



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

## Notice to the Market

### 2Q18 OPERATING AND FINANCIAL RESULTS

**Tenda ended 2Q18 with net income of R\$52 million and annualized ROE of 13.6%. Cash generation reached R\$65 million, allowing for a stable cash position of R\$657 million, even with the R\$73 million investment in the share buyback program during the quarter.**

**Net pre-sales of R\$906 million in 1H18, a 24.7% increase, and Net SoS of 48.5% in the quarter.**

**FOR IMMEDIATE RELEASE** - São Paulo, August 13, 2018 – Construtora Tenda S.A., one of Brazil’s leading homebuilders and real estate developers operating in the low-income housing segment within the “Minha Casa, Minha Vida” (“MCMV”) program, levels 1.5 and 2, today reported its operating and financial results for the second quarter of 2018.

#### HIGHLIGHTS

- Cash Generation totaled R\$65 million in 2Q18, 3.8% higher than 2Q17, and R\$120 million in 1H18, 48.1% higher than 1H17. Operating Cash Generation in 2Q18 came in at R\$67.4 million, up by 20.0% quarter over quarter.
- Net income increased R\$52 million in 2Q18, up 147.9% year-over-year. ROE in the last 12 months reached 13.6%, an increase of 6.1 p.p., evidencing consistent operational improvement.
- Launches totaled R\$539.1 million in 2Q18, up 21% from 2Q17, and R\$805.4 million in 1H18, 8% higher than in 1H17.
- Net pre-sales reached R\$481.3 million this quarter, up 14% year-over-year, and R\$905.5 million in 1H18, 25% above 1H17. The Speed of Sales (“Net SoS”) ended the quarter at 33%, an increase of 4.2 p.p. compared to 2Q17. In 1H18, SoS reached 49%, up 8.5 p.p. versus the same period of 2017.
- Landbank increased to R\$7.1 billion, with acquisitions of R\$798.0 million in 2Q18 and of R\$1.2 billion in 1H18, representing 40% landbank growth compared to the end of 2Q17.

#### CONFERENCE CALL WITH WEBCAST AND SIMULTANEOUS TRANSLATION

August 14, 2018 - Tuesday

10:00 a.m. (NY)

10:00 a.m. (BRT)

Dial-in:

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Code: Tenda

Webcast: [Click here](#)



## MESSAGE FROM MANAGEMENT

We ended the second quarter of 2018 having met significant milestones as we pursue our objective of becoming the lower-income homebuilding company that delivers the highest returns to its shareholders.

We begin by highlighting the very positive operational and financial results from the quarter: Net income of R\$52 million, with 13.6% ROE over the last 12 months, reflecting the increasing scalability of the current business model.

This scale increase benefited from the "Feirão da Caixa", a housing sales event promoted by the Brazilian mortgage lender Caixa, in May. We saw record net sales of R\$481 million and presales volume (PSV) of 33% in the quarter, supported by the wider distribution of our launches inside the regions we operate, and by an increase in the share of level 1.5 projects in our portfolio. In the first half of 2018, we recorded net sales of R\$906 million, representing 52% of the mid-point of the 2018 sales guidance range disclosed last April.

Savings in construction costs, obtained via the continuous improvement process implemented at our sites, smoothed the impacts of recent cost increases in raw materials. These savings allowed us to reach 36.5% of adjusted gross margin in the first half of 2018, above the top of the guided range for the year. As such, considering the gains locked in, we also disclosed today our revised guidance for 2018 adjusted gross margin, which we expect now to be from 34% to 36%.

We had positive cash generation as a result of further progress in reducing lag time from close of sale to bank transfer. Cash generation was R\$65 million in 2Q18 and R\$120 million for 1H18. Cash generation was important to support the share buyback program, as we bought R\$73 million in shares as of June. Despite share buyback program disbursements, we were able to maintain a R\$657 million cash balance, similar to the previous quarter.

The execution of the share buyback program aligns with our long-term objective of reaching 0% net debt over shareholders' equity. Having repurchased 4,489,300 shares at an average price of R\$25.18 per share, the program ran out the available reserve funds, and we are pleased to disclose that the program is ending today.

Finally, the Extraordinary Shareholders Meeting held on August 9 approved the new management compensation plan. It is a stock-based plan, aligning the interests of shareholders and management, in addition to being a significant milestone in renewing management's long-term incentives. All these measures demonstrate our efforts toward our objective of becoming the lower-income homebuilding company that delivers the highest returns to its shareholders. Thank you very much.

**The Management Team**



## OPERATIONAL AND FINANCIAL HIGHLIGHTS

Operational and Financial Highlights	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
<b>Operational Highlights</b>								
Launches	539.1	266.3	102.4% ↑	446.4	20.8% ↑	805.4	748.5	7.6% ↑
Net pre-sales	481.3	424.2	13.5% ↑	387.0	24.4% ↑	905.5	725.9	24.7% ↑
Sales over Supply (SoS)	33.3%	29.1%	4.2 p.p. ↑	26.2%	7.1 p.p. ↑	48.5%	40.0%	8.5 p.p. ↑
Delivered projects (Units)	3,720	1,404	165.0% ↑	2,136	74.2% ↑	5,124	4,783	7.1% ↑
Banco de Terrenos (VGV em R\$ milhões)	7,130.9	6,872.0	3.8% ↑	5,105.6	39.7% ↑	7,130.9	5,105.6	39.7% ↑
Landbank - Acquisitions / Adjustments (in R\$ million)	798.0	443.4	80.0% ↑	1,035.3	(22.9%) ↓	1,241.3	1,392.4	(10.8%) ↓
<b>Financial Highlights</b>								
Net Revenue	399.1	366.1	9.0% ↑	314.6	26.8% ↑	765.1	639.3	19.7% ↑
Adjusted Gross Profit <sup>1</sup>	150.0	128.9	16.4% ↑	108.8	37.9% ↑	279.0	221.1	26.2% ↑
Adjusted Gross Margin <sup>1</sup>	37.6%	35.2%	2.4 p.p. ↑	34.6%	3.0 p.p. ↑	36.5%	34.6%	1.9 p.p. ↑
Adjusted EBITDA <sup>2</sup>	58.0	58.3	(0.4%) ↓	30.7	89.0% ↑	116.3	62.4	86.2% ↑
Adjusted EBITDA Margin <sup>2</sup>	14.5%	15.9%	(1.4 p.p.) ↓	9.8%	4.8 p.p. ↑	15.2%	9.8%	5.4 p.p. ↑
Net Financial Result	3.4	3.2	8.8% ↑	0.7	369.9% ↑	6.6	0.1	9,221.1% ↑
Net Income (Loss) <sup>3</sup>	51.6	36.3	42.2% ↑	20.8	147.9% ↑	87.9	39.7	121.0% ↑
Backlog Revenues	480.5	422.8	13.6% ↑	299.7	60.3% ↑	480.5	299.7	60.3% ↑
Backlog Results <sup>4</sup>	209.8	188.9	11.1% ↑	147.2	42.5% ↑	209.8	147.2	42.5% ↑
Backlog Margin <sup>4</sup>	43.7%	44.7%	(1.0 p.p.) ↓	49.1%	(5.5 p.p.) ↓	43.7%	49.1%	(5.5 p.p.) ↓
Cash and cash equivalents <sup>5</sup>	656.8	660.4	(0.5%) ↓	352.2	86.5% ↑	656.8	352.2	86.5% ↑
Net Debt	(273.0)	(282.6)	3.4% ↑	(173.6)	(57.3%) ↓	(273.0)	(173.6)	(57.3%) ↓
Adjusted Net Debt <sup>6</sup>	(273.0)	(282.6)	3.4% ↑	(72.0)	(279.3%) ↓	(273.0)	(72.0)	(279.3%) ↓
Shareholders' Equity + minority shareholders	1,190.4	1,209.8	(1.6%) ↓	1,094.6	8.7% ↑	1,190.4	1,094.6	8.7% ↑
Net Debt / (SE + Minority)	(22.9%)	(23.4%)	0.4 p.p. ↑	(15.9%)	(7.1 p.p.) ↓	(22.9%)	(15.9%)	(7.1 p.p.) ↓
Adjusted Net Debt <sup>6</sup> / (SE + Minority)	(22.9%)	(23.4%)	0.4 p.p. ↑	(6.6%)	(16.4 p.p.) ↓	(22.9%)	(6.6%)	(16.4 p.p.) ↓
Cash Generation <sup>11</sup>	65.0	55.0	18.2% ↑	62.7	3.8% ↑	120.0	81.1	48.1% ↑
Operating Cash Generation <sup>12</sup>	67.4	56.0	20.2% ↑	68.9	(2.2%) ↓	123.4	90.1	36.9% ↑
Net Income (Loss) (last 12 months)	154.8	124.0	24.8% ↑	83.0	86.5% ↑	154.8	83.0	86.5% ↑
NOPAT (last 12 months) <sup>7</sup>	180.0	150.7	19.4% ↑	116.6	54.4% ↑	180.0	116.6	54.4% ↑
Adjusted Capital Employed <sup>8</sup>	916.3	927.4	(1.2%) ↓	1,022.7	(10.4%) ↓	916.3	1,022.7	(10.4%) ↓
ROE (last 12 months) <sup>9</sup>	13.6%	10.9%	2.7 p.p. ↑	7.6%	6.1 p.p. ↑	13.6%	7.6%	6.1 p.p. ↑

1) Adjusted by capitalized interests.

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

3) Adjusted by minority shareholders

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

5) Cash and cash equivalents and securities.

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

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

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

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

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

11) Cash Generation is the difference between the Available Cash change and Gross Debt change, adjusted by Share Buyback, Dividends, Capital Reduction and non-operational effects.

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



## GUIDANCE

As we aim to have symmetric information and provide predictability to the market, Tenda opted to disclose Company projections (guidance) based on scenarios identified with defined variables and assumptions. We reached the following projections for 2018:

- For Adjusted Gross Margin, which is the ratio of consolidated gross profit for the year less financial charges, as stated in Note 12 to the financial statements and consolidated net revenue for the year, we project a range between 34% and 36%;
- For the Company's Net Pre-sales, defined as the product of gross sales for the year in R\$ million less cancellations for the year in R\$ million, adjusting all amounts to Tenda's equity interest, we project a range of R\$1,650 million and R\$1,850 million.

Guidance (in R\$ million)	Inferior	Superior	1Q18	2Q18	3Q18	4Q18	6S18
Cash and cash equivalents	34.0%	36.0%	35.2%	<b>37.6%</b>	0.0%	0.0%	36.5%
Short term investments	1,650.0	1,850.0	424.2	<b>481.3</b>	0.0	0.0	905.5

## LAUNCHES

We launched 15 projects in 2Q18 and 23 in 1H18, representing a 25% increase over 2Q17 and a 15% increase over 1H17, respectively. PSV reached R\$539.1 million in 2Q18, an increase of 21% over 2Q17 and 102% over 1Q18.

Launches <sup>1</sup>	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
Number of Launches	15	8	87.5% ↑	12	25.0% ↑	23	20	15.0% ↑
<b>PSV (in R\$ million)</b>	<b>539.1</b>	<b>266.3</b>	<b>102.4% ↑</b>	<b>446.4</b>	<b>20.8% ↑</b>	<b>805.4</b>	<b>748.5</b>	<b>7.6% ↑</b>
Number of units	4,052	1,852	118.8% ↑	3,052	32.8% ↑	5,904	5,112	15.5% ↑
Average price per unit (in R\$ thousand)	133.0	143.8	(7.5%) ↓	146.3	(9.0%) ↓	136.4	146.4	(6.8%) ↓
Average size of launches (in units)	270	232	16.7% ↑	254	6.2% ↑	257	256	0.4% ↑

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



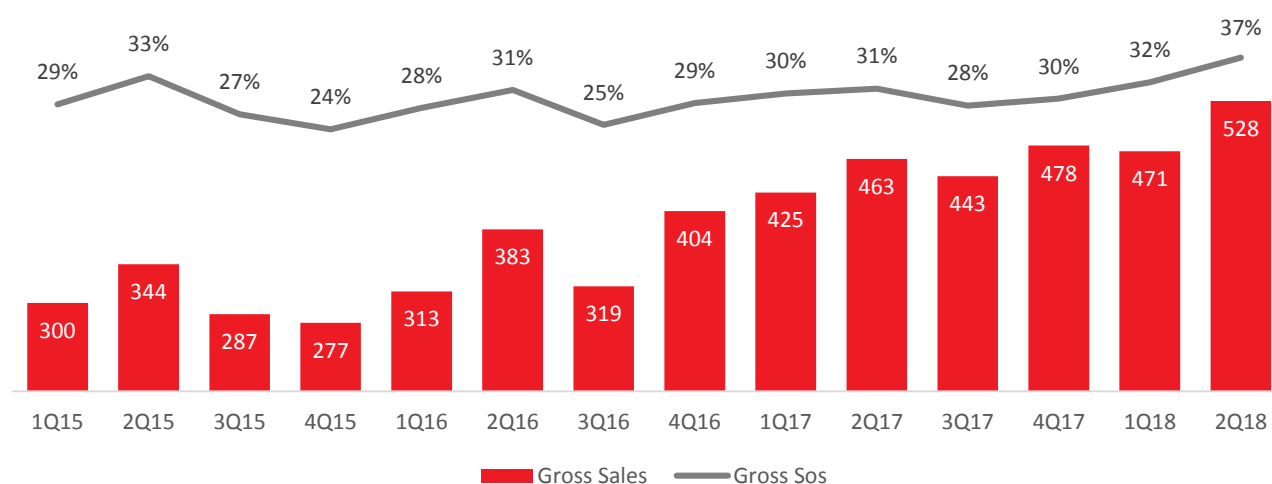
## GROSS SALES

Gross sales totaled R\$528.1 million in 2Q18, up 14% year-over-year. First-half 2018 gross sales reached R\$999.4 million, 13% higher than in 1H17.

The speed of sales ("Gross SoS") reached 37% in 2Q18, 5.2 p.p. higher year-over-year and 4.2 p.p. higher quarter-over-quarter. Positive gross sales and SoS performance were possible thanks to the "Feirão da Caixa" sales event in May.

Gross Sales	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
<b>PSV (in R\$ million)</b>	<b>528.1</b>	<b>471.2</b>	<b>12.1% ↑</b>	<b>462.8</b>	<b>14.1% ↑</b>	<b>999.353</b>	<b>887.4</b>	<b>12.6% ↑</b>
Number of units	3,823	3,393	12.7% ↑	3,255	17.5% ↑	7,216	6,289	14.7% ↑
Average price per unit (in R\$ thousand)	138.1	138.9	(0.5%) ↓	142.2	(2.8%) ↓	138.5	141.1	(1.9%) ↓
<b>Gross SoS</b>	<b>36.6%</b>	<b>32.4%</b>	<b>4.2 p.p. ↑</b>	<b>31.3%</b>	<b>5.2 p.p. ↑</b>	<b>53.5%</b>	<b>48.9%</b>	<b>4.6 p.p. ↑</b>

Speed of Sales – Gross SoS (%) X Gross Sales



## CANCELLATIONS AND NET PRE-SALES

In 2Q18, cancellations as a percentage of gross sales were stable at 9%, consistent with the levels presented in previous quarters.

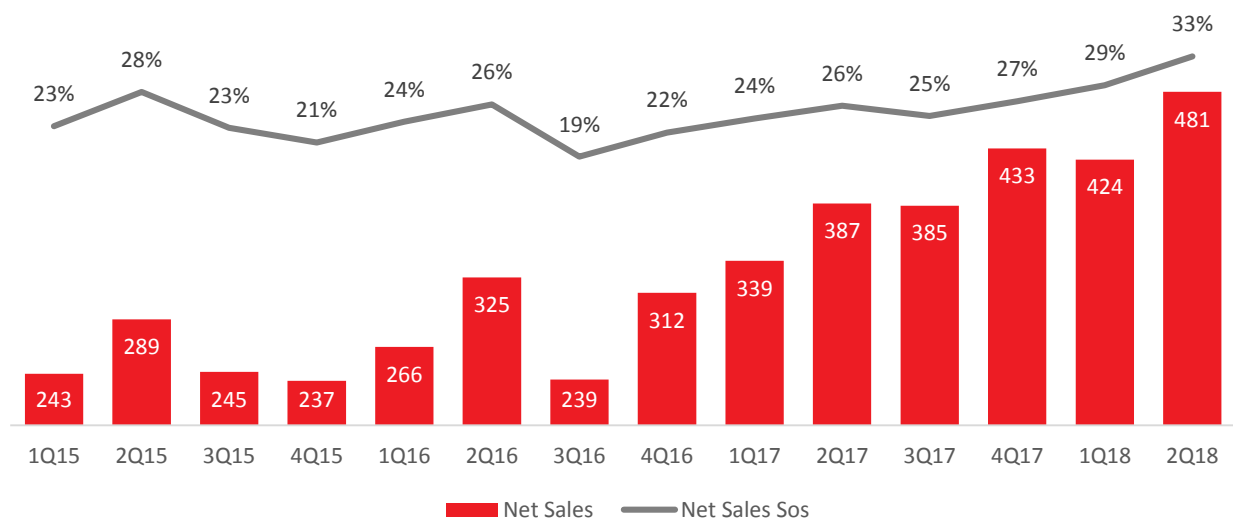
The speed of sales ("Net SoS") reached 33.3% in 2Q18, up 7.1 p.p. vs. 2Q17 and 4.2 p.p. vs. 1Q18.

(in R\$ million)	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
<b>Gross Sales</b>	<b>528.1</b>	<b>471.2</b>	<b>12.1% ↑</b>	<b>462.8</b>	<b>14.1% ↑</b>	<b>999.4</b>	<b>887.4</b>	<b>12.6% ↑</b>
<b>Cancellations</b>	<b>46.9</b>	<b>47.0</b>	<b>(0.3%) ↓</b>	<b>75.8</b>	<b>(38.2%) ↓</b>	<b>93.9</b>	<b>161.6</b>	<b>(41.9%) ↓</b>
<b>Net Pre-Sales</b>	<b>481.3</b>	<b>424.2</b>	<b>13.5% ↑</b>	<b>387.0</b>	<b>24.4% ↑</b>	<b>905.5</b>	<b>725.9</b>	<b>24.7% ↑</b>
% Launch <sup>1</sup>	39.7%	8.2%	31.4 p.p. ↑	38.6%	1.1 p.p. ↑	25.0%	28.1%	(3.1 p.p.) ↓
% Inventory	60.3%	91.8%	(31.4 p.p.) ↓	61.4%	(1.1 p.p.) ↓	75.0%	71.9%	3.1 p.p. ↑
<b>Cancellations / Gross Sales</b>	<b>8.9%</b>	<b>10.0%</b>	<b>(1.1 p.p.) ↓</b>	<b>16.4%</b>	<b>(7.5 p.p.) ↓</b>	<b>9.4%</b>	<b>18.2%</b>	<b>(8.8 p.p.) ↓</b>
<b>Net SoS</b>	<b>33.3%</b>	<b>29.1%</b>	<b>4.2 p.p. ↑</b>	<b>26.2%</b>	<b>7.1 p.p. ↑</b>	<b>48.5%</b>	<b>40.0%</b>	<b>8.5 p.p. ↑</b>
(in units)	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
Gross Units Sold	3,823	3,393	12.7% ↑	3,255	17.5% ↑	7,216	6,289	14.7% ↑
Cancelled Units	341	341	0.0% ↑	554	(38.4%) ↓	682	1,175	(42.0%) ↓
<b>Net Units Sold</b>	<b>3,482</b>	<b>3,052</b>	<b>14.1% ↑</b>	<b>2,701</b>	<b>28.9% ↑</b>	<b>6,534</b>	<b>5,114</b>	<b>27.8% ↑</b>
<b>Cancellations / Gross Sales</b>	<b>8.9%</b>	<b>10.1%</b>	<b>(1.1 p.p.) ↓</b>	<b>17.0%</b>	<b>(8.1 p.p.) ↓</b>	<b>9.5%</b>	<b>18.7%</b>	<b>(9.2 p.p.) ↓</b>

1) Launches of current year.



### Speed of Sales – Net SoS (%) X Net Sales



### UNITS TRANSFERRED, DELIVERED, AND CONSTRUCTION SITES

Transferred PSV totaled R\$448.9 million in 2Q18, up 27% year-over-year and 9% quarter-over-quarter, due both to the stability of operations with financial institutions as evidenced by the faster sales transfer processes, which allowed the Company to reduce the time between the sale and the signing of the home loan contract. We ended the quarter with 39 construction sites, and we delivered 3,700 units in this period, an increase of 165% quarter-over-quarter and of 74% year-over-year.

Transfers, Deliveries and Construction Sites	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
PSV Transferred (in R\$ million)	448.9	413.1	8.7% ↑	354.1	26.8% ↑	862.0	674.4	27.8% ↑
Transferred Units	3,574	3,255	9.8% ↑	2,807	27.3% ↑	6,829	5,384	26.8% ↑
Delivered Units	3,720	1,404	165.0% ↑	2,136	74.2% ↑	5,124	4,783	7.1% ↑
Construction Sites	39	41	(4.9%) ↓	34	14.7% ↑	39	34	14.7% ↑

### INVENTORY AT MARKET VALUE

At the end of 2Q18, inventory market value stood at R\$963 million, down 11.7% year-over-year and down 6.6% quarter-over-quarter. Inventory turnover<sup>1</sup> was 6.7 months. The variation of the average unit price of the inventory is explained by the higher number projects classified as level 1.5, as well as by the adjustments made to legacy units to increase its sales turnover.

Inventory at Market Value	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
PSV (in R\$ million)	963.0	1,031.2	(6.6%) ↓	1,090.4	(11.7%) ↓	963.0	1,090.4	(11.7%) ↓
Number of Units	7,247	7,027	3.1% ↑	7,412.0	(2.2%) ↓	7,247	7,412.0	(2.2%) ↓
Average price per unit (in R\$ thousand)	132.9	146.7	(9.5%) ↓	147.1	(9.7%) ↓	132.9	147.1	(9.7%) ↓
Status of Construction	2Q18	Not Initiated	Up to 30% built	30% to 70% built	More than 70% built	Finished units		
PSV (in R\$ million)	1,031.2	146.6	387.0	254.3	125.2	118.0		



## LANDBANK

We continue to expand the Company's landbank, with a 40% increase year-over-year to R\$7.1 billion in PSV. In 2Q18, 21 phases/projects were acquired, across all the regions where the Company operates, representing launch potential of R\$798.0 million. We reinforce that all projects in our landbank are feasible in level 2, and may, in some cases, be eligible for level 1.5 of the "Minha Casa, Minha Vida" affordable housing program.

Landbank <sup>1</sup>	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
Number of Projects	214	208	2.9% ↑	163	31.3% ↑	214	163	31.3% ↑
<b>PSV (in R\$ million)</b>	<b>7,130.9</b>	<b>6,872.0</b>	<b>3.8% ↑</b>	<b>5,105.6</b>	<b>39.7% ↑</b>	<b>7,130.9</b>	<b>5,105.6</b>	<b>39.7% ↑</b>
Acquisitions / Adjustments (in R\$ million)	798.0	443.4	80.0% ↑	1,035	(22.9%) ↓	1,241.3	1,392.4	(10.8%) ↓
Number of Units	49,123	47,219	4.0% ↑	36,575	34.3% ↑	49,123	36,575	34.3% ↑
Average price per unit (in R\$ thousands)	145.2	145.5	(0.3%) ↓	139.6	4.0% ↑	145.2	139.6	4.0% ↑
% Swap Total	27.9%	28.8%	(0.9 p.p.) ↓	22.6%	5.3 p.p. ↑	27.9%	22.6%	5.3 p.p. ↑
% Swap Units	14.4%	17.8%	(3.4 p.p.) ↓	15.0%	(0.7 p.p.) ↓	14.4%	15.0%	(0.7 p.p.) ↓
% Swap Financial	13.5%	11.0%	2.5 p.p. ↑	7.6%	6.0 p.p. ↑	13.5%	7.6%	6.0 p.p. ↑

1) Tenda owns 100% equity interest in landbank.

## CURRENT BUSINESS MODEL UPDATE

We have delivered 28,141 units and R\$3.9 billion in PSV under the current business model, and all projects launched before 2015 have been 100% completed, reinforcing the stability and the high turnover of the operation.

We partly canceled in Camaçari, Bahia, a project launched in 2016 to adjust to the size of the region's demand. The canceled portion included 240 out of the 400 units launched. It is important to mention that the canceled part of this project neither was sold nor was constructed. The risk-mitigation strategy adopted by the Company, which consists of sequentially building and selling phases of projects, allowed us to minimize the financial impact of this cancellation. Based on our experience in this market, next launches will be located in more densely populated regions, with plots of land that are already available in our landbank, and with smaller-sized projects than the ones offered previously. The plot of land from the canceled phase was put up for sale and is no longer included in our landbank.

New Business Model Update	2013	2014	2015	2016	2017	YTD 2018
Number of Projects	7	14	30	41	45	23
Units launched	2,460	4,315	7,711	9,819	11,768	5,904
Total PSV (R\$ 000)	313.9	613.3	1,088.9	1,342.5	1,695.2	805.4
Units Sold	2,444	4,242	7,599	9,037	9,712	1,626
% Sold	99.3%	98.3%	98.5%	92.0%	82.5%	27.5%
Avg SoS (Month)	8.6%	6.5%	8.3%	11.1%	11.8%	13.0%
Units transferred	2,443	4,239	7,588	8,961	9,186	1,117
% Units transferred	99.3%	98.2%	98.4%	91.3%	78.1%	18.9%
% Construction	100.0%	100.0%	100.0%	97.5%	72.8%	18.7%



## LEGACY UPDATE

Over the past several years, the impact of legacy projects both on our results and on our capital employed<sup>1</sup> has decreased. The speed of the phase-out will slowly decline until liquidation, due to the low liquidity of inventory and accounts receivables.

Legacy Update	2011	2012	2013	2014	2015	2016	2017	2018
<b>Operational</b>								
Inventory at Market Value	1,171.5	826.7	478.7	365.1	226.2	154.9	132.1	79.0
Gross Sales	249.0	1,091.9	874.4	508.0	228.3	143.1	58.7	36.0
Cancellations	468	1,166	583	414	121	90	44	7
Net Sales	(218.8)	(74.3)	291.4	93.9	107.5	53.1	14.8	29.3
Cancellations / Gross Sales	187.9%	106.8%	66.7%	81.5%	52.9%	62.9%	74.7%	18.6%
Sales over Supply (SoS)	(23.0%)	(9.9%)	37.8%	20.5%	32.2%	25.5%	10.1%	27.1%
Gross SoS	702.9	1,182.6	900.3	459.9	214.6	145.2	108.7	28.3
Delivered Units	14	16,889	7,027	6,076	1,848	0	0	0
Construction Sites	138	63	26	5	1	1	1	1
<b>Financial</b>								
Adjusted Capital Employed <sup>1</sup>	2,516.9	2,089.7	1,152.4	755.1	547.2	324.5	211.4	164.5
Accounts Receivable <sup>1</sup>	1,465.9	1,233.5	623.3	317.8	232.0	117.0	47.6	48.1
AR Clients	1,465.9	1,233.5	623.3	306.4	223.7	97.7	19.9	28.3
AR Landbank Sold	ND <sup>2</sup>	ND <sup>2</sup>	ND <sup>2</sup>	11.4	8.3	19.2	27.6	19.8
Inventory <sup>2</sup>	1,051.0	856.2	529.1	437.2	315.2	207.5	163.9	116.4
Inventory	1,023.8	730.8	421.3	332.7	213.7	132.3	99.1	76.0
Landbank for Sale	27.2	125.4	107.8	104.5	101.5	75.2	64.8	40.5
Other Operating Revenues and Expenses	(60.3)	(47.8)	(24.8)	(62.2)	(52.6)	(36.7)	(98.5)	(35.7)
Litigation Expenses	(15.2)	(17.5)	(18.1)	(51.2)	(27.3)	(21.2)	(51.8)	(35.7)
Other	(45.2)	(30.3)	(6.7)	(11.0)	(25.3)	(15.5)	(46.7)	0.0
Net Revenue	439.3	1,069.1	722.5	273.8	168.3	(52.2)	7.2	25.0
Gross Profit	(281.9)	130.4	27.0	(3.1)	(29.2)	(87.0)	(70.5)	(14.3)
Gross Margin	(64.2%)	12.2%	3.7%	(1.1%)	(17.4%)	NA <sup>2</sup>	(979.8%)	(57.2%)

1) Managerial vision

2) ND: Not disclosed; NA: Not applicable

## NET OPERATING REVENUE

Net operating revenue grew 26.8% year-over-year, 9% quarter-over-quarter, and 19.7% in 1H18 vs. 1H17, driven by higher net presales volume ("Net PSV").

(in R\$ million)	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
Gross Operating Revenues	422.8	376.8	12.2% ↑	330.5	27.9% ↑	799.6	677.7	18.0% ↑
Provision for doubtful accounts	(10.5)	(2.9)	256.9% ↑	(16.7)	(37.3%) ↓	(13.4)	(21.6)	(37.7%) ↓
Provision for cancellations	(2.3)	0.9	(373.0%) ↓	16.6	(114.0%) ↓	(1.5)	19.8	(107.5%) ↓
Taxes on sales of properties and services	(10.9)	(8.6)	27.3% ↑	(15.8)	(30.6%) ↓	(19.5)	(36.5)	(46.6%) ↓
<b>Net Operating Revenue</b>	<b>399.1</b>	<b>366.1</b>	<b>9.0% ↑</b>	<b>314.6</b>	<b>26.8% ↑</b>	<b>765.1</b>	<b>639.3</b>	<b>19.7% ↑</b>





## GROSS PROFIT

Gross profit increased 39.0% vs. 2Q17, driven by the growth of the Company's operations across all regions. Adjusted gross margin was up 3.0 p.p. year-over-year and up 2.4 p.p. quarter-over-quarter. The change from the previous quarter was due to the non-recurring events in 1Q18.

(in R\$ Million)	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
Net Revenue	399.1	366.1	9.0% ↑	314.6	26.8% ↑	765.1	639.3	19.7% ↑
<b>Gross Profit</b>	<b>143.8</b>	<b>123.7</b>	<b>16.3% ↑</b>	<b>103.5</b>	<b>39.0% ↑</b>	<b>267.5</b>	<b>210.8</b>	<b>26.9% ↑</b>
Gross Margin	36.0%	33.8%	2.3 p.p. ↑	32.9%	3.1 p.p. ↑	35.0%	33.0%	2.0 p.p. ↑
(-) Financial Costs	6.2	5.3	18.3% ↑	5.3	16.9% ↑	11.5	10.3	11.8% ↑
<b>Adjusted Gross Profit<sup>1</sup></b>	<b>150.0</b>	<b>128.9</b>	<b>16.4% ↑</b>	<b>108.8</b>	<b>37.9% ↑</b>	<b>279.0</b>	<b>221.1</b>	<b>26.2% ↑</b>
Adjusted Gross Margin	37.6%	35.2%	2.4 p.p. ↑	34.6%	3.0 p.p. ↑	36.5%	34.6%	1.9 p.p. ↑

1) Adjusted by capitalized interest rates.

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

Selling expenses went up 6.7% year-over-year, 12.6% quarter-over-quarter, and 7.1% in the half year comparison. 1H18 expenses over gross sales were 0.3 p.p. lower over 1H17.

General and administrative expenses ("G&A") represented 4.9% of launches in 2Q18, about the same level as 2Q17. This was 7.9 p.p. lower sequentially and 1.5 p.p. higher than in 1H17, due to the non-recurring effect of R\$9.5 million in 1Q18. The Company maintains its growth strategy focused on gaining operational scale.

(in R\$ Million)	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
Selling Expenses	(35.7)	(31.7)	12.6% ↑	(33.5)	6.7% ↑	(67.4)	(62.9)	7.1% ↑
General & Admin Expenses	(26.5)	(34.0)	(22.1%) ↓	(21.8)	21.7% ↑	(60.5)	(44.7)	35.4% ↑
<b>Total SG&amp;A Expenses</b>	<b>(62.2)</b>	<b>(65.7)</b>	<b>(5.3%) ↓</b>	<b>(55.2)</b>	<b>12.6% ↑</b>	<b>(127.9)</b>	<b>(107.6)</b>	<b>18.8% ↑</b>
Gross Sales	528.1	471.2	12.1% ↑	462.8	14.1% ↑	999.4	887.4	12.6% ↑
Launches	539.1	266.3	102.4% ↑	446.4	20.8% ↑	805.4	748.5	7.6% ↑
<b>Selling Expenses / Gross Sales</b>	<b>6.8%</b>	<b>6.7%</b>	<b>0.0 p.p. ↑</b>	<b>7.2%</b>	<b>(0.5 p.p.) ↓</b>	<b>6.7%</b>	<b>7.1%</b>	<b>(0.3 p.p.) ↓</b>
<b>G&amp;A Expenses / Launches</b>	<b>4.9%</b>	<b>12.8%</b>	<b>(7.9 p.p.) ↓</b>	<b>4.9%</b>	<b>0.0 p.p. ↑</b>	<b>7.5%</b>	<b>6.0%</b>	<b>1.5 p.p. ↑</b>

## OTHER OPERATING REVENUES/EXPENSES

In 2Q18, Other Operating Revenues and Expenses grew 40.6% sequentially as we reached a R\$5.7 million settlement. The case sought R\$100 million and was the Company's second-largest lawsuit. The settlement allowed for a significant reduction of risks classified as possible losses in our financial statements.



(in R\$ Million)	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
<b>Other Operating Revenues and Expenses</b>	<b>(20.8)</b>	<b>(14.8)</b>	<b>40.6% ↑</b>	<b>(21.7)</b>	<b>(3.8%) ↓</b>	<b>(35.7)</b>	<b>(50.4)</b>	<b>(29.2%) ↓</b>
Litigation Expenses	(25.4)	(10.3)	147.4% ↑	(6.6)	286.1% ↑	(35.7)	(18.7)	90.7% ↑
Other	4.6	(4.6)	(200.0%) ↓	(15.1)	(130.2%) ↓	0.0	(31.7)	(100.0%) ↓
<b>Equity Income</b>	<b>0.5</b>	<b>0.1</b>	<b>(439.3%) ↓</b>	<b>(0.5)</b>	<b>(197.6%) ↓</b>	<b>0.5</b>	<b>(0.4)</b>	<b>(243.2%) ↓</b>

## ADJUSTED EBITDA

The Company's operational growth drove the annual increase in adjusted EBITDA.

(in R\$ Million)	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
Net Income	51.6	36.3	42.2% ↑	20.8	147.9% ↑	87.9	39.7	121.0% ↑
(+) Financial result	(3.4)	(3.2)	(8.8%) ↓	(0.7)	(369.9%) ↓	(6.6)	(0.1)	(9,221.1%) ↓
(+) Income taxes and social contribution	6.3	6.6	(4.3%) ↓	2.5	150.4% ↑	12.9	7.1	83.1% ↑
(+) Depreciation and amortization	6.4	3.4	89.8% ↑	3.5	83.7% ↑	9.8	6.8	44.9% ↑
(+) Capitalized interests	6.2	5.3	18.3% ↑	5.3	16.9% ↑	11.5	10.3	11.8% ↑
(+) Expenses with Stock Option Plan	(9.4)	9.8	(196.6%) ↓	(0.8)	(1,136.3%) ↓	0.3	(0.3)	220.0% ↑
(+) Minority Shareholders	0.4	0.1	185.9% ↑	0.1	617.6% ↑	0.5	(1.1)	147.0% ↑
<b>Adjusted EBITDA<sup>1</sup></b>	<b>58.0</b>	<b>58.3</b>	<b>(0.4%) ↓</b>	<b>30.7</b>	<b>89.0% ↑</b>	<b>116.3</b>	<b>62.4</b>	<b>86.2% ↑</b>
Net Revenue	399.1	366.1	9.0% ↑	314.6	26.8% ↑	765.1	639.3	19.7% ↑
<b>Adjusted EBITDA Margin<sup>1</sup></b>	<b>14.5%</b>	<b>15.9%</b>	<b>(1.4 p.p.) ↓</b>	<b>9.8%</b>	<b>4.8 p.p. ↑</b>	<b>15.2%</b>	<b>9.8%</b>	<b>5.4 p.p. ↑</b>

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

## FINANCIAL RESULTS

Financial Revenues in the first half of 2018 were up by 48.4% compared to 1H17, due to interest earned on the higher cash position. Financial expenses went up 1.1% in 1H18 vs. 1H17 due to higher gross debt.

(in R\$ Million)	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
Financial Income	10.9	9.6	12.8% ↑	8.2	32.8% ↑	20.5	13.8	48.4% ↑
Financial Expenses	(7.4)	(6.5)	14.8% ↑	(7.5)	(0.3%) ↓	(13.9)	(13.8)	1.1% ↑
<b>Financial Results</b>	<b>3.4</b>	<b>3.2</b>	<b>8.8% ↑</b>	<b>0.7</b>	<b>369.9% ↑</b>	<b>6.6</b>	<b>0.1</b>	<b>9,221.1% ↑</b>

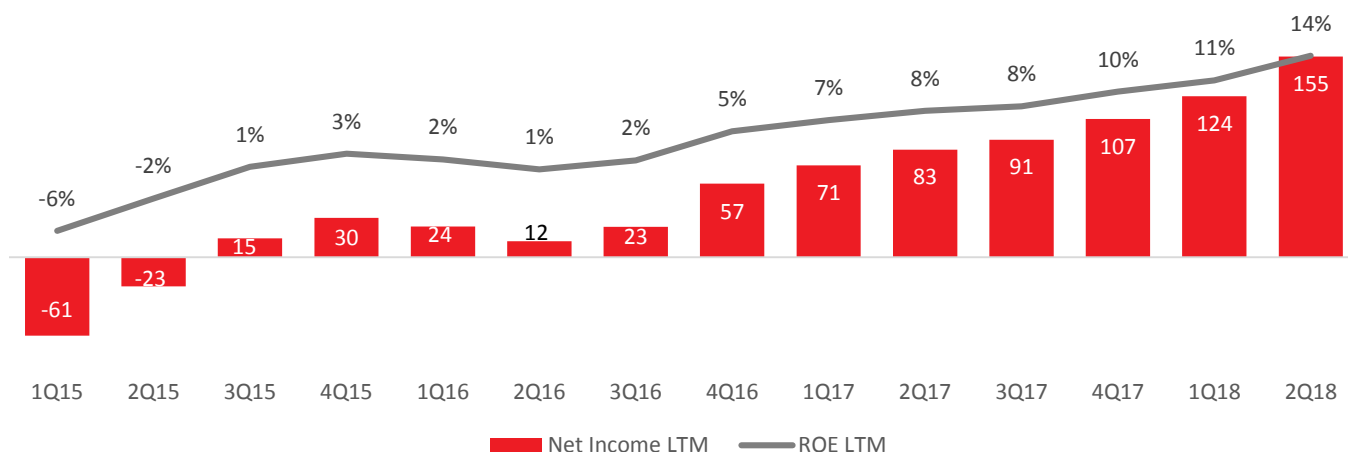
## NET INCOME

Net income and net margin continued to expand, demonstrating the stability of the current business model. In 1H18, net income grew 121.0% and net margin increased by 5.3 p.p. over 1H17.



(in R\$ million)	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
Net Income after Income Tax and Social Contribution	52.0	36.4	42.7% ↑	20.9	149.1% ↑	88.3	38.7	128.3% ↑
(-) Minority shareholders	(0.4)	(0.1)	(185.9%) ↓	(0.1)	(617.6%) ↓	(0.5)	1.1	(147.0%) ↓
<b>Net Income</b>	<b>51.6</b>	<b>36.3</b>	<b>42.2% ↑</b>	<b>20.8</b>	<b>147.9% ↑</b>	<b>87.9</b>	<b>39.7</b>	<b>121.0% ↑</b>
Net Margin	12.9%	9.9%	3.0 p.p. ↑	6.6%	6.3 p.p. ↑	11.5%	6.2%	5.3 p.p. ↑

### ROE (12 months) X Net Income (12 months)



## BACKLOG RESULTS

The 43.7% backlog margin was 1.0 p.p. lower than 1Q18 due to changes in product mix, most markedly the increase of level 1.5 projects share.

(in R\$ million)	June 18	March 18	QoQ (%)	June 17	YoY (%)
Backlog Revenues	480.5	422.8	13.6% ↑	299.7	60.3% ↑
Backlog Costs (units sold)	(270.6)	(233.9)	15.7% ↑	(152.5)	77.5% ↑
<b>Backlog Results<sup>1</sup></b>	<b>209.8</b>	<b>188.9</b>	<b>11.1% ↑</b>	<b>147.2</b>	<b>42.5% ↑</b>
Backlog Margin	43.7%	44.7%	(1.0 p.p.) ↓	49.1%	(5.5 p.p.) ↓

(1) Comprises the projects restricted by a precedent condition.

## CASH AND CASH EQUIVALENTS AND FINANCIAL INVESTMENTS

(in R\$ million)	June 18	March 18	QoQ (%)	June 17	YoY (%)
Cash & Cash Equivalents	33.3	45.1	(26.2%) ↓	84.5	(60.6%) ↓
Short term investments	623.6	615.3	1.3% ↑	267.7	132.9% ↑
<b>Total Cash Position</b>	<b>656.8</b>	<b>660.4</b>	<b>(0.5%) ↓</b>	<b>352.2</b>	<b>86.5% ↑</b>



## ACCOUNTS RECEIVABLE FROM DEVELOPMENTS AND SERVICES RENDERED

(in R\$ million)	June 18	March 18	QoQ (%)	June 17	YoY (%)
Up to 2018 <sup>1</sup>	219.6	314.8	(30.2%) ↓	472.6	(53.5%) ↓
2019	280.7	182.0	54.2% ↑	31.3	795.8% ↑
2020	36.2	26.6	35.9% ↑	43.1	(16.0%) ↓
2021	20.7	20.1	3.0% ↑	28.0	(25.9%) ↓
2022	12.7	11.8	7.3% ↑	0.0	0.0% ↑
2023 and beyond	5.9	4.3	36.5% ↑	0.0	0.0% ↑
<b>Total Accounts Receivable</b>	<b>575.8</b>	<b>559.7</b>	<b>2.9% ↑</b>	<b>575.0</b>	<b>0.1% ↑</b>
(-) Present value adjustment	(11.0)	(9.6)	(14.4%) ↓	(12.4)	11.1% ↑
(-) Provision for doubtful accounts	(112.5)	(102.0)	(10.3%) ↓	(101.2)	(11.2%) ↓
(-) Provision for cancellations	(23.2)	(20.8)	(11.2%) ↓	(26.0)	10.9% ↑
<b>Accounts Receivable</b>	<b>429.2</b>	<b>427.3</b>	<b>0.4% ↑</b>	<b>435.5</b>	<b>(1.4%) ↓</b>
Dias de Contas a Receber	106	111	(5.3%) ↑	133	(20.5%) ↑

Accounts Receivable Tenda <sup>2</sup> (in R\$ million)	June 18	March 18	QoQ (%)	June 17	YoY (%)
Before delivery to buyer (Pro-Soluto)	37.5	29.4	27.7% ↑	18.9	98.4% ↑
After delivery to buyer (TCD)	158.1	161.0	(1.8%) ↓	118.1	33.9% ↑
<b>Tenda Receivables</b>	<b>195.6</b>	<b>190.4</b>	<b>2.7% ↑</b>	<b>137.0</b>	<b>42.8% ↑</b>
Total accounts receivable	429.2	427.3	0.4% ↑	435.5	(1.4%) ↓
Backlog Revenues	480.5	422.8	13.6% ↑	299.7	60.3% ↑
<b>Tenda Receivables/(Total accounts receivable + Backlog Revenues)</b>	<b>21.5%</b>	<b>22.4%</b>	<b>(0.9 p.p.) ↓</b>	<b>18.6%</b>	<b>2.9 p.p. ↑</b>

1) Overdue and falling due.

2) Receivables, net of provision, by installments directly with the Company, since bank financing does not absorb 100% of the property value.

## INDEBTEDNESS

Tenda ended 2Q18 with total debt of R\$381 million, duration of 30 months and a weighted average cost of debt of 7.6%. Total debt was covered by a cash position of R\$657 million at the end of 2Q18.

Debt Maturity Schedule (in R\$ million)	Project Finance	Corporate Debt	Total
2018	2.6	1.4	4.0
2019	13.5	1.1	14.6
2020	41.2	0.0	41.2
2021	324.0	0.0	324.0
2022 onwards	0.0	0.0	0.0
<b>Total Debt</b>	<b>381.3</b>	<b>2.5</b>	<b>383.8</b>
Duration (in months)			30.0

Debt Breakdown (in R\$ million)	Maturity	Charges (APY)	Balance Due June 18	Balance Due March 18
<b>Project Finance</b>			<b>381.3</b>	<b>371.3</b>
SFH	until 10/2021	TR + 8.3% to 9.5%	108.6	104.5
Debenture	until 01/2021	CDI + 0.9%	272.7	266.8
<b>Corporate Debt</b>			<b>2.5</b>	<b>6.5</b>
Working Capital	until 06/2019	CDI + 2.3% to 4.25% INCC-DI Variation	2.5	6.5



Weighted Average Cost of Debt (in R\$ million)	Balance Due June 18	Balance Due / Total Debt	Average Cost (APY)
CDI	272.7	70.6%	CDI + 0.93%
TR	111.1	28.8%	TR + 8.3%
INCC	2.5	0.6%	INCC + 0%
<b>Total</b>	<b>386.3</b>	<b>100%</b>	<b>7.6%</b>

## NET DEBT

Tenda has a negative 22.9% adjusted net debt/shareholder's equity ratio, making it one of the most unleveraged companies in the Brazilian real estate sector. Cash generation totaled R\$65 million this quarter, higher than the R\$55 million in 1Q18. In this quarter, under our active share buyback program, we bought R\$73 million of our shares. The cash generation in the period, however, allowed us to maintain a cash and financial investments balance similar to 1Q18.

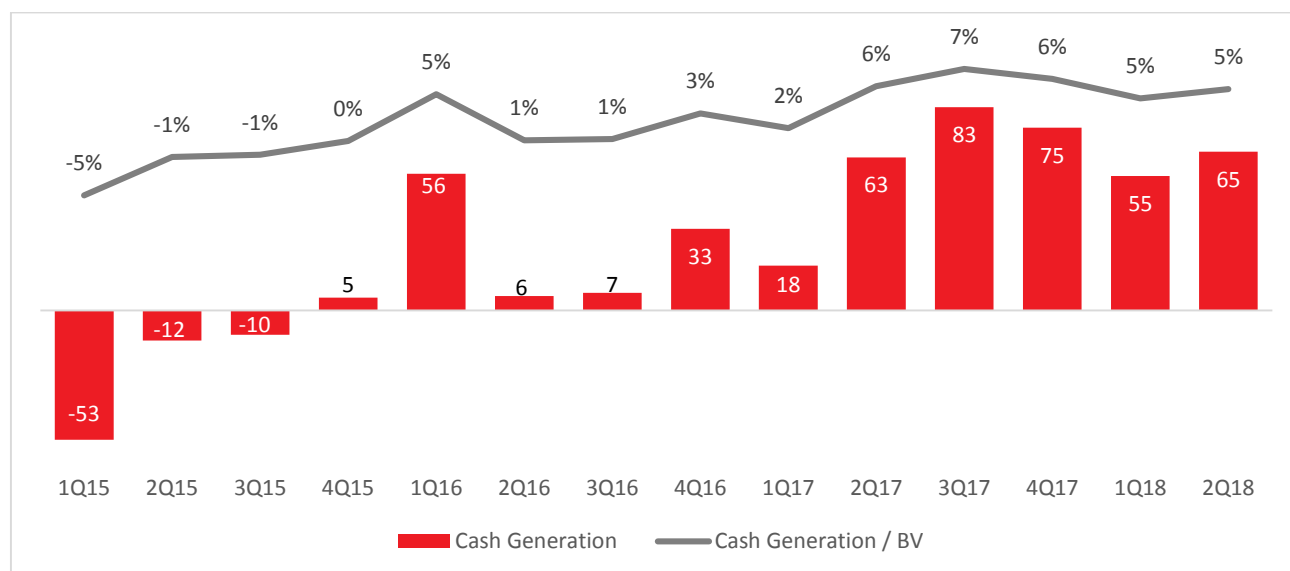
(in R\$ million)	June 18	March 18	QoQ (%)	June 17	YoY (%)
Gross Debt	383.8	377.8	1.6% ↑	178.6	115.0% ↑
(-) Cash and cash equivalents and financial investments	(656.8)	(660.4)	(0.5%) ↓	(352.2)	86.5% ↑
Net Debt	(273.0)	(282.6)	3.4% ↑	(173.6)	(57.3%) ↓
(+) Capital Reduction	0.0	0.0	0.0% ↑	101.6	(100.0%) ↓
<b>Adjusted Net Debt<sup>1</sup></b>	<b>(273.0)</b>	<b>(282.6)</b>	<b>3.4% ↑</b>	<b>(72.0)</b>	<b>(279.3%) ↓</b>
Shareholders' Equity + Minority Shareholders	1,190.4	1,209.8	(1.6%) ↓	1,094.6	8.7% ↑
Net Debt/ (Shareholders' Equity + Minority Shareholders)	(22.9%)	(23.4%)	0.4 p.p. ↑	(15.9%)	(7.1 p.p.) ↓
Adjusted Net Debt/ (Shareholders' Equity + Minority Shareholders)	(22.9%)	(23.4%)	0.4 p.p. ↑	(6.6%)	(16.4 p.p.) ↓
Adjusted EBITDA (Last 12 months)	233.7	196.1	19.2% ↑	148.0	57.9% ↑
Adjusted Net Debt/Adjusted EBITDA (last 12 months)	(116.8%)	(144.1%)	27.3 p.p. ↑	(48.6%)	(68.2 p.p.) ↓
Cash Generation <sup>2</sup>	65.0	55.0	18.2% ↑	62.7	3.8% ↑
Operating Cash Generation <sup>3</sup>	67.4	56.0	20.2% ↑	68.9	(2.2%) ↓

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.

2) Cash Generation is the difference between the Available Cash change and Gross Debt change, adjusted by Share Buyback, Dividends, Capital Reduction and non-operational effects.

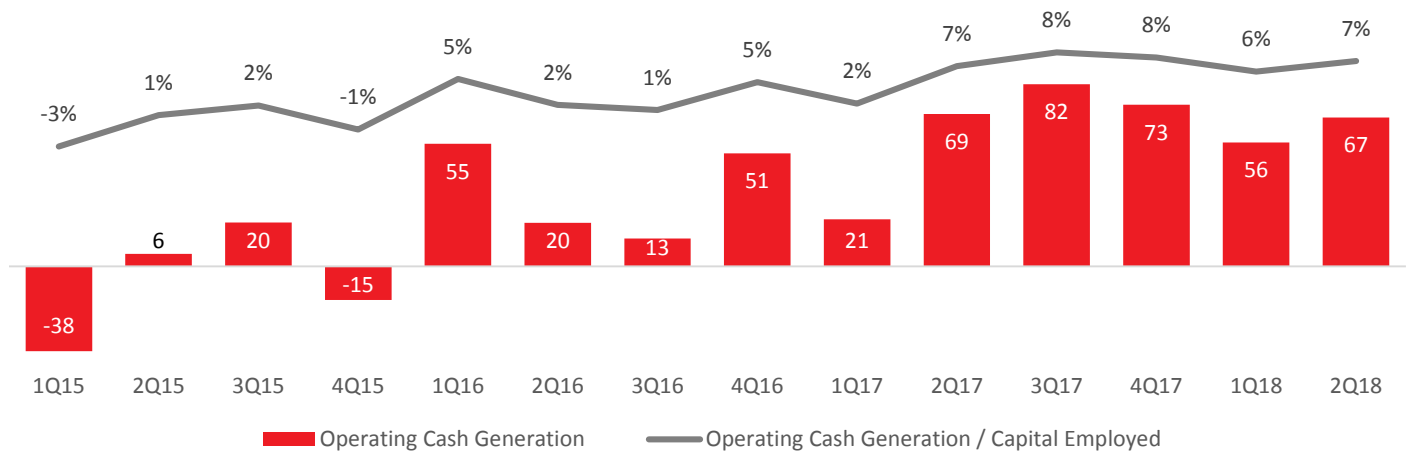
3) March/17 amounts comprise amounts due as of 2021 on.

### Cash Generation X Shareholders' Equity





### Operating Cash Generation X Capital Employed



### INCOME STATEMENT

(in R\$ million)	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
Net Revenue	399.1	366.1	9.0% ↑	314.6	26.8% ↑	765.1	639.3	19.7% ↑
Operating Costs	(255.2)	(242.4)	5.3% ↑	(211.1)	20.9% ↑	(497.6)	(428.5)	16.1% ↑
<b>Gross Profit</b>	<b>143.8</b>	<b>123.7</b>	<b>16.3% ↑</b>	<b>103.5</b>	<b>39.0% ↑</b>	<b>267.5</b>	<b>210.8</b>	<b>26.9% ↑</b>
Gross Margin	36.0%	33.8%	2.3 p.p. ↑	32.9%	3.1 p.p. ↑	35.0%	33.0%	2.0 p.p. ↑
Operating Expenses	(89.0)	(83.8)	6.2% ↑	(80.9)	10.1% ↑	(172.9)	(165.1)	4.7% ↑
Selling Expenses	(35.7)	(31.7)	12.6% ↑	(33.5)	6.7% ↑	(67.4)	(62.9)	7.1% ↑
General and Administrative Expenses	(26.5)	(34.0)	(22.1%) ↓	(21.8)	21.7% ↑	(60.5)	(44.7)	35.4% ↑
Other Operating Revenue/Expenses	(20.8)	(14.8)	40.6% ↑	(21.7)	(3.8%) ↓	(35.7)	(50.4)	(29.2%) ↓
Depreciation and Amortization	(6.4)	(3.4)	89.8% ↑	(3.5)	83.7% ↑	(9.8)	(6.8)	44.9% ↑
Equity Income	0.5	0.1	439.3% ↑	(0.5)	197.6% ↑	0.5	(0.4)	243.2% ↑
<b>Operational Result</b>	<b>54.8</b>	<b>39.8</b>	<b>37.6% ↑</b>	<b>22.6</b>	<b>142.0% ↑</b>	<b>94.7</b>	<b>45.7</b>	<b>107.2% ↑</b>
Financial Income	10.9	9.6	12.8% ↑	8.2	32.8% ↑	20.5	13.8	48.4% ↑
Financial Expenses	(7.4)	(6.5)	14.8% ↑	(7.5)	(0.3%) ↓	(13.9)	(13.8)	1.1% ↑
<b>Net Income Before Taxes on Income</b>	<b>58.3</b>	<b>43.0</b>	<b>35.5% ↑</b>	<b>23.4</b>	<b>149.2% ↑</b>	<b>101.3</b>	<b>45.8</b>	<b>121.3% ↑</b>
Deferred income tax and social contribution	(0.7)	(0.8)	13.3% ↑	7.9	(108.5%) ↓	(1.4)	5.9	(124.7%) ↓
Current Income Tax and Social Contribution	(5.6)	(5.8)	(3.2%) ↓	(10.4)	(45.7%) ↓	(11.5)	(12.9)	(11.1%) ↓
<b>Net Income After Taxes on Income</b>	<b>52.0</b>	<b>36.4</b>	<b>42.7% ↑</b>	<b>20.9</b>	<b>149.1% ↑</b>	<b>88.3</b>	<b>38.7</b>	<b>128.3% ↑</b>
(-) Minority Shareholders	(0.4)	(0.1)	(185.9%) ↓	(0.1)	(617.6%) ↓	(0.5)	1.1	(147.0%) ↓
<b>Net Income</b>	<b>51.6</b>	<b>36.3</b>	<b>42.2% ↑</b>	<b>20.8</b>	<b>147.9% ↑</b>	<b>87.9</b>	<b>39.7</b>	<b>121.0% ↑</b>



## BALANCE SHEET

(in R\$ million)	June 18	March 18	QoQ (%)	June 17	YoY (%)
<b>Current Assets</b>	<b>1,680.1</b>	<b>1,631.3</b>	<b>3.0% ↑</b>	<b>1,289.8</b>	<b>30.3% ↑</b>
Cash and cash equivalents	33.3	45.1	(26.2%) ↓	84.5	(60.6%) ↓
Short term investments	623.6	615.3	1.3% ↑	267.7	132.9% ↑
Receivables from clients	306.5	297.3	3.1% ↑	256.9	19.3% ↑
Properties for sale	617.5	570.5	8.3% ↑	548.9	12.5% ↑
Other accounts receivable	50.0	52.1	(4.0%) ↓	53.2	(6.0%) ↓
Land for sale	49.2	51.0	(3.5%) ↓	78.7	(37.4%) ↓
<b>Non-Current Assets</b>	<b>503.6</b>	<b>551.3</b>	<b>(8.7%) ↓</b>	<b>503.5</b>	<b>0.0% ↑</b>
Receivables from clients	122.7	130.0	(5.7%) ↓	178.6	(31.3%) ↓
Properties for sale	321.8	362.5	(11.2%) ↓	265.8	21.0% ↑
Other	59.1	58.8	0.5% ↑	59.1	(0.0%) ↓
<b>Intangible, Property and Equipment</b>	<b>61.4</b>	<b>61.5</b>	<b>(0.1%) ↓</b>	<b>55.4</b>	<b>10.9% ↑</b>
<b>Investments</b>	<b>66.0</b>	<b>65.5</b>	<b>0.7% ↑</b>	<b>71.5</b>	<b>(7.8%) ↓</b>
<b>Total Assets</b>	<b>2,311.1</b>	<b>2,309.6</b>	<b>0.1% ↑</b>	<b>1,920.3</b>	<b>20.3% ↑</b>
<b>Current Liabilities</b>	<b>429.8</b>	<b>414.6</b>	<b>3.7% ↑</b>	<b>363.6</b>	<b>18.2% ↑</b>
Loans and financing	8.3	14.2	(41.8%) ↓	73.5	(88.7%) ↓
Debentures	0.0	0.0	0.0% ↑	0.0	0.0% ↑
Obligations for purchase of land and advances from customers	237.4	213.3	11.3% ↑	145.0	63.8% ↑
Material and service suppliers	29.7	28.7	3.6% ↑	28.9	2.9% ↑
Taxes and contributions	27.8	28.0	(1.0%) ↓	26.7	3.8% ↑
Other	126.6	130.4	(2.9%) ↓	89.6	41.4% ↑
<b>Non-current liabilities</b>	<b>690.9</b>	<b>685.1</b>	<b>0.8% ↑</b>	<b>462.1</b>	<b>49.5% ↑</b>
Loans and financing	102.8	96.8	6.2% ↑	105.1	(2.2%) ↓
Debentures	272.7	266.8	2.2% ↑	0.0	0.0% ↑
Obligations for purchase of land and advances from customers	225.8	230.0	(1.8%) ↓	148.7	51.8% ↑
Deferred taxes	7.4	6.7	10.2% ↑	5.7	28.4% ↑
Provision for contingencies	30.6	29.9	2.4% ↑	46.7	(34.5%) ↓
Other creditors	0.0	0.0	0.0% ↑	101.6	(100.0%) ↓
Other	51.6	55.0	(6.1%) ↓	54.2	(4.7%) ↓
<b>Shareholders' Equity</b>	<b>1,190.4</b>	<b>1,209.8</b>	<b>(1.6%) ↓</b>	<b>1,094.6</b>	<b>8.7% ↑</b>
Shareholders' Equity	1,184.8	1,204.7	(1.6%) ↓	1,088.6	8.8% ↑
Minority Shareholders	5.5	5.2	7.1% ↑	6.0	(8.4%) ↓
<b>Total Liabilities and Shareholders' Equity</b>	<b>2,311.1</b>	<b>2,309.6</b>	<b>0.1% ↑</b>	<b>1,920.3</b>	<b>20.3% ↑</b>



## CASH FLOW

(in R\$ million)	2Q18	1Q18	QoQ (%)	2Q17	YoY (%)	1S18	1S17	YoY (%)
<b>Cash Used in Operating Activities</b>	<b>73.8</b>	<b>56.6</b>	<b>30.6% ↑</b>	<b>108.1</b>	<b>(31.7%) ↓</b>	<b>130.4</b>	<b>141.5</b>	<b>(7.9%) ↓</b>
Net Income (loss) before taxes	58.3	43.0	35.5% ↑	23.4	149.2% ↑	101.3	45.8	121.4% ↑
Depreciation and amortization	8.3	5.1	62.2% ↑	4.0	105.4% ↑	13.4	8.3	61.2% ↑
Impairment	(2.0)	(2.1)	4.4% ↑	2.9	(170.6%) ↓	(4.2)	0.3	(1,715.4%) ↓
Stock option plan expenses	0.9	9.8	(91.2%) ↓	(0.8)	212.8% ↑	10.6	(0.3)	3,968.0% ↑
Penalty fee over delayed projects	(0.1)	0.1	(177.0%) ↓	(0.2)	58.2% ↑	0.0	(0.5)	105.3% ↑
Unrealized interest and charges, net	2.8	(1.7)	265.8% ↑	5.7	(51.4%) ↓	1.1	9.9	(89.0%) ↓
Equity income	(0.5)	(0.1)	(439.3%) ↓	0.5	(197.6%) ↓	(0.5)	0.4	(243.2%) ↓
Disposal of fixed asset	0.0	0.0	(100.0%) ↓	0.0	(100.0%) ↓	0.0	0.5	(97.2%) ↓
Warranty provision	(5.4)	9.8	(155.0%) ↓	7.4	(172.4%) ↓	4.4	9.7	(54.8%) ↓
Provision for contingencies	1.4	(3.2)	143.9% ↑	0.9	55.7% ↑	(1.8)	1.7	(205.1%) ↓
Profit sharing provision	5.6	5.0	13.4% ↑	4.9	14.8% ↑	10.6	9.6	9.8% ↑
Provision (reversal) for doubtful accounts and cancellations	9.9	5.2	91.1% ↑	9.7	2.0% ↑	15.1	12.8	18.3% ↑
Provision for cancellations and cancellations payable	1.0	0.3	255.0% ↑	(2.4)	140.2% ↑	1.2	3.5	(64.7%) ↓
Clients	(16.1)	(31.3)	48.6% ↑	18.2	(188.7%) ↓	(47.4)	(19.6)	(141.6%) ↓
Properties for sale	(5.2)	18.6	(128.1%) ↓	(30.1)	82.6% ↑	13.4	(22.8)	158.6% ↑
Other receivables	1.9	1.7	13.6% ↑	12.0	(84.0%) ↓	3.6	5.7	(37.0%) ↓
Obligations for purchase of real properties	25.6	(6.0)	523.7% ↑	19.7	29.8% ↑	19.5	26.8	(27.1%) ↓
Taxes and contributions	11.3	0.5	2,248.8% ↑	18.9	(40.2%) ↓	11.8	19.7	(40.1%) ↓
Accounts payable	1.0	5.9	(82.7%) ↓	7.9	(87.1%) ↓	6.9	(2.8)	347.3% ↑
Salaries, payroll charges and bonus provision	(12.4)	1.2	(1,091.3%) ↓	0.2	(6,740.3%) ↓	(11.1)	1.9	(680.5%) ↓
Other accounts payable	2.5	(0.2)	1,578.7% ↑	22.2	(88.8%) ↓	2.3	3.8	(39.4%) ↓
Current account operations	0.6	1.3	(51.6%) ↓	3.2	(80.7%) ↓	1.9	34.8	(94.6%) ↓
Taxes paid	(18.6)	(4.9)	(281.3%) ↓	(6.0)	(211.7%) ↓	(23.5)	(11.9)	(96.8%) ↓
Present value adjustment	1.4	(1.2)	211.6% ↑	3.2	(56.9%) ↓	0.1	9.5	(98.5%) ↓
Other operating revenue/expenses	0.0	0.0	0.0% ↑	(11.3)	100.0% ↑	0.0	0.9	(100.0%) ↓
Deferred income tax and social contribution	1.7	(0.1)	2,244.9% ↑	(6.1)	127.3% ↑	1.6	(6.1)	126.0% ↑
<b>Cash used in investment activities</b>	<b>(11.1)</b>	<b>(154.3)</b>	<b>92.8% ↑</b>	<b>(37.8)</b>	<b>70.7% ↑</b>	<b>(165.3)</b>	<b>(88.8)</b>	<b>(86.1%) ↓</b>
Purchase of property and equipment	(8.2)	(3.2)	(159.5%) ↓	(8.9)	7.6% ↑	(11.4)	(16.2)	30.0% ↑
Redemption of securities, sureties and credits	(864.3)	203.6	(524.4%) ↓	481.5	(279.5%) ↓	(660.6)	846.5	(178.0%) ↓
Investments in marketable securities and restricted credits	861.4	(354.7)	342.8% ↑	(510.4)	268.7% ↑	506.7	(919.1)	155.1% ↑
<b>Cash provided by financing activities</b>	<b>(74.6)</b>	<b>103.4</b>	<b>(172.1%) ↓</b>	<b>(31.3)</b>	<b>(138.2%) ↓</b>	<b>28.9</b>	<b>3.4</b>	<b>753.5% ↑</b>
Stock Buyback	(73.2)	0.0	0.0% ↑	0.0	0.0% ↑	(73.2)	0.0	0.0% ↑
Capital Reserve Increase	1.0	0.1	1,401.5% ↑	0.0	0.0% ↑	1.1	0.0	0.0% ↑
Loans and financing increase	106.9	209.8	(49.0%) ↓	93.6	14.2% ↑	316.7	199.6	58.6% ↑
Amortization of loans and financing	(109.0)	(106.3)	(2.6%) ↓	(92.7)	(17.6%) ↓	(215.3)	(164.6)	(30.8%) ↓
Loan operations	(0.2)	(0.1)	(51.2%) ↓	(32.2)	99.4% ↑	(0.3)	(31.7)	99.0% ↑
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(11.8)</b>	<b>5.7</b>	<b>(306.5%) ↓</b>	<b>39.0</b>	<b>(130.3%) ↓</b>	<b>(6.1)</b>	<b>56.1</b>	<b>(110.9%) ↓</b>
<b>At the beginning of the period</b>	<b>45.1</b>	<b>39.4</b>	<b>14.5% ↑</b>	<b>45.5</b>	<b>(0.9%) ↓</b>	<b>39.4</b>	<b>28.4</b>	<b>38.6% ↑</b>
<b>At the end of the period</b>	<b>33.3</b>	<b>45.1</b>	<b>(26.2%) ↓</b>	<b>84.5</b>	<b>(60.6%) ↓</b>	<b>33.3</b>	<b>84.5</b>	<b>(60.6%) ↓</b>





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## About Tenda

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