash Generation is a result of the company's managerial calculation which neither reflects nor is compared with the figures reported in the financial statements.

Cash Generation (R\$ million) and Cash Generation / Shareholders' Equity (%)



Operating Cash Generation (R\$ million) and Operating Cash Generation / Capital Employed (%)



INCOME STATEMENT

(R\$ million)	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
Net Revenue	454.6	461.5	(1.5%) ↓	357.2	27.3% ↑	1,681.3	1,357.9	23.8% ↑
Operating Costs	(291.3)	(306.5)	(4.9%) ↓	(230.5)	26.4% ↑	(1,095.4)	(889.3)	23.2% ↑
Gross Profit	163.3	155.0	5.4% ↑	126.7	28.9% ↑	585.8	468.6	25.0% ↑
Gross Margin	35.9%	33.6%	2.3 p.p. ↑	35.5%	0.4 p.p. ↑	34.8%	34.5%	0.3 p.p. ↑
Operating Expenses	(109.5)	(84.1)	30.1% ↑	(79.8)	37.1% ↑	(366.5)	(345.1)	6.2% ↑
Selling Expenses	(38.6)	(39.2)	(1.6%) ↓	(38.4)	0.6% ↑	(145.3)	(136.9)	6.1% ↑
General and Administrative Expenses	(35.0)	(28.3)	23.5% ↑	(25.6)	36.6% ↑	(123.8)	(95.2)	30.2% ↑
Other Operating Revenue/Expenses	(32.2)	(13.7)	135.4% ↑	(12.1)	165.2% ↑	(81.5)	(98.5)	(17.2%) ↓
Depreciation and Amortization	(3.5)	(3.2)	9.7% ↑	(3.3)	4.7% ↑	(16.4)	(13.5)	21.8% ↑
Equity Income	(0.2)	0.3	(170.9%) ↓	(0.4)	49.2% ↑	0.6	(1.1)	155.4% ↑
Operational Result	53.8	70.9	(24.0%) ↓	46.9	14.8% ↑	219.4	123.5	77.6% ↑
Financial Income	12.7	9.6	32.3% ↑	6.3	103.3% ↑	42.9	28.1	52.4% ↑
Financial Expenses	(11.9)	(8.6)	37.9% ↑	(6.4)	85.5% ↑	(34.4)	(29.0)	18.5% ↑
Net Income Before Taxes on Income	54.7	71.9	(23.9%) ↓	46.8	17.0% ↑	227.9	122.6	85.8% ↑
Deferred Income Taxes	(0.8)	0.4	(311.3%) ↓	(5.6)	85.3% ↑	(1.9)	9.1	(120.7%) ↓
Current Income Taxes	(6.1)	(7.0)	(12.6%) ↓	(5.6)	9.1% ↑	(24.6)	(27.1)	(8.9%) ↓
Net Income After Taxes on Income	47.7	65.3	(26.8%) ↓	35.5	34.5% ↑	201.3	104.6	92.4% ↑
(-) Minority Shareholders	0.3	(0.8)	131.7% ↑	0.7	(63.8%) ↓	(1.1)	2.1	(151.4%) ↓
Net Income	48.0	64.4	(25.5%) ↓	36.2	32.5% ↑	200.3	106.7	87.7% ↑

BALANCE SHEET

(R\$ million)	December 18	September 18	QoQ (%)	December 17	YoY (%)
Current Assets	1,787.9	1,757.2	1.7% ↑	1,412.7	26.6% ↑
Cash and cash equivalents	34.3	35.6	(3.8%) ↓	39.4	(12.9%) ↓
Short term investments	821.3	811.8	1.2% ↑	458.3	79.2% ↑
Receivables from clients	317.5	322.9	(1.7%) ↓	277.1	14.6% ↑
Properties for sale	533.3	498.7	6.9% ↑	517.2	3.1% ↑
Other accounts receivable	44.0	46.6	(5.5%) ↓	55.9	(21.3%) ↓
Land for sale	37.5	41.6	(9.9%) ↓	64.8	(42.2%) ↓
Non-Current Assets	728.7	661.1	10.2% ↑	593.6	22.8% ↑
Receivables from clients	158.2	148.3	6.7% ↑	119.8	32.1% ↑
Properties for sale	516.0	453.7	13.7% ↑	417.0	23.7% ↑
Other	54.5	59.1	(7.7%) ↓	56.8	(3.9%) ↓
Intangible, Property and Equipment	65.1	64.0	1.7% ↑	63.5	2.5% ↑
Investments	39.4	43.1	(8.6%) ↓	65.4	(39.8%) ↓
Total Assets	2,621.0	2,525.4	3.8% ↑	2,135.2	22.8% ↑
Current Liabilities	453.6	420.8	7.8% ↑	405.8	11.8% ↑
Loans and financing	6.7	5.8	16.7% ↑	31.0	(78.3%) ↓
Debentures	3.3	0.0	0.0% ↑	0.0	0.0% ↑
Obligations for purchase of land and advances from customers	258.2	221.1	16.8% ↑	204.7	26.2% ↑
Material and service suppliers	21.4	40.3	(46.7%) ↓	22.7	(5.7%) ↓
Taxes and contributions	27.0	32.0	(15.9%) ↓	27.4	(1.6%) ↓
Other	136.9	121.5	12.6% ↑	119.9	14.1% ↑
Non-current liabilities	963.7	886.5	8.7% ↑	565.7	70.4% ↑
Loans and financing	98.0	107.0	(8.3%) ↓	85.1	15.2% ↑
Debentures	434.4	428.5	1.4% ↑	154.0	182.1% ↑
Obligations (land purchases) and advances from customers	361.3	288.6	25.2% ↑	240.1	50.5% ↑
Deferred taxes	7.8	6.9	14.3% ↑	5.9	33.9% ↑
Provision for contingencies	32.7	25.2	29.7% ↑	31.5	3.9% ↑
Other creditors	0.0	0.0	0.0% ↑	0.0	0.0% ↑
Other	29.5	30.4	(3.2%) ↓	49.1	(40.0%) ↓
Shareholders' Equity	1,203.8	1,218.1	(1.2%) ↓	1,163.7	3.4% ↑
Shareholders' Equity	1,197.7	1,211.7	(1.2%) ↓	1,158.7	3.4% ↑
Minority Shareholders	6.1	6.4	(4.1%) ↓	5.0	20.9% ↑
Total Liabilities and Shareholders' Equity	2,621.0	2,525.4	3.8% ↑	2,135.2	22.8% ↑

CASH FLOW STATEMENT

(R\$ million)	4Q18	3Q18	QoQ (%)	4Q17	YoY (%)	2018	2017	YoY (%)
Cash from (used in) operating activities	71.2	81.9	(13.1%) ↓	(17.2)	514.7% ↑	283.4	188.4	50.4% ↑
Net Income (loss) before taxes	54.7	71.9	(23.9%) ↓	46.8	17.0% ↑	227.9	122.6	85.8% ↑
Depreciation and amortization	5.6	5.2	6.8% ↑	4.9	14.0% ↑	24.1	18.4	31.4% ↑
Provision (reversal) for doubtful accounts and cancellations	19.1	5.8	230.8% ↑	(5.3)	461.1% ↑	40.0	11.3	253.5% ↑
Present value adjustment	(1.9)	0.9	(318.0%) ↓	(3.9)	50.7% ↑	(0.9)	8.0	(111.2%) ↓
Impairment	0.4	(2.4)	116.1% ↑	6.5	(94.1%) ↓	(6.2)	5.0	(222.7%) ↓
Equity income	0.2	(0.3)	170.9% ↑	0.4	(49.2%) ↓	(0.6)	1.1	(155.4%) ↓
Provision for contingencies	15.0	(10.8)	239.3% ↑	(4.7)	420.3% ↑	2.4	18.1	(86.5%) ↓
Unrealized interest and charges, net	3.5	0.8	321.5% ↑	0.4	772.8% ↑	5.4	18.9	(71.5%) ↓
Warranty provision	(0.4)	(1.7)	74.2% ↑	0.3	(273.0%) ↓	2.3	0.2	1,109.6% ↑
Profit sharing provision	6.8	4.8	40.2% ↑	4.6	46.7% ↑	22.2	18.5	20.3% ↑
Stock option plan expenses	5.3	2.4	120.1% ↑	1.0	432.5% ↑	18.4	2.4	655.2% ↑
Disposal of fixed asset	0.1	0.0	0.0% ↑	0.0	121.1% ↑	0.1	1.1	(91.2%) ↓
Other provisions	1.7	(1.3)	230.2% ↑	(0.5)	453.0% ↑	1.7	1.0	64.9% ↑
Other operating revenue/expenses	0.0	0.0	0.0% ↑	(1.8)	100.0% ↑	0.0	(0.9)	100.0% ↑
Deferred income tax and social contribution	0.0	2.7	(100.0%) ↓	(5.7)	100.0% ↑	4.3	(7.1)	160.6% ↑
Clients	(17.4)	(46.6)	62.7% ↑	39.4	(144.2%) ↓	(111.5)	27.0	(513.0%) ↓
Properties for sale	(108.5)	(27.6)	(293.2%) ↓	(10.7)	(917.9%) ↓	(122.8)	(108.0)	(13.6%) ↓
Other accounts receivable	10.0	(7.6)	232.3% ↑	1.0	936.4% ↑	6.1	9.4	(35.2%) ↓
Suppliers	(18.8)	10.6	(277.8%) ↓	(8.9)	(111.6%) ↓	(1.3)	(8.9)	85.4% ↑
Taxes and contributions	(1.3)	1.3	(198.7%) ↓	1.5	(184.5%) ↓	11.8	0.2	5,372.2% ↑
Salaries, payroll charges and bonus provision	(6.6)	3.6	(286.1%) ↓	(5.6)	(18.1%) ↓	(14.2)	(11.1)	(28.2%) ↓
Obligations for purchase of real properties	120.9	69.0	75.1% ↑	31.3	286.6% ↑	209.4	147.7	41.8% ↑
Other accounts payable	(11.2)	6.0	(285.8%) ↓	(102.3)	89.1% ↑	(2.8)	(109.9)	97.4% ↑
Current account operations	0.4	1.3	(72.2%) ↓	1.3	(73.2%) ↓	3.5	51.2	(93.2%) ↓
Taxes paid	(6.2)	(6.1)	(2.3%) ↓	(7.1)	12.2% ↑	(35.9)	(27.8)	(29.0%) ↓
Cash from (used in) investment activities	(8.1)	(188.8)	95.7% ↑	(117.8)	93.1% ↑	(362.2)	(298.2)	(21.4%) ↓
Purchase of property and equipment	(6.7)	(7.8)	13.5% ↑	(10.2)	34.2% ↑	(25.8)	(35.0)	26.1% ↑
Investments in marketable securities and restricted credits	(229.0)	(528.4)	56.7% ↑	(140.5)	(62.9%) ↓	(1,418.0)	(1,501.3)	5.5% ↑
Redemption of securities, sureties and credits	227.6	347.4	(34.5%) ↓	33.0	590.0% ↑	1,081.7	1,238.0	(12.6%) ↓
Cash from (used in) financing activities	(64.4)	109.2	(159.0%) ↓	137.6	(146.8%) ↓	73.6	120.8	(39.0%) ↓
Stock Buyback	(29.1)	(39.9)	27.2% ↑	0.0	0.0% ↑	(142.3)	0.0	0.0% ↑
Capital Increase	0.0	0.0	0.0% ↑	0.2	(100.0%) ↓	0.0	0.2	(100.0%) ↓
Capital Reserve Increase	0.1	0.0	253.6% ↑	0.3	(64.1%) ↓	1.2	0.3	340.6% ↑
Dividends Paid	(25.0)	0.0	0.0% ↑	0.0	0.0% ↑	(25.0)	0.0	0.0% ↑
Loans and financing increase	93.6	265.8	(64.8%) ↓	258.2	(63.7%) ↓	676.1	549.6	23.0% ↑
Amortization of loans and financing	(103.9)	(116.5)	10.8% ↑	(122.9)	15.4% ↑	(435.8)	(431.2)	(1.1%) ↓
Loan operations	(0.2)	(0.2)	(14.2%) ↓	1.9	(110.0%) ↓	(0.7)	1.9	(135.0%) ↓
Net increase (decrease) in cash and cash equivalents	(1.4)	2.4	(157.6%) ↓	2.7	(150.4%) ↓	(5.1)	11.0	(146.4%) ↓
At the beginning of the period	35.6	33.3	7.1% ↑	36.7	(2.8%) ↓	39.4	28.4	38.6% ↑
At the end of the period	34.3	35.6	(3.8%) ↓	39.4	(12.9%) ↓	34.3	39.4	(12.9%) ↓

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About Tenda

Construtora Tenda S.A. (B3:TEND3) 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 eight metropolitan regions of Brazil, uniquely operating within the brackets 1.5 and 2 of the "Minha Casa, Minha Vida" ("MCMV") 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.