

**Construtora Tenda S.A.**

**Report on the Review of  
Quarterly Information - ITR  
March 31, 2017**

(A free translation of the original report in Portuguese as published in Brazil, containing Quarterly Information (ITR) prepared in accordance with accounting practices adopted in Brazil and IFRS)

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**COMPANY DATA / CAPITAL COMPOSITION**

<b>Number of Shares</b>	<b>CURRENT QUARTER</b>
<b>(in thousands)</b>	<b>03/31/2017</b>
<b>Paid-in Capital</b>	
<b>Common</b>	54,000
<b>Preferred</b>	-
<b>Total</b>	54,000
<b>Treasury shares</b>	
<b>Common</b>	-
<b>Preferred</b>	-
<b>Total</b>	-

**INDIVIDUAL FINANCIAL STATEMENTS - BALANCE SHEET - ASSETS (in thousands of Brazilian Reais)**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>ACTUAL QUARTER 03/31/2017</b>	<b>PRIOR YEAR 12/31/2016</b>
1	Total Assets	2,329,506	2,257,878
1.01	Current Assets	658,982	637,341
1.01.01	Cash and cash equivalents	15,557	12,124
1.01.02	Short-term investments	107,836	101,217
1.01.02.01	Fair value of short-term investments	107,836	101,217
1.01.03	Accounts receivable	51,162	51,674
1.01.03.01	Trade accounts receivable	51,162	51,674
1.01.04	Inventories	146,735	177,838
1.01.04.01	Properties for sale	146,735	177,838
1.01.08	Other current assets	337,692	294,488
1.01.08.03	Others	337,692	294,488
1.01.08.03.01	Land available for sale	36,735	43,487
1.01.08.03.02	Receivables from related parties	264,684	216,393
1.01.08.03.03	Judicial deposits	1,711	2,426
1.01.08.03.04	Other assets	34,562	32,182
1.02	Non-current assets	1,670,524	1,620,537
1.02.01	Non-current assets	179,855	162,884
1.02.01.03	Accounts receivable	45,996	37,940
1.02.01.03.01	Receivables from clients of developments	45,996	37,940
1.02.01.04	Inventories	67,270	55,094
1.02.01.04.01	Properties for sale	67,270	55,094
1.02.01.08	Receivables from related parties	42,581	47,044
1.02.01.09	Others non-current	24,008	22,806
1.02.01.09.03	Judicial deposits	24,008	22,806
1.02.02	Investments	1,440,146	1,409,681
1.02.02.01	Interest in associates and affiliates	1,440,146	1,409,681
1.02.02.01.02	Interest in subsidiaries	1,440,146	1,409,681
1.02.03	Property and equipment	31,497	30,107
1.02.03.01	Operation property and equipment	31,497	30,107
1.02.04	Intangible assets	19,026	17,865
1.02.04.01	Intangible assets	19,026	17,865

**INDIVIDUAL FINANCIAL STATEMENTS - BALANCE SHEET - LIABILITIES AND EQUITY (in thousands of Brazilian Reais)**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>ACTUAL QUARTER 03/31/2017</b>	<b>PRIOR YEAR 12/31/2016</b>
2	Total Liabilities	2,329,506	2,257,878
2.01	Current liabilities	1,084,795	986,466
2.01.01	Social and labor obligations	4,126	4,994
2.01.01.02	Labor obligations	4,126	4,994
2.01.01.02.01	Salaries, payroll charges and profit sharing	4,126	4,994
2.01.02	Suppliers	5,664	7,827
2.01.02.01	Local suppliers	5,664	7,827
2.01.03	Tax obligations	12,786	13,066
2.01.04	Loans and financing	55,083	28,690
2.01.04.01	Loans and financing	55,083	28,690
2.01.04.01.1	In local currency	55,083	28,690
2.01.05	Other obligations	979,594	906,624
2.01.05.01	Payables to related parties	963,501	877,802
2.01.05.01.02	Related parties	963,501	877,802
2.01.05.02	Others	16,093	28,822
2.01.05.02.04	Obligations for purchase of properties and advances from customers	9,007	9,256
2.01.05.02.05	Other payables	7,086	19,566
2.01.06	Provisions	27,542	25,265
2.01.06.02	Other Provisions	27,542	25,265
2.01.06.02.04	Provisions and cancelled contracts payable	5,084	2,441
2.01.06.02.05	Provision for net capital deficiency of equity accounted investees	22,458	22,824
2.02	Non current liabilities	176,156	222,286
2.02.01	Loans and financing	5,811	16,216
2.02.01.01	Loans and financing	5,811	16,216
2.02.01.01.01	In local currency	5,811	16,216
2.02.02	Other liabilities	141,256	177,405
2.02.02.01	Payables to related parties	111,777	150,599
2.02.02.02	Others	29,479	26,806
2.02.02.02.03	Obligations for purchase of properties and advances from customers	12,516	13,033
2.02.02.02.04	Other payables	16,963	13,773
2.02.04	Provisions	29,089	28,665
2.02.04.01	Tax, labor and civil lawsuits	29,089	28,665
2.02.04.01.01	Tax lawsuits	34	32
2.02.04.01.02	Tax and labor lawsuits	9,574	9,465
2.02.04.01.04	Civil lawsuits	19,481	19,168
2.03	Equity	1,068,555	1,049,126
2.03.01	Capital	1,094,000	1,094,000
2.03.02	Capital Reserves	101,214	100,725
2.03.02.07	Reserve for expenditures with public offering	101,214	100,725
2.03.05	Retained earnings/accumulated losses	-126,659	-145,599

**INDIVIDUAL FINANCIAL STATEMENTS - INCOME - (in thousands of Brazilian Reais)**

CODE	DESCRIPTION	YEAR TO DATE	YEAR TO DATE
		01/01/2017 to 03/31/2017	FROM PREVIOUS YEAR 01/01/2016 to 03/31/2016
3.01	Gross Sales and/or Services	90,169	41,479
3.02	Cost of sales and/or services	-47,887	-32,261
3.03	Gross profit	42,282	9,218
3.04	Operating expenses/income	-21,522	-7,370
3.04.01	Selling expenses	-5,059	-6,147
3.04.02	General and administrative expenses	-4,969	-9,512
3.04.05	Other operating expenses	-29,914	-14,385
3.04.06	Income from equity method investments	18,420	22,674
3.05	Income (loss) before financial results and income taxes	20,760	1,848
3.06	Financial	-1,820	2,946
3.06.01	Financial income	2,868	7,284
3.06.02	Financial expenses	-4,688	-4,338
3.07	Income before income taxes	18,940	4,794
3.09	Income (loss) from continuing operation	18,940	4,794
3.11	Income (loss) for the period	18,940	4,794
3.99	Earnings per Share – (Reais / Share)		
3.99.01	Basic Earnings per Share		
3.99.01.01	ON	0.35074	0.00757
3.99.02	Diluted Earnings per Share		
3.99.02.01	ON	0.32814	0.00729

**INDIVIDUAL FINANCIAL STATEMENTS - COMPREHENSIVE INCOME (LOSS) - (in thousands of Brazilian Reais)**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>YEAR TO DATE 01/01/2017 to 03/31/2017</b>	<b>YEAR TO DATE FROM PREVIOUS YEAR 01/01/2016 to 03/31/2016</b>
4.01	Income (loss) for the period	18,940	4,794
4.03	Comprehensive income (loss) for the period	18,940	4,794

**INDIVIDUAL FINANCIAL STATEMENTS - CASH FLOWS - INDIRECT METHOD - (in thousands of Brazilian Reais)**

CODE	DESCRIPTION	YEAR TO DATE	YEAR TO DATE FROM
		01/01/2017 to 03/31/2017	PREVIOUS YEAR 01/01/2016 to 03/31/2016
6.01	Net cash from operating activities	3,013	73,954
6.01.01	Cash generated in the operations	17,479	8,607
6.01.01.01	Income (loss) before income and social contribution taxes	18,940	4,794
6.01.01.02	Stock options expenses	489	533
6.01.01.03	Unrealized interest and finance charges, net	2,097	6,052
6.01.01.04	Depreciation and amortization	4,269	3,872
6.01.01.05	Write-off of property and equipment, net	521	2,110
6.01.01.06	Provision for legal claims	424	6,946
6.01.01.07	Warranty provision	1,353	1,227
6.01.01.08	Provision for profit sharing	-	2,572
6.01.01.09	Allowance for doubtful accounts	-6,096	5,105
6.01.01.10	Provision for realization of non-financial assets - properties for Sale	-2,728	-
6.01.01.11	Provision for penalties due to delay in construction works	-193	-418
6.01.01.12	Income from equity method investments	-18,420	-22,674
6.01.01.13	Provisions and cancelled contracts payable	3,016	-980
6.01.01.14	Present value adjustments	1,582	-532
6.01.01.15	Other income (expenses), net	12,225	-
6.01.02	Variation in assets and liabilities	14,466	65,347
6.01.02.01	Trade accounts receivable	12,489	-3,287
6.01.02.02	Properties for sale	12,757	6,718
6.01.02.03	Other accounts receivable	-1,515	175
6.01.02.04	Transactions with related parties	-10,767	55,606
6.01.02.05	Suppliers	-2,163	3,176
6.01.02.06	Obligations for purchase of properties and adv. from customers	-635	3,634
6.01.02.07	Taxes and contributions	-642	-1,894
6.01.02.08	Salaries and payable charges	-868	7,999
6.01.02.09	Other payables	-23,122	-6,780
6.02	Net cash from investing activities	-13,960	-19,819
6.02.01	Purchase of property and equipment and intangible assets	-7,341	-4,370
6.02.02	Redemption of short-term investments	401,338	421,754
6.02.03	Short-term investments	-407,957	-436,212
6.02.04	Increase in investments	-	-991
6.03	Net cash from financing activities	14,380	24,515
6.03.01	Increase in loans and financing	30,097	27,433
6.03.02	Payment of loans and financing	-16,206	-5,216
6.03.03	Loan transactions with related parties	489	2,298
6.05	Net increase (decrease) of cash and cash equivalents	3,433	78,650
6.05.01	Cash and cash equivalents at the beginning of the period	12,124	6,248
6.05.02	Cash and cash equivalents at the end of the period	15,557	84,898



**INDIVIDUAL STATEMENT OF CHANGES IN EQUITY FROM 01/01/2017 TO 03/31/2017 (in thousands of Brazilian reais)**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Capital</b>	<b>Capital reserves, stock options and treasury shares</b>	<b>Profit reserves</b>	<b>Retained earnings</b>	<b>Other comprehensive income</b>	<b>Total Equity</b>
5.01	Opening balance	1,094,000	100,725	-	-145,599	-	1,049,126
5.03	Opening adjusted balance	1,094,000	100,725	-	-145,599	-	1,049,126
5.04	Capital transactions with shareholders	-	489	-	-	-	489
5.04.03	Stock option plan	-	489	-	-	-	489
5.05	Total of comprehensive income (loss)	-	-	-	18,940	-	18,940
5.05.01	Net income (loss) for the period	-	-	-	18,940	-	18,940
5.07	Closing balance	1,094,000	101,214	-	-126,659	-	1,068,555

**INDIVIDUAL STATEMENT OF CHANGES IN EQUITY FROM 01/01/2016 TO 03/31/2016 (in thousands of Brazilian reais)**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Capital</b>	<b>Capital reserves, stock options and treasury shares</b>	<b>Profit reserves</b>	<b>Retained earnings</b>	<b>Other comprehensive income</b>	<b>Total Equity</b>
5.01	Opening balance	1,194,000	66,979	-	-170,043	-	1,090,936
5.03	Opening adjusted balance	1,194,000	66,979	-	-170,043	-	1,090,936
5.04	Capital transactions with shareholders	-	533	-	-	-	533
5.04.03	Stock option plan	-	533	-	-	-	533
5.05	Total of comprehensive income (loss)	-	-	-	4,794	-	4,794
5.05.01	Net income (loss) for the period	-	-	-	4,794	-	4,794
5.07	Closing balance	1,194,000	67,512	-	-165,249	-	1,096,263

**INDIVIDUAL STATEMENT OF VALUE ADDED (in thousands of Brazilian Reais)**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>YEAR TO DATE</b>	
		<b>01/01/2017 to 03/31/2017</b>	<b>FROM PREVIOUS YEAR 01/01/2016 to 03/31/2016</b>
7.01	Revenues	97,752	45,710
7.01.01	Real estate development, sales and services	76,361	49,499
7.01.04	Allowance for doubtful accounts	21,391	-3,789
7.02	Inputs acquired from third parties	-77,456	-37,846
7.02.01	Cost of Sales and/or Services	-47,726	-30,079
7.02.02	Materials, energy, outsourced labor and other	-29,730	-7,767
7.03	Gross value added	20,296	7,864
7.04	Retentions	-4,269	-1,357
7.04.01	Depreciation and amortization	-4,269	-1,357
7.05	Net value added produced by the Company	16,027	6,507
7.06	Added value received on transfer	21,288	29,958
7.06.01	Income from equity method investments	18,420	22,674
7.06.02	Financial income	2,868	7,284
7.07	Value added total to be distributed	37,315	36,465
7.08	Value added distribution	37,315	36,465
7.08.01	Personnel and payroll charges	5,735	17,479
7.08.01.01	Direct remuneration	5,735	17,479
7.08.02	Taxes and contributions	8,791	7,671
7.08.02.01	Federal	8,791	7,671
7.08.03	Compensation – Interest	3,849	6,521
7.08.03.01	Interest	3,849	6,521
7.08.04	Compensation – Company capital	18,940	4,794
7.08.04.03	Net income (Retained losses)	18,940	4,794

**CONSOLIDATED FINANCIAL STATEMENTS - BALANCE SHEET - ASSETS (in thousands of Brazilian Reais)**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>ACTUAL QUARTER 03/31/2017</b>	<b>PRIOR YEAR 12/31/2016</b>
1	Total Assets	1,888,786	1,862,149
1.01	Current Assets	1,286,473	1,217,370
1.01.01	Cash and cash equivalents	45,515	28,414
1.01.02	Short-term investments	238,768	195,073
1.01.02.01	Fair value of short-term investments	238,768	195,073
1.01.03	Accounts receivable	286,941	250,474
1.01.03.01	Trade accounts receivable	286,941	250,474
1.01.04	Inventories	526,329	563,576
1.01.04.01	Properties for sale	526,329	563,576
1.01.08	Other current assets	188,920	179,833
1.01.08.03	Others	188,920	179,833
1.01.08.03.01	Landbank for sales	77,954	75,227
1.01.08.03.02	Receivables from related parties	56,434	55,733
1.01.08.03.03	Judicial deposits	1,821	2,545
1.01.08.03.04	Other assets	52,711	46,328
1.02	Non current assets	602,313	644,779
1.02.01	Non current assets	488,273	448,940
1.02.01.03	Accounts receivable	180,523	176,673
1.02.01.03.01	Receivables from clients of developments	180,523	176,673
1.02.01.04	Inventories	250,455	211,711
1.02.01.04.01	Properties for sale	250,455	211,711
1.02.01.08	Receivables from related parties	33,282	37,745
1.02.01.09	Others non current	24,013	22,811
1.02.01.09.03	Judicial deposits	24,008	22,806
1.02.01.09.04	Others accounts receivable	5	5
1.02.02	Investments	63,475	147,831
1.02.02.01	Interest in associates and affiliates	63,475	147,831
1.02.03	Property and equipment	31,539	30,143
1.02.03.01	Operation property and equipment	31,539	30,143
1.02.04	Intangible assets	19,026	17,865
1.02.04.01	Intangible assets	19,026	17,865

**CONSOLIDATED FINANCIAL STATEMENTS - BALANCE SHEET - LIABILITIES AND EQUITY (in thousands of Brazilian Reais)**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>ACTUAL QUARTER 03/31/2017</b>	<b>PRIOR YEAR 12/31/2016</b>
2	Total Liabilities	1,888,786	1,862,149
2.01	Current liabilities	342,085	353,538
2.01.01	Social and labor obligations	36,059	29,598
2.01.01.02	Labor obligations	36,059	29,598
2.01.01.02.01	Salaries, payroll charges and profit sharing	36,059	29,598
2.01.02	Suppliers	20,960	31,664
2.01.02.01	Local suppliers	20,960	31,664
2.01.03	Tax obligations	32,103	30,510
2.01.04	Loans and financing	66,765	41,333
2.01.04.01	Loans and financing	66,765	41,333
2.01.04.01.1	In local currency	66,765	41,333
2.01.05	Other obligations	170,199	210,326
2.01.05.01	Payables to related parties	25,277	49,665
2.01.05.02	Others	144,922	160,661
2.01.05.02.04	Obligations for purchase of properties and advances from customers	134,632	131,280
2.01.05.02.05	Other payables	10,290	29,381
2.01.06	Provisions	15,999	10,107
2.01.06.02	Other Provisions	15,999	10,107
2.01.06.02.04	Provisions and cancelled contracts payable	10,603	4,711
2.01.06.02.05	Provision for net capital deficiency of equity accounted investees	5,396	5,396
2.02	Non current liabilities	445,847	432,989
2.02.01	Loans and financing	106,667	93,661
2.02.01.01	Loans and financing	106,667	93,661
2.02.01.01.01	In local currency	106,667	93,661
2.02.02	Other liabilities	279,934	282,941
2.02.02.01	Payables to related parties	134,929	155,052
2.02.02.02	Others	145,005	127,889
2.02.02.02.03	Obligations for purchase of properties and advances from customers	106,763	104,343
2.02.02.02.04	Other payables	38,242	23,546
2.02.03	Tax-deferred	13,421	11,437
2.02.03.01	Deferred income tax and social contribution	13,421	11,437
2.02.04	Provisions	45,825	44,950
2.02.04.01	Tax, labor and civil lawsuits	45,825	44,950
2.02.04.01.01	Tax lawsuits	51	48
2.02.04.01.02	Tax and labor lawsuits	14,416	14,303
2.02.04.01.04	Civil lawsuits	31,100	30,341
2.02.04.01.06	Environmental proceedings	258	258
2.03	Equity	1,100,854	1,075,622
2.03.01	Capital	1,094,000	1,094,000
2.03.02	Capital Reserves	101,214	100,725
2.03.02.07	Reserve for expenditures with public offering	101,214	100,725
2.03.05	Retained earnings/accumulated losses	-126,659	-145,599
2.03.09	Non-controlling interest	32,299	26,496

**CONSOLIDATED FINANCIAL STATEMENTS - BALANCE SHEET - LIABILITIES AND EQUITY (in thousands of Brazilian Reais)**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>YEAR TO DATE</b>	<b>YEAR TO DATE</b>
		<b>01/01/2017 to 03/31/2017</b>	<b>FROM PREVIOUS YEAR 01/01/2016 to 03/31/2016</b>
3.01	Gross Sales and/or Services	324,687	234,552
3.02	Cost of sales and/or services	-217,372	-165,807
3.03	Gross profit	107,315	68,745
3.04	Operating expenses/income	-84,282	-55,228
3.04.01	Selling expenses	-29,460	-18,272
3.04.02	General and administrative expenses	-22,928	-19,020
3.04.05	Other operating expenses	-31,983	-18,407
3.04.06	Income from equity method investments	89	471
3.05	Income (loss) before financial results and income taxes	23,033	13,517
3.06	Financial	-663	-1,897
3.06.01	Financial income	5,644	8,809
3.06.02	Financial expenses	-6,307	-10,706
3.07	Income before income taxes	22,370	11,620
3.08	Income and social contribution taxes	-4,533	-6,755
3.08.01	Current	-2,509	-3,259
3.08.02	Deferred	-2,024	-3,496
3.09	Income (loss) from continuing operation	17,837	4,865
3.11	Income (loss) for the period	17,837	4,865
3.11.01	Income (loss) attributable to the Company	18,940	4,794
3.11.02	Net income attributable to non-controlling interests	-1,103	71
3.99	Earnings per Share – (Reais / Share)		
3.99.01	Basic Earnings per Share		
3.99.01.01	ON	0.35074	0.00757
3.99.02	Diluted Earnings per Share		
3.99.02.01	ON	0.32814	0.00729

**CONSOLIDATED FINANCIAL STATEMENTS - COMPREHENSIVE INCOME (LOSS) - (in thousands of Brazilian Reais)**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>YEAR TO DATE 01/01/2017 to 03/31/2017</b>	<b>YEAR TO DATE FROM PREVIOUS YEAR 01/01/2016 to 03/31/2016</b>
4.01	Consolidated Income (loss) for the period	17,837	4,865
4.03	Consolidated comprehensive income (loss) for the period	17,837	4,865
4.03.01	Income (loss) attributable to the Company	18,940	4,794
4.03.02	Net income attributable to the noncontrolling interests	-1,103	71

**CONSOLIDATED FINANCIAL STATEMENTS - CASH FLOWS - INDIRECT METHOD - (in thousands of Brazilian Reais)**

CODE	DESCRIPTION	YEAR TO DATE	YEAR TO DATE FROM
		01/01/2017 to 03/31/2017	PREVIOUS YEAR 01/01/2016 to 03/31/2016
6.01	Net cash from operating activities	33,455	64,959
6.01.01	Cash generated in the operations	64,123	44,693
6.01.01.01	Income (loss) before income and social contribution taxes	22,370	11,620
6.01.01.02	Stock options expenses	489	533
6.01.01.03	Unrealized interest and finance charges, net	4,238	6,892
6.01.01.04	Depreciation and amortization	4,271	3,874
6.01.01.05	Write-off of property and equipment, net	521	2,110
6.01.01.06	Provision for legal claims	804	7,084
6.01.01.07	Warranty provision	2,278	1,034
6.01.01.08	Provision for profit sharing	4,734	2,092
6.01.01.09	Allowance for doubtful accounts	3,043	12,197
6.01.01.10	Provision for realization of non-financial assets - properties for Sale	-2,637	-
6.01.01.11	Provision for penalties due to delay in construction works	-287	-508
6.01.01.12	Income from equity method investments	-89	-471
6.01.01.13	Provisions and cancelled contracts payable	5,887	-363
6.01.01.14	Present value adjustments	6,276	-1,401
6.01.01.15	Other income (expenses), net	12,225	-
6.01.02	Variation in assets and liabilities	30,668	20,266
6.01.02.01	Trade accounts receivable	-37,784	-3,232
6.01.02.02	Properties for sale	7,252	6,981
6.01.02.03	Other accounts receivable	-6,270	432
6.01.02.04	Transactions with related parties	31,630	1,237
6.01.02.05	Suppliers	-10,717	16,138
6.01.02.06	Obligations for purchase of properties and adv. from customers	7,090	3,646
6.01.02.07	Taxes and contributions	766	-2,598
6.01.02.08	Salaries and payable charges	1,727	1,432
6.01.02.09	Other payables	-18,392	-511
6.01.02.10	Income tax and social contribution payable	-5,970	-3,259
6.02	Net cash from investing activities	-51,044	-24,100
6.02.01	Purchase of property and equipment and intangible assets	-7,349	-4,370
6.02.02	Redemption of short-term investments	364,962	485,971
6.02.03	Short-term investments	-408,657	-505,701
6.03	Net cash from financing activities	34,690	40,059
6.03.01	Increase in loans and financing	106,058	74,396
6.03.02	Payment of loans and financing	-71,858	-36,635
6.03.03	Loan transactions with related parties	490	2,298
6.05	Net increase (decrease) of cash and cash equivalents	17,101	80,918
6.05.01	Cash and cash equivalents at the beginning of the period	28,414	21,653
6.05.02	Cash and cash equivalents at the end of the period	45,515	102,571



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FROM 01/01/2017 TO 03/31/2017 (in thousands of Brazilian reais)**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Capital</b>	<b>Capital reserves, stock options and treasury shares</b>	<b>Profit reserves</b>	<b>Retained earnings</b>	<b>Other comprehensive income</b>	<b>Total Shareholders equity</b>	<b>Non Controlling interest</b>	<b>Total equity Consolidated</b>
5.01	Opening balance	1,094,000	100,725	-	-145,599	-	1,049,126	26,496	1,075,622
5.03	Opening adjusted balance	1,094,000	100,725	-	-145,599	-	1,049,126	26,496	1,075,622
5.04	Capital transactions with shareholders	-	489	-	-	-	489	6,906	7,395
5.04.03	Stock option plan	-	489	-	-	-	489	-	489
5.04.08	Capital reduction	-	-	-	-	-	-	6,906	6,906
5.05	Total of comprehensive income (loss)	-	-	-	18,940	-	18,940	-1,103	17,837
5.05.01	Net income (loss) for the period	-	-	-	18,940	-	18,940	-1,103	17,837
5.07	Closing balance	1,094,000	101,214	-	-126,659	-	1,068,555	32,299	1,100,854

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FROM 01/01/2016 TO 03/31/2016 (in thousands of Brazilian reais)**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Capital</b>	<b>Capital reserves, stock options and treasury shares</b>	<b>Profit reserves</b>	<b>Retained earnings</b>	<b>Other comprehensive income</b>	<b>Total Shareholders equity</b>	<b>Non Controlling interest</b>	<b>Total equity Consolidated</b>
5.01	Opening balance	1,194,000	66,979	-	-170,043	-	1,090,936	35,878	1,126,814
5.03	Opening adjusted balance	1,194,000	66,979	-	-170,043	-	1,090,936	35,878	1,126,814
5.04	Capital transactions with shareholders	-	533	-	-	-	533	-	533
5.04.03	Stock option plan	-	533	-	-	-	533	-	533
5.05	Total of comprehensive income (loss)	-	-	-	4,794	-	4,794	71	4,865
5.05.01	Net income (loss) for the period	-	-	-	4,794	-	4,794	71	4,865
5.07	Closing balance	1,194,000	67,512	-	-165,249	-	1,096,263	35,949	1,132,212

**CONSOLIDATED STATEMENT OF VALUE ADDED (in thousands of Brazilian Reais)**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>YEAR TO DATE</b>	
		<b>01/01/2017 to 03/31/2017</b>	<b>FROM PREVIOUS YEAR 01/01/2016 to 03/31/2016</b>
7.01	Revenues	345,477	253,677
7.01.01	Real estate development, sales and services	347,163	262,462
7.01.04	Allowance for doubtful accounts	-1,686	-8,785
7.02	Inputs acquired from third parties	-249,159	-182,430
7.02.01	Cost of Sales and/or Services	-211,426	-160,294
7.02.02	Materials, energy, outsourced labor and other	-37,733	-22,136
7.03	Gross value added	96,318	71,247
7.04	Retentions	-4,271	-3,190
7.04.01	Depreciation and amortization	-4,271	-3,190
7.05	Net value added produced by the Company	92,047	68,057
7.06	Added value received on transfer	5,733	9,280
7.06.01	Income from equity method investments	89	471
7.06.02	Financial income	5,644	8,809
7.07	Value added total to be distributed	97,780	77,337
7.08	Value added distribution	97,780	77,337
7.08.01	Personnel and payroll charges	36,909	25,327
7.08.01.01	Direct remuneration	36,909	25,327
7.08.02	Taxes and contributions	31,781	30,925
7.08.02.01	Federal	31,781	30,925
7.08.03	Compensation – Interest	11,253	16,220
7.08.03.01	Interest	11,253	16,220
7.08.04	Compensation – Company capital	17,837	4,865
7.08.04.03	Net income (Retained losses)	18,940	4,794
7.08.04.03	Non-controlling interests	-1,103	71

**Construtora Tenda S.A.**  
**Corporate Taxpayer's ID (CNPJ/MF) 71.476.527/0001-35**  
**Company Registry (NIRE) 35.300.348.206**

## **Notice to the Market**

### **1Q17 OPERATING AND FINANCIAL RESULTS**

**Gross sales reach historical record of R\$424 million under the New Model. Net Income of R\$18.9 million up 295.1% y-o-y.**

**FOR IMMEDIATE RELEASE** - São Paulo, May 9, 2017 – 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 first quarter of 2017.

#### **Highlights**

- Gross sales reach historical record under the New Model: 35.8% increase year-on-year.
- Growth of 26.5% in transferred units compared to the same period last year, reinforcing the efficiency of financial cycle under the New Model.
- Net revenue climbed 38.4% year-on-year due to 27.2% increase in net PSV during same period.
- Adjusted EBITDA went up 39.5% against 1Q16.
- Net income expanded 295.1% year-on-year with 3.8 p.p. increase in net margin during same period, evidencing consistent improved results.

**CONFERENCE CALL AND WEBCAST  
WITH SIMULTANEOUS TRANSLATION**

**May 10, 2017 - Wednesday**

**3:00 p.m. (BRT)**

2:00 p.m. (*US EDT*)

**Dial-in:**

**+55 (11) 3127-4971 /**

**+55 (11) 3728-5971**

*+1 (516) 300 1066*

Code: Tenda

Webcast: [click here](#)

## Message from Management

The earnings release of this first quarter of 2017 sets a new phase for Tenda. On May 4, our shares TEND3 debuted in the B3 basic trading segment (formerly BM&FBOVESPA), completing the definitive separation between Tenda and Gafisa and ending a process initiated in February 2014. We also obtained the corporate authorizations necessary to request the Company's migration to the special listing segment referred to as "*Novo Mercado*".

Now, in this new phase, we reap the benefits of Tenda's business restructuring and under the New Model the Company is positioned to capture the growth opportunities in the low-income housing segment, based on four strategic pillars: (1) utilization of aluminum molds in its projects, ensuring high quality and cost efficiency; (2) transferred sales system, in which all units sold are immediately available to be transferred to financial institutions; (3) contracted launches, which facilitates the transfer of sales and mitigates project's technical and legal risks; and (4) sales at own store, thus, allowing greater efficiency in sales and marketing expenses.

The strategic insight and gains of scale allowed to intensify launches and better distribute products in six metropolitan regions where we operate, especially in the income levels 1,5 and 2 within the "Minha Casa, Minha Vida" ("MCMV") program. We recorded the most vigorous first quarter in terms of gross sales since the implementation of the new business model, reaching a historical record of R\$424 million.

The market in this first quarter continues more resilient, signaling a stable beginning of year compared to previous periods. In this regard, we will continue launching well-structured projects, located in several regions, with good access infrastructure. These characteristics have been enabled Tenda to sustain a solid sales speed, which exceeds 20%, the highest in the sector. In 1Q17, New Model's Net SoS reached 27.3%.

One of our major operational challenges in 2017 will be to recover our landbank after strong project launches over the last periods. Our projects are well distributed in the regions where we operate and we will seek to maintain such healthy balance to expand even more the launches volume.

Over the past four years, Tenda launched 100 projects/phases, representing a total of R\$3.6 billion in PSV, already including the R\$302 million launched in this first quarter of 2017. Of this total, Tenda has delivered R\$2.1 billion in PSV, corresponding to 56 projects/phases, always achieving the performance and profitability drivers set out for the New Model. All projects launched in 2013 and 2014 have been completed and delivered on schedule and out of 30 projects launched in 2015, there are only three projects to be delivered.

We continue maintaining a high volume of units transferred and delivered, reflecting an optimum performance of sales team and operations, pointing out the 33.7% increase in the number of units transferred under the New Model in the year-on-year comparison.



It is also worth mentioning that in February, MCMV parameters were reviewed, reducing interest rates, improving income levels, rising price cap and increasing the FGTS (Government Severance Indemnity Fund for Employees) transfer amount to financial institutions. These measures were positive for Tenda, as these expand our reach to new clients, generating positive impact on our price margins and speed up our sales velocity. More relevant, it attests the government's commitment to the program sustainability.

Financially speaking, Tenda's main indicators have been evolving. Net revenues climbed 38.4% year-on-year, adjusted EBITDA grew 39.5% and net income increased 295.1% to R\$18.9 million in 1Q17. Adjusted gross margin was up 2.9 p.p., reaching 34.6% in 1Q17, benefited by cost-savings seen in the quarter.

Tenda maintains a solid cash position of R\$284.3 million in 1Q17, up 27.2% from 4Q16, sufficient to cover its total debt, which totaled R\$173.4 million in the period. It is worth mentioning that, with a negative adjusted net debt/shareholders' equity ratio of 1.0%, Tenda is one of the sector's most deleveraged companies.

We would like to thank all those persons involved in Tenda's lengthy restructuring process, which demanded a lot of work, but ultimately proved to be very relevant to unlock value for our shareholders. We especially thank Gafisa's team, for their support during all these years we worked together.

Finally, considering such new reality for Tenda as a publicly-held company, we sustain our belief that only the focus on building a long-term project creates sustainable value for shareholders. We inaugurated a new phase in Tenda's history and we are optimistic about the future, thanks to the discipline applied to our business plan. Tenda keeps its vision of becoming Brazil's low-income segment company which delivers the best return to its shareholders. This is our commitment.



## Operating and Financial Highlights

Operational and Financial Highlights (in R\$ Million)	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
<b>Operational Highlights</b>					
Launches	302.1	373.9	(19.2%) ↓	228.5	32.2% ↑
Net pre-sales	338.9	311.7	8.7% ↑	266.5	27.2% ↑
Sales over Supply (SoS)	24.3%	22.3%	2.0 p.p. ↑	23.9%	0.4 p.p. ↑
Delivered projects (Units)	2,647	2,668	(0.8%) ↓	464	470.5% ↑
<b>Financial Highlights</b>					
Net Revenue	324.7	286.9	13.2% ↑	234.6	38.4% ↑
Adjusted Gross Profit <sup>1</sup>	112.3	109.1	2.9% ↑	74.3	51.2% ↑
Adjusted Gross Margin <sup>1</sup>	34.6%	38.0%	(3.4 p.p.) ↓	31.7%	2.9 p.p. ↑
Adjusted EBITDA <sup>2</sup>	31.7	47.4	(33.0%) ↓	22.8	39.5% ↑
Adjusted EBITDA Margin <sup>2</sup>	9.8%	16.5%	(6.7 p.p.) ↓	9.7%	0.1 p.p. ↑
Net Financial Result	(0.7)	(5.5)	(88.0%) ↓	(1.9)	(65.1%) ↓
Net Income (Loss)	18.9	20.2	(6.2%) ↓	4.8	295.1% ↑
Backlog Revenues	243.2	241.6	0.6% ↑	281.5	(13.6%) ↓
Backlog Results <sup>3</sup>	106.2	110.3	(3.8%) ↓	115.1	(7.7%) ↓
Backlog Margin <sup>3</sup>	43.7%	45.7%	(2.0 p.p.) ↓	40.9%	2.8 p.p. ↑
Cash and cash equivalents <sup>4</sup>	284.3	223.5	27.2% ↑	334.9	(15.1%) ↓
Net Debt	(110.9)	(88.5)	25.3% ↑	(41.9)	164.3% ↑
Adjusted Net Debt <sup>5</sup>	(10.9)	11.5	(194.3%) ↓	(41.9)	(74.1%) ↓
Shareholders' Equity + minority shareholders	1,100.9	1,075.6	2.3% ↑	1,132.2	(2.8%) ↓
Net Debt / (SE + Minority)	(10.1%)	(8.2%)	(1.8 p.p.) ↓	(3.7%)	(6.4 p.p.) ↓
Adjusted Net Debt <sup>5</sup> / (SE + Minority)	(1.0%)	1.1%	(2.1 p.p.) ↓	(3.7%)	2.7 p.p. ↑
Net Income (Loss) (last 12 months)	60.2	47.3	27.4% ↑	23.4	157.5% ↑
NOPAT (last 12 months) <sup>6</sup>	106.5	95.4	11.7% ↑	38.6	176.0% ↑
Adjusted Capital Employed <sup>7</sup>	1,090.0	1,087.1	0.3% ↑	1,090.3	(0.0%) ↓
ROE (last 12 months) <sup>8</sup>	5.4%	4.3%	1.1 p.p. ↑	2.1%	3.3 p.p. ↑
ROCE (last 12 months) <sup>9</sup>	9.8%	8.6%	1.2 p.p. ↑	3.5%	6.3 p.p. ↑

1) Adjusted by capitalized interests.

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

3) Backlog results net of PIS/COFINS taxes (3.65%), and excluding the impact of PVA (Present Value Adjustment) method according to Law 11.638. Backlog results comprise the projects restricted by condition precedent.

4) Cash and cash equivalents and securities.

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

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

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

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

9) 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 climbed 32.2% in 1Q17 compared to the same period last year, sustained by gains of scale under the New Model and market resilience.

Launches <sup>1</sup>	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
Number of Launches	8	11	(27.3%) ↓	9	(11.1%) ↓
<b>PSV (in R\$ million)</b>	<b>302.1</b>	<b>373.9</b>	<b>(19.2%) ↓</b>	<b>228.5</b>	<b>32.2% ↑</b>
Number of units	2,060	2,748	(25.0%) ↓	1,724	19.5% ↑
Average price per unit (in R\$ Thousand)	146.6	136.1	7.8% ↑	132.6	10.6% ↑
Average size of launches (in units)	258	250	3.1% ↑	192	34.4% ↑

1) The projects launched under the New Business Model have Tenda's 100% equity interest.

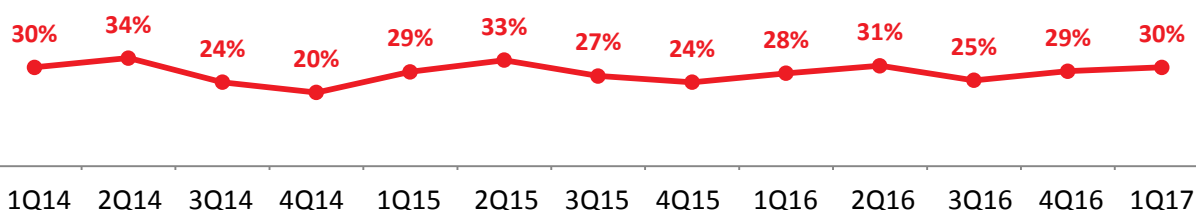
## Gross Sales

The first quarter of 2017 was a milestone for Tenda; the Company's gross sales reached a historical record under the New Model, which climbed 35.8% year-on-year, reflecting better distribution of products in the regions where we operate.

Sales velocity (measured by "sales over supply" indicator or "SoS") reached 30%, driven by sales under the New Model.

Gross Sales	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
PSV (in R\$ million)	424.6	403.5	5.2% ↑	312.7	35.8% ↑
Number of units	3,034	2,860	6.1% ↑	2,176	39.4% ↑
Average price per unit (in R\$ Thousand)	140.0	141.1	(0.8%) ↓	143.7	(2.6%) ↓
Gross SoS	30.5%	28.9%	1.6 p.p. ↑	28.0%	2.5 p.p. ↑
New Model	33.1%	30.3%	2.8 p.p. ↑	29.7%	3.4 p.p. ↑
Legacy	9.8%	17.9%	(8.1 p.p.) ↓	20.7%	(10.8 p.p.) ↓

Sales Over Supply – Gross SoS (%)



## Cancelations and Net Pre-Sales

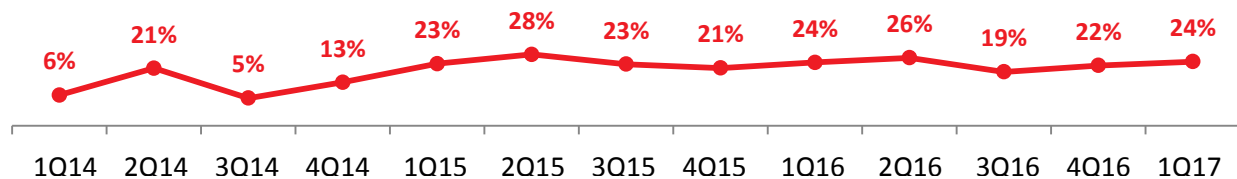
Maintaining the policy to cancel contracts with ineligible clients, for subsequent resale to new qualified customers, the volume cancelled in the 1Q17 was 20.2% of gross sales, down 2.6p.p. from 4Q16. As already disclosed since 3Q16, the temporary increase of cancelations volume is a result of review of unilateral cancelation process executed by Tenda, for sales not transferred for a period exceeding three months. We expect return to a stable level of operations as of the second half this year.

(in R\$ million)	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
<b>Gross Sales</b>	424.6	403.5	5.2% ↑	312.7	35.8% ↑
New Model	409.3	375.0	9.1% ↑	270.2	51.4% ↑
Legacy	15.4	28.5	(46.2%) ↓	42.5	(63.8%) ↓
<b>Cancelations</b>	<b>85.8</b>	<b>91.8</b>	<b>(6.6%) ↓</b>	<b>46.2</b>	<b>85.5% ↑</b>
New Model	71.6	67.9	5.4% ↑	25.7	178.2% ↑
Legacy	14.2	23.9	(40.8%) ↓	20.5	(30.9%) ↓
<b>Net Pre-Sales</b>	<b>338.9</b>	<b>311.7</b>	<b>8.7% ↑</b>	<b>266.5</b>	<b>27.2% ↑</b>
% Launch <sup>1</sup>	16.1%	76.7%	(60.6 p.p.) ↓	8.2%	7.9 p.p. ↑
% Inventory	83.9%	23.3%	60.6 p.p. ↑	91.8%	(7.9 p.p.) ↓
<b>Cancelations / Gross Sales</b>	<b>20.2%</b>	<b>22.8%</b>	<b>(2.6 p.p.) ↓</b>	<b>14.8%</b>	<b>5.4 p.p. ↑</b>
<b>Net SoS</b>	<b>24.3%</b>	<b>22.3%</b>	<b>2.0 p.p. ↑</b>	<b>23.9%</b>	<b>0.4 p.p. ↑</b>
New Model	27.3%	24.8%	2.5 p.p. ↑	26.9%	0.4 p.p. ↑
Legacy	0.8%	2.9%	(2.1 p.p.) ↓	10.7%	(9.9 p.p.) ↓

(in units)	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
Gross Units Sold	3,034	2,860	6.1% ↑	2,176	39.4% ↑
Canceled Units	621	653	(4.9%) ↓	314	97.8% ↑
<b>Net Units Sold</b>	<b>2,413</b>	<b>2,207</b>	<b>9.3% ↑</b>	<b>1,862</b>	<b>29.6% ↑</b>
<b>Cancelations / Gross Sales</b>	<b>20.5%</b>	<b>22.8%</b>	<b>(2.4 p.p.) ↓</b>	<b>14.4%</b>	<b>6.0 p.p. ↑</b>

1) Launches of current year.

Sales Over Supply – Net SoS (%)



## Units Transferred, Delivered and Works in Progress

Tenda managed to maintain the same volume of last quarter's units transferred and delivered, reflecting good performance of sales team and operations.

Transfers, Deliveries and Work in Progress	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
PSV Transferred (in R\$ million)	320.3	321.1	(0.3%) ↓	266.8	20.1% ↑
New Model	300.2	291.7	2.9% ↑	236.1	27.1% ↑
Legacy	20.1	29.3	(31.6%) ↓	30.6	(34.5%) ↓
Transferred Units	2,577	2,551	1.0% ↑	2,037	26.5% ↑
New Model	2,427	2,338	3.8% ↑	1,815	33.7% ↑
Legacy	150	213	(29.6%) ↓	222	(32.4%) ↓
Delivered Units	2,647	2,668	(0.8%) ↓	464	470.5% ↑
Work in Progress	33	37	(10.8%) ↓	29	13.8% ↑

## Inventory at Market Value

The growth in launches volume and gains of the Company's operating scale in 2016 increased the Company's inventory to R\$1.0 billion, justifying the 24.1% increase year-on-year.

However, one of the indicators which reflects the company's inventory health is the inventory turnover, currently at 10.4 months.

Inventory at Market Value	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
PSV (in R\$ million)	1,053.7	1,085.4	(2.9%) ↓	849.1	24.1% ↑
Number of Units	7,109	7,530.0	(5.6%) ↓	5,825.0	22.0% ↑
Average price per unit (in R\$ Thousand)	148.2	144.1	2.8% ↑	145.8	1.7% ↑

Status of Construction	1Q17	Not Initiated	Up to 30% built	30% to 70% built	More than 70% built	Finished Units
PSV (in R\$ million)	1,053.7	119.4	255.5	434.2	133.5	111.2
New Model MCMV	898.6	119.4	255.5	367.4	133.5	22.8
Legacy MCMV	140.0	0.0	0.0	66.8	0.0	73.3
Legacy non-MCMV	15.1	0.0	0.0	0.0	0.0	15.1

## Landbank

In 1Q17, Tenda recorded a marginal increase of its landbank. The Company reinforces that all projects of its landbank target the income levels 1,5 and 2 of “Minha Casa, Minha Vida” (“MCMV”) program.

Landbank <sup>1</sup>	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
Number of Projects	139	138	0.7% ↑	131	6.1% ↑
PSV (in R\$ million)	4,516.7	4,461.8	1.2% ↑	4,634.4	(2.5%) ↓
Acquisitions / Adjustments (in R\$ Million)	357.1	631.6	(43.5%) ↓	130	174.6% ↑
Number of Units	32,827	32,707	0.4% ↑	33,702	(2.6%) ↓
Average price per unit (in R\$ thousands)	137.6	136.4	0.9% ↑	137.5	0.1% ↑
% Swap Total	14.8%	17.2%	(2.4 p.p.) ↓	12.8%	2.1 p.p. ↑
% Swap Units	7.5%	10.4%	(2.9 p.p.) ↓	9.2%	(1.7 p.p.) ↓
% Swap Financial	7.4%	6.8%	0.6 p.p. ↑	3.6%	3.8 p.p. ↑

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

## New Model Update

The Company continues to operate in six metropolitan regions: São Paulo, Rio de Janeiro, Belo Horizonte, Porto Alegre, Salvador and Recife, with a total of 100 projects/phases and launched PSV of R\$3.6 billion since 2013.

New Model Update	2013	2014	2015	2016	YTD 2017
Number of Projects	7	14	30	41	8
Units launched	2,460	4,315	7,711	9,819	2,060
Total PSV (R\$ 000)	313.9	613.3	1,088.9	1,342.5	302.1
Units Sold	2,443	4,219	7,467	5,507	344
% Sold	99.3%	97.8%	96.8%	56.1%	16.7%
Avg SoS (Month)	8.6%	6.5%	8.3%	6.6%	6.8%
Units transferred	2,431	4,144	7,102	4,327	121
% Units transferred	98.8%	96.0%	92.1%	44.1%	5.9%
Work in Progress	100.0%	100.0%	99.4%	59.8%	21.2%

## Net Operating Revenue

Net operating revenue increased 38.4% compared to 1Q16, sustained by a 27.2% growth in net PSV during same period and higher number of works in progress.

The provision for doubtful accounts and cancelations decreased compared to 4Q16, due to reversals in provisions for unilateral cancelations by Tenda in 1Q17.

(in R\$ million)	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
Gross Operating Revenues	347.2	358.2	(3.1%) ↓	262.5	32.3% ↑
Provision for doubtful accounts and cancelations	(1.7)	(49.3)	(96.6%) ↓	(8.8)	(80.8%) ↓
Taxes on sales of properties and services	(20.8)	(21.9)	(5.1%) ↓	(19.1)	8.7% ↑
<b>Net Operating Revenue</b>	<b>324.7</b>	<b>286.9</b>	<b>13.2% ↑</b>	<b>235</b>	<b>38.4% ↑</b>

## Gross Profit

Gross profit went up 56.1% year-on-year justified by gains of operating scale under the New Model and market resilience.

Financial expenses decreased 62.4% from 4Q16, period when the Company recorded a non-recurring negative effect of R\$7.0 million due to the write-off of capitalized interest rates on assets held for sale. We point out that, excluding such non-recurring effect, financial expenses would be in line in the q-o-q comparison.

The adjusted gross margin went down 3.4 p.p. in 1Q17 compared to 4Q16, period when the Company recognized relevant savings with construction costs and non-recurring positive effect on sale of land.

(in R\$ Million)	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
Net Revenue	324.7	286.9	13.2% ↑	234.6	38.4% ↑
<b>Gross Profit</b>	<b>107.3</b>	<b>95.9</b>	<b>11.9% ↑</b>	<b>68.7</b>	<b>56.1% ↑</b>
Gross Margin	33.1%	33.4%	(0.4 p.p.) ↓	29.3%	3.7 p.p. ↑
(-) Financial Costs	4.9	13.2	(62.4%) ↓	5.5	(10.3%) ↓
<b>Adjusted Gross Profit<sup>1</sup></b>	<b>112.3</b>	<b>109.1</b>	<b>2.9% ↑</b>	<b>74.3</b>	<b>51.2% ↑</b>
Adjusted Gross Margin	34.6%	38.0%	(3.4 p.p.) ↓	31.7%	2.9 p.p. ↑

1) Adjusted by capitalized interest rates.

## Selling, General and Administrative Expenses (SG&A)

Selling expenses increased 16.0% q-o-q, due to gross sales record of R\$424 million.

General and administrative expenses (“G&A”) decreased 17.0% compared to 4Q16, period when non-recurring expenses were incurred referring to the separation process of Tenda and Gafisa totaling R\$6.0 million.

(in R\$ Million)	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
Selling Expenses	(29.5)	(25.4)	16.0% ↑	(18.3)	61.2% ↑
General & Admin Expenses	(22.9)	(27.6)	(17.0%) ↓	(19.0)	20.5% ↑
<b>Total SG&amp;A Expenses</b>	<b>(52.4)</b>	<b>(53.0)</b>	<b>(1.2%) ↓</b>	<b>(37.3)</b>	<b>40.5% ↑</b>
Gross Sales	424.6	403.5	5.2% ↑	312.7	35.8% ↑
Launches	302.1	373.9	(19.2%) ↓	228.5	32.2% ↑
<b>Selling Expenses / Gross Sales</b>	<b>(6.9%)</b>	<b>(6.3%)</b>	<b>(0.6 p.p.) ↓</b>	<b>(5.8%)</b>	<b>(1.1 p.p.) ↓</b>
<b>G&amp;A Expenses / Launches</b>	<b>(7.6%)</b>	<b>(7.4%)</b>	<b>(0.2 p.p.) ↓</b>	<b>(8.3%)</b>	<b>0.7 p.p. ↑</b>

## Other Operating Revenues/Expenses

Other Operating Revenues/Expenses increased q-o-q due to higher litigation expenses and also to the conclusion of an arbitration proceeding referring to an entity Tenda had to shut down concerned with legacy projects, with impact of R\$ 11.3 million.

(in R\$ Million)	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
<b>Other Operating Revenues and Expenses</b>	<b>(28.7)</b>	<b>(3.7)</b>	<b>666.2% ↑</b>	<b>(15.2)</b>	<b>88.7% ↑</b>
Litigation Expenses	(12.1)	(0.8)	1,337.4% ↑	(7.1)	71.0% ↑
Other	(16.6)	(2.9)	471.4% ↑	(8.1)	104.0% ↑
Equity Income	0.1	(5.5)	(101.6%) ↓	0.5	(81.1%) ↓

## Adjusted EBITDA

The adjusted EBITDA climbed 39.5% year-on-year, sustained by the Company's growth. Adjusted gross margin of 9.8% came in line with 1Q16.

(in R\$ Million)	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
Net Income	18.9	20.2	(6.2%) ↓	4.8	295.1% ↑
(+) Financial result	0.7	5.5	(88.0%) ↓	1.9	(65.1%) ↓
(+) Income taxes and social contribution	4.5	7.9	(42.9%) ↓	6.8	(32.9%) ↓
(+) Depreciation and amortization	3.3	3.2	2.9% ↑	3.2	2.6% ↑
(+) Capitalized interests	4.9	13.2	(62.4%) ↓	5.5	(10.3%) ↓
(+) Expenses with Stock Option Plan <sup>1</sup>	0.5	0.5	(0.2%) ↓	0.5	(8.3%) ↓
(+) Minority Shareholders	(1.1)	(3.1)	(64.7%) ↓	0.1	(1,653.5%) ↓
<b>Adjusted EBITDA<sup>1</sup></b>	<b>31.7</b>	<b>47.4</b>	<b>(33.0%) ↓</b>	<b>22.8</b>	<b>39.5% ↑</b>
Net Revenue	324.7	286.9	13.2% ↑	234.6	38.4% ↑
<b>Adjusted EBITDA Margin<sup>1</sup></b>	<b>9.8%</b>	<b>16.5%</b>	<b>(6.7 p.p.) ↓</b>	<b>9.7%</b>	<b>0.1 p.p. ↑</b>

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

## Financial Result

The financial result improved compared to 4Q16, reflecting the maintenance of a higher cash level resulting from the Company's operating generation, and reduced financial expenses in view of settlement of FGTS debenture.

(in R\$ Million)	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
Financial Income	5.6	3.4	66.4% ↑	8.8	(35.9%) ↓
Financial Expenses	(6.3)	(8.9)	(29.2%) ↓	(10.7)	(41.1%) ↓
<b>Financial Result</b>	<b>(0.7)</b>	<b>(5.5)</b>	<b>(88.0%) ↓</b>	<b>(1.9)</b>	<b>(65.1%) ↓</b>



## Net Income

The net income and net margin increased year-on-year, due to higher contribution from the New Model and market resilience.

(in R\$ million)	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
Net Income after Income Tax and Social Contribution	17.8	17.1	4.5% ↑	4.9	266.6% ↑
(-) Minority shareholders	(1.1)	(3.1)	(64.7%) ↓	0.1	(1,653.5%) ↓
<b>Net Income</b>	<b>18.9</b>	<b>20.2</b>	<b>(6.2%) ↓</b>	<b>4.8</b>	<b>295.1% ↑</b>
Net Margin	5.8%	7.0%	(1.2 p.p.) ↓	2.0%	3.8 p.p. ↑

## Backlog Results

The Backlog margin remains at healthy levels, above 40%, indicating the quality of New Model projects and savings obtained in construction costs.

(in R\$ million)	1Q17	4Q16	QoQ (%)	1Q16	YoY (%)
Backlog Revenues	243.2	241.6	0.6% ↑	281.5	(13.6%) ↓
Backlog Costs (units sold)	(137.0)	(131.3)	4.4% ↑	(166.4)	(17.7%) ↓
<b>Backlog Results<sup>1</sup></b>	<b>106.2</b>	<b>110.3</b>	<b>(3.8%) ↓</b>	<b>115.1</b>	<b>(7.7%) ↓</b>
Backlog Margin	43.7%	45.7%	(2.0 p.p.) ↓	40.9%	2.8 p.p. ↑

1) Backlog results net of PIS/COFINS taxes (3.65%), and excluding the impact of PVA (Present Value Adjustment) method according to Law 11.638. Comprises the projects restricted by precedent condition.

## Cash and Cash Equivalents and Financial Investments

(in R\$ million)	March 17	December 16	QoQ (%)	March 16	YoY (%)
Cash & Cash Equivalents	45.5	28.4	60.2% ↑	102.6	(55.6%) ↓
Short term investments	238.8	195.1	22.4% ↑	232.4	2.8% ↑
<b>Total Cash Position</b>	<b>284.3</b>	<b>223.5</b>	<b>27.2% ↑</b>	<b>334.9</b>	<b>(15.1%) ↓</b>

## Accounts Receivable from Development and Services Rendered

Increased receivables compared to previous quarter is justified by record sales volume early this year since the implementation of New Model.

(in R\$ million)	March 17	December 16	QoQ (%)	March 16	YoY (%)
Up to 2017 <sup>1</sup>	411.8	363.5	13.3% ↑	526.5	(21.8%) ↓
2018	80.1	96.5	(17.0%) ↓	23.6	239.0% ↑
2019	70.8	63.2	12.0% ↑	12.1	487.5% ↑
2020 and beyond	40.5	32.2	25.8% ↑	11.6	249.8% ↑
<b>Total Accounts Receivable</b>	<b>603.2</b>	<b>555.4</b>	<b>8.6% ↑</b>	<b>573.8</b>	<b>5.1% ↑</b>
(-) Present value adjustment	(8.7)	(2.9)	200.2% ↑	(1.8)	377.2% ↑
(-) Provision for doubtful accounts and cancelations	(127.0)	(125.4)	1.3% ↑	(97.0)	31.0% ↑
<b>Accounts Receivable</b>	<b>467.5</b>	<b>427.1</b>	<b>9.4% ↑</b>	<b>475.0</b>	<b>(1.6%) ↓</b>

1) Overdue and falling due.

Accounts Receivable Tenda <sup>2</sup> (in R\$ million)	March 17	December 16	QoQ (%)	March 16	YoY (%)
Before delivery to buyer ( <i>Pro-Soluto</i> )	17.6	17.8	(1.2%) ↓	16.0	9.9% ↑
After delivery to buyer ( <i>TCD</i> )	101.5	91.3	11.2% ↑	44.0	130.8% ↑
<b>Tenda Receivables</b>	<b>119.1</b>	<b>109.1</b>	<b>9.2% ↑</b>	<b>60.0</b>	<b>98.5% ↑</b>
Total accounts receivable	467.5	427.1	9.4% ↑	475.0	(1.6%) ↓
Backlog Revenues	243.2	241.6	0.6% ↑	281.5	(13.6%) ↓
<b>Tenda Receivables/(Total accounts receivable + Backlog Revenues)</b>	<b>16.8%</b>	<b>16.3%</b>	<b>0.4 p.p. ↑</b>	<b>7.9%</b>	<b>8.8 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 first quarter of 2017 with a total debt of R\$173.4 million, at an weighted average cost of 11.3% p.a. and duration of 20.4 months.

Debt Maturity Schedule (in R\$ million)	Project Finance	Corporate Debt	Total
2017	1.3	50.3	51.6
2018	20.6	18.9	39.5
2019	47.6	1.1	48.7
2020	32.3	0.0	32.3
2021 onwards	1.4	0.0	1.4
<b>Total Debt</b>	<b>103.1</b>	<b>70.3</b>	<b>173.4</b>
Duration (in months)			20.4

Debt Breakdown (in R\$ million)	Maturity	Charges (p.a.)	Balance Due mar-17	Balance Due dec-16
<b>Project Finance</b>			<b>103.1</b>	<b>83.0</b>
SFH	until Aug/2021	TR + 8.3% to 9.5%	103.1	83.0
<b>Corporate Debt</b>			<b>70.3</b>	<b>52.0</b>
Working Capital	until Jun/2019	CDI + 2.3% to 4.25% INCC-DI Variation	70.3	52.0

Weighted Average Cost of Debt (in R\$ million)	Balance Due mar-17	Balance Due / Total Debt	Average Cost (p.a.)
CDI	65.0	37.5%	CDI + 3.43%
TR	103.1	59.5%	TR + 8.31%
INCC	5.3	3.0%	INCC + 0%
<b>Total</b>	<b>173.4</b>	<b>100%</b>	<b>11.28%</b>

## Net Debt

The net debt decreased 25.3% q-o-q. Net debt adjusted by payment obligations from the capital reduction for Gafisa ended the quarter negative at R\$10.9 million.

It is worth mentioning that, with a negative adjusted net debt/shareholders' equity ratio of 1.0%, Tenda is one of the sector's most deleveraged companies.

(in R\$ millions)	March-17	December-16	Q/Q (%)	March-16	Y/Y (%)
Gross Debt	173.4	135.0	28.5% ↑	293.0	(40.8%) ↓
(-) Cash and cash equivalents and financial investments	(284.3)	(223.5)	27.2% ↑	(334.9)	(15.1%) ↓
Net Debt	(110.9)	(88.5)	25.3% ↑	(41.9)	164.3% ↑
(+) Capital Reduction	100.0	100.0	0.0% ↑	0.0	0.0% ↑
<b>Adjusted Net Debt<sup>1</sup></b>	<b>(10.9)</b>	<b>11.5</b>	<b>(194.3%) ↓</b>	<b>(41.9)</b>	<b>(74.1%) ↓</b>
Shareholders' Equity + Minority Shareholders	1,100.9	1,075.6	2.3% ↑	1,132.2	(2.8%) ↓
Net Debt/ (Shareholders' Equity + Minority Shareholders)	(10.1%)	(8.2%)	(1.8 p.p.) ↓	(3.7%)	(6.4 p.p.) ↓
Adjusted Net Debt/ (Shareholders' Equity + Minority Shareholders)	(1.0%)	1.1%	(2.1 p.p.) ↓	(3.7%)	2.7 p.p. ↑
Adjusted EBITDA (Last 12 months)	139.2	130.2	6.9% ↑	63.8	118.0% ↑
Adjusted Net Debt/Adjusted EBITDA (last 12 months)	(7.8%)	8.8%	(16.6 p.p.) ↓	(65.7%)	57.9 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.

## Statement of Income

(in R\$ millions)	1Q17	4Q16	Q/Q (%)	1Q16	Y/Y (%)
Net Revenue	324.7	286.9	13.2% ↑	234.6	38.4% ↑
Operating Costs	(217.4)	(191.0)	13.8% ↑	(165.8)	31.1% ↑
<b>Gross Profit</b>	<b>107.3</b>	<b>95.9</b>	<b>11.9% ↑</b>	<b>68.7</b>	<b>56.1% ↑</b>
<i>Gross Margin</i>	<i>33.1%</i>	<i>33.4%</i>	<i>(0.4 p.p.) ↓</i>	<i>29.3%</i>	<i>3.7 p.p. ↑</i>
Operating Expenses	(84.3)	(65.4)	28.9% ↑	(55.2)	52.6% ↑
Selling Expenses	(29.5)	(25.4)	16.0% ↑	(18.3)	61.2% ↑
General and Administrative Expenses	(22.9)	(27.6)	(17.0%) ↓	(19.0)	20.5% ↑
Other Operating Revenue/Expenses	(28.7)	(3.7)	666.2% ↑	(15.2)	88.7% ↑
Depreciation and Amortization	(3.3)	(3.2)	2.9% ↑	(3.2)	2.6% ↑
Equity Income	0.1	(5.5)	(101.6%) ↓	0.5	(81.1%) ↓
<b>Operational Result</b>	<b>23.0</b>	<b>30.5</b>	<b>(24.5%) ↓</b>	<b>13.5</b>	<b>70.4% ↑</b>
Financial Income	5.6	3.4	66.4% ↑	8.8	(35.9%) ↓
Financial Expenses	(6.3)	(8.9)	(29.2%) ↓	(10.7)	(41.1%) ↓
<b>Net Income Before Taxes on Income</b>	<b>22.4</b>	<b>25.0</b>	<b>(10.5%) ↓</b>	<b>11.6</b>	<b>92.5% ↑</b>
Deferred income tax and social contribution	(2.0)	0.7	(410.9%) ↓	(3.5)	(42.1%) ↓
Current Income Tax and Social Contribution	(2.5)	(8.6)	(70.8%) ↓	(3.3)	(23.0%) ↓
<b>Net Income After Taxes on Income</b>	<b>17.8</b>	<b>17.1</b>	<b>4.5% ↑</b>	<b>4.9</b>	<b>266.6% ↑</b>
Minority Shareholders	(1.1)	(3.1)	(64.7%) ↓	0.1	(1,653.5%) ↓
<b>Net Income</b>	<b>18.9</b>	<b>20.2</b>	<b>(6.2%) ↓</b>	<b>4.8</b>	<b>295.1% ↑</b>

## Balance Sheet

(in R\$ millions)	March-17	December-16	Q/Q (%)	March-16	Y/Y (%)
<b>Current Assets</b>	<b>1,286.5</b>	<b>1,217.4</b>	<b>5.7% ↑</b>	<b>1,474.2</b>	<b>(12.7%) ↓</b>
Cash and cash equivalents	45.5	28.4	60.2% ↑	102.6	(55.6%) ↓
Short term investments	238.8	195.1	22.4% ↑	232.4	2.8% ↑
Receivables from clients	286.9	250.5	14.6% ↑	428.5	(33.0%) ↓
Properties for sale	526.3	563.6	(6.6%) ↓	513.4	2.5% ↑
Other accounts receivable	111.0	104.6	6.1% ↑	103.5	7.2% ↑
Land for sale	78.0	75.2	3.6% ↑	93.9	(17.0%) ↓
<b>Non-Current Assets</b>	<b>488.3</b>	<b>448.9</b>	<b>8.8% ↑</b>	<b>306.8</b>	<b>59.2% ↑</b>
Receivables from clients	180.5	176.7	2.2% ↑	46.5	288.1% ↑
Properties for sale	250.5	211.7	18.3% ↑	212.8	17.7% ↑
Other	57.3	60.6	(5.4%) ↓	47.4	20.8% ↑
<b>Intangible, Property and Equipment</b>	<b>50.6</b>	<b>48.0</b>	<b>5.3% ↑</b>	<b>41.5</b>	<b>21.8% ↑</b>
<b>Investments</b>	<b>63.5</b>	<b>147.8</b>	<b>(57.1%) ↓</b>	<b>163.8</b>	<b>(61.3%) ↓</b>
<b>Total Assets</b>	<b>1,888.8</b>	<b>1,862.1</b>	<b>1.4% ↑</b>	<b>1,986.3</b>	<b>(4.9%) ↓</b>
<b>Current Liabilities</b>	<b>342.1</b>	<b>353.5</b>	<b>(3.2%) ↓</b>	<b>526.7</b>	<b>(35.0%) ↓</b>
Loans and financing	66.8	41.3	61.5% ↑	7.6	780.1% ↑
Debentures	0.0	0.0	0.0% ↑	207.1	(100.0%) ↓
Obligations for purchase of land and advances from customers	134.6	131.3	2.6% ↑	136.2	(1.2%) ↓
Material and service suppliers	21.0	31.7	(33.8%) ↓	29.8	(29.7%) ↓
Taxes and contributions	36.1	30.5	18.2% ↑	37.7	(4.5%) ↓
Other	83.7	118.8	(29.5%) ↓	108.2	(22.7%) ↓
<b>Non-current liabilities</b>	<b>445.8</b>	<b>433.0</b>	<b>3.0% ↑</b>	<b>327.5</b>	<b>36.1% ↑</b>
Loans and financing	106.7	93.7	13.9% ↑	78.3	36.2% ↑
Debentures	0.0	0.0	0.0% ↑	0.0	0.0% ↑
Obligations for purchase of land and advances from customers	106.8	104.3	2.3% ↑	102.9	3.8% ↑
Deferred taxes	13.4	11.4	17.3% ↑	10.1	33.0% ↑
Provision for contingencies	45.8	45.0	1.9% ↑	56.2	(18.5%) ↓
Other	173.2	178.6	(3.0%) ↓	79.9	116.6% ↑
<b>Shareholders' Equity</b>	<b>1,100.9</b>	<b>1,075.6</b>	<b>2.3% ↑</b>	<b>1,132.2</b>	<b>(2.8%) ↓</b>
Shareholders' Equity	1,068.6	1,049.1	1.9% ↑	1,096.3	(2.5%) ↓
Minority Shareholders	32.3	26.5	21.9% ↑	35.9	(10.2%) ↓
<b>Total Liabilities and Shareholders' Equity</b>	<b>1,888.8</b>	<b>1,862.1</b>	<b>1.4% ↑</b>	<b>1,986.3</b>	<b>(4.9%) ↓</b>

## Cash Flow

(in R\$ millions)	March-17	December-16	Q/Q (%)	March-16	Y/Y (%)
<b>Cash Used in Operating Activities</b>	<b>33.5</b>	<b>42.7</b>	<b>(21.6%) ↓</b>	<b>65.0</b>	<b>(48.5%) ↓</b>
Net Income (loss) before taxes	22.4	25.0	(10.5%) ↓	11.6	92.5% ↑
Expenses/revenue not affecting working capital	0.0	0.0	0.0% ↑	0.0	0.0% ↑
Depreciation and amortization	4.3	4.1	3.9% ↑	3.9	10.2% ↑
Impairment	(2.6)	(1.8)	48.1% ↑	0.0	0.0% ↑
Stock option plan expenses	0.5	0.5	(0.2%) ↓	0.5	(8.3%) ↓
Penalty fee over delayed projects	(0.3)	(0.3)	(8.6%) ↓	(0.5)	(43.5%) ↓
Unrealized interest and charges, net	4.2	4.3	(1.7%) ↓	6.9	(38.5%) ↓
Equity income	(0.1)	5.5	(101.6%) ↓	(0.5)	(81.1%) ↓
Disposal of fixed asset	0.5	(0.1)	(705.8%) ↓	2.1	(75.3%) ↓
Warranty provision	2.3	(0.7)	(442.6%) ↓	1.0	120.3% ↑
Provision for contingencies	0.8	(31.0)	(102.6%) ↓	7.1	(88.7%) ↓
Profit sharing provision	4.7	0.8	491.8% ↑	2.1	126.3% ↑
Provision (reversal) for doubtful accounts and cancelations	3.0	19.4	(84.3%) ↓	12.2	(75.1%) ↓
Provision for cancelations and cancelations payable	5.9	1.1	459.1% ↑	(0.4)	(1,721.8%) ↓
Clients	(37.8)	(1.9)	1,938.0% ↑	(3.2)	1,069.1% ↑
Properties for sale	7.3	(8.4)	(186.7%) ↓	7.0	3.9% ↑
Other receivables	(6.3)	(0.8)	662.8% ↑	0.4	(1,551.4%) ↓
Deferred selling expenses and prepaid expenses	0.0	0.0	0.0% ↑	0.0	0.0% ↑
Obligations for purchase of real properties	7.1	11.4	(37.9%) ↓	3.6	94.5% ↑
Taxes and contributions	0.8	(6.3)	(112.1%) ↓	(2.6)	(129.5%) ↓
Accounts payable	(10.7)	4.7	(328.7%) ↓	16.1	(166.4%) ↓
Salaries, payroll charges and bonus provision	1.7	(5.9)	(129.1%) ↓	1.4	20.6% ↑
Other accounts payable	(18.4)	22.0	(183.4%) ↓	(0.5)	3,499.2% ↑
Current account operations	31.6	6.3	405.8% ↑	1.2	2,457.0% ↑
Taxes paid	(6.0)	(5.2)	15.6% ↑	(3.3)	83.2% ↑
Present value adjustment	6.3	0.0	0.0% ↑	(1.4)	(548.0%) ↓
Other operating revenue/expenses	12.2	0.0	0.0% ↑	0.0	0.0% ↑
<b>Cash used in investment activities</b>	<b>(51.0)</b>	<b>(7.1)</b>	<b>621.1% ↑</b>	<b>(24.1)</b>	<b>111.8% ↑</b>
Investment activities	0.0	0.0	0.0% ↑	0.0	0.0% ↑
Purchase of property and equipment	(7.3)	(5.7)	28.1% ↑	(4.4)	68.2% ↑
Redemption of securities, sureties and credits	365.0	596.5	(38.8%) ↓	486.0	(24.9%) ↓

Investments in marketable securities and restricted credits	(408.7)	(597.8)	(31.6%) ↓	(505.7)	(19.2%) ↓
Investments increase	0.0	0.0	(100.0%) ↓	0.0	0.0% ↑
Dividends Received	0.0	0.0	0.0% ↑	0.0	0.0% ↑
<b>Cash provided by financing activities</b>	<b>34.7</b>	<b>(67.9)</b>	<b>(151.1%) ↓</b>	<b>40.1</b>	<b>(13.4%) ↓</b>
Financing Activities	0.0	0.0	0.0% ↑	0.0	0.0% ↑
Increase in loans and financing	106.1	102.1	3.9% ↑	74.4	42.6% ↑
Amortization of loans and financing	(71.9)	(170.8)	(57.9%) ↓	(36.6)	96.1% ↑
Stock buyback	0.0	0.0	0.0% ↑	0.0	0.0% ↑
Dividends Paid	0.0	0.0	0.0% ↑	0.0	0.0% ↑
Loan operations	0.5	0.8	(36.3%) ↓	2.3	(78.7%) ↓
Disposal of treasury shares	0.0	0.0	0.0% ↑	0.0	0.0% ↑
Income from disposal of treasury shares	0.0	0.0	0.0% ↑	0.0	0.0% ↑
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>17.1</b>	<b>(32.4)</b>	<b>(152.8%) ↓</b>	<b>80.9</b>	<b>(78.9%) ↓</b>
At the beginning of the period	28.4	0.0	0.0% ↑	21.7	31.2% ↑
At the end of the period	45.5	(32.4)	(240.6%) ↓	102.6	(55.6%) ↓



## Investor Relations

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## About Tenda

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

*(A free translation from the original in Portuguese into English)*

## **Construtora Tenda S.A.**

Notes to individual and consolidated quarterly financial information  
March 31, 2017  
(In thousands of Brazilian Reais – R\$, except as otherwise stated)

### **1. Operations**

Construtora Tenda S.A. (“Company” or “Tenda”) is a publicly-traded company with registered office at Rua Álvares Penteado, 61, in the city and state of São Paulo, and registered with the São Paulo Stock Exchange (BMF&BOVESPA) under the ticker symbol “TEND3”.

The operations of Tenda and its subsidiaries comprise the carry out of civil construction works, real estate development, real estate purchase and sales, civil construction administration services, intermediation of consortia shares sales, and holding of interests in other companies.

The Company enters into real estate development projects with third parties through specific purpose partnerships (“Sociedades de Propósito Específico” or “SPEs”). Controlled entities substantially share the structures and the corresponding corporate, managerial and operating costs with the Company. The SPEs operate solely in the real estate industry and are linked to specific ventures.

On April 19, 2017, its parent company Gafisa S.A. disclosed a notice to the market about the completion of the procedure related to the exercise by Gafisa’s shareholders of preemptive rights to acquire the Company’s common shares. The acquired shares within the scope of the Preemptive Rights will be delivered to shareholders on May 4, 2017, date on which it starts to be listed and traded in the traditional segment of BM&FBOVESPA.

On April 24, 2017, the Company disclosed a notice to the market informing that its shares will start to be traded in the basic segment of B3 – Brasil, Bolsa, Balcão (former BM&FBOVESPA), as approved at the Extraordinary Shareholders’ Meeting of the Company held on February 20, 2017.

On April 28, 2017, its parent company Gafisa S.A., disclosed a notice to the market informing about the completion of the spin-off process of the Gafisa and Tenda business units.

On April 28, 2017, the Company disclosed a notice to the market that it obtained the required corporate authorizations and will request to B3 – Brasil, Bolsa, Balcão (former BM&FBOVESPA) (“B3”) the migration of the Company to the special listing segment named Novo Mercado.

### **2. Presentation of quarterly information and summary of significant accounting policies**

#### **2.1. Basis of presentation and preparation of individual and consolidated quarterly information**

On May 9, 2017, the Board of Directors of the Company approved the individual and consolidated quarterly information of the Company and authorized its disclosure.

The individual (Company) and consolidated quarterly information has been prepared and is being presented based on the technical pronouncement CPC 21(R1) – Interim Financial Reporting, using the same accounting practices, judgments, estimates and assumptions adopted in the presentation and preparation of the financial statements for the year ended December 31, 2016. Therefore, the corresponding quarterly information shall be read together with the financial statements as of December 31, 2016.

*(A free translation from the original in Portuguese into English)*

## **Construtora Tenda S.A.**

Notes to individual and consolidated quarterly financial information  
March 31, 2017  
(In thousands of Brazilian Reais – R\$, except as otherwise stated)

### **2. Presentation of quarterly information and summary of significant accounting policies--Continued**

#### **2.1. Basis of presentation and preparation of individual and consolidated quarterly information--Continued**

The individual quarterly information, identified as “Company”, has been prepared and is being presented according to the accounting practices adopted in Brazil, including the pronouncements issued by the Accounting Pronouncements Committee (CPC), approved by the Brazilian Securities and Exchange Commission (CVM) and is disclosed together with the consolidated quarterly information.

The consolidated quarterly information of the Company has been prepared and is being presented according to the accounting practices adopted in Brazil, including the pronouncements issued by the CPC, approved by the CVM, and according to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), applicable to real estate development entities in Brazil, including the Guideline OCPC 04 - Application of the Technical Interpretation ICPC 02 to the Brazilian Real Estate Development Entities, in relation to the treatment of the recognition of revenue from this sector and involves certain matters related to application of the continuous transfer of the risks, rewards and control over the real estate units sold.

The individual quarterly information of the Company is not considered in compliance with the IFRS, once it considers the capitalization of interest on qualifying assets of investees in the separate quarterly information of the Company. In view of the fact that there is no difference between the Company's and the consolidated equity and profit or loss, the Company opted for presenting the accompanying individual and consolidated information in only one set.

The quarterly information has been prepared on a going concern basis. Management makes an assessment of the Company's ability to continue as going concern when preparing the quarterly information.

All material information that is proper to quarterly information, and only it, has been evidenced and correspond to those used by Management in its administration.

All amounts disclosed in the accompanying quarterly information are in thousands of Reais, except as otherwise stated.

The other explanations related to this note were not subject to material changes in relation to the disclosures in Note 2.1 to the individual and consolidated financial statements as of December 31, 2016.

*(A free translation from the original in Portuguese into English)*

## **Construtora Tenda S.A.**

Notes to individual and consolidated quarterly financial information  
March 31, 2017  
(In thousands of Brazilian Reais – R\$, except as otherwise stated)

### **2. Presentation of quarterly information and summary of significant accounting policies--Continued**

#### **2.1. Basis of presentation and preparation of individual and consolidated quarterly information--Continued**

##### **2.1.1. Consolidated quarterly information**

The accounting practices have been applied consistently by all subsidiaries included in the consolidated quarterly information, and the fiscal year of these entities is the same as the Company's. See further details in Note 9.

The other explanations related to this note were not subject to material changes in relation to the disclosures in Note 2.1.1 to the individual and consolidated financial statements as of December 31, 2016.

### **3. New standards, changes and interpretation of standards issued and not yet adopted**

There is no standard, change to standards or interpretation issued and not yet adopted that could, on the Management's opinion, have significant impact arising from its adoption on its quarterly information, besides those already disclosed in Note 3 to the individual and consolidated financial statements as of December 31, 2016.

The other explanations related to this note were not subject to material changes in relation to the disclosures in Note 3 to the individual and consolidated financial statements as of December 31, 2016.

(A free translation from the original in Portuguese into English)

## Construtora Tenda S.A.

Notes to individual and consolidated quarterly financial information

March 31, 2017

(In thousands of Brazilian Reais – R\$, except as otherwise stated)

### 4. Cash and cash equivalents and short-term investments

#### 4.1. Cash and cash equivalents

	Company		Consolidated	
	03/31/2017	12/31/2016	03/31/2017	12/31/2016
Cash and banks	13,894	12,093	43,852	27,835
Securities purchased under resale agreements (a)	1,663	31	1,663	579
Total cash and cash equivalents (Note 21.b.i)	15,557	12,124	45,515	28,414

- (a) As of March 31, 2017, the securities purchased under resale agreement include interest earned of 100% of Interbank Deposit Certificates (CDI) (from 75% to 100% of CDI as of December 31, 2016). All investments are carried out with what management considers to be top tier financial institutions.

The other explanations related to this note were not subject to material changes in relation to the disclosures in Note 4.1 to the financial statements as of December 31, 2016.

#### 4.2. Short-term investments

	Company		Consolidated	
	03/31/2017	12/31/2016	03/31/2017	12/31/2016
Fixed-income funds	47,804	36,325	66,316	37,647
Government bonds (LFT)	6,387	4,043	8,349	4,091
Corporate securities	13,827	21,327	18,072	21,579
Securities purchased under resale agreements	15,153	1,061	17,590	1,068
Bank certificates of deposit (a)	6,109	10,844	11,814	27,996
Restricted cash in guarantee to loans	-	33	-	33
Restricted credits (b)	18,556	27,584	116,627	102,659
Total short-term investments (Note 21.b.i)	107,836	101,217	238,768	195,073

- (a) As of March 31, 2017, the Bank Certificates of Deposit (CDBs) include interest earned through the statement of financial position's reporting date, ranging from 90% to 101.5% (from 85% to 104.5% as of December 31, 2016) of Interbank Deposit Certificates (CDI).
- (b) Restricted credits are represented by onlending of the funds from associate credit ("*crédito associativo*"), a type of government real estate financing, which are in process of approval at the Caixa Econômica Federal (a Federally owned Brazilian bank used for real estate financing purpose). These approvals are made to the extent the contracts signed with customers at the financial institutions are regularized, which the Company expect to occur in up to 90 days.

The other explanations related to this note were not subject to material changes in relation to the disclosures in Note 4.2 to the financial statements as of December 31, 2016.

(A free translation from the original in Portuguese into English)

## Construtora Tenda S.A.

Notes to individual and consolidated quarterly financial information  
March 31, 2017  
(In thousands of Brazilian Reais – R\$, except as otherwise stated)

### 5. Trade accounts receivable from real estate development and services

	Company		Consolidated	
	03/31/2017	12/31/2016	03/31/2017	12/31/2016
Real estate development and sales	159,856	170,830	574,030	532,176
( - ) Allowance for doubtful accounts and cancelled contracts	(82,474)	(103,865)	(127,044)	(125,358)
( - ) Present value adjustments	(2,818)	(1,460)	(8,708)	(2,901)
Service and construction customers	22,594	24,109	29,186	23,230
	<b>97,158</b>	<b>89,614</b>	<b>467,464</b>	<b>427,147</b>
Current portion	51,162	51,674	286,941	250,474
Non-current portion	45,996	37,940	180,523	176,673

The current and non-current portions have the following maturities:

Maturity	Company		Consolidated	
	03/31/2017	12/31/2016	03/31/2017	12/31/2016
Overdue				
Up to 90 days	14,174	1,680	35,236	53,779
From 91 to 180 days	1,918	4,153	32,829	17,371
Over 180 days (a)	81,204	97,041	155,004	170,336
Subtotal – Overdue	<b>97,296</b>	<b>102,874</b>	<b>223,069</b>	<b>241,486</b>
Falling due				
2017	39,308	52,834	188,686	121,965
2018	20,161	18,704	80,142	96,543
2019	14,485	9,893	70,804	63,211
2020	3,856	3,217	20,941	15,306
2021 onwards	7,344	7,417	19,574	16,895
Subtotal – Falling due	<b>85,154</b>	<b>92,065</b>	<b>380,147</b>	<b>313,920</b>
( - ) Adjustment to present value	(2,818)	(1,460)	(8,708)	(2,901)
( - ) Allowance for doubtful account and cancelled contracts	(82,474)	(103,865)	(127,044)	(125,358)
	<b>97,158</b>	<b>89,614</b>	<b>467,464</b>	<b>427,147</b>

- (a) Of the amount more than 180 days overdue, the amounts in process of transfer to financial institutions amount to R\$42,776 in the Company's balance and R\$102,572 in the consolidated balance (R\$25,433 in the Company's balance and R\$55,492 in the consolidated balance as of December 31, 2016).

The change in the allowance for doubtful accounts and cancelled contracts for the period ended March 31, 2017 is as follows:

	Company			Consolidated		
	Receivables	Properties for sale (Note 6)	Net balance	Receivables	Properties for sale (Note 6)	Net balance
Balance at December 31, 2016	(103,865)	34,514	(69,351)	(125,358)	36,357	(89,001)
Additions	(6,217)	3,603	(2,614)	(18,339)	8,824	(9,515)
Reversal	27,608	(18,898)	8,710	16,653	(10,181)	6,472
Balance at March 31, 2017	(82,474)	19,219	(63,255)	(127,044)	35,000	(92,044)

The other explanations related to this note were not subject to material changes in relation to the disclosures in Note 5 to the financial statements as of December 31, 2016.

(A free translation from the original in Portuguese into English)

## Construtora Tenda S.A.

Notes to individual and consolidated quarterly financial information  
March 31, 2017  
(In thousands of Brazilian Reais – R\$, except as otherwise stated)

### 6. Properties for sale

	Company		Consolidated	
	03/31/2017	12/31/2016	03/31/2017	12/31/2016
Land	98,139	95,374	458,920	454,183
Property under construction	67,257	72,886	235,805	227,940
Real estate cost in the recognition of the provision for cancelled contracts (Note 5)	19,219	34,514	35,000	36,357
Completed units	33,681	34,557	61,109	74,407
(-)Adjustment to present value	(2,024)	(2,132)	(10,996)	(14,637)
(-)Provision for impairment non-realization of properties for sale	(2,267)	(2,267)	(3,054)	(2,963)
	<b>214,005</b>	<b>232,932</b>	<b>776,784</b>	<b>775,287</b>
Current portion	146,735	177,838	526,329	563,576
Non-current portion	67,270	55,094	250,455	211,711

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 6 to the financial statements as of December 31, 2016.

### 7. Related parties

#### 7.1 Balances with related parties

The balances with related parties, assets and liabilities are as follows:

	Company		Consolidated	
	03/31/2017	12/31/2016	03/31/2017	12/31/2016
<b>Assets</b>				
Related parties Current account	264,684	216,393	56,434	55,733
Loan receivable	42,581	47,044	33,282	37,745
Total assets	<b>307,265</b>	<b>263,437</b>	<b>89,716</b>	<b>93,478</b>
Current portion	264,684	216,393	56,434	55,733
Non-current portion	42,581	47,044	33,282	37,745
<b>Liabilities</b>				
Related parties Current account	963,501	877,802	48,428	54,118
Loan payable	11,777	50,599	11,777	50,599
Payables to Shareholders (a)	100,000	100,000	100,000	100,000
Total liabilities	<b>1,075,278</b>	<b>1,028,401</b>	<b>160,205</b>	<b>204,717</b>
Current portion	963,501	877,802	25,277	49,665
Non-current portion	111,777	150,599	134,929	155,052

- (a) On December 14, 2016, the Extraordinary Shareholders' Meeting approved the decrease in the Company's capital, with no cancellation of shares and with refund to Gafisa, in the amount of R\$100 million, adjusted by the country's interest rate (Selic) from May 4, 2017, date on which the Company ceased to be a wholly-owned subsidiary of Gafisa. Of this total amount, R\$50 million, plus adjustment for inflation, shall be paid until December 31, 2018, and the remaining balance, until December 31, 2019, which can be paid in advance in case certain favorable conditions are met.

(A free translation from the original in Portuguese into English)

## Construtora Tenda S.A.

Notes to individual and consolidated quarterly financial information  
March 31, 2017  
(In thousands of Brazilian Reais – R\$, except as otherwise stated)

### 7. Related parties--Continued

#### 7.1 Balances with related parties--Continued

The composition, nature and conditions of loan balance receivable and payable of the Company are shown below. Loans have maturities according the period of the respective ventures.

	Company		Consolidated		Nature	Interest rate
	03/31/2017	12/31/2016	03/31/2017	12/31/2016		
Atua Construtora e Incorporadora S.A. (a)	12,167	12,167	12,167	12,167	Construction	112% of 113.5% of CDI
Interativa Empreendimentos & Participações Ltda. (b)	-	4,548	-	4,548	Construction	12% p.a.
Fit 09 SPE Empreendimentos Imobiliários Ltda. (c)	9,299	9,299	-	-	Construction	120% to 126.5% p.a. of CDI
Fit 19 SPE Empreendimentos Imobiliários Ltda. (c)	17,049	17,002	17,049	17,002	Construction	100% of CDI
Acedio SPE Empreendimentos Imobiliários Ltda. (c)	4,066	4,028	4,066	4,028	Construction	100% of CDI
<b>Loans receivable</b>	<b>42,581</b>	<b>47,044</b>	<b>33,282</b>	<b>37,745</b>		

- (a) Amount related to the loan of the company with the company Atua Construtora e Incorporadora S.A., which is being disputed in arbitration, at the Center for Arbitration and Mediation of the Chamber of Commerce Brazil-Canada (CAM/CCBC). The amount is no longer adjusted by agreed-upon financial charges in view of the arbitration
- (b) Loan with the company Interativa Empreendimentos & Participações Ltda that was received on March 29, 2017.
- (c) Amounts receivable among the SPEs that are adjusted through August 2014 (date of last request in arbitration) with the financial charges agreed upon in the terms of contracts. These amounts are being disputed in arbitration, at the Center for Arbitration and Mediation of the Chamber of Commerce Brazil-Canada (CAM/CCBC). The loan with the company Fit 09 SPE Empr. Imob. Ltda. was eliminated for purposes of the consolidated financial statements.

	Company		Consolidated		Nature	Interest rate
	03/31/2017	12/31/2016	03/31/2017	12/31/2016		
Parque dos Pássaros (d)	6,239	5,765	6,239	5,765	Construction	6% p.a.
Fit 11 SPE Empreendimentos Imobiliários Ltda. (e)	-	6,285	-	6,285	Construction	6% p.a.
Fit 31 SPE Empreendimentos Imobiliários Ltda. (e)	-	1,381	-	1,381	Construction	6% p.a.
Fit 34 SPE Empreendimentos Imobiliários Ltda. (e)	-	23,318	-	23,318	Construction	6% p.a.
Fit 03 SPE Empreendimentos Imobiliários Ltda. (e)	-	8,412	-	8,412	Construction	6% p.a.
Araçagy (Franere Gafisa 08) (d)	5,538	5,438	5,538	5,438	Construction	6% p.a.
<b>Loans payable</b>	<b>11,777</b>	<b>50,599</b>	<b>11,777</b>	<b>50,599</b>		

- (d) Loans with subsidiaries that will be adjusted for inflation at 6% p.a. plus IOF levied on the transaction, until its settlement.
- (e) Loan settled through the acquisition of subsidiaries: 30% of Fit 11 SPE Empreendimentos Imobiliários Ltda; 30% of Fit 31 SPE Empreendimentos Imobiliários Ltda.; 30% of Fit 34 SPE Empreendimentos Imobiliários Ltda; and 20% of Fit 03 SPE Empreendimentos Imobiliários Ltda.

In the period ended March 31, 2017, financial income from loan interests was recognized in the amount of R\$116 in the Company's balance and R\$132 in the consolidated balance (Note 24). As of March 31, 2016, no financial income was recognized.

In the period ended March 31, 2017, financial expenses from loan interests payable were recognized in the amount of R\$505 (R\$704 as of March 31, 2016) in the Company's and consolidated balances (Note 24).

The information related to Management transactions and compensation is described in Note 25.

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 7 to the financial statements as of December 31, 2016.

#### 7.2 Endorsements, guarantees and sureties

The financial transactions of the subsidiaries are guaranteed by the endorsement or surety in proportion to the interest of the Company in the capital stock of such companies, in the amount of R\$337,718 (R\$346,250 as of December 31, 2016).



(A free translation from the original in Portuguese into English)

## Construtora Tenda S.A.

Notes to individual and consolidated quarterly financial information  
March 31, 2017  
(In thousands of Brazilian Reais – R\$, except as otherwise stated)

### 8. Non-current assets for sale

#### 8.1 Land for sale

The changes in land for sale are summarized as follows:

	Company			Consolidated		
	Cost	Provision for impairment	Net balance	Cost	Provision for impairment	Net balance
Balance as of December 31, 2016	53,705	(10,218)	43,487	87,270	(12,043)	75,227
Additions	602	-	602	10,244	-	10,244
Reversal / write-offs	(10,082)	2,728	(7,354)	(10,245)	2,728	(7,517)
Balance as of March 31, 2017	44,225	(7,490)	36,735	87,269	(9,315)	77,954

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 8.1 to the financial statements as of December 31, 2016.

(A free translation from the original in Portuguese into English)

## Construtora Tenda S.A.

Notes to individual and consolidated quarterly financial information

March 31, 2017

(In thousands of Brazilian Reals – R\$, except as otherwise stated)

### 9. Investments in ownership interests

#### (i) Ownership interests

Direct investees	Interest in capital - %		Total assets	Total liabilities	Equity and advance for future capital increase		Profit (loss) for the year		Company				Consolidated				
	03/31/2017	12/31/2016			03/31/2017	03/31/2017	12/31/2016	03/31/2017	03/31/2016	Investments		Income from equity method investments		Investments		Income from equity method investments	
										03/31/2017	12/31/2016	03/31/2017	12/31/2016	03/31/2017	12/31/2016	03/31/2017	12/31/2016
TENDA NEGOCIOS IMOB	100%	100%	1,167,258	665,464	501,794	474,310	27,484	4,204	501,794	474,310	27,484	4,207	-	-	-	-	
COTIA1 - EMP. IMOB.	100%	100%	153,181	265	152,916	153,898	(982)	(378)	152,916	153,898	(982)	(378)	-	-	-	-	
FIT SPE 05 EMP. IMOB	100%	100%	95,748	103	95,645	96,239	(594)	(472)	95,645	96,239	(594)	(472)	-	-	-	-	
JARDIM SÃO LUIZ	100%	100%	75,677	1,420	74,257	75,064	(808)	17,938	74,257	75,064	(808)	17,938	-	-	-	-	
FGM INCORPORACOES S.A.	100%	100%	50,562	(28)	50,590	50,737	(147)	(456)	50,590	50,737	(147)	(456)	-	-	-	-	
FIT 07 SPE EMP. IMOB	100%	100%	47,086	23	47,063	47,178	(115)	(86)	47,063	47,178	(115)	(86)	-	-	-	-	
FIT SPE 01 EMP. IMOB	100%	100%	38,671	356	38,315	38,081	234	(148)	38,315	38,081	234	(148)	-	-	-	-	
ASPENIUM SUGAYA	100%	100%	35,429	910	34,519	35,281	(761)	7,799	34,519	35,281	(761)	7,799	-	-	-	-	
FIT 24 SPE EMP. IMOB	100%	100%	31,590	62	31,528	31,545	(17)	(51)	31,528	31,545	(17)	(51)	-	-	-	-	
FIT 16 SPE EMP. IMOB	100%	100%	29,634	540	29,094	29,994	(900)	(47)	29,094	29,994	(900)	(47)	-	-	-	-	
SPE FRANERE GAFISA 08	50%	50%	48,072	4,942	43,130	42,836	294	641	21,565	21,418	147	321	21,565	21,418	147	321	
FIT 40 SPE EMP. IMOB	100%	100%	24,504	253	24,251	24,230	21	85	24,251	24,230	21	85	-	-	-	-	
FIT 34 SPE EMP. IMOB (b)	70%	70%	35,752	1,309	34,443	34,387	56	86	24,110	24,071	39	60	-	24,071	-	60	
GUAIANAZES LIFE EMP.	100%	100%	20,407	29	20,378	20,384	(6)	128	20,378	20,384	(6)	128	-	-	-	-	
FIT SPE 11 EMP. IMOB (b)	70%	70%	29,210	406	28,804	28,955	(152)	931	20,162	20,269	(106)	652	-	20,269	-	652	
AC PARTICIPAÇÕES	100%	100%	18,860	756	18,104	19,877	(1,772)	(184)	18,104	19,877	(1,772)	(184)	-	-	-	-	
SPE TENDA SP VILA PARK	100%	100%	19,259	153	19,106	19,203	(97)	(481)	19,106	19,203	(97)	(481)	-	-	-	-	
PARQUE DOS PÁSSAROS	50%	50%	32,828	2,695	30,133	30,223	(90)	771	15,067	15,112	(45)	385	15,067	15,112	(45)	385	
SPE TENDA SP OSASCO	100%	100%	18,272	21	18,251	18,276	(24)	(130)	18,251	18,276	(24)	(130)	-	-	-	-	
TENDA SP JARDIM SÃO LUIZ	100%	100%	15,703	47	15,656	15,926	(270)	(25)	15,656	15,926	(270)	(25)	-	-	-	-	
FIT 32 SPE EMP. IMOB	100%	100%	13,695	585	13,110	13,311	(202)	715	13,110	13,311	(202)	715	-	-	-	-	
MARIA INES SPE EMP. (c)	100%	60%	20,965	29	20,936	21,017	(81)	124	20,936	12,610	(81)	74	-	12,610	-	74	
TENDA 25 SPE	70%	70%	15,323	4	15,319	15,379	(60)	(3)	10,723	10,765	(42)	(2)	-	-	-	-	
FIT 22 SPE EMP. IMOB	100%	100%	10,502	4	10,498	10,500	(2)	1	10,498	10,500	(2)	1	-	-	-	-	
CONSOLIDATED FIT 13 SPE	50%	50%	21,488	653	20,835	20,892	(56)	130	10,418	10,446	(28)	65	3,509	3,565	(56)	130	
SPE TENDA SP ITAQUERA	100%	100%	10,310	32	10,278	10,305	(27)	(7)	10,278	10,305	(27)	(7)	-	-	-	-	
FIT 31 SPE EMP. IMOB (b)	70%	70%	14,994	573	14,421	14,420	1	(678)	10,095	10,094	1	(865)	-	10,094	-	(865)	
CIPESA PROJETO 02	50%	50%	19,047	134	18,913	19,090	(177)	357	9,456	9,545	(89)	122	-	-	-	-	
FIT SPE 03 EMP. IMOB (b)	80%	80%	11,637	275	11,362	11,381	(19)	98	9,090	9,105	(15)	(200)	-	-	-	(200)	
CITTA' ITAPOAN	50%	50%	18,956	2,756	16,200	17,353	(101)	38	8,100	8,677	(51)	19	8,100	8,677	(51)	19	
CITTA' VILLE	50%	50%	16,548	2,019	14,529	16,332	(1,804)	(3)	7,264	8,166	(902)	(53)	-	-	-	-	
FIT SPE 10 EMP. IMOB	100%	100%	7,366	427	6,939	7,505	(567)	149	6,939	7,505	(567)	(336)	-	-	-	-	
FIT SPE 02 EMP. IMOB (c)	100%	60%	12,257	-	12,257	12,300	(43)	60	12,257	7,380	(43)	36	-	7,380	-	36	
FIT SPE 06 EMP. IMOB	100%	100%	7,634	447	7,187	7,187	-	1	7,187	7,187	-	12	-	-	-	12	
TENDA SPE-19 EMP. IMOB.	100%	100%	6,438	134	6,304	6,309	(4)	(1)	6,304	6,309	(4)	74	-	-	-	74	
CITTA LAURO DE FREITAS	50%	50%	12,317	1,237	11,080	11,617	(3)	22	5,540	5,809	(1)	11	5,540	5,809	(1)	11	
OCPC01 adjustment – capitalized interests (a)	-	-	-	-	-	-	(101)	-	9,680	9,781	(101)	(356)	-	-	-	-	
Other (*)	-	-	36,252	7,664	28,588	29,824	(829)	(2,665)	19,900	21,093	(910)	(4,921)	9,694	9,721	95	(152)	
<b>Total investments</b>			<b>2,243,432</b>	<b>696,699</b>	<b>1,546,733</b>	<b>1,531,346</b>	<b>17,279</b>	<b>28,463</b>	<b>1,440,146</b>	<b>1,409,681</b>	<b>18,217</b>	<b>23,506</b>	<b>63,475</b>	<b>147,831</b>	<b>89</b>	<b>471</b>	

(\*)Includes companies with investment balances below R\$5 million.

(a) Financial charges of the Company not appropriated to the profit or loss of subsidiaries, as required by paragraph 6 of OCPC01.

(b) In March 2017, the Company acquired the control of the companies Fit 03 SPE Empreendimentos Imobiliários Ltda, Fit 11 SPE Empreendimentos Imobiliários Ltda and Fit 34 SPE Empreendimentos Imobiliários Ltda, in relation to which it recognized a provision in profit or loss for investment losses in the amount of R\$11,309 (Note 23), of which a portion of the involved amounts were settled by offsetting loan contracts (Note 7.1) entered previously into between the related parties, and the remaining balance was settled in cash. The corporate acts related to the acquisition of 100% of shares will be performed after the disclosure in view of the procedural steps required for completing the business transaction.

(c) In March 2017, the acquisition of ownership interests in the companies Maria Inês SPE Empreendimentos Imobiliários Ltda and Fit SPE 02 Empreendimentos Imobiliários Ltda was made, by restructuring the current accounts of related parties.

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### 9. Investments in ownership interests --Continued

#### (ii) Ownership interests – net capital deficiency

Direct investees	Interest in capital - %		Total assets		Total liabilities	Equity and advance for future capital increase		Profit (loss) for the year		Company				Consolidated			
										Investments		Income from equity method investments		Investments		Income from equity method investments	
	03/31/2017	12/31/2016	03/31/2017	03/31/2017	03/31/2017	03/31/2017	12/31/2016	03/31/2017	03/31/2016	03/31/2017	12/31/2016	03/31/2017	03/31/2016	03/31/2017	12/31/2016	03/31/2017	03/31/2016
Provision for net capital deficiency:																	
TND INTERM. DE NEGOCIOS	100%	100%	1,302	10,230	(8,928)	(9,381)	452	(1,853)	(8,930)	(9,380)	452	-	-	-	-	-	-
FIT CAMPOLIM SPE	55%	55%	7,273	17,082	(9,809)	(9,810)	-	-	(5,397)	(5,396)	-	-	(5,396)	(5,396)	-	-	-
Other (*)			3,242	13,231	(9,989)	(9,866)	(283)	(10,668)	(8,131)	(8,048)	(249)	(832)	-	-	-	-	-
<b>Total provision for net capital deficiency</b>			<b>11,817</b>	<b>40,543</b>	<b>(28,726)</b>	<b>(29,057)</b>	<b>169</b>	<b>(12,521)</b>	<b>(22,458)</b>	<b>(22,824)</b>	<b>203</b>	<b>(832)</b>	<b>(5,396)</b>	<b>(5,396)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Income from equity method</b>											<b>18,420</b>	<b>22,674</b>			<b>89</b>	<b>471</b>	

#### (iii) Change in investments

	Company	Consolidated
<b>Balance at December 31, 2016</b>	<b>1,409,681</b>	<b>147,831</b>
Income from equity method investments	18,420	89
Advance for future capital increase	12,626	-
Acquisition of ownership interests	701	-
Acquisition of Control (a)	-	(83,529)
Provision for net capital deficiency	(366)	-
Other	(916)	(916)
<b>Balance at March 31, 2017</b>	<b>1,440,146</b>	<b>63,475</b>

(a) In March, the control over investees Maria Inês SPE Empreendimentos Ltda, Fit 02 SPE Empreendimentos Imobiliários Ltda, Fit 03 SPE Empreendimentos Imobiliários Ltda, Fit 11 SPE Empreendimentos Imobiliários Ltda, Fit 31 SPE Empreendimentos Imobiliários Ltda, and Fit 34 SPE Empreendimentos Imobiliários Ltda. was recognized.

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### 10. Property and equipment

Type	Company					Consolidated				
	12/31/2016	Addition	Write-off	(-) 100% depreciated items	03/31/2017	12/31/2016	Addition	Write-off	(-) 100% depreciated items	03/31/2017
<b>Cost</b>										
Hardware	18,662	1,971	(521)	(1,247)	18,865	18,662	1,971	(521)	(1,247)	18,865
Leasehold improvements and installations	9,338	523	-	-	9,861	9,338	523	-	-	9,861
Furniture and fixtures	4,171	152	-	(45)	4,278	4,239	160	-	(45)	4,354
Machinery and equipment	1,450	77	-	(10)	1,517	1,450	77	-	(10)	1,517
Molds	18,681	1,693	-	-	20,374	18,681	1,693	-	-	20,374
	<b>52,302</b>	<b>4,416</b>	<b>(521)</b>	<b>(1,302)</b>	<b>54,895</b>	<b>52,370</b>	<b>4,424</b>	<b>(521)</b>	<b>(1,302)</b>	<b>54,971</b>
<b>Accumulated depreciation</b>										
Hardware	(7,384)	(947)	-	1,247	(7,084)	(7,384)	(947)	-	1,247	(7,084)
Leasehold improvements and installations	(4,621)	(406)	-	-	(5,027)	(4,315)	(406)	-	-	(4,721)
Furniture and fixtures	(3,264)	(112)	-	45	(3,331)	(3,297)	(114)	-	45	(3,366)
Machinery and equipment	(694)	(40)	-	10	(724)	(694)	(40)	-	10	(724)
Molds	(6,232)	(1,000)	-	-	(7,232)	(6,537)	(1,000)	-	-	(7,537)
	<b>(22,195)</b>	<b>(2,505)</b>	<b>-</b>	<b>1,302</b>	<b>(23,398)</b>	<b>(22,227)</b>	<b>(2,507)</b>	<b>-</b>	<b>1,302</b>	<b>(23,432)</b>
	<b>30,107</b>	<b>1,911</b>	<b>(521)</b>	<b>-</b>	<b>31,497</b>	<b>30,143</b>	<b>1,917</b>	<b>(521)</b>	<b>-</b>	<b>31,539</b>

(a) The expenses of depreciation of molds have been recorded in line item "Construction Cost".

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 10 to the financial statements as of December 31, 2016.

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### 11. Intangible assets

	Company/Consolidated				03/31/2017
	12/31/2016				
	Balance	Addition	Write-off / amortization	100% amortized items	Balance
Software – Cost	29,165	2,925	-	(578)	31,512
Software – Amortization /SFI	(11,865)	(1,553)	-	578	(12,840)
Other	565	-	(211)	-	354
	17,865	1,372	(211)	-	19,026

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 11 to the financial statements as of December 31, 2016.

### 12. Loans and financing

Type	Maturity	Annual interest rate	Company		Consolidated	
			03/31/2017	12/31/2016	03/31/2017	12/31/2016
National Housing System - SFH /SFI	October/2017 to August/2021	TR + 8.30% p.a. to 9.50 % p.a.	6,351	11,254	103,122	82,974
Certificate of Bank Credit - CCB	December/2017 to June/2019	CDI + 2.30% p.a. to 4.25 % p.a. INCC-DI Variation	54,543	33,652	70,310	52,020
<b>Total</b>			<b>60,894</b>	<b>44,906</b>	<b>173,432</b>	<b>134,994</b>
Current portion			55,083	28,690	66,765	41,333
Non-current portion			5,811	16,216	106,667	93,661

The current and non-current portions are as follows:

Maturity	Company		Consolidated	
	03/31/2017	12/31/2016	03/31/2017	12/31/2016
2017	42,871	28,690	51,577	41,333
2018	14,321	10,371	39,454	37,242
2019	2,606	4,636	48,702	38,446
2020	1,096	1,209	32,339	17,111
2021 onwards	-	-	1,360	862
	<b>60,894</b>	<b>44,906</b>	<b>173,432</b>	<b>134,994</b>

The Company has loan and financing contracts with restrictive covenants that requires the fulfillment of certain economic and financial ratios. The non-compliance with such covenants may imply debt acceleration.

As of March 31, 2017, the ratio required by this restrictive covenant is shown in the table below:

	03/31/2017	12/31/2016
Net leverage ratio of total net financial debt to equity, which shall not exceed 15%.	-10.07%	-

The following table shows the summary of financial expenses and charges and the capitalized portion in the line item “properties for sale”.

	Company		Consolidated	
	03/31/2017	03/31/2016	03/31/2017	03/31/2016
Total financial charges for the period	2,299	7,590	5,194	10,677
Capitalized financial charges	505	(545)	(3,138)	(3,632)
Financial expenses (Note 24)	2,804	7,045	2,056	7,045
Financial charges included in “Properties for sale”:				
Opening balance	12,845	23,523	42,802	54,902
Capitalized financial charges	(505)	545	3,138	3,632
Charges recognized in profit or loss (Note 23)	839	(2,183)	(4,946)	(5,515)
Closing balance	13,179	21,885	40,994	53,019

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 12 to the financial statements as of December 31, 2016.

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### 13. Salaries and payroll charges

	Company		Consolidated	
	03/31/2017	12/31/2016	03/31/2017	12/31/2016
Salaries and payroll charges	1,999	2,392	5,524	6,154
Provisions for labor claims	2,047	2,522	13,575	11,218
Profit sharing	80	80	16,960	12,226
	<b>4,126</b>	<b>4,994</b>	<b>36,059</b>	<b>29,598</b>

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 15 to the financial statements as of December 31, 2016.

### 14. Taxes and contributions

	Company		Consolidated	
	03/31/2017	12/31/2016	03/31/2017	12/31/2016
Deferred PIS and COFINS (a)	4,399	4,037	14,881	11,776
Current PIS and COFINS	2,370	2,202	4,483	3,454
Other tax obligations	6,017	6,827	12,739	15,280
	<b>12,786</b>	<b>13,066</b>	<b>32,103</b>	<b>30,510</b>

- (a) The Company records long term deferred PIS and COFINS in the line item "Other payables and other" in the amount of R\$3,826 in the Company's balance and R\$8,619 in the consolidated balance (R\$2,964 in the Company's balance and R\$7,849 in the consolidated balance as of March 31, 2017)

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 14 to the financial statements as of December 31, 2016.

### 15. Payables for purchase of properties and advances from customers

	Company		Consolidated	
	03/31/2017	12/31/2016	03/31/2017	12/31/2016
Payables for purchase of properties	17,572	17,568	201,786	190,308
Advances from customers:				
Development and services	1,909	2,216	2,235	2,513
Barter transaction – Land	2,042	2,505	37,374	42,802
	<b>21,523</b>	<b>22,289</b>	<b>241,395</b>	<b>235,623</b>
Current portion	9,007	9,256	134,632	131,280
Non-current portion	12,516	13,033	106,763	104,343

The current and non-current portions have the following maturities:

Maturity	Company		Consolidated	
	03/31/2017	12/31/2016	03/31/2017	12/31/2016
2017	8,072	9,256	108,427	131,280
2018	6,051	5,649	74,591	55,236
2019	5,400	5,264	42,567	26,897
2020	2,000	2,120	9,822	19,282
2021 onwards	-	-	5,988	2,928
	<b>21,523</b>	<b>22,289</b>	<b>241,395</b>	<b>235,623</b>

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 16 to the financial statements as of December 31, 2016.

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### 16. Income tax and social contribution

#### (a) Current income tax and social contribution

The reconciliation of the effective tax rate for the periods ended March 31, 2017 and 2016 is as follows:

	Company		Consolidated	
	03/31/2017	03/31/2016	03/31/2017	03/31/2016
Profit before income tax and social contribution, and statutory interest	18,940	4,794	22,370	11,620
Income tax calculated at the applicable rate - 34 %	(6,440)	(1,630)	(7,606)	(3,951)
Net effect of subsidiaries taxed by presumed profit	-	-	8,164	3,787
Charges on payables to venture partners	48	(5)	48	(5)
Stock option plan	-	(181)	-	(181)
Other permanent differences	369	(4,358)	369	(3,997)
Tax credits recognized (not recognized)	(240)	(1,535)	(5,538)	(2,568)
Income from equity method investments	6,263	7,709	30	160
	-	-	(4,533)	(6,755)
Tax expenses (income) – current	-	-	(2,509)	(3,259)
Tax expenses (income) – deferred	-	-	(2,024)	(3,496)

#### (b) Deferred income tax and social contribution

As of March 31, 2017 and December 31, 2016, deferred income tax and social contribution are from the following sources:

Description	Company		Consolidated	
	03/31/2017	12/31/2016	03/31/2017	12/31/2016
<b>Assets</b>				
Income tax and social contribution loss carryforwards	241,014	228,567	246,312	234,837
Temporary differences – CPC adjustment	1,471	1,008	4,107	2,758
Temporary differences – deferred PIS and COFINS	2,840	2,380	6,664	5,708
Provisions for legal claims	9,890	9,746	14,784	14,568
Provisions for losses of accounts receivable	19,974	20,802	22,213	22,468
Provisions for realization of non-financial assets	3,318	4,245	2,426	4,017
Other provisions	12,737	19,223	20,339	24,408
Tax credits not recognized	(265,801)	(265,560)	(271,099)	(271,830)
<b>Subtotal</b>	<b>25,443</b>	<b>20,411</b>	<b>45,746</b>	<b>36,934</b>
<b>Liabilities</b>				
Deferred income tax and social contribution (detached assets)	-	-	(3,341)	(2,482)
Differences between income taxed on cash basis and recorded on an accrual basis	(25,443)	(20,411)	(55,826)	(45,889)
<b>Subtotal</b>	<b>(25,443)</b>	<b>(20,411)</b>	<b>(59,167)</b>	<b>(48,371)</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>(13,421)</b>	<b>(11,437)</b>

The Company has income tax loss and social contribution loss carryforwards for offset against 30% of annual taxable profits, without expiration date, in the following amounts:

Description	Company					
	03/31/2017			12/31/2016		
	Income tax	Social contribution	Total	Income tax	Social contribution	Total
Balance of income tax and social contribution loss carryforwards	708,863	708,863	-	672,257	672,257	-
Deferred tax asset (25%/9%)	177,216	63,798	241,014	168,064	60,503	228,567
Recognized deferred tax asset	-	-	-	-	-	-
Unrecognized deferred tax asset	177,216	63,798	241,014	168,064	60,503	228,567
Description	Consolidated					
	03/31/2017			12/31/2016		
	Income tax	Social contribution	Total	Income tax	Social contribution	Total
Balance of income tax and social contribution loss carryforwards	724,446	724,446	-	690,697	690,697	-
Deferred tax asset (25%/9%)	181,112	65,200	246,312	172,674	62,163	234,837
Recognized deferred tax asset	-	-	-	-	-	-
Unrecognized deferred tax asset on tax losses	181,112	65,200	246,312	172,674	62,163	234,837

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 17 to the financial statements as of December 31, 2016.

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### 17. Provisions for legal claims and commitments

In the period ended March 31, 2017, the changes in the provision for legal claims are summarized as follows:

	Company			
	Civil lawsuits	Labor claims	Tax proceedings	Total
Balance at December 31, 2016	19,168	9,465	32	28,665
Additions (Note 23)	4,041	1,804	2	5,847
Write-offs (Note 23)	(3,728)	(1,695)	-	(5,423)
Balance at March 31, 2017	19,481	9,574	34	29,089

	Consolidated				
	Civil lawsuits	Labor claims	Tax proceedings	Environmental proceedings	Total
Balance at December 31, 2016	30,341	14,303	48	258	44,950
Additions (Note 23)	6,497	2,751	3	-	9,251
Write-offs (Note 23)	(5,738)	(2,638)	-	-	(8,376)
Balance at March 31, 2017	31,100	14,416	51	258	45,825

As of March 31, 2017, the Company and its subsidiaries have deposited in court the amount of R\$25,719 (R\$25,232 as of December 31, 2016) in the Company's balance and R\$25,829 (R\$25,351 as of December 31, 2016) in the consolidated balance.

	03/31/2017	12/31/2016	03/31/2017	12/31/2016
Civil lawsuits	16,375	16,125	16,445	16,202
Environmental proceedings	87	87	87	87
Tax proceedings	2,933	2,790	2,946	2,803
Labor claims	6,324	6,230	6,351	6,259
	25,719	25,232	25,829	25,351

#### Lawsuits in which likelihood of loss is rated as possible

As of March 31, 2017, the Company and its subsidiaries are aware of other claims and civil, labor and tax risks. Based on the history of probable lawsuits and the specific analysis of the main claims, the measurement of the claims with likelihood of loss considered possible amounted to R\$474,766 (R\$474,544 as of December 31, 2016), based on average past outcomes adjusted to current estimates, for which the Company's Management believes it is not necessary to recognize a provision for occasional losses. The change in the period was caused by the review of the involved amounts.

The Company had received a tax deficiency notice served by the Federal Revenue Service of Brazil, in which it challenges the tax bases of IRPJ, CSLL, PIS and COFINS for the fiscal year 2010. A motion to deny was filed within the established period, which was partially accepted on March 30, 2017 by the administrative trial court, for reduction of the ex-officio fine and rebate of the amounts paid as COFINS and PIS contribution. In relation to such decision, the Company filled administrative appeal, which is pending the analysis by the Administrative Council of Tax Appeals (CARF). The likelihoods of favorable outcome in such disputes were considered "possible" and "remote" by the attorneys handling them, and, accordingly, no provision was recognized in the financial statements.

	Company/Consolidated	
	03/31/2017	12/31/2016
Civil lawsuits	244,377	241,486
Tax proceedings	206,932	209,557
Labor claims	19,905	19,964
Environmental proceedings	3,552	3,537
	474,766	474,544



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### 17. Provisions for legal claims and commitments--Continued

#### Commitments

In addition to the commitments mentioned in Notes 6 and 12, the Company has the following commitments:

- (i) The Company has contracts related to the rental of 40 properties where its facilities are located, at a monthly cost of R\$524 adjusted by the IGP-M/FGV variation. The rental term is from one to five years, and there is a fine in case of contract termination corresponding to three-month rent or in proportion to the time to contract expiration. The estimate of minimum future payments for commercial property rentals (cancellable leases) totals R\$8,829 (R\$7,690 as of December 31, 2016), as follows.

Payment estimate	Consolidated	
	03/31/2017	12/31/2016
2017	4,067	4,359
2018	3,221	2,613
2019	1,095	683
2020	446	35
	<u>8,829</u>	<u>7,690</u>

- (ii) As of March 31, 2017, the Company and its subsidiaries have long-term liabilities in the total amount of R\$8,560 (R\$3,723 as of December 31, 2016), related to the supply of raw materials used for developing real estate ventures.

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 18 to the financial statements as of December 31, 2016.

### 18. Equity

#### 18.1 Capital

As of March 31, 2017 and December 31, 2016, the Company's authorized and paid-in capital amounts to R\$1,094,000, represented by 54,000,000 registered common shares, with no par value.

#### 18.2 Stock option plan

The Company has a total of two stock option plans for common shares, created in 2014 and 2016, that follow the rules set out in the Stock Option Plan of the Company.

The granted options entitle their holders (management members and employees appointed by the executive management and approved by the board of directors) to purchase common shares of the Company's capital, after periods that vary from three to ten years of employment in the Company (essential condition to exercise the option), and expire 10 years after the grant date.

The fair value of options is determined on the grant date, considering that it is recognized as expense in profit or loss (as contra-entry to equity), during the grace period of the program, to the extent services are provided by employees and management members.

The changes in options outstanding in the period ended March 31, 2017 and year ended December 31, 2016, which include their respective weighted average exercise prices, are as follows:

	03/31/2017		12/31/2016	
	Number of options	Weighted average exercise price (Reais)	Number of options	Weighted average exercise price (Reais)
Options outstanding at the beginning of the year	5,489,848	6.53	5,421,000	6.52
Options forfeited	-	-	(141,152)	6.52
Options granted	-	-	210,000	6.83
Options outstanding at the end of the year	<u>5,489,848</u>	<u>6.53</u>	<u>5,489,848</u>	<u>6.53</u>

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### 18. Equity --Continued

#### 18.2 Stock option plan --Continued

The fair value of the options granted in 2014 and 2016 totaled R\$8,297, estimated based on the Black & Scholes pricing model, according to the following assumptions:

Plan	Grant date	Exercise price	Weighted average	Expected volatility (%) (*)	Expected option life (years)	Risk-free interest rate (%) (**)
1	08/11/2014	6.63	6.52	31.02%	1.79 year	11.66% to 11.81%
1	11/12/2014	6.63	6.53	31.30%	1.80 year	12.77% to 12.84%
2	05/09/2016	6.86	6.83	26.70%	3.76 years	12.67% to 12.77%

(\*)The volatility was determined based on the history of the BM&FBOVESPA Real Estate Index (IMOBX).

(\*\*)The market risk-free interest rate for the option term at the grant moment.

The options outstanding and exercisable as of March 31, 2017 are as follows:

Options outstanding			Options exercisable	
Number of options	Weighted average remaining contractual life (years)	Weighted average exercise price (Reais)	Number of options	Weighted average exercise price (Reais)
5,489,848	1.86	6.53	-	-

(\*) As of 03/31/2017 no option had been exercised.

The total amount of expenses recorded in the period ended March 31, 2017 was R\$489 (R\$533 as of March 31, 2016) and is disclosed in Note 23.

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 19.3 to the financial statements as of December 31, 2016.

### 19. Insurance

Construtora Tenda S.A. and its subsidiaries maintain insurance policies against engineering risk, barter guarantee, guarantee for the completion of construction work and civil liability related to unintentional personal damages caused to third parties and material damages to tangible assets, as well as against fire hazards, lightning strikes, electrical damages, natural losses and gas explosion. The contracted coverage is considered sufficient by Management to cover possible risks involving its assets and/or responsibilities.

The liabilities covered by insurance and the respective amounts as of March 31, 2017 are as follows:

Insurance type	Coverage - R\$ thousand
Engineering risks and guarantee for completion of construction work	1,597,172
Civil liability (Directors and Officers – D&O) - (*)	50,000
	<b>1,647,172</b>

(\*) The effective period of the civil liability policy is from February 28, 2017, renewed until February 28, 2018 by the Company.

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### 20. Earning per share

Basic and diluted earnings per share are calculated as follows.

	<u>03/31/2017</u>	<u>03/31/2016</u>
Basic numerator		
Undistributed earnings	<u>18,940</u>	<u>4,794</u>
Undistributed earnings, available to the holders of common shares	<u>18,940</u>	<u>4,794</u>
Basic denominator (in thousand shares)		
Weighted average number of shares (*)	<u>54,000</u>	<u>633,037</u>
Basic earning per share in Reais, attributable to shareholders of Company	<u>0.3507</u>	<u>0.0076</u>
Diluted numerator		
Undistributed earnings	<u>18,940</u>	<u>4,794</u>
Undistributed earnings, available to the holders of common shares	<u>18,940</u>	<u>4,794</u>
Diluted denominator (in thousands of shares)		
Weighted average number of shares (*)	<u>54,000</u>	<u>633,037</u>
Stock options (*)	<u>3,720</u>	<u>24,575</u>
Diluted earnings per share in Reais	<u>0.3281</u>	<u>0.0073</u>

(\*) On November 14, 2016 the reverse split of shares was carried out at the ratio of 11.72292224 shares to one share of capital after reverse split, with no capital decrease.

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 21 to the financial statements as of December 31, 2016.

### 21. Financial instruments

The Company and its subsidiaries engage in operations involving financial instruments. These instruments are managed through operational strategies and internal controls aimed to provide liquidity, return and safety. The use of financial instruments with the objective of hedging is achieved through a periodical analysis of exposure to the risk that the Management intends to cover (exchange, interest rate, etc.) which is submitted to the corresponding Management bodies for approval and subsequent implementation of the proposed strategy. The control policy consists of continuously monitoring the contracted conditions in relation to the prevailing market conditions. The Company and its subsidiaries do not invest in derivatives or any other risky assets for speculative purposes. The result from these operations is consistent with the policies and strategies devised by the Company's Management. The Company and its subsidiaries operations are subject to the following risk factors:

#### (a) Risk considerations

##### (i) Credit risk

There was no significant change in relation to the credit risks disclosed in Note 22(a)(i) to the financial statements as of December 31, 2016.

##### (ii) Derivative financial instruments

As of March 31, 2017, the Company does not have transactions with derivative financial instruments.

##### (iii) Interest rate risk

There was no significant change in relation to the interest rate risks disclosed in Note 22(a)(iii) to the financial statements as of December 31, 2016.

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### 21. Financial instruments --Continued

#### (a) Risk considerations --Continued

##### (iv) Liquidity risk

There was no significant change in relation to the liquidity risks disclosed in Note 22(a)(iv) to the financial statements as of December 31, 2016.

The maturities of financial instruments of loans, financing, suppliers and debentures are as follows:

Period ended March 31, 2017	Company				Total
	Less than 1 year	1 to 3 years	4 to 5 years	More than 5 years	
Loans and financing (Note 12)	55,083	5,156	655	-	60,894
Suppliers	5,664	-	-	-	5,664
Payables for purchase of properties and advances from customers (Note 15)	9,007	11,129	1,387	-	21,523
Loans payable (Note 7.1)	-	-	-	11,777	11,777
	69,754	16,285	2,042	11,777	99,858

Year ended December 31, 2016	Company				Total
	Less than 1 year	1 to 3 years	4 to 5 years	More than 5 years	
Loans and financing (Note 12)	28,690	15,007	1,209	-	44,906
Suppliers	7,827	-	-	-	7,827
Payables for purchase of properties and advances from customers (Note 15)	9,256	10,913	2,120	-	22,289
Loans payable (Note 7.1)	-	-	-	50,599	50,599
	45,773	25,920	3,329	50,599	125,621

Period ended March 31, 2017	Consolidated				Total
	Less than 1 year	1 to 3 years	4 to 5 years	More than 5 years	
Loans and financing (Note 12)	66,765	84,424	21,547	696	173,432
Suppliers	20,960	-	-	-	20,960
Payables for purchase of properties and advances from customers (Note 15)	134,632	94,415	7,097	5,251	241,395
Loans payable (Note 7.1)	-	-	-	11,777	11,777
	222,357	178,839	28,644	17,724	447,564

Year ended December 31, 2016	Consolidated				Total
	Less than 1 year	1 to 3 years	4 to 5 years	More than 5 years	
Loans and financing (Note 12)	41,333	75,688	17,973	-	134,994
Suppliers	31,664	-	-	-	31,664
Payables for purchase of properties and advances from customers (Note 15)	131,280	82,133	22,210	-	235,623
Loans payable (Note 7.1)	-	-	-	50,599	50,599
	204,277	157,821	40,183	50,599	452,880

##### (v) Fair value classification

The Company uses the same classification disclosed in Note 22(a)(v) to the financial statements as of December 31, 2016 to determine and disclose the fair value of financial instruments by the valuation technique.

The classification level of fair value for financial instruments measured at fair value through profit or loss of the Company as of March 31, 2017 and December 31, 2016 is as follows.

As of March 31, 2017	Company			Consolidated		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Short-term investments (Note 4.2)	-	107,836	-	-	238,768	-

As of December 31, 2016	Company			Consolidated		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Short-term investments (Note 4.2)	-	101,217	-	-	195,073	-

In the period ended March 31, 2017 and year ended December 31, 2016, there were no transfers between the Levels 1 and 2 fair value classifications, nor were transfers between Levels 3 and 2 fair value classifications.

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### 21. Financial instruments --Continued

#### (b) Fair value of financial instruments

##### (i) Fair value measurement

The Company uses the same methods and assumptions disclosed in Note 22(b)(i) to the financial statements as of December 31, 2016 to estimate the fair value for each financial instrument type for which the estimate of values is practicable.

The most significant carrying values and fair values of financial assets and liabilities as of March 31, 2017 and December 31, 2016, classified into Level 2 of the fair value classification, are as follows:

	Company			
	03/31/2017		12/31/2016	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Cash and cash equivalents (Note 4.1)	15,557	15,557	12,124	12,124
Short-term investments and Restricted cash in guarantee to loans (Note 4.2)	107,836	107,836	101,217	101,217
Trade accounts receivable (Note 5)	97,158	97,158	89,614	89,614
Loan receivable (Nota 7.1)	42,581	42,581	47,044	47,044
<b>Financial liabilities</b>				
Loans and financing (Note 12)	60,894	58,516	44,906	42,492
Suppliers	5,664	5,664	7,827	7,827
Payables for purchase of properties and advances from customers (Nota 15)	21,523	21,523	22,289	22,289
Loan receivable (Nota 7.1)	11,777	11,777	50,599	50,599
<b>Consolidated</b>				
	03/31/2017		12/31/2016	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Cash and cash equivalents (Note 4.1)	45,515	45,515	28,414	28,414
Short-term investments and Restricted cash in guarantee to loans (Note 4.2)	238,768	238,768	195,073	195,073
Trade accounts receivable (Note 5)	467,464	467,464	427,147	427,147
Loan receivable (Nota 7.1)	33,282	33,282	37,745	37,745
<b>Financial liabilities</b>				
Loans and financing (Note 12)	173,432	166,984	134,994	126,781
Suppliers	20,960	20,960	31,664	31,664
Payables for purchase of properties and advances from customers (Nota 15)	241,395	241,395	235,623	235,623
Loan receivable (Nota 7.1)	11,777	11,777	50,599	50,599

##### (ii) Risk of debt acceleration

There was no significant change in relation to the risks of debt acceleration disclosed in Note 22(b)(ii) to the financial statements as of December 31, 2016.

#### (c) Capital management

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 22 (c) to the financial statements as of December 31, 2016.

The Company includes in its net debt structure: loans and financing less cash and banks (cash and cash equivalents, short-term investments and restricted cash in guarantee to loans):

	Company		Consolidated	
	03/31/2017	12/31/2016	03/31/2017	12/31/2016
Loans and financing (Note 12)	60,894	44,906	173,432	134,994
( - ) Cash and cash equivalents and short-term investments (Note 4.1 and 4.2)	(123,393)	(113,341)	(284,283)	(223,487)
Net debt	(62,499)	(68,435)	(110,851)	(88,493)
Equity	1,068,555	1,049,126	1,100,854	1,075,622
Equity and net debt	1,006,056	980,691	990,003	987,129

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### 21. Financial instruments --Continued

#### (d) Sensitivity analysis

The sensitivity analysis of financial instruments for the period ended December 31, 2016 describes the risks that may cause material changes in the Company's profit or loss, as provided for by CVM, through Instruction No. 475/08, in order to show 10%, 25% and 50% increase/decrease in the risk variable considered.

As of March 31, 2017, the Company has the following financial instruments:

- Short-term investments, loans and financing linked to Interbank Deposit Certificates (CDI);
- Loans and financing linked to the Referential Rate (TR);
- Accounts receivable and loans and financing linked to the National Civil Construction Index (INCC) and General Market Price Index (IGP-M).

For the sensitivity analysis in the period ended March 31, 2017, the Company considered the interest rates of investments, loans and accounts receivables, the CDI rate at 12.13%, Referential Rate (TR) at 0.24%, National Civil Construction Index (INCC) at 6.26%, and General Market Price Index (IGP-M) at 4.86%.

The scenarios considered were as follows:

- Scenario I - Probable:* 10% increase / decrease in the variables used for pricing;  
*Scenario II - Possible:* 25% increase / decrease in risk variables used for pricing;  
*Scenario III - Remote:* 50% increase / decrease in risk variables used for pricing

As of March 31, 2017:

Instrument	Risk	Scenario					
		I Increase 10%	II Increase 25%	III Increase 50%	III Decrease 50%	II Decrease 25%	I Decrease 10%
Short-term investments Certificate of Bank Credit (CCB)	Increase/decrease of CDI Increase/decrease of CDI	1,357 (703)	3,393 (1,759)	6,785 (3,517)	(6,785) 3,517	(3,393) 1,759	(1,357) 703
Net effect of CDI variation		<b>654</b>	<b>1,634</b>	<b>3,268</b>	<b>(3,268)</b>	<b>(1,634)</b>	<b>(654)</b>
National Housing System (SFH)	Increase/decrease of TR	(25)	(62)	(125)	125	62	25
Net effect of TR variation		<b>(25)</b>	<b>(62)</b>	<b>(125)</b>	<b>125</b>	<b>62</b>	<b>25</b>
Trade accounts receivable Certificate of Bank Credit (CCB)	Increase/decrease of INCC Increase/decrease of INCC	518 (31)	1,295 (78)	2,590 (156)	(2,590) 156	(1,295) 78	(518) 31
Net effect of INCC variation		<b>487</b>	<b>1,217</b>	<b>2,434</b>	<b>(2,434)</b>	<b>(1,217)</b>	<b>(487)</b>
Trade accounts receivable	Increase/decrease of IGP-M	338	845	1,689	(1,689)	(845)	(338)
Net effect of IGP-M variation		<b>338</b>	<b>845</b>	<b>1,689</b>	<b>(1,689)</b>	<b>(845)</b>	<b>(338)</b>

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### 22. Net operating revenue

	Company		Consolidated	
	03/31/2017	03/31/2016	03/31/2017	03/31/2016
Gross operating revenue				
Real estate development, sale, barter transactions and construction services (Recognition) Reversal of allowance for doubtful accounts and provision for cancelled contracts (Note 5)	76,361	49,499	347,163	262,462
Taxes on sale of real estate and services	21,391	(3,789)	(1,686)	(8,785)
Net operating revenue	(7,583)	(4,231)	(20,790)	(19,125)
	90,169	41,479	324,687	234,552

### 23. Costs and expenses by nature

These are represented by the following:

	Company		Consolidated	
	03/31/2017	03/31/2016	03/31/2017	03/31/2016
<b>Cost of real estate development and sale:</b>				
Construction cost	(17,104)	(20,302)	(146,977)	(117,837)
Land cost	(10,945)	(3,124)	(43,014)	(23,675)
Development cost	(4,029)	(4,109)	(18,800)	(14,334)
Capitalized financial charges (Note 12)	839	(2,183)	(4,946)	(5,515)
Maintenance / warranty	(1,353)	(1,227)	(2,278)	(1,034)
Provision for cancelled contracts (Note 6)	(15,295)	(1,316)	(1,357)	(3,412)
	(47,887)	(32,261)	(217,372)	(165,807)
<b>Selling expenses:</b>				
Product marketing expenses	(2,081)	(3,542)	(12,116)	(10,529)
Brokerage and sale commission expenses:	(2,814)	(2,393)	(16,389)	(7,114)
Selling	(1,653)	(18)	(9,628)	(54)
Onlending	(402)	(1,177)	(2,339)	(3,497)
Registration	(124)	(482)	(724)	(1,433)
Brokerage	(635)	(716)	(3,698)	(2,130)
Customer Relationship Management (CRM) expenses	(65)	(73)	(381)	(216)
Other	(99)	(139)	(574)	(413)
	(5,059)	(6,147)	(29,460)	(18,272)
<b>General and administrative expenses:</b>				
Salaries and payroll charges	(2,431)	(2,962)	(10,153)	(9,324)
Employee benefits	(228)	(286)	(952)	(901)
Travel and utilities	(74)	(120)	(307)	(377)
Services	(889)	(909)	(3,715)	(2,863)
Rents and condominium fees	(251)	(387)	(1,050)	(1,219)
Information Technology	(393)	58	(1,637)	184
Stock option plan (Nota 18.2)	(489)	(533)	(489)	(533)
Provision for profit sharing (Nota 25.2)	-	(2,572)	(4,734)	(2,092)
Other	(214)	(1,801)	109	(1,895)
	(4,969)	(9,512)	(22,928)	(19,020)
<b>Other income (expenses), net:</b>				
Depreciation and amortization	(3,270)	(1,357)	(3,272)	(3,190)
Expenses with lawsuits	(10,100)	(6,596)	(11,313)	(6,596)
Provisions for legal claims (Nota 17)	(424)	(350)	(804)	(488)
Other income/(expenses) (a)	(16,120)	(6,082)	(16,594)	(8,133)
	(29,914)	(14,385)	(31,983)	(18,407)

(a) In March 2017, a provision for loss of equity method investments was recognized in the amount of R\$11,309, see item (b) of Note 9 - Investments

### 24. Financial income (expenses)

	Company		Consolidated	
	03/31/2017	03/31/2016	03/31/2017	03/31/2016
Financial income				
Income from financial investments	1,806	5,960	2,956	6,205
Financial income on loan contract (Note 7.1)	116	-	132	-
Other financial income	946	1,324	2,556	2,604
	2,868	7,284	5,644	8,809
Financial expenses				
Interest on funding, net of capitalization (Note 12)	(2,804)	(7,045)	(2,056)	(7,045)
Financial expense on loan contract (Note 7.1)	(505)	(704)	(505)	(704)
Banking expenses	(160)	-	(779)	(63)
Transfer of financial expenses	-	4,077	-	-
Other financial expenses	(1,219)	(666)	(2,967)	(2,894)
	(4,688)	(4,338)	(6,307)	(10,706)
Financial income (expenses)	(1,820)	2,946	(663)	(1,897)

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### 25. Transactions with management and employees

#### 25.1 Management compensation

The amounts recorded in the account “general and administrative expenses” for the periods ended March 31, 2017 and 2016, related to the compensation of the Management members are as follows:

Management compensation			
Period ended March 31, 2017	Board of Directors	Executive Management	Total
Number of members	5.00	10.00	15.00
<b>Fixed compensation for the period (in R\$)</b>	<b>300</b>	<b>1,713</b>	<b>2,013</b>
Salary / Fees	250	1,266	1,516
Direct and indirect benefits	-	194	194
Other (INSS)	50	253	303
<b>Monthly compensation (in R\$)</b>	<b>100</b>	<b>571</b>	<b>671</b>
<b>Variable compensation for the period (in R\$)</b>	<b>-</b>	<b>1,792</b>	<b>1,792</b>
Profit sharing (Nota 25.2)	-	1,357	1,357
Share-based payment	-	435	435
<b>Total compensation for the period (in R\$)</b>	<b>300</b>	<b>3,505</b>	<b>3,805</b>

Management compensation			
Period ended March 31, 2016	Board of Directors	Executive Management	Total
Number of members	3.00	11.00	14.00
<b>Fixed compensation for the period (in R\$)</b>	<b>108</b>	<b>1,768</b>	<b>1,876</b>
Salary / Fees	90	1,315	1,405
Direct and indirect benefits	-	190	190
Other (INSS)	18	263	281
<b>Monthly compensation (in R\$)</b>	<b>36</b>	<b>589</b>	<b>625</b>
<b>Variable compensation for the period (in R\$)</b>	<b>-</b>	<b>1,909</b>	<b>1,909</b>
Profit Sharing (Nota 25.2)	-	1,416	1,416
Share-based payment	-	493	493
<b>Total compensation for the period (in R\$)</b>	<b>108</b>	<b>3,677</b>	<b>3,785</b>

The maximum aggregate compensation of the Company's management members for the year 2017 was established at R\$18,956, as fixed and variable compensation, as approved at the Annual Shareholders' Meeting held on April 28, 2017.

#### 25.2 Profit sharing

In the period ended March 31, 2017, the Company recorded a profit sharing expense amounting to R\$3,830 in the consolidated balance (R\$1,739 in the Company's balance and R\$4,123 in the consolidated balance as of March 31, 2016), an addition of R\$904 to profit sharing expenses for 2016 in the consolidated balance (R\$833 of addition in the Company's balance and R\$2,031 of reversal in the consolidated balance as of March 31, 2016) in line item “General and Administrative Expenses” (Note 23).

	Company		Consolidated	
	03/31/2017	03/31/2016	03/31/2017	03/31/2016
Executive management	-	765	1,357	1,416
Other employees	-	974	2,473	2,707
Addition to (Reversal) of profit sharing	-	833	904	(2,031)
	-	2,572	4,734	2,092

The other explanations related to this note were not subject to significant changes in relation to those disclosed in Note 26 to the financial statements as of December 31, 2016.



(A free translation from the original in Portuguese into English)

## Construtora Tenda S.A.

Notes to individual and consolidated quarterly financial information  
March 31, 2017  
(In thousands of Brazilian Reais – R\$, except as otherwise stated)

### 26. Segment information

The Company's management analyses its internal managerial reports to make decisions on the consolidated financial statements, on the same basis that these statements are disclosed, that is, a single segment.

Therefore, as there is no other information system other than the quarterly information used by Management as of March 31, 2016 and the financial statements as of December 31, 2016, no specific disclosure will be presented, as defined in CPC 22.

As to the information on its main customers, in view of the residential real estate activity targeted at the economic segment, the Company does not have individual customer that represents 10% or more of its total consolidated revenue.

### 27. Real estate ventures under construction – information and commitments

In order to meet the provisions of paragraphs 20 and 21 of ICPC 02, the recognized revenue amounts and incurred costs are shown in the statement of profit or loss, and the advances received in the line item "Payables for purchase of property and advances from customer". The Company shows below information on the ventures under construction as of March 31, 2017:

	<u>Consolidated</u> <u>03/31/2017</u>
Unappropriated sales revenue of units sold	257,125
Estimated cost of units sold to be incurred	(144,940)
Estimated cost of units in inventory to be incurred	(362,335)
<b>(i) Unappropriated sales revenue of units sold</b>	
Ventures under construction:	
Contracted sales revenue	744,746
Appropriated sales revenue	(487,621)
<b>Unappropriated sales revenue (a)</b>	<u>257,125</u>
<b>(ii) Estimated cost of units sold to be incurred</b>	
Ventures under construction:	
Estimated cost of units	(447,348)
Incurred cost of units	302,408
<b>Estimated cost to be incurred (b)</b>	<u>(144,940)</u>
<b>(iii) Estimated cost of units in inventory to be incurred</b>	
Ventures under construction:	
Estimated cost of units (c)	(611,928)
Incurred cost of units (d)	249,593
<b>Estimated cost to be incurred (b)</b>	<u>(362,335)</u>

- a) The unappropriated sales revenue of units sold are measured by the face value of contracts, plus the contract adjustments and deducted from cancellations, not considering related taxes and adjustment to present value, and do not include ventures that are subject to restriction due to a suspensive clause (legal period of 180 days over which the Company can cancel a development) and therefore is not appropriated to profit or loss.
- b) The estimated costs of units sold to be incurred do not include financial charges, which are appropriated to properties for sale and profit or loss (cost of real estate sold) in proportion to the real estate units sold to the extent they are incurred, and also the warranty provision, which is appropriated to real estate units as the construction work progresses.
- c) The amount of R\$74,491 refers to the estimated cost of cancelled venture units which contracts are not yet cancelled with the respective customers.
- d) The amount of R\$13,786 refers to the incurred cost of cancelled venture units which contracts are not yet cancelled with the respective customers.

As of March 31, 2017, the percentage of consolidated assets in the quarterly information related to real estate ventures included in the asset segregation structure was 84.27%

(A free translation from the original in Portuguese into English)

## Construtora Tenda S.A.

Notes to individual and consolidated quarterly financial information

March 31, 2017

(In thousands of Brazilian Reais – R\$, except as otherwise stated)

### 28. Transactions not affecting Cash and Cash Equivalents

The main investing and financing transactions that do not involve cash and cash equivalents (Company and Consolidated) considered for purposes of preparing the statement of cash flows were as follows:

	Company		Consolidated	
	03/31/2017	03/31/2016	03/31/2017	03/31/2016
Acquisition of control (Note 9)	-	-	(83,529)	-
Acquisition of ownership interests (Note 9)	701	-	-	-
Advance for future capital increase	12,626	(3,536)	-	(3,694)

### 29. Subsequent events

(i) Annual Shareholders' Meeting

In the Extraordinary Shareholders' Meeting held on April 3, 2017, it was approved the dissolution of the Fiscal Council of the Company with the consequent removal of its members from office.

On April 18, 2017, the Annual Shareholders' Meeting of the Company was held, in which the following main resolutions were taken: (i) approval of the financial statements for the year ended December 31, 2016; (ii) documentation that no dividend will be distributed as the Company did not recognize net income after deducting accumulated losses in the profit or loss for the year ended December 31, 2016; and (iii) establishment of the aggregate compensation amount to be paid to the Company's management members in the year 2017.

(ii) Stock option plan

On April 10, 2017, the Board of Directors approved the new stock option plan of the Company, as well as the grant of 93,000 stock options to beneficiaries, at the exercise price of R\$8.13, of which 20% with exercise date on March 31, 2020, 20% with exercise date on March 31, 2021, 30% with exercise date on March 31, 2022, and 30% with exercise date on March 31, 2023.

*(A free translation from the original in Portuguese into English)*

## **Report on the review of quarterly information - ITR**

To the shareholders, Board of Directors and Officers  
Construtora Tenda S.A.  
São Paulo – SP

We have reviewed the accompanying individual and consolidated interim financial information of Construtora Tenda S.A. (“Company”), identified as Company and Consolidated, respectively, contained in the Quarterly Information (ITR) for the quarter ended March 31, 2017, which comprises the statement of financial position as of March 31, 2017 and the respective statement of income and comprehensive income, statement of changes in equity and statement of cash flows for the quarter then ended, including explanatory notes.

The Company’s management is responsible for the preparation of individual interim financial information in accordance with the Technical Pronouncement of the Accounting Pronouncements Committee (CPC) 21 (R1) – Interim Financial Reporting and the consolidated interim financial information in accordance with CPC 21 (R1) and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) which considers the Technical Orientation - OCPC 04 - Application of the Technical Interpretation ICPC 02 to the Brazilian Real Estate Development Entities, edited by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM) and the Brazilian Federal Accounting Council (CFC), as well as for the presentation of these information in compliance with the rules issued by the CVM, applicable to the preparation of Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

### **Scope of review**

We conducted our review according to the Brazilian and international review standards of interim financial information (NBC TR 2410 – Review of Interim Financial Information Performed by the Auditor of the Entity, and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of inquiries, mainly of the people responsible for the financial and accounting matters, and the application of analytical and other review procedures. The scope of a review is significantly narrower than that of an audit conducted in accordance with audit standards and, accordingly, it did not permit us to obtain assurance that we took notice of all significant matters that could have been raised in an audit. Therefore, we did not express an audit opinion.

### **Conclusion from the individual and consolidated interim financial information prepared in accordance with CPC 21(R1)**

Based on our review, we are not aware of any fact that makes us believe that the individual and consolidated interim financial information included in the Quarterly Information referred to above was not prepared, in all material respects, in accordance with CPC 21 (R1) applicable to the preparation of Quarterly Information (ITR), and presented in compliance with the rules issued by the CVM.

### **Conclusion from the consolidated interim information prepared in accordance with IAS 34, which considers the Technical Orientation - OCPC 04 – Application of the Technical Interpretation ICPC 02 to the Brazilian Real Estate Development Entities, edited by Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM) and the Brazilian Federal Accounting Council (CFC)**

Based on our review, we are not aware of any fact that makes us believe that the consolidated interim financial information included in the Quarterly Information referred to above was not prepared, in all material respects, in accordance with IAS 34, issued by the IASB, which considers the Technical Orientation - OCPC 04 - Application of technical interpretation ICPC02 to the Brazilian Real Estate Development Entities, issued by the Accounting Pronouncements Committee (CPC), and approved by the CVM and the Brazilian Federal Accounting Council (CFC) applicable to the preparation of Quarterly Information (ITR), and presented in compliance with the rules issued by the CVM.

### **Emphasis of matter**

*(A free translation from the original in Portuguese into English)*

As described in Note 2, the individual (Company) and consolidated interim financial information was prepared in accordance with accounting practices adopted in Brazil (CPC21 (R1)). The consolidated interim financial information were prepared in accordance with the IFRS applicable to the Brazilian Real Estate development entities IAS34 for interim financial information also considers the Technical Orientation OCPC04, edited by the Accounting Pronouncements Committee (CPC). This Technical Orientation refers to the revenue recognition of this sector and comprises other matters related to the meaning and adoption of the concept of continuous transfer of the risks, benefits and control over real estate unit sales, as further described in Note 2. Our conclusion is not modified in view of this matter.

**Other matters**

***Statement of value added***

The individual and consolidated interim financial statements related to the statements of value added (DVA) for the three-month period ended March 31, 2017, prepared under the responsibility of the Company's management, presented as supplementary information for the purposes of IAS 34, were submitted to review procedures performed together with the review of the quarterly information - ITR of the Company. For the purposes of forming our conclusion, we assess if these statements are reconciled with the interim accounting information and accounting records, as applicable, and if their form and content were prepared according with Technical Pronouncement CPC 09 - Statement of value added. Based on our review, we are not aware of any fact that makes us believe that they were not prepared, in all material respects, consistent with the individual and consolidated interim financial statements taken as a whole.

São Paulo, May 9, 2017

KPMG Auditores Independentes  
CRC 2SP014428/O-6

*Original report in Portuguese signed by*  
Giuseppe Masi  
Accountant CRC 1SP176273/O-7

*(A free translation from the original in Portuguese into English)*

## **Reports and statements \ Management statement of interim financial information**

Management statement of interim financial information

### STATEMENT

Construtora Tenda S.A. management, CNPJ 71.476.527/0001-35, located at street Alvares Pentead, 61, Downtown, São Paulo, states as per article 25 of CVM Instruction 480 issued in December 07, 2009:

- i) Management has reviewed, discussed and agreed with the auditor's conclusion expressed on the report on review interim financial Information for the period ended March 31, 2017; and
- ii) Management has reviewed and agreed with the interim information for the period ended March 31, 2017.

São Paulo, May 9, 2017.

Construtora Tenda S.A.

Management

*(A free translation from the original in Portuguese into English)*

**Reports and Statements \ Management statement on the report on review of interim financial information**

Management Statement on the Review Report

STATEMENT

Construtora Tenda S.A. management, CNPJ 71.476.527/0001-35, located at street Alvares Pentead, 61, Downtown, São Paulo, states as per article 25 of CVM Instruction 480 issued in December 07, 2009:

- i) Management has reviewed, discussed and agreed with the auditor's conclusion expressed on the report on review interim financial Information for the period ended March 31, 2017; and
- ii) Management has reviewed and agreed with the interim information for the period ended March 31, 2017.

São Paulo, May 9, 2017.

Construtora Tenda S.A.

Management