

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

3Q19 EARNINGS RELEASE

3Q19 net income at R\$ 64.6 million. In the last 12 months, earnings per share up 33.5% YoY and ROE at 18.7%. Adjusted gross margin reached 34.9% in the quarter

FOR IMMEDIATE RELEASE – São Paulo, November 7, 2019 – Construtora Tenda S.A. (“Company”, “Tenda”), a leading Brazilian homebuilder and real estate developer focused on low-income residential projects operating within the brackets 1.5 and 2 of the “Minha Casa, Minha Vida” (“MCMV”) federal government housing program, today reports its operating and financial results for the third quarter of 2019.

HIGHLIGHTS

- **Net revenue** of R\$508.5 million in 3Q19, up 10.2% YoY
- **Net income** of R\$235.4 million in the last twelve months, up 24.9% YoY. Net income of R\$187.4 million YTD, up 23.0% YoY
- **ROE** of 18.7% LTM, up to 2.6 p.p. YoY
- **ROIC** of 26.4% LTM, up to 4.5 p.p. YoY
- **Cash consumption** of R\$40.8 million in 3Q19 due to the stoppage of mortgage transfers until mid-September
- **Launched PSV** of R\$761.4 million in 3Q19 (+32.0% YoY). In 9M19, launched PSV reached R\$1.74 billion (+25.8% YoY)
- **Landbank** up 25.8% YoY, totalling R\$9.87 billion in PSV
- **Land acquisition** in 3Q19 totaled R\$1.13 billion, + 68.0% QoQ, allowing landbank's increase in strong quarter in launches
- **Net pre-sales** of R\$536.9 million in 3Q19, up 9.6% YoY, with net SoS of 28.0%

CONFERENCE CALL AND WEBCAST

Friday, November 8, 2019

8h00 a.m. (NY)

10h00 a.m. (BRT)

Dial in:

International: +1-516-300-1066

Brazil: +55-11-3127-4971

Code: Tenda

Webcast: [Click here](#)

MESSAGE FROM THE MANAGEMENT

In the third quarter of 2019, Tenda's strategy to operate in the "Minha Casa Minha Vida" (MCMV) program in a more restrictive year brought good results. The expected drop in profitability due to the reduction in subsidies for the bracket 1.5 of the program and the stricter credit scoring for clients in financial institutions was partially offset by Tenda's growth in more vertical solutions, especially new projects with towers up to 20 floors in São Paulo and our first projects with elevator outside São Paulo – Salvador was the first Brazilian metro area in which we launched such products.

Projects with taller buildings allow Tenda to access more land located in central areas of the metropolitan regions, which results in a wider income range of clientes still within MCMV brackets 1.5 and 2. Given the cost advantages derived from the industrial approach to operations, it is possible to perform with attractive prices, maintaining sales velocity above peers, therefore inducing growth in regions in which we already operate. In 2019, vertical buildings unlocked a growth barrier in São Paulo, which represents 40.6% of launched PSV in the year (compared to 31.7% in 2018), and allowed an increase of 6.2% YoY in the average price of units launched in the year so far compared to 9M18.

Tenda also took another step this quarter in its gradual geographic expansion project (since 2017, Tenda has reached a new metropolitan region each year). With the launch of the Jardim Passaré project, Fortaleza became the ninth Brazilian metro area in which Tenda operates. In 3Q19, the PSV launched by Tenda grew 32.0% YoY, which combined with the 9.6% YoY growth in net sales makes it possible for the Company to reach the bottom of the net pre-sales guidance provided for the year. (between R\$ 1.95 and R\$ 2.15 billion).

With an adjusted gross margin of 34.9% in 3Q19 and 35.5% in 9M19, Tenda remains within the guidance for the year (between 34.0% and 36.0%). Two main factors put pressure on the Company's profitability and should continue to challenge the industry as a whole. First, price per unit decreased in response to changes in MCMV parameters, partially offset by Tenda's product mix in 2019 and initiatives that brought better quality to sales and collection processes. Second, construction costs increased given better economic conditions and the resumption of the real estate segment for mid to high Income families in Brazil. Materials (concrete and steel) and construction services (earthmoving and infrastructure) had significant price increases in 2019.

In this scenario, Tenda's net income in 3Q19 was R\$ 64.6 million, in line with 3Q18 and R\$ 187.4 million YTD, up 23.0% YoY. In the last twelve months, ROE reached 18.7% (+ 2.6 p.p. YoY) and ROIC reached 26.4% (+4.5 p.p. YoY). Earnings per share (ex-treasury) totaled R\$ 2.42 in the last twelve months, up 33.5% YoY.

On the other hand, cash generation was negatively impacted by the stoppage of mortgage transfers in the MCMV brackets 1.5 and 2 throughout 3Q19, a situation regularized only in mid-September, insufficient time to reverse cash consumption in the period. In a quarter of sales growth (+12.0% QoQ and +9.6% YoY), PSV transferred dropped sharply (-40.5% QoQ and -36.9% YoY). Tenda is focused on ensuring that the effect of the transfer stoppage is mostly reversed in 4Q19, but there is a risk of a negative impact on our cancellations over gross sales in 4Q19.

Events like this reinforce the importance of conservative financial management to overcome moments of instability in MCMV. At the end of 3Q19, the Company had R\$ 976.3 million in cash, resulting in a net cash of R\$ 231.5 million, equivalent to a net debt to equity ratio of -17.7%.

Looking forward, it is possible that further adjustments in MCMV parameters will continue to reduce the profitability of companies in the affordable housing segment. Such adjustments are healthy for the sustainability of the program, requiring players to pursue operational excellence. Tenda reinforces its focus on affordable housing, seeking to be the company that delivers the highest return to shareholders in this sector, also committed with a conservative financial management approach.

OPERATIONAL AND FINANCIAL HIGHLIGHTS

	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
Operational Highlights (R\$ million, PSV)								
Launches	761.4	592.3	28.6% ↑	576.7	32.0% ↑	1,739.3	1,382.1	25.8% ↑
Net Pre-Sales	536.9	479.9	11.9% ↑	489.9	9.6% ↑	1,423.7	1,395.3	2.0% ↑
Sales over Supply (SoS) (%)	28.0%	28.9%	(0.9 p.p.) ↓	31.5%	(3.5 p.p.) ↓	50.8%	56.7%	(5.9 p.p.) ↓
PSV Transferred	277.3	466.0	(40.5%) ↓	439.5	(36.9%) ↓	1,088.0	1,301.5	(16.4%) ↓
Units Delivered (#)	3,844	3,236	18.8% ↑	2,632	46.0% ↑	8,616	7,756	11.1% ↑
Landbank	9,869.7	9,499.3	3.9% ↑	7,843.3	25.8% ↑	9,869.7	7,843.3	25.8% ↑
Landbank - Acquisitions / Adjustments	1,131.7	673.5	68.0% ↑	1,289.1	(12.2%) ↓	2,715.4	2,530.4	7.3% ↑
Financial Highlights (R\$ million)								
Net Revenue	508.5	489.1	4.0% ↑	461.5	10.2% ↑	1,407.0	1,226.6	14.7% ↑
Adjusted Gross Profit ¹	177.3	176.4	0.5% ↑	161.3	9.9% ↑	500.0	440.3	13.6% ↑
Adjusted Gross Margin ¹ (%)	34.9%	36.1%	(1.2 p.p.) ↓	35.0%	(0.1 p.p.) ↓	35.5%	35.9%	(0.4 p.p.) ↓
Adjusted EBITDA ²	88.4	95.3	(7.2%) ↓	82.7	6.8% ↑	253.5	209.3	21.1% ↑
Adjusted EBITDA Margin ² (%)	17.4%	19.5%	(2.1 p.p.) ↓	17.9%	(0.5 p.p.) ↓	18.0%	17.1%	1.0 p.p. ↑
Net Financial Result	2.1	2.4	(10.1%) ↓	1.0	109.8% ↑	4.8	7.6	(37.3%) ↓
Net Income (Loss) ³	64.6	73.0	(11.4%) ↓	64.4	0.3% ↑	187.4	152.3	23.0% ↑
Backlog Revenues	582.7	528.6	10.2% ↑	524.0	11.2% ↑	582.7	524.0	11.2% ↑
Backlog Results	225.5	200.2	12.6% ↑	230.3	(2.1%) ↓	225.5	230.3	(2.1%) ↓
Backlog Margin (%)	38.7%	37.9%	0.8 p.p. ↑	43.9%	(5.3 p.p.) ↓	38.7%	43.9%	(5.3 p.p.) ↓
Cash and Cash Equivalents ⁴	976.3	1,045.9	(6.7%) ↓	847.5	15.2% ↑	976.3	847.5	15.2% ↑
Net Debt	(231.5)	(289.6)	20.1% ↑	(306.2)	24.4% ↑	(231.5)	(306.2)	24.4% ↑
Shareholders' Equity + Minority Shareholders	1,304.4	1,252.4	4.2% ↑	1,218.1	7.1% ↑	1,304.4	1,218.1	7.1% ↑
Net Debt / (SE + Minority) (%)	(17.7%)	(23.1%)	5.4 p.p. ↑	(25.1%)	7.4 p.p. ↑	(17.7%)	(25.1%)	7.4 p.p. ↑
Cash Generation ⁵	(40.8)	26.2	(255.7%) ↓	73.2	(155.8%) ↓	23.3	191.9	(87.9%) ↓
Operating Cash Generation ⁶	(34.5)	32.6	(205.9%) ↓	74.5	(146.3%) ↓	34.2	197.9	(82.7%) ↓
Net Income (Loss) (LTM)	235.4	235.1	0.1% ↑	188.5	24.9% ↑	170.7	188.5	(9.4%) ↓
NOPAT ⁷ (LTM)	262.2	260.9	0.5% ↑	206.6	26.9% ↑	262.2	206.6	26.9% ↑
Capital Employed ⁸	1,072.9	962.8	11.4% ↑	911.8	17.7% ↑	1,072.9	911.8	17.7% ↑
ROE ⁹ (LTM)	18.7%	19.3%	(0.6 p.p.) ↓	16.2%	2.6 p.p. ↑	18.7%	16.2%	2.6 p.p. ↑
ROIC ¹⁰ (LTM)	26.4%	27.8%	(1.3 p.p.) ↓	21.9%	4.5 p.p. ↑	26.4%	21.9%	4.5 p.p. ↑
Earnings per share ¹¹ (12 months) (R\$/share) (ex-Treasury)	2.42	2.43	(0.4%) ↓	1.82	33.5% ↑	2.42	2.43	(0.4%) ↓

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. Cash and cash equivalents and securities.

5. 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 and Dividends Paid.

6. 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.

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

8. Capital Employed is composed of the sum of 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. ROIC 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.

11. Earnings per share (ex-Treasury) considers the issued shares (adjusted for stock splits) and does not consider shares held in Treasury at the end of the period.

GUIDANCE

Aiming at generating useful comparative information and providing predictability to the market on our figures, Tenda opted to disclose guidance for 2019 based on scenarios identified with defined variables and assumptions.

- In 2019, the Company estimates that the **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, will range between 34.0% and 36.0%. Adjusted Gross Margin is 35.5% YTD, fluctuating in a quarterly range between 34.9% (3Q19) and 36.1% (2Q19).
- In 2019, the Company estimates that the **Net Pre-Sales**, defined as the product of gross sales for the year (in R\$ million) minus cancellations for the year (in R\$ million), adjusting all amounts to Tenda's equity interest, will range between R\$1,950.0 million and R\$2,150.0 million. To reach the bottom of the guidance range, the Company should record R\$ 526.3 million in net sales in 4Q19, +14.5% YoY. The 25.8% YoY increase in PSV launched in the year so far (+32.0% YoY in Q3) may allow the Company to reach its Net Pre-Sales guidance.

Guidance 2019	Minimum	Maximum	1Q19	2Q19	3Q19	4Q19	2019
Adjusted Gross Margin (%)	34.0%	36.0%	35.8%	36.1%	34.9%	-	35.5%
Net Pre-Sales (R\$ million)	1,950.0	2,150.0	406.9	479.9	536.9	-	1,423.7

LAUNCHES

In 3Q19, Tenda launched 18 projects, totaling R\$ 761.4 million in PSV, up 32.0% YoY and 28.6% QoQ. This quarter marked the Company's inaugural launch in Fortaleza, the ninth Brazilian metropolitan region in which Tenda operates under its current business model. In the LTM, launches reached R\$ 2.27 billion in PSV.

13 of the 41 projects launched in the year so far are located in São Paulo metro area, totaling R\$ 706.4 million in PSV (or 40.6% of the total launched, compared to a share of 31.7% in 2018). Of the 13 developments, 4 are projects with buildings up to 4 floors, 6 are projects that reach 10 floors and 3 are projects that reach 20 floors. Verticalization has allowed Tenda to expand its presence in increasingly better locations in São Paulo. In the third quarter of 2019, Tenda also launched two verticalized projects (buildings with elevators) in Salvador metro area.

Launches ¹	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
Number of projects launched	18	13	38.5% ↑	14	28.6% ↑	41	37	10.8% ↑
PSV (R\$ million)	761.4	592.3	28.6% ↑	576.7	32.0% ↑	1,739.3	1,382.1	25.8% ↑
Number of units launched	5,219	4,072	28.2% ↑	4,160	25.5% ↑	11,922	10,064	18.5% ↑
Average price per unit (R\$ thousand)	145.9	145.4	0.3% ↑	138.6	5.2% ↑	145.9	137.3	6.2% ↑
Average size of projects launched (in units)	290	313	(7.4%) ↓	297	(2.4%) ↓	291	272	6.9% ↑

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

GROSS SALES

Gross sales totaled R\$ 590.2 million in 3Q19, up 8.6% YoY and up 9.9% QoQ. The increase in São Paulo's participation in the gross sales mix allowed the average price per unit sold to rise even in a more restrictive scenario for the Minha Casa, Minha Vida ("MCMV") program in the year. Gross Sales over Supply ("Gross SoS") reached 30.8% in 3Q19, up 1.5 p.p. QoQ and down 4.2 p.p. YoY.

Gross Sales	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
PSV (R\$ million)	590.2	536.9	9.9% ↑	543.5	8.6% ↑	1,570.0	1,542.8	1.8% ↑
Number of units	4,185	4,036	3.7% ↑	3,980	5.2% ↑	11,566	11,196	3.3% ↑
Average price per unit (R\$ thousand)	141.0	133.0	6.0% ↑	136.5	3.3% ↑	135.7	137.8	(1.5%) ↓
Gross SoS	30.8%	32.3%	(1.5 p.p.) ↓	35.0%	(4.2 p.p.) ↓	56.0%	62.7%	(6.7 p.p.) ↓

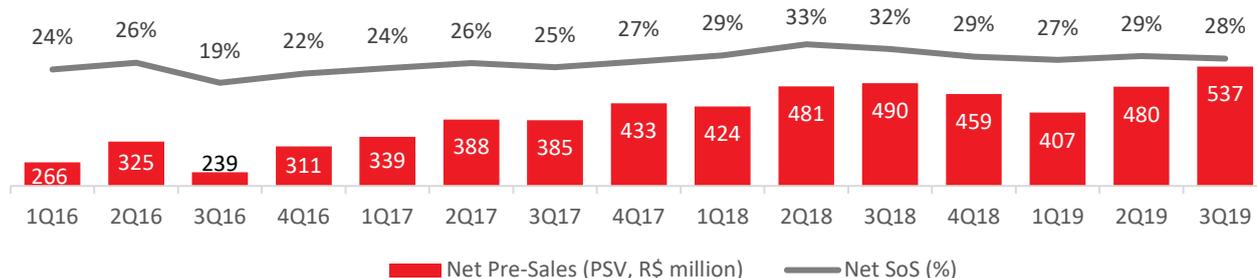
CANCELLATIONS AND NET PRE-SALES

Net pre-sales totaled R\$ 536.9 million in 3Q19, up 11.9% QoQ and 9.6% YoY. Net Sales over Supply ("Net SoS") reached 28.0% in 3Q19, down 0.9 p.p. QoQ and down 3.5 p.p. YoY. Lower SoS reflects the more restrictive environment for customer credit approval at financial institutions and the reduction of the Company's participation in the bracket 1.5 of the MCMV program (25.1% of net sales in 9M19 versus 56.0% of net sales in 9M18). Even with the increase in PSV launched in the 3Q19, Net SoS remains at high levels.

Cancellations as a percentage of gross sales reached 9.0% in 3Q19, 1.6 p.p. down QoQ. The stoppage of mortgage transfers under brackets 1,5 and 2 of the MCMV program throughout the 3Q19 did not impact cancellations this quarter, but may have adverse effects on 4Q19 performance even though the situation has normalized in September.

(PSV, R\$ million)	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
Gross Sales	590.2	536.9	9.9% ↑	543.5	8.6% ↑	1,570.0	1,542.8	1.8% ↑
Cancellations	53.3	57.0	(6.5%) ↓	53.6	(0.6%) ↓	146.3	147.5	(0.8%) ↓
Net Pre-Sales	536.9	479.9	11.9% ↑	489.9	9.6% ↑	1,423.7	1,395.3	2.0% ↑
% Launches ¹	71.9%	28.0%	43.9 p.p. ↑	66.9%	5.0 p.p. ↑	37.8%	39.7%	(1.9 p.p.) ↓
% Inventory	28.1%	72.0%	(43.9 p.p.) ↓	33.1%	(5.0 p.p.) ↓	62.2%	60.3%	1.9 p.p. ↑
Cancellations / Gross Sales	9.0%	10.6%	(1.6 p.p.) ↓	9.9%	(0.9 p.p.) ↓	9.3%	9.6%	(0.3 p.p.) ↓
Net SoS	28.0%	28.9%	(0.9 p.p.) ↓	31.5%	(3.5 p.p.) ↓	50.8%	56.7%	(5.9 p.p.) ↓
(in units)	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
Gross Units Sold	4,185	4,036	3.7% ↑	3,980	5.2% ↑	11,566	11,196	3.3% ↑
Cancelled Units	404	427	(5.4%) ↓	395	2.3% ↑	1,107	1,077	2.8% ↑
Net Units Sold	3,781	3,609	4.8% ↑	3,585	5.5% ↑	10,459	10,119	3.4% ↑
Cancellations / Gross Sales	9.7%	10.6%	(0.9 p.p.) ↓	9.9%	(0.2 p.p.) ↓	9.6%	9.6%	0.0 p.p.

1. Current year launches

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

UNITS TRANSFERRED, DELIVERED, AND CONSTRUCTION SITES

Transferred PSV totaled R\$ 277.3 million in 3Q19, down 40.5% QoQ and 36.9% YoY. Throughout the third quarter, new mortgage transfers under brackets 1,5 and 2 MCMV were curtailed due to a deadlock in the regulation of the Program subsidy budget. The interruption of transfers had an adverse impact on the Company's cash generation in the quarter (cash consumption of R\$40.8 million in 3Q19).

Transfers, Deliveries and Construction Sites	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
PSV Transferred (in R\$ million)	277.3	466.0	(40.5%) ↓	439.5	(36.9%) ↓	1,088.0	1,301.5	(16.4%) ↓
Transferred Units	2,312	3,944	(41.4%) ↓	3,567	(35.2%) ↓	9,180	10,396	(11.7%) ↓
Delivered Units	3,844	3,236	18.8% ↑	2,632	46.0% ↑	8,616	7,756	11.1% ↑
Construction Sites	57	54	5.6% ↑	43	32.6% ↑	57	43	32.6% ↑

INVENTORY AT MARKET VALUE

Tenda ended 3Q19 with R\$1.38 billion in inventory at market value, 16.7% higher QoQ and 29.8 YoY. Finished inventory units ended 3Q19 with a 28.0% YoY decrease, totaling R\$63.3 million (4.5% of the total inventory, 3.6 p.p. less than 3Q18). Inventory turnover is 8.8 months, higher than 2018 (when it ranged between 6.7 and 7.6 months).

Inventory at Market Value	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
PSV (R\$ million)	1,381.1	1,183.4	16.7% ↑	1,064.0	29.8% ↑	1,381.1	1,064.0	29.8% ↑
Number of Units	9,391	7,998	17.4% ↑	7,771.0	20.8% ↑	9,391	7,771.0	20.8% ↑
Average price per unit (R\$ thousand)	147.1	148.0	(0.6%) ↓	136.9	7.4% ↑	147.1	136.9	7.4% ↑

Status of Construction	3Q19	0% to 30% built	30% to 70% built	More than 70% built	Finished units
PSV (R\$ million)	1,381.1	820.3	435.3	63.2	62.3

LANDBANK

In 3Q19, landbank increased 3.9% QoQ and PSV reached R\$ 9.87 billion. In a strong quarter in launches, land acquisitions (and adjustments) grew 68.0% QoQ, ensuring stability for the Company's landbank policy (to keep landbank equivalent to 3 years of launches in each metro area).

Landbank ¹	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
Number of Projects	278	270	3.0% ↑	229	21.4% ↑	278	229	21.4% ↑
PSV (in R\$ million)	9,869.7	9,499.3	3.9% ↑	7,843.3	25.8% ↑	9,869.7	7,843.3	25.8% ↑
Acquisitions / Adjustments (in R\$ million)	1,131.7	673.5	68.0% ↑	1,289	(12.2%) ↓	2,715.4	2,530.4	7.3% ↑
Number of Units	67,527	64,846	4.1% ↑	53,746	25.6% ↑	67,527	53,746	25.6% ↑
Average price per unit (in R\$ thousands)	146.2	146.5	(0.2%) ↓	145.9	0.2% ↑	146.2	145.9	0.2% ↑
% Swap Total	30.2%	26.2%	4.0 p.p. ↑	25.2%	5.0 p.p. ↑	30.2%	25.2%	5.0 p.p. ↑
% Swap Units	9.1%	11.7%	(2.6 p.p.) ↓	12.2%	(3.1 p.p.) ↓	9.1%	12.2%	(3.1 p.p.) ↓
% Swap Financial	21.1%	14.4%	6.7 p.p. ↑	13.0%	8.1 p.p. ↑	21.1%	13.0%	8.1 p.p. ↑

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

CURRENT BUSINESS MODEL UPDATE

Current Business Model Update	2013	2014	2015	2016	2017	2018	2019
Number of Projects	7	14	30	40	45	49	41
Units launched	2,460	4,315	7,711	9,579	11,768	13,636	11,922
Total PSV (R\$ 000)	313.9	613.3	1,088.9	1,315.0	1,695.2	1,912.7	1,739.3
Units Sold	2,451	4,259	7,633	9,303	11,500	12,767	3,810
% Sold	99.6%	98.7%	99.0%	97.1%	97.7%	93.6%	32.0%
Avg SoS (Month)	8.6%	6.5%	8.3%	11.6%	13.1%	18.5%	9.8%
Units transferred	2,451	4,255	7,622	9,282	11,459	11,897	1,731
% Units transferred	99.6%	98.6%	98.8%	96.9%	97.4%	87.2%	14.5%
% Construction	100.0%	100.0%	100.0%	98.6%	99.2%	87.4%	30.0%

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	2019
Operational									
Inventory at Market Value	1,171.5	826.7	478.7	365.1	226.2	154.9	132.1	58.2	44.1
Gross Sales	249.0	1,091.9	874.4	508.0	228.3	143.1	58.7	75.3	28.4
Cancellations	467.8	1,166.2	583.0	414.1	120.8	90.0	43.9	17.4	10.2
Net Sales	(218.8)	(74.3)	291.4	93.9	107.5	53.1	14.8	57.9	18.2
Cancellations / Gross Sales	187.9%	106.8%	66.7%	81.5%	52.9%	62.9%	74.7%	23.1%	36.0%
Sales over Supply (SoS)	(23.0%)	(9.9%)	37.8%	20.5%	32.2%	25.5%	10.1%	49.9%	29.2%
Gross SoS	702.9	1,182.6	900.3	459.9	214.6	145.2	108.7	55.9	19.6
Delivered Units	14	16,889	7,027	6,076	1,848	0	0	0	0
Construction Sites	138	63	26	5	1	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	124.8	120.9
Accounts Receivable ¹	1,465.9	1,233.5	623.3	317.8	232.0	117.0	47.6	31.6	51.4
AR Clients	1,465.9	1,233.5	623.3	306.4	223.7	97.7	19.9	12.4	29.5
AR Landbank Sold	ND ²	ND ²	ND ²	11.4	8.3	19.2	27.6	19.2	22.0
Inventory ²	1,051.0	856.2	529.1	437.2	315.2	207.5	163.9	93.2	69.4
Inventory	1,023.8	730.8	421.3	332.7	213.7	132.3	99.1	55.7	36.6
Landbank for Sale	27.2	125.4	107.8	104.5	101.5	75.2	64.8	37.5	32.8
Other Operating Revenues and Expenses	(60.3)	(47.8)	(24.8)	(62.2)	(52.6)	(36.7)	(98.5)	(81.5)	(39.1)
Litigation Expenses	(15.2)	(17.5)	(18.1)	(51.2)	(27.3)	(21.2)	(51.8)	(53.9)	(20.2)
Other	(45.2)	(30.3)	(6.7)	(11.0)	(25.3)	(15.5)	(46.7)	(27.6)	(18.9)
Net Revenue	439.3	1,069.1	722.5	273.8	168.3	(52.2)	7.2	76.5	37.2
Gross Profit	(281.9)	130.4	27.0	(3.1)	(29.2)	(87.0)	(70.5)	(32.5)	7.3
Gross Margin	(64.2%)	12.2%	3.7%	(1.1%)	(17.4%)	NA ²	(979.8%)	(42.6%)	19.5%

1. Managerial information

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

NET OPERATING REVENUE

Net operating revenue totaled R\$508.5 million in 3Q19, up 10.2% YoY and up 4.0% QoQ. In addition to sales performance, changes in internal collection processes, such as adjustments to incentives and the implementation of more robust systems, allowed the reversal of estimated losses on doubtful accounts also in this quarter.

(R\$ million)	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
Gross Operating Revenues	515.8	494.3	4.4% ↑	478.6	7.8% ↑	1,438.8	1,278.2	12.6% ↑
Reversal (constitution) of estimated losses on doubtful accounts	2.0	6.4	(69.5%) ↓	(7.0)	127.9% ↑	8.2	(20.4)	140.3% ↑
Provision for cancellations	0.6	(3.0)	120.4% ↑	3.2	(81.2%) ↓	(12.1)	1.7	(800.0%) ↓
Taxes on sales of properties and services	(9.8)	(8.7)	13.7% ↑	(13.4)	(26.4%) ↓	(28.0)	(32.9)	(14.7%) ↓
Net Operating Revenue	508.5	489.1	4.0% ↑	461.5	10.2% ↑	1,407.0	1,226.6	14.7% ↑

GROSS PROFIT

Gross profit totaled R\$168.0 million in 3Q19, up 8.4% YoY, resulting in a gross margin of 33.0%, 0.5 p.p. lower YoY. Adjusted by capitalized interest rates, gross profit totaled R\$177.3 million in 3Q19, resulting in an adjusted gross margin of 34.9%. Adjusted Gross Margin is 35.5% YTD, within the guidance for the year (between 34.0% and 36.0%).

(R\$ million)	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
Net Revenue	508.5	489.1	4.0% ↑	461.5	10.2% ↑	1,407.0	1,226.6	14.7% ↑
Gross Profit	168.0	166.4	1.0% ↑	155.0	8.4% ↑	475.0	422.5	12.4% ↑
Gross Margin	33.0%	34.0%	(1.0 p.p.) ↓	33.6%	(0.5 p.p.) ↓	33.8%	34.4%	(0.7 p.p.) ↓
(-) Financial Costs	9.2	9.9	(6.9%) ↓	6.3	46.8% ↑	25.0	17.8	40.7% ↑
Adjusted Gross Profit¹	177.3	176.4	0.5% ↑	161.3	9.9% ↑	500.0	440.3	13.6% ↑
Adjusted Gross Margin	34.9%	36.1%	(1.2 p.p.) ↓	35.0%	(0.1 p.p.) ↓	35.5%	35.9%	(0.4 p.p.) ↓

1. Adjusted by capitalized interest rates.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (SG&A)

In 3Q19, selling expenses totaled R\$46.8 million, up 19.2% YoY. Selling expenses represented 7.9% of gross sales, up 0.7 p.p. YoY, due to the effort to increase sales volume given the more restrictive credit scenario and the reduction of the 1.5% bracket in Tenda's sales mix (25.1% of net pre-sales in 9M19 versus 56.0% of net pre-sales in 9M18). One example was a new Strong marketing campaign promoted in September ("Feiraço Futuro em Dobro"), atypical in previous years. General and administrative expenses ("G&A") accounted for 6.1% of net operating revenues in 3Q19, a decrease of 0.1 p.p. QoQ and flat YoY.

(R\$ million)	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
Selling Expenses	(46.8)	(37.5)	24.7% ↑	(39.2)	19.2% ↑	(117.1)	(106.7)	9.7% ↑
General & Admin Expenses	(31.2)	(30.6)	1.9% ↑	(28.3)	10.0% ↑	(90.8)	(88.8)	2.2% ↑
Total SG&A Expenses	(78.0)	(68.1)	14.5% ↑	(67.6)	15.3% ↑	(207.9)	(195.5)	6.3% ↑
Gross Sales	590.2	536.9	9.9% ↑	543.5	8.6% ↑	1,570.0	1,542.8	1.8% ↑
Launches	761.4	592.3	28.6% ↑	576.7	32.0% ↑	1,739.3	1,382.1	25.8% ↑
Net Operating Revenue	508.5	489.1	4.0% ↑	461.5	10.2% ↑	1,407.0	1,226.6	14.7% ↑
Selling Expenses / Gross Sales	7.9%	7.0%	0.9 p.p. ↑	7.2%	0.7 p.p. ↑	7.5%	6.9%	0.5 p.p. ↑
G&A Expenses / Launches	4.1%	5.2%	(1.1 p.p.) ↓	4.9%	(0.8 p.p.) ↓	5.2%	6.4%	(1.2 p.p.) ↓
G&A Expenses / Net Operating Revenue	6.1%	6.3%	(0.1 p.p.) ↓	6.1%	(0.0 p.p.) ↓	6.5%	7.2%	(0.8 p.p.) ↓

OTHER OPERATIONAL REVENUES (EXPENSES)

Other operating revenues and expenses totaled R\$ 13.1 million in expenses in 3Q19, down 4.4% YoY and 3.2% QoQ.

(R\$ million)	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
Other Operating Revenues and Expenses	(13.1)	(13.5)	(3.2%) ↓	(13.7)	(4.4%) ↓	(42.5)	(49.3)	(13.8%) ↓
Litigation Expenses	(5.9)	(5.2)	14.6% ↑	(7.9)	(25.6%) ↓	(23.4)	(32.5)	(28.0%) ↓
Others	(7.2)	(8.4)	(14.2%) ↓	(5.7)	24.8% ↑	(19.1)	(16.8)	13.5% ↑
Equity Income	(0.3)	(0.2)	50.2% ↑	0.3	221.6% ↑	(1.8)	0.8	321.6% ↑

ADJUSTED EBITDA

In 3Q19, the Company's adjusted EBITDA totaled R\$88.4 million, na increase of 6.8% YoY.

(R\$ million)	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	3Q19
Net Income	64.6	73.0	(11.4%) ↓	64.4	0.3% ↑	187.4	152.3	23.0% ↑
(+) Financial result	(2.1)	(2.4)	10.1% ↑	(1.0)	(109.8%) ↓	(4.8)	(7.6)	37.3% ↑
(+) Income taxes and social contribution	8.9	9.2	(3.5%) ↓	6.6	34.5% ↑	24.7	19.6	26.3% ↑
(+) Depreciation and amortization	5.2	4.9	6.3% ↑	3.2	63.2% ↑	14.7	13.0	13.3% ↑
(+) Capitalized interests	9.2	9.9	(6.9%) ↓	6.3	46.8% ↑	25.0	17.8	40.7% ↑
(+) Expenses with Stock Option Plan	2.5	0.7	238.8% ↑	2.4	2.9% ↑	5.7	13.1	(56.0%) ↓
(+) Minority Shareholders	0.1	(0.1)	235.8% ↑	0.8	(88.9%) ↓	0.8	1.3	(37.9%) ↓
Adjusted EBITDA¹	88.4	95.3	(7.2%) ↓	82.7	6.8% ↑	253.5	209.3	21.1% ↑
Net Revenue	508.5	489.1	4.0% ↑	461.5	10.2% ↑	1,407.0	1,226.6	14.7% ↑
Adjusted EBITDA Margin¹	17.4%	19.5%	(2.1 p.p.) ↓	17.9%	(0.5 p.p.) ↓	18.0%	17.1%	1.0 p.p. ↑

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

FINANCIAL RESULTS

In 3Q19, Tenda posted a financial result of R\$2.1 million.

(R\$ million)	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
Financial Income	17.2	15.2	12.9% ↑	9.6	78.8% ↑	44.5	30.2	47.6% ↑
Financial Expenses	(15.1)	(12.9)	17.1% ↑	(8.6)	75.2% ↑	(39.7)	(22.5)	76.4% ↑
Financial Results	2.1	2.4	(10.1%) ↓	1.0	109.8% ↑	4.8	7.6	(37.3%) ↓

NET INCOME

In 3Q19, Tenda posted net income of R\$64.6 million, an increase of 0.3% YoY due to the combination of 8.4% YoY growth in gross profit and the 4.4% YoY decrease in operating expenses. Net income fell 11.4% QoQ.

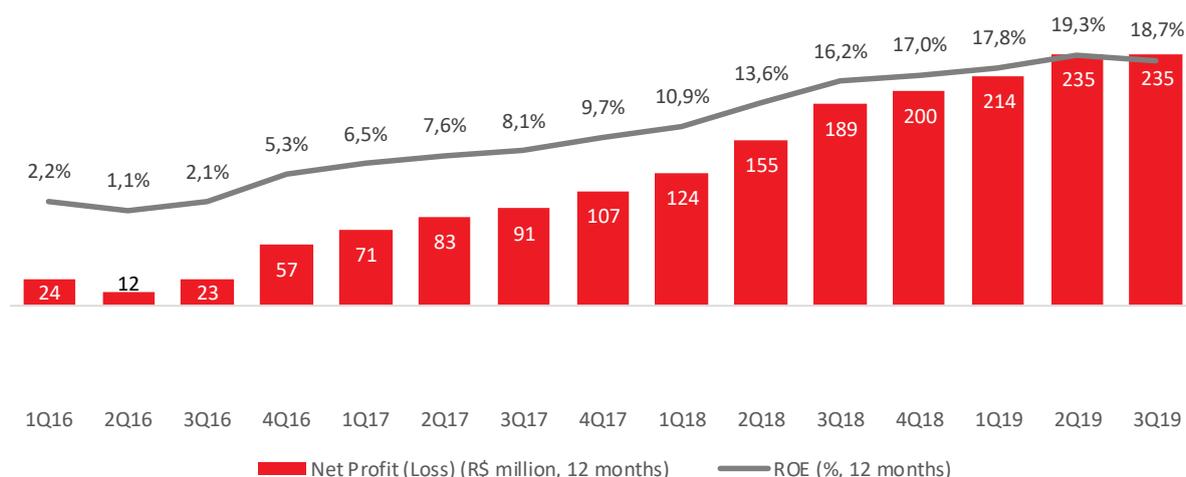
Earnings per share ex-Treasury in the last twelve months totaled R\$2.42, up 33.5% YoY and down 0.4% QoQ.

(R\$ million)	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
Net Income after Income Tax and Social Contribution	64.7	72.9	(11.2%) ↓	65.3	(0.8%) ↓	188.2	153.6	22.5% ↑
(-) Minority shareholders	(0.1)	0.1	(235.8%) ↓	(0.8)	88.9% ↑	(0.8)	(1.3)	37.9% ↑
Net Income	64.6	73.0	(11.4%) ↓	64.4	0.3% ↑	187.4	152.3	23.0% ↑
Net Margin	12.7%	14.9%	(2.2 p.p.) ↓	14.0%	(1.3 p.p.) ↓	13.3%	12.4%	0.9 p.p. ↑
Earnings per share (R\$/share) ¹	2.26	2.25	0.1% ↑	1.74	29.6% ↑	2.26	2.25	0.1% ↑
Earnings per share (R\$/share) (ex-Treasury) ²	2.42	2.43	(0.4%) ↓	1.82	33.5% ↑	2.42	2.43	(0.4%) ↓

1. Earnings per share considers all issued shares (adjusted for stock splits)

2. Earnings per share (ex-Treasury) considers the issued shares (adjusted for stock splits) and does not consider shares held in Treasury at the end of the period.

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



BACKLOG RESULTS

Backlog margin at 38.7%, up 0.8 p.p. QoQ, but down 5.3 p.p. YoY. The reduction in the backlog margin compared to the previous year reflects the lower price scenario due to the more restrictive MCMV scenario this year and the increase in construction costs due to the resumption of the construction sector this year. The improvement over the previous quarter is mainly due to the significant increase in São Paulo's participation in the sales mix in 2019.

(R\$ million)	September 19	June 19	QoQ (%)	September 18	YoY (%)
Backlog Revenues	582.7	528.6	10.2% ↑	524.0	11.2% ↑
Backlog Costs (of Units Sold)	(357.2)	(328.4)	8.8% ↑	(293.7)	21.6% ↑
Backlog Results	225.5	200.2	12.6% ↑	230.3	(2.1%) ↓
Backlog Margin	38.7%	37.9%	0.8 p.p. ↑	43.9%	(5.3 p.p.) ↓

CASH AND CASH EQUIVALENTS, AND FINANCIAL INVESTMENTS

(R\$ million)	September 19	June 19	QoQ (%)	September 18	YoY (%)
Cash & Cash Equivalents	58.9	69.5	(15.3%) ↓	35.6	65.2% ↑
Short-term Investments	917.4	976.4	(6.0%) ↓	811.8	13.0% ↑
Total Cash Position	976.3	1,045.9	(6.7%) ↓	847.5	15.2% ↑

ACCOUNTS RECEIVABLE FROM DEVELOPMENTS AND SERVICES RENDERED

The Company totaled R\$624.8 million in accounts receivable, up 18.0% QoQ and 32.6% YoY. The strategic repositioning of the Company's collection activities reduced the provision for doubtful accounts in 2019. The balance of accounts receivable is equivalent to 123 days of net operating revenue, an indicator that has remained stable in recent quarters.

(R\$ million)	September 19	June 19	QoQ (%)	September 18	YoY (%)
Until 2019 ¹	182.2	310.1	(41.3%) ↓	522.5	(65.1%) ↓
2020	466.0	298.7	56.0% ↑	49.5	841.1% ↑
2021	76.7	36.6	109.5% ↑	24.7	210.1% ↑
2022	27.0	23.1	16.8% ↑	15.7	71.5% ↑
2023	15.5	12.0	29.1% ↑	10.0	54.7% ↑
2024 and beyond	13.5	9.3	45.4% ↑	0.0	0.0% ↑
Total Accounts Receivable	780.8	689.8	13.2% ↑	622.5	25.4% ↑
(-) Present value adjustment	(6.5)	(8.3)	21.7% ↑	(11.9)	45.4% ↑
(-) Provision for doubtful accounts	(122.2)	(124.2)	1.6% ↑	(119.4)	(2.3%) ↓
(-) Provision for cancellations	(27.2)	(27.8)	2.2% ↑	(20.0)	(36.3%) ↓
Accounts Receivable	624.8	529.5	18.0% ↑	471.2	32.6% ↑
Days of Accounts Receivable	123	107	15.0% ↓	109	12.8% ↑

1. Overdue and falling due.

Amounts of not transferred receivables net of provisions paid in installments directly to the Company ("Tenda Receivables") increased 26.1% YoY, as a consequence of increased credit restrictions in 2019. In the QoQ comparison, Tenda receivables increased 3.7%, positively influenced by a reduction in receivables before delivery (Pro-Soluto).

Accounts Receivable Tenda ¹ (R\$ million)	September 19	June 19	QoQ (%)	September 18	YoY (%)
Before delivery to buyer (Pro-Soluto)	40.6	47.9	(15.4%) ↓	39.4	3.0% ↑
After delivery to buyer (TCD)	218.4	201.8	8.2% ↑	166.0	31.5% ↑
Tenda Receivables	259.0	249.7	3.7% ↑	205.4	26.1% ↑
Total accounts receivable	624.8	529.5	18.0% ↑	471.2	32.6% ↑
Backlog Revenues	582.7	528.6	10.2% ↑	524.0	11.2% ↑
Tenda Receivables / (Total accounts receivable + Backlog Revenues)	21.4%	23.6%	(2.2 p.p.) ↓	20.6%	0.8 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 ended 3Q19 with a gross debt of R\$744.8 million, duration of 28.4 months and weighted average cost of debt of 7.0% per year. 80.8% of the Company's gross debt is indexed at CDI; therefore, the outlook for declining local interest rates (Selic) should also support the reduction of the weighted average cost in the coming quarters.

The Company's gross debt is lower than the cash position, cash equivalents and financial investments, which totaled R\$976.3 million at the end of 3Q19.

Debt Maturity Schedule (R\$ million)	3Q19	Project Finance (SFH)	Corporate Debt
2019	4.8	4.2	0.6
2020	12.1	12.1	0.0
2021	408.4	57.3	351.1
2022	107.1	57.1	50.0
2023	137.4	12.4	125.0
2024 onwards	75.0	0.0	75.0
Total Debt	744.8	143.1	601.7
Duration (in months)	28.4		

Debt Breakdown (R\$ million)	Maturity	Charges (APY)	Balance Due September 19	Balance Due June 19
Total			744.8	756.3
CRI	until 01/2021	CDI + 0.90%	301.1	295.0
Debenture	until 09/2023	CDI + 1.75%	150.8	153.6
Debenture	until 03/2024	CDI + 1.40%	149.8	152.2
SFH	until 12/2023	TR + 8.3% to 9.5%	143.1	155.6

Weighted Average Cost of Debt (R\$ million)	Balance Due September 19	Balance Due / Total Debt	Average Cost (APY)
CDI	601.7	80.8%	CDI + 1.24%
TR	143.1	19.2%	TR + 8.3%
Total	744.8	100%	7.0%

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 a negative net debt to shareholders' equity ratio of 17.7%, thus being one of the most deleveraged companies in its sector.

(R\$ million)	September 19	June 19	QoQ (%)	September 18	YoY (%)
Gross Debt	744.8	756.3	(1.5%) ↓	541.2	37.6% ↑
(-) Cash and cash equivalents and financial investments	(976.3)	(1,045.9)	(6.7%) ↓	(847.5)	15.2% ↑
Net Debt	(231.5)	(289.6)	20.1% ↑	(306.2)	24.4% ↑
Shareholders' Equity + Minority Shareholders	1,304.4	1,252.4	4.2% ↑	1,218.1	7.1% ↑
Net Debt/ (Shareholders' Equity + Minority Shareholders)	(17.7%)	(23.1%)	5.4 p.p. ↑	(25.1%)	7.4 p.p. ↑
Adjusted EBITDA (Last 12 months)	332.0	327.0	1.5% ↑	270.1	22.9% ↑

CASH GENERATION AND CAPITAL DISTRIBUTION

In 3Q19, Tenda distributed R\$17.3 million to shareholders in dividends. 3Q19 capital distribution decreased 51.9% QoQ and 56.6% YoY. In the last 12 months, Tenda distributed R\$158.9 million to shareholders, equivalent to a payout of 68%.

(R\$ million)	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)
Stock buyback	0.0	10.9	(100.0%) ↓	39.9	(100.0%) ↓
Dividends paid	17.3	25.1	(31.0%) ↓	0.0	N/A
Capital Distribution	17.3	36.0	(51.9%) ↓	39.9	(56.6%) ↓
(R\$ million, last 12 months)	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)
Stock buyback	91.5	131.5	(30.4%) ↓	73.2	25.0% ↑
Dividends paid	67.4	50.1	34.6% ↑	0.0	N/A
Capital Distribution	158.9	181.6	(12.5%) ↓	73.2	117.0% ↑

In 3Q19, cash consumption of R\$40.8 million, mostly due to the stoppage of mortgage transfers until mid-September.

(R\$ million)	September 19	June 19	QoQ (%)	September 18	YoY (%)
Change in Available Cash	(69.6)	191.4	(136.4%) ↓	(3.6)	(1,858.8%) ↓
(-) Change in Gross Debt	(11.5)	201.3	(105.7%) ↓	6.0	(292.5%) ↓
(-) Capital Distribution	17.3	36.0	(51.9%) ↓	39.9	(56.7%) ↓
Cash Generation¹	(40.8)	26.2	(255.7%) ↓	30.4	(234.1%) ↓
Operational Cash Generation ²	(34.5)	32.6	(205.9%) ↓	67.4	(151.2%) ↓

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 and Dividends Paid

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.

INCOME STATEMENT

(R\$ million)	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
Net Revenue	508.5	489.1	4.0% ↑	461.5	10.2% ↑	1,407.0	1,226.6	14.7% ↑
Operating Costs	(340.5)	(322.7)	5.5% ↑	(306.5)	11.1% ↑	(932.0)	(804.1)	15.9% ↑
Gross Profit	168.0	166.4	1.0% ↑	155.0	8.4% ↑	475.0	422.5	12.4% ↑
Gross Margin	33.0%	34.0%	(1.0 p.p.) ↓	33.6%	(0.5 p.p.) ↓	33.8%	34.4%	(0.7 p.p.) ↓
Operating Expenses	(96.5)	(86.7)	11.4% ↑	(84.1)	14.7% ↑	(266.9)	(257.0)	3.9% ↑
Selling Expenses	(46.8)	(37.5)	24.7% ↑	(39.2)	19.2% ↑	(117.1)	(106.7)	9.7% ↑
General and Administrative Expenses	(31.2)	(30.6)	1.9% ↑	(28.3)	10.0% ↑	(90.8)	(88.8)	2.2% ↑
Other Operating Revenue/Expenses	(13.1)	(13.5)	(3.2%) ↓	(13.7)	(4.4%) ↓	(42.5)	(49.3)	(13.8%) ↓
Depreciation and Amortization	(5.2)	(4.9)	6.3% ↑	(3.2)	63.2% ↑	(14.7)	(13.0)	13.3% ↑
Equity Income	(0.3)	(0.2)	(50.2%) ↓	0.3	(221.6%) ↓	(1.8)	0.8	(321.6%) ↓
Operational Result	71.5	79.8	(10.3%) ↓	70.9	0.9% ↑	208.1	165.5	25.7% ↑
Financial Income	17.2	15.2	12.9% ↑	9.6	78.8% ↑	44.5	30.2	47.6% ↑
Financial Expenses	(15.1)	(12.9)	17.1% ↑	(8.6)	75.2% ↑	(39.7)	(22.5)	76.4% ↑
Net Income Before Taxes on Income	73.7	82.1	(10.3%) ↓	71.9	2.5% ↑	212.9	173.2	22.9% ↑
Deferred Income Taxes	(1.6)	(1.7)	8.2% ↑	0.4	(500.3%) ↓	(3.3)	(1.1)	(208.9%) ↓
Current Income Taxes	(7.4)	(7.5)	(2.4%) ↓	(7.0)	4.9% ↑	(21.4)	(18.5)	15.9% ↑
Net Income After Taxes on Income	64.7	72.9	(11.2%) ↓	65.3	(0.8%) ↓	188.2	153.6	22.5% ↑
(-) Minority Shareholders	(0.1)	0.1	(235.8%) ↓	(0.8)	88.9% ↑	(0.8)	(1.3)	37.9% ↑
Net Income	64.6	73.0	(11.4%) ↓	64.4	0.3% ↑	187.4	152.3	23.0% ↑

BALANCE SHEET

(R\$ million)	September 19	June 19	QoQ (%)	September 18	YoY (%)
Current Assets	2,123.0	2,158.3	(1.6%) ↓	1,757.2	20.8% ↑
Cash and cash equivalents	58.9	69.5	(15.3%) ↓	35.6	65.2% ↑
Short term investments	917.4	976.4	(6.0%) ↓	811.8	13.0% ↑
Receivables from clients	449.7	380.1	18.3% ↑	322.9	39.3% ↑
Properties for sale	648.9	685.9	(5.4%) ↓	540.3	20.1% ↑
Other accounts receivable	48.1	46.4	3.5% ↑	46.6	3.1% ↑
Non-Current Assets	905.5	711.5	27.3% ↑	661.1	37.0% ↑
Receivables from clients	175.1	149.4	17.2% ↑	148.3	18.1% ↑
Properties for sale	660.6	496.3	33.1% ↑	453.7	45.6% ↑
Other	69.8	65.8	6.1% ↑	59.1	18.1% ↑
Intangible, Property and Equipment	98.9	97.8	1.1% ↑	64.0	54.5% ↑
Investments	37.6	37.9	(0.9%) ↓	43.1	(12.7%) ↓
Total Assets	3,164.9	3,005.6	5.3% ↑	2,525.4	25.3% ↑
Current Liabilities	554.7	539.6	2.8% ↑	420.8	31.8% ↑
Loans and financing	10.5	7.8	33.9% ↑	5.8	81.0% ↑
Debentures	1.2	18.4	(93.7%) ↓	0.0	0.0% ↑
Obligations for purchase of land and advances from customers	321.5	310.9	3.4% ↑	221.1	45.4% ↑
Material and service suppliers	59.9	48.3	24.1% ↑	40.3	48.8% ↑
Taxes and contributions	28.7	27.4	4.8% ↑	32.0	(10.4%) ↓
Other	132.9	126.8	4.8% ↑	121.5	9.4% ↑
Non-current liabilities	1,305.9	1,213.6	7.6% ↑	886.5	47.3% ↑
Loans and financing	132.6	147.8	(10.3%) ↓	107.0	24.0% ↑
Debentures	600.6	582.3	3.1% ↑	428.5	40.2% ↑
Obligations (land purchases) and advances from customers	486.3	390.8	24.4% ↑	288.6	68.5% ↑
Deferred taxes	11.3	9.7	16.3% ↑	6.9	64.2% ↑
Provision for contingencies	27.0	29.8	(9.4%) ↓	25.2	7.2% ↑
Other creditors	0.0	0.0	0.0% ↑	0.0	0.0% ↑
Other	48.1	53.2	(9.6%) ↓	30.4	58.0% ↑
Shareholders' Equity	1,304.4	1,252.4	4.2% ↑	1,218.1	7.1% ↑
Shareholders' Equity	1,303.3	1,251.4	4.1% ↑	1,211.7	7.6% ↑
Minority Shareholders	1.0	0.9	9.6% ↑	6.4	(83.7%) ↓
Total Liabilities and Shareholders' Equity	3,164.9	3,005.6	5.3% ↑	2,525.4	25.3% ↑

CASH FLOW STATEMENT

(R\$ million)	3Q19	2Q19	QoQ (%)	3Q18	YoY (%)	9M19	9M18	YoY (%)
Cash from (used in) operating activities	(22.4)	42.4	(152.8%) ↓	81.9	(127.3%) ↓	68.9	212.3	(67.6%) ↓
Net Income (loss) before taxes	73.7	82.1	(10.3%) ↓	71.9	2.5% ↑	212.9	173.2	22.9% ↑
Depreciation and amortization	8.1	7.5	7.8% ↑	5.2	56.3% ↑	22.7	18.6	22.1% ↑
Provision (reversal) for doubtful accounts and cancellations	3.1	(6.2)	150.2% ↑	5.8	(46.3%) ↓	2.6	20.9	(87.5%) ↓
Present value adjustment	(1.8)	0.0	N/D	0.9	(304.5%) ↓	(3.5)	1.0	(440.3%) ↓
Impairment	(0.3)	(0.3)	13.2% ↑	(2.4)	87.6% ↑	(2.9)	(6.6)	55.6% ↑
Equity income	0.3	0.2	50.2% ↑	(0.3)	221.6% ↑	1.8	(0.8)	321.6% ↑
Provision for contingencies	(5.9)	(8.1)	27.0% ↑	(10.8)	44.9% ↑	(8.4)	(12.6)	33.2% ↑
Unrealized interest and charges, net	5.9	4.2	40.5% ↑	0.8	613.7% ↑	12.2	1.9	538.6% ↑
Warranty provision	0.7	1.1	(32.3%) ↓	(1.7)	142.2% ↑	2.1	2.7	(23.3%) ↓
Profit sharing provision	4.2	5.7	(26.6%) ↓	4.8	(13.2%) ↓	13.2	15.4	(14.4%) ↓
Stock option plan expenses	2.5	0.7	238.8% ↑	2.4	2.9% ↑	5.7	13.1	(56.0%) ↓
Other provisions	(0.4)	(0.1)	(494.1%) ↓	(1.3)	69.7% ↑	(1.1)	(0.1)	(1,366.7%) ↓
Deferred income tax and social contribution	1.3	(0.3)	476.1% ↑	2.7	(52.6%) ↓	1.0	4.3	(76.3%) ↓
Clients	(91.0)	(17.7)	(413.6%) ↓	(46.6)	(95.1%) ↓	(149.5)	(94.1)	(58.9%) ↓
Properties for sale	(153.7)	(24.5)	(526.3%) ↓	(27.6)	(456.8%) ↓	(242.9)	(14.2)	(1,607.1%) ↓
Other accounts receivable	(3.8)	(16.8)	77.6% ↑	(7.6)	50.3% ↑	(21.6)	(4.0)	(445.3%) ↓
Suppliers	11.6	1.9	499.1% ↑	10.6	9.9% ↑	38.5	17.5	119.6% ↑
Taxes and contributions	0.4	0.4	(2.3%) ↓	1.3	(70.9%) ↓	0.8	13.1	(94.2%) ↓
Salaries, payroll charges and bonus provision	6.4	(11.8)	153.9% ↑	3.6	79.6% ↑	(3.6)	(7.5)	52.1% ↑
Obligations for purchase of real properties	127.1	30.6	315.0% ↑	69.0	84.1% ↑	212.6	88.6	140.0% ↑
Other accounts payable	(3.0)	1.5	(303.3%) ↓	6.0	(149.4%) ↓	(3.0)	8.3	(136.2%) ↓
Current account operations	(0.2)	0.0	N/D	1.3	(114.6%) ↓	0.9	3.1	(70.1%) ↓
Taxes paid	(7.7)	(7.6)	(0.4%) ↓	(6.1)	(25.7%) ↓	(21.6)	(29.6)	26.9% ↑
Cash from (used in) investment activities	58.4	(191.6)	130.5% ↑	(188.8)	131.0% ↑	(98.3)	(354.1)	72.2% ↑
Purchase of property and equipment	(12.1)	(11.4)	(6.1%) ↓	(7.8)	(55.7%) ↓	(32.9)	(19.1)	(71.9%) ↓
Investments in marketable securities, net	70.5	(180.2)	139.2% ↑	(181.0)	139.0% ↑	(65.4)	(335.0)	80.5% ↑
Cash from (used in) financing activities	(46.7)	151.2	(130.9%) ↓	109.2	(142.7%) ↓	54.0	138.1	(60.9%) ↓
Stock Buyback	(0.0)	(10.9)	100.0% ↑	(39.9)	100.0% ↑	(62.5)	(113.2)	44.8% ↑
Capital Reserve Increase	2.1	0.4	366.5% ↑	0.0	7,364.3% ↑	4.2	1.1	272.7% ↑
Dividends Paid	(17.3)	(25.1)	31.0% ↑	0.0	0.0% ↑	(42.4)	0.0	0.0% ↑
Loans and financing increase	132.4	290.8	(54.5%) ↓	265.8	(50.2%) ↓	491.4	582.5	(15.6%) ↓
Amortization of loans and financing	(161.1)	(102.7)	(56.9%) ↓	(116.5)	(38.3%) ↓	(331.4)	(331.9)	0.1% ↑
Loans and financing increase	(0.9)	(0.9)	(5.4%) ↓	0.0	0.0% ↑	(2.9)	0.0	0.0% ↑
Loan operations	(1.8)	(0.4)	(322.9%) ↓	(0.2)	(971.0%) ↓	(2.4)	(0.5)	(404.8%) ↓
Net increase (decrease) in cash and cash equivalents	(10.6)	2.1	(616.8%) ↓	2.4	(548.8%) ↓	24.6	(3.7)	760.1% ↑
At the beginning of the period	69.5	67.5	3.0% ↑	33.3	108.8% ↑	34.3	39.4	(12.9%) ↓
At the end of the period	58.9	69.5	(15.3%) ↓	35.6	65.2% ↑	58.9	35.6	65.2% ↑

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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.