



1Q20 Conference Call
May 8, 2020

Portuguese
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Phone: +55 (11) 3127-4971 / 11-3728-5971
Code: São Carlos

English
The audio of the English conference call
will be available on IR website.

1Q20 RESULTS

Recurring FFO grows 62%, to R\$24.6 million in 1Q20

Revenue from leases grows 13.6%

São Paulo, May 7, 2020 – São Carlos Empreendimentos e Participações S.A. (“São Carlos” or “Company”) announces today its results for the first quarter of 2020 (1Q20). In order to preserve comparability, the Company presents an analysis of the recurring results of its lease activity by excluding non-recurring events (for more details, see the ‘Adjustments to the Income Statement’ section).

MAIN HIGHLIGHTS

- **Gross revenue from leases totals R\$68.6 million in 1Q20**, 13.6% up from 1Q19, driven by properties acquired in the last 12 months. On a same asset base, gross revenue from leases grew by 7.6%
- **EBITDA reaches R\$52.9 million**, 20.0% up from 2019, with a margin of 80.8%
- **FFO grows 61.8% in the quarter, to R\$24.6 million**, with a margin of 37.6%
- **Recurring net income** reaches R\$12.8 million in the quarter
- The portfolio closed 1Q20 with **physical and financial vacancies of 16.3% and 13.8%, respectively**
- **The market value of the portfolio reached R\$4.7 billion**, according to CBRE appraisal, appreciating 11.6% in 12 months
- **NAV (net asset value) closes the quarter at R\$3.5 billion**, 9.4% up from 1Q19. NAV per share grows 11.5%, to R\$ 63.1

Operating and Financial Indicators	1Q20	1Q19	Δ %
Gross Revenue from Leases (R\$ million)	68.6	60.4	13.6%
<i>NOI Margin</i>	<i>90.8%</i>	<i>91.2%</i>	<i>-0.4 p.p.</i>
Recurring EBITDA (R\$ million)	52.9	44.1	20.0%
<i>Recurring EBITDA Margin</i>	<i>80.8%</i>	<i>77.4%</i>	<i>3.4 p.p.</i>
Recurring FFO (R\$ million)	24.6	15.2	61.8%
<i>FFO Margin</i>	<i>37.6%</i>	<i>26.7%</i>	<i>10.9 p.p.</i>
Recurring Net Income/Loss (R\$ million)	12.8	4.8	166.7%
<i>Recurring Net Margin</i>	<i>19.5%</i>	<i>8.4%</i>	<i>11.1 p.p.</i>
Net Income/Loss (R\$ million)	10.6	5.9	79.7%
NAV (R\$ billion)	3.5	3.2	9.4%
NAV per share (R\$)	63.1	56.6	11.5%

MESSAGE FROM MANAGEMENT

Although the first quarter of 2020 marked the beginning of the economic crisis caused by the COVID-19 pandemic, the Company's performance was not impacted by it due to the nature of our business and the quality of our customer base. In the quarter, the Company had solid operating and financial results, with significant growth in revenue from leases and EBITDA, and high operating margins.

Revenue from leases grew 13.6% in 1Q20, totaling R \$ 69 million. The properties acquired and delivered in the last 12 months contributed to the growth in revenue. But even on a same asset basis, revenue grew 7.6% in one year, therefore, above inflation in the period. That performance reflects the recovery of leasing prices in the period before the COVID-19 pandemic crisis.

The Company's operating margins remained high and among the strongest in the sector. The recurring EBITDA margin reached 81%, with an EBITDA of R\$ 53 million - an increase of 20% compared to 1Q19. The FFO margin reached 38%, with an FFO of R\$ 25 million, and net margin ended the quarter at 20%, with recurring net income of R\$ 13 million. The increase in margins reflects the Company's strategy of cutting expenses and improving its debt profile.

NAV grew 9.4% over 1Q19, reaching R\$ 3.5 billion or R\$ 63.1 per share. The growth in NAV reflects São Carlos' strategy of acquiring properties with strong upside potential and selling stabilized assets. The portfolio ended the quarter at R\$ 4.7 billion in value, an increase of 11.6% over 1Q19, comprising 77 properties, 24 of which in the Office segment and 53 in the Convenience Center segment, and totaling 409.9 thousand sq.m. of GLA.

The Convenience Center segment had another quarter of profitability growth. Revenue from leases reached R\$ 7.3 million, an increase of 12.3% compared to 1Q19. NOI margin increased from 82% in 1Q19 to 86% in 1Q20. The portfolio's value grew by 15.3% in 12 months, reaching R\$ 579 million, while the NAV reached R\$ 534 million, an increase of 40.5% in 12 months. The segment ended the year with 35 centers inaugurated, totaling 72,300 sq.m. of GLA, 4 pre-operational centers with 5,300 sq.m. of GLA and 14 land plots for future development.

The Company has a conservative debt profile to face a restricted liquidity market. The cash balance reached R\$ 355 million at the end of March 2020, a position that leaves São Carlos prepared for a more adverse macroeconomic scenario, especially in a restricted credit environment, and to take advantage of growth opportunities through investments in new high-returns projects.

Responses to the COVID-19 pandemic crisis

In response to the COVID-19 pandemic, the Company acted quickly and, in February, implemented the Crisis Committee to define and monitor measures to preserve the health of employees, suppliers and customers. In addition, São Carlos implemented steps to strengthen its cash position and ensure liquidity throughout the crisis and take advantage of business opportunities that may arise over the next few months.

We implemented several actions to preserve the health of our employees and their direct family members, which has resulted in the absence of cases of contamination by COVID-19 so far.

In our properties, we implemented measures to give security to buildings' employees, as well as to our clients. As a result, by the end of April, the Company had 100% of its Office properties GLA and 72% of Convenience Centers GLA opened and in operation. That performance in the Convenience Center segment is explained by the nature of the businesses of our tenants, which are focused on essential products and services. During the quarantine period, the Best Centers have functioned as supply points for people who live in their surroundings.

Rental leases of March, due in April, were 93% received within the month. The balance is mostly extended, and a smaller share is in collection process. Thus, revenue from leases in the quarter was not meaningfully affected by the crisis. That result is explained by the profile of our tenants, mostly composed of large and solid companies.

In order to preserve the Company's liquidity, São Carlos implemented steps aimed at strengthening its cash position. First, we revisited our ZBB (zero base budget) to postpone or suspend capital disbursements (CAPEX) and reduce general and administrative expenses, as well as condominium expenses. Additionally, the Company increased its cash position by R\$ 200 million in new financing, raised in March (R\$ 100 million) and in April (R\$ 100 million), with maturity in up to 1 year.

Finally, the Company launched the Project 2025 aimed at identifying the threats and opportunities in the current crisis, from which conclusions will be integrated in São Carlos' annual Strategic Planning.

The scenario presented by the COVID-19 pandemic crisis is one of uncertainty in all sectors of the economy. The Company decided to prioritize the health of its employees and to strengthen its cash position, with the objective of being ready to take advantage of business opportunities that will arise from the crisis.

PROPERTY PORTFOLIO

São Carlos' property portfolio closed the quarter valued at R\$4.7 billion, an appreciation of 11.6% YoY. The portfolio grew R\$485 million in the last 12 months, due to (i) R\$417 million in asset valuation, as per the annual appraisal carried out by CBRE, (ii) R\$222 million in acquisitions, and (iii) R\$154 million in asset divestment.

The table below shows the portfolio evolution over the last 12 months¹.

Changes in the property portfolio	Month	Office		Convenience Centers		Total	
		Own GLA (sq.m.)	Value (R\$ million)	Own GLA (sq.m.)	Value (R\$ million)	Own GLA (sq.m.)	Value (R\$ million)
Position as of Mar/19		317,622	3,668	67,753	502	385,375	4,170
João Bricola building – SP	Jul/19	12,359	70			12,359	70
Morumbi Office Tower building – SP	Nov/19	13,925	147			13,925	147
Morumbi Office Tower building – SP (store B)	Feb/20	538	5			538	5
Total acquisitions		26,822	222	-	-	26,822	222
Land - Jardim Tietê – SP	May/19		-89				-89
João Úrsulo building – RJ	Oct/19	-2,443	-26			-2,443	-26
C.E Região Portuária – RJ	Dec/19	-4,488	-40			-4,488	-40
Total divestments		-6,931	-155	-	-	-6,931	-155
Best Center Campinas – Parque Prado	Sep/19			1,634		1,634	
Best Center Mogi Mirim – Centro	Jan/20			2,953		2,953	
Total openings		-	-	4,587	-	4,587	-
Appreciation of the portfolio	Sep/19		340		77		417
Position as of Mar/20		337,513	4,075	72,340	579	409,853	4,654

At the end of 1Q20, the portfolio was composed of 24 office buildings and 53 convenience centers (including land), totaling 409,900 sq.m. of GLA. Fifty-eight percent of the portfolio is in São Paulo State and forty-two percent in Rio de Janeiro State (see further details in the 'Portfolio Profile' section). The properties are recorded at their depreciated cost in the financial statements, and their book value totaled R\$2.5 billion² at the end of 1Q20.

Notes:

(1) The Company does not record own GLA for convenience centers under development. Acquisitions are recorded at the transaction value, while sales are recorded at the value of the appraisal carried out by CBRE.

(2) "Investment Properties" and "Properties for sale" in the Balance Sheet

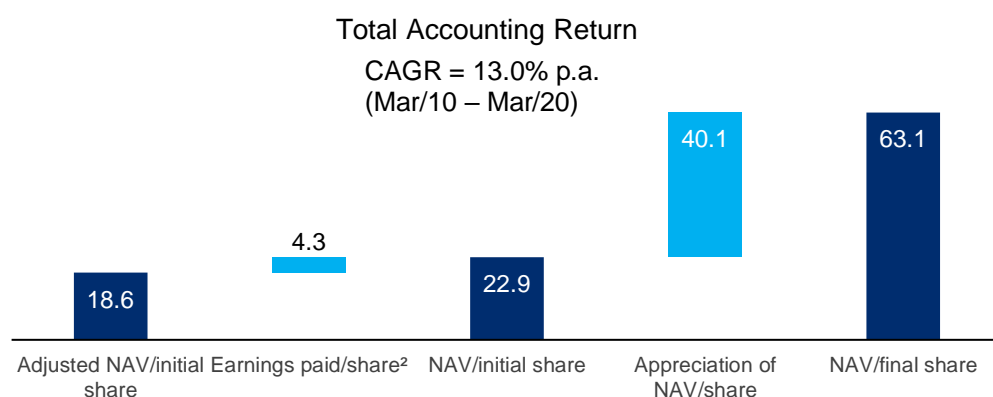
NET ASSET VALUE (NAV)

The Net Asset Value (NAV) reached R\$3.5 billion in 1Q20, 11.4% up from 1Q19. NAV per share reached R\$63.1, 11.5% up from 1Q19. The highlight was the 40.5% NAV growth in the Convenience Center segment, reaching R\$534 million.

R\$ million	1Q20	1Q19	Δ%
Value of the portfolio ¹	4,654	4,170	11.6%
Net debt	-1,106	-986	12.2%
Net Asset Value (NAV)	3,548	3,184	11.4%
NAV Office	3,014	2,804	7.5%
NAV Convenience Centers	534	380	40.5%
Outstanding shares (net of treasury) (million)	56.3	56.3	-
NAV (R\$/share)	63.1	56.6	11.5%

TOTAL ACCOUNTING RETURN

The Total Accounting Return, a metric that reflects the NAV per share evolution over time adjusted to earnings paid, was 13.0% p.a. in the last 10 years. This indicator provides a transparent and consistent base of comparison between property companies and enables monitoring return to shareholders based on known parameters (NAV and earnings paid).



Notes:

(1) Value of the portfolio according to CBRE's September 2019 appraisal.

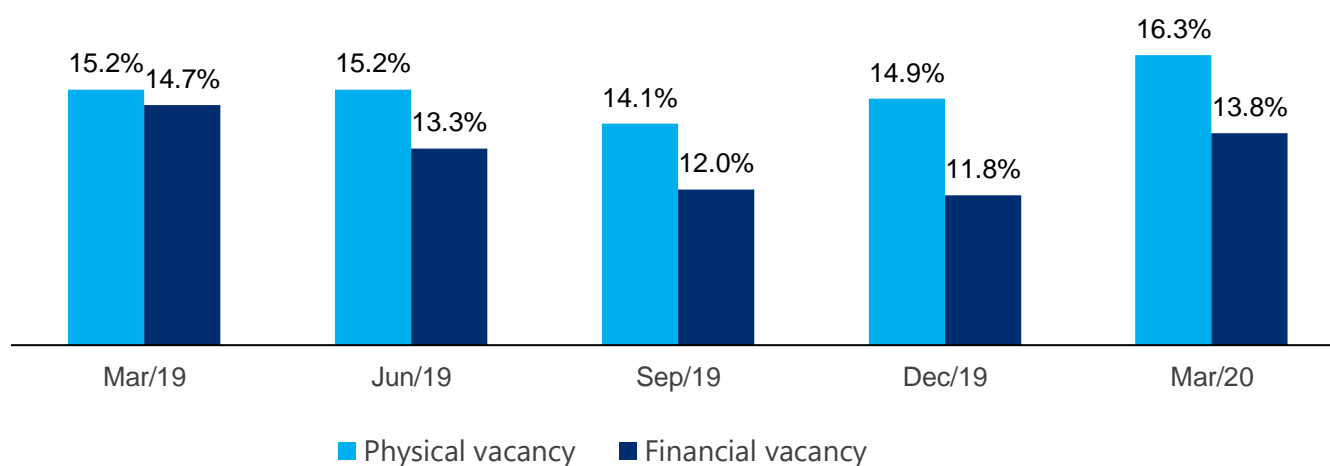
(2) Interest on equity and dividends paid, adjusted based on the period IPCA consumer inflation index.

IMPLICIT PROPERTY VALUE/SQ.M. AND CAP RATE

The table below shows the calculation of the implicit value per sq.m. and cap rate of the Company's portfolio based on the closing share price at the end of March 2020 and 2019.

Values in R\$ million, unless otherwise stated	Mar/20	Mar/19	Δ%
Share closing price (SCAR3) – R\$	34.50	33.80	2.1%
Outstanding shares (net of treasury) (million)	56.3	56.3	-
Market Cap	1,942	1,903	2.1%
Net Debt	1,106	986	12.2%
Implicit property value	3,048	2,889	5.5%
Implicit property value/sq.m. (R\$/sq.m.)	7,437.8	7,496.4	-0.8%
Implicit cap rate¹	10.6%	10.3%	

VACANCY



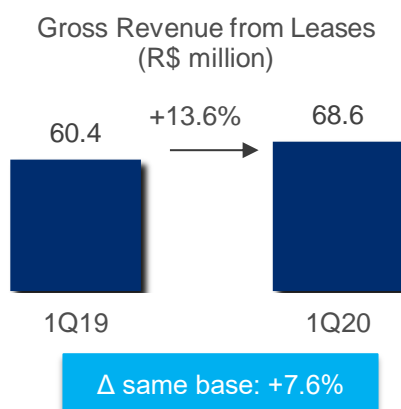
Physical and financial vacancy rates closed 1Q20 at 16.3% and 13.8%, respectively. The increase in 1Q20 physical vacancy rate was impacted by: (i) vacant area of store B at the Morumbi Office Tower building, acquired in February; and (ii) delivery of areas in Jardim Tietê and EZ Towers, in São Paulo, and Rio Branco 128, in Rio de Janeiro.

Note:

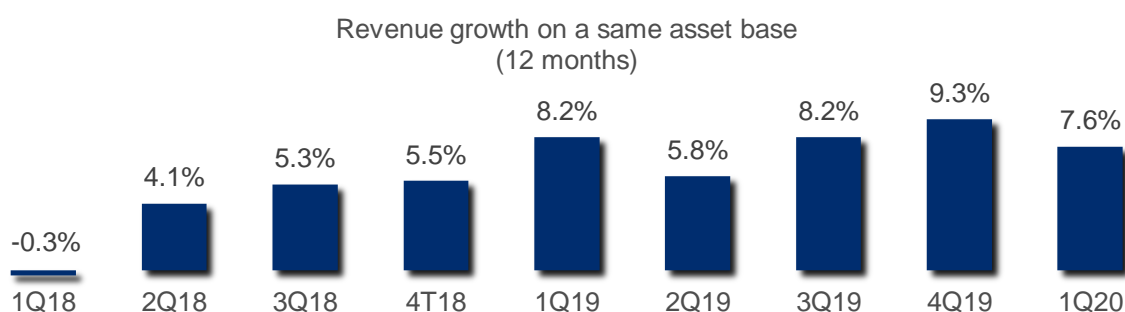
(1) Calculated based on potential revenue without vacancy.

REVENUE ANALYSIS

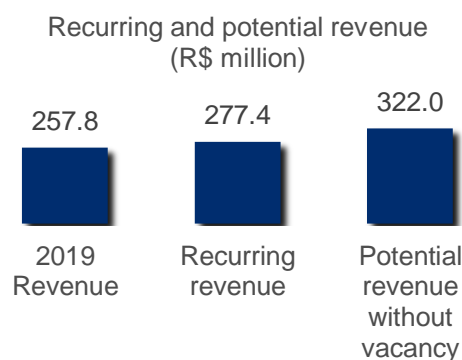
Gross revenue from leases reached R\$68.6 million in 1Q20, 13.6% up from 1Q19. The growth in revenue reflects the properties acquired and delivered in the last 12 months (João Brícola and Morumbi Office Tower buildings, in the Office segment, and the São Paulo - Jardim das Perdizes, Campinas – Parque Prado and Mogi Mirim – Centro centers, in the Convenience Center segment). On a same asset base, revenue grew 7.6% YoY in 1Q20.



The growth in revenue on the same asset base is explained by increases in new leases' prices and the reduction of discounts granted in current agreements. Lease prices growth rates over the past quarters exceeded inflation rates in the period.



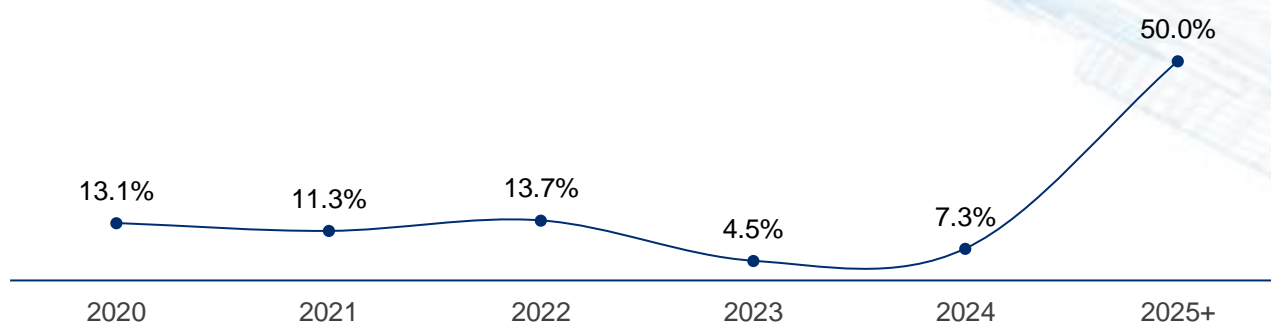
Annualized recurring revenue from leases totaled R\$277.4 million, based on contracts effective in March 2020. The potential annual revenue of the property portfolio came to R\$322.0 million, considering the current portfolio's revenue and assuming zero vacancy. It is worth noting that revenue from Convenience Centers under development was not included in the calculation of potential revenue.



1Q20 Results

The graph below shows the aging list of the current lease agreements. The average term weighted by recurring revenue from leases was 4.9 years.

Aging list of the lease agreements
(% of recurring revenue)



The Company's NOI reached R\$62.3 million in 1Q20, 13.1% up from 1Q19, with a margin of 90.8%. The Convenience Center segment's NOI increased by 18.9%, to R\$6.3 million, with a margin of 86.3%.

	Office			Convenience Centers			Total		
R\$ million	1Q20	1Q19	Δ %	1Q20	1Q19	Δ %	1Q20	1Q19	Δ %
Gross revenue from leases	61.4	53.8	14.1%	7.3	6.5	12.3%	68.6	60.4	13.6%
G&A with maintenance and vacant areas	-5.3	-4.1	29.3%	-1.0	-1.2	-16.7%	-6.3	-5.3	18.9%
NOI	56.1	49.7	12.9%	6.3	5.3	18.9%	62.3	55.1	13.1%
NOI Margin	91.4%	92.4%	-1.0 p.p.	86.3%	81.5%	4.8 p.p.	90.8%	91.2%	-0.4 p.p.

GENERAL AND ADMINISTRATIVE EXPENSES

Recurring G&A expenses totaled R\$15.0 million in 1Q20, 4.2% up from 1Q19, impacted by higher expenses with vacant areas.

R\$ million	1Q20	1Q19	Δ %
Property maintenance and vacant areas	6.3	5.3	18.9%
Management compensation and personnel	7.7	7.8	-1.3%
Other expenses	1.0	1.3	-23.1%
Total G&A Expenses	15.0	14.4	4.2%
G&A Margin	22.90%	25.3%	-2.4 p.p.

RECURRING EBITDA

Recurring EBITDA reached R\$52.9 million in 1Q20, with a margin of 80.8%. The 20.0% YoY increase in 1Q20 was mainly driven by the growth in net revenues.

R\$ million	1Q20	1Q19	Δ %
Net revenue	65.5	57.0	14.9%
G&A expenses	-15.0	-14.4	4.2%
Other operating revenues	2.4	1.5	60.0%
Recurring EBITDA	52.9	44.1	20.0%
EBITDA Margin	80.8%	77.4%	3.4 p.p.

We estimate annualized recurring EBITDA at R\$200.7 million, with a margin of 76.3%. This amount considers recurring gross revenue of R\$277.4 million, an effective PIS/COFINS rate of 5.2% of gross revenue, and recurring G&A expenses of the last 12 months. Revenue from the Convenience Centers under development is not included in the calculation of recurring EBITDA.

R\$ million	Annual
Gross revenue	277.4
Effective PIS/COFINS rate	-14.3
Net revenue	263.1
Recurring G&A	-62.4
Recurring EBITDA	200.7
Recurring EBITDA margin	76.3%

FINANCIAL RESULT

Financial result was a negative R\$22.3 million in 1Q20, 8.6% down from 1Q19. The improvement is explained by financial liabilities' management performed over the last 12 months, with new financings obtained with significantly lower interest rates than those of the debts settled (more information on the 'Debt' section).

R\$ million	1Q20	1Q19	Δ %
Financial income	2.9	4.4	-34.1%
Financial expenses	-25.2	-28.8	-12.5%
Financial result	-22.3	-24.4	-8.6%

RECURRING FFO

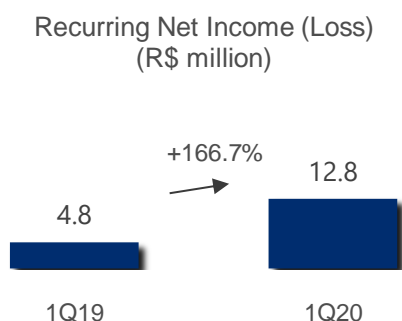
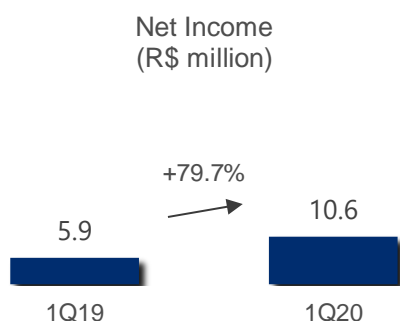
Recurring FFO totaled R\$24.6 million in 1Q20, 61.8% up from 1Q19, with a margin of 37.6%, mainly due to the YoY increase in revenue from leases and decrease in financial expenses.

R\$ million	1Q20	1Q19	Δ %
Recurring EBITDA	52.9	44.1	20.0%
Equity income (loss)	-	-0.4	-
Financial result	-22.3	-24.4	-8.6%
Income taxes	-5.7	-3.9	46.2%
Non-controlling shareholders	-0.3	-0.2	50.0%
Recurring FFO	24.6	15.2	61.8%
FFO Margin	37.6%	26.7%	10.9 p.p.

NET INCOME

Recurring net income grew 167% YOY in 1Q20, which reflects the increase of revenue from leases (portfolio growth, higher prices of new leases and reduction in discounts granted) and the reduction of financial expenses due to the financial liabilities' management in the last 12 months.

Net income totaled R\$10.6 million in 1Q20, 80% up from 1Q19.



INVESTMENTS

São Carlos invested R\$10.0 million in 1Q20, R\$4.8 million of which in the acquisition of store B in the Morumbi Office Tower building and R\$2.2 million in portfolio maintenance and remodeling, in the Office segment. In the Convenience Center segment, the Company invested R\$3.1 million in 1Q20, in the construction works at Best Center São José do Rio Preto – José Munia and Best Center Mogi Mirim – Centro.

R\$ million	1Q20
Investments in the portfolio - Office	2.2
Acquisition of properties – Office	4.8
Total investments - Office	6.9
Investments in the portfolio – Convenience Centers	3.1
Acquisition of properties – Convenience Centers	-
Total investments – Convenience Centers	3.1
Total investments - Consolidated	10.0

DEBT

R\$ million, unless otherwise stated	Mar/20	Mar/19
Gross debt ¹	1,472.8	1,214.0
(-) Cash equivalents and financial investments	354.5	236.7
(+) Balance payable due to the acquisition of properties	-	10.5
(-) Balance receivable due to the sale of properties	12.6	1.8
Net debt	1,105.7	986.0
Annualized recurring EBITDA	200.7	177.7
Portfolio's appraisal value	4,653.8	4,170.2
Net debt/annualized recurring EBITDA (x)	5.5	5.5
Net debt/value of the portfolio (%)	23.8%	23.6%
Average term (years)	9.7	8.0
Nominal cost of debt (% p.a.)	7.7%	9.5%

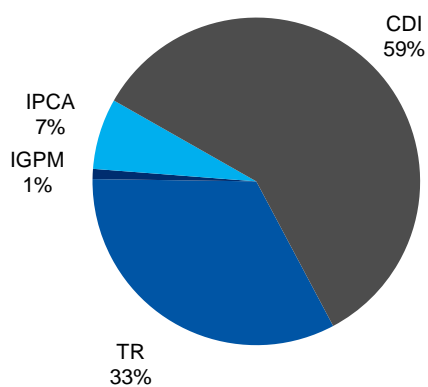
In March 2020, gross debt totaled R\$1,472.8 million with an average term of 9.7 years. In 1Q20 the Company settled a loan in the amount of R\$44 million at the cost of TR + 9.9% p.a. and raised R\$100 million at the cost of CDI + 3.5% p.a. for a one-year term. In April 2020, the Company raised R\$100 million at the cost of CDI + 2.61% p.a. also for a one-year term. The purpose of those recent loan transactions is to strengthen São Carlos' cash position. The Company's debt is in domestic currency (R\$) only and, therefore, is not affected by exchange rate variations.

The Company's leverage ended 1Q20 at 5.5x Net Debt over EBITDA ratio, or 23.8% of the total portfolio value.

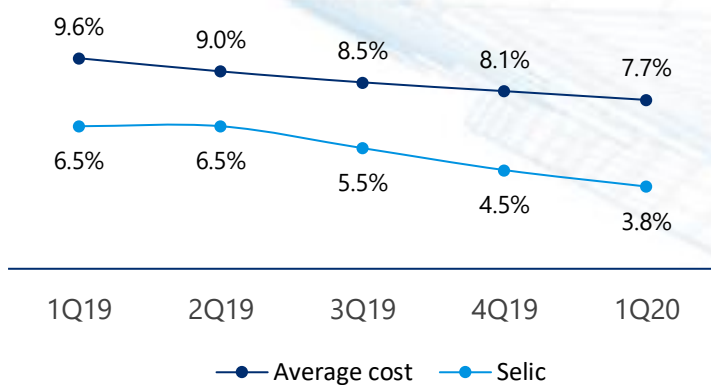
Note:

(1) Sum of short- and long-term loans and financing

Debt by Index

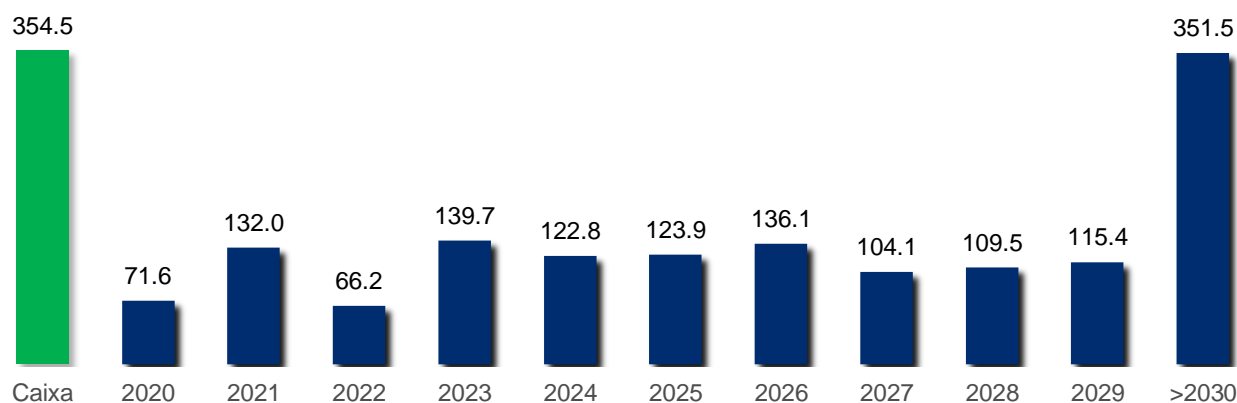


Average Cost of Debt (% p.a.)



Index	Performance (p.a.) ¹	Average interest rate (p.a.)	Cost of debt (p.a.) ²	Debt balance (R\$ million)
TR	0.0%	8.9%	8.9%	486.3
CDI	5.4%	1.2%	6.7%	864.6
IGPM	6.8%	10.4%	17.9%	11.6
IPCA	3.3%	5.8%	9.3%	110.3
Total	3.5%	4.2%	7.7%	1,472.8

The chart below shows São Carlos' debt amortization schedule. See the full details of the Company's bank liabilities in the "Loans and Financing Table".

Debt Amortization Schedule – Mar/20
(R\$ million)

Notes:

(1) Performance accrued in the last 12 months

(2) Weighted average of the annual interest rate

CAPITAL MARKET

São Carlos' shares are traded in B3's Novo Mercado listing segment under the ticker SCAR3 and are included in the Special Tag Along Stock Index (ITAG), Special Corporate Governance Stock Index (IGCX) and Corporate Governance Index – Novo Mercado (IGC-NM).

On December 31, 2019, the Company's capital stock was represented by 57,737,319 common shares, including 1,457,249 treasury shares.

On April 30, 2020, the General Shareholders' Meeting approved the distribution of R\$3.6 million, or R\$0.063011 per share, as dividends to be paid on May 29, 2020, with no monetary restatement.

RECONCILIATION BETWEEN IFRS AND RECURRING INCOME STATEMENT

In order to preserve comparability between the 2020 and 2019 financial information, the Company presents an analysis of adjusted information. This information was prepared based on the income statement produced in accordance with the accounting practices generally accepted in Brazil (IFRS) and adjusted to exclude the effects of non-recurring transactions (e.g. the sale of properties) in the reported periods.

R\$ thousand	1Q20	Non-Recurring Items	1Q20 Recurring
Gross Revenue	69,082		69,082
Lease of properties	68,603		68,603
Services	479		479
PIS/COFINS	-3,559		-3,559
Net Revenue	65,523		65,523
COGS	-11,854		-11,854
Depreciation	-11,854		-11,854
Gross Profit	53,669		53,669
Operating Revenue (Expenses)	-12,510		-12,510
SG&A expenses	-12,338		-12,338
Management compensation	-2,616		-2,616
Other operating revenues	2,444		2,444
Operating Income Before Financial Result	41,159		41,159
Net Financial Result	-24,486	2,180	-22,306
Financial income	2,880		2,880
Financial expenses	-27,366	2,180	-25,186
Earnings before Taxes	16,673	2,180	18,853
Income taxes	-5,740		-5,740
Non-controlling shareholders	-337		-337
Net Income (Loss) for the Year	10,596	2,180	12,776

R\$ thousand	1Q19	Non-Recurring Items	1Q19 Recurring
Gross Revenue	60,861		60,861
Lease of properties	60,391		60,391
Services	470		470
PIS/COFINS	-3,825		-3,825
Net Revenue	57,036		57,036
COGS	-10,456		-10,456
Depreciation	-10,456		-10,456
Gross Profit	46,580		46,580
Operating Revenue (Expenses)	-11,475	-1,440	-12,915
SG&A expenses	-11,127		-11,127
Management compensation	-3,306		-3,306
Other operating revenues	2,958	-1,440	1,518
Equity income (loss)	-399		-399
Operating Income Before Financial Result	34,706	-1,440	33,266
Net Financial Result	-24,739	331	-24,408
Financial income	4,401		4,401
Financial expenses	-29,140	331	-28,809
Earnings before Taxes	9,967	-1,109	8,858
Income taxes	-3,878		-3,878
Non-controlling shareholders	-208		-208
Net Income (Loss) for the Year	5,881	-1,109	4,772

RECURRING INCOME STATEMENT

R\$ thousand	1Q20	1Q19	Δ%
Gross Revenue	69,082	60,861	13.5%
Lease of properties	68,603	60,391	13.6%
Services	479	470	1.9%
PIS/COFINS	-3,559	-3,825	-7.0%
Net Revenue	65,523	57,036	14.9%
COGS	-11,854	-10,456	13.4%
Gross Profit	53,669	46,580	15.2%
Operating Revenue (Expenses)	-12,510	-12,915	-3.1%
G&A expenses	-12,338	-11,127	10.9%
Management compensation	-2,616	-3,306	-20.9%
Other operating revenues	2,444	1,518	61.0%
Equity income (loss)	-	-399	-
Operating Income before Financial Result	41,159	33,266	23.7%
Net Financial Result	-22,306	-24,408	-8.6%
Financial income	2,880	4,401	-34.6%
Financial expenses	-25,186	-28,809	-12.6%
Earnings before Taxes	18,853	8,858	112.8%
Income taxes	-5,740	-3,878	48.0%
Non-controlling shareholders	-337	-208	62.0%
Net Income (Loss) for the Year	12,776	4,772	167.7%

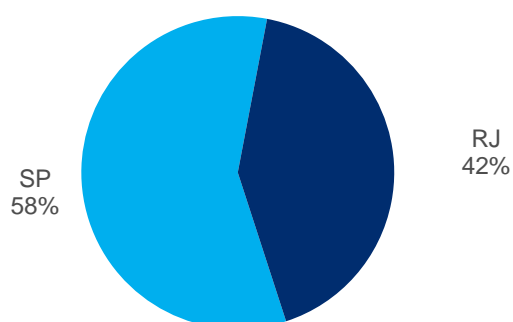
CONSOLIDATED BALANCE SHEET

R\$ thousand	Mar/20	Dec/19	Δ%
Current Assets	469,404	385,874	21.6%
Cash and cash equivalents	327,291	56,337	481.0%
Investments	27,225	232,578	-88.3%
Accounts receivable	37,275	38,425	-3.0%
Receivables from related parties	51	1,259	-95.9%
Recoverable taxes	16,985	18,579	-8.6%
Prepaid expenses and other receivables	16,385	10,954	49.6%
Properties for sale	44,192	27,742	59.3%
Non-Current Assets	2,549,362	2,570,590	-0.8%
Accounts receivable	90,310	93,101	-3.0%
Related-party balances and transactions	-	46	-
Escrow deposits	549	516	6.4%
Prepaid expenses and other receivables	6,948	7,290	-4.7%
Investments in joint ventures	3	61	-95.1%
Investment properties	2,418,720	2,435,548	-0.7%
Fixed assets	17,971	18,919	-5.0%
Intangible assets	14,861	15,109	-1.6%
Total Assets	3,018,766	2,956,464	2.1%
Current Liabilities	192,020	85,982	123.3%
Loans and financing	167,492	50,395	232.4%
Advances from customers	1,789	1,769	1.1%
Payroll and related charges	3,654	16,928	-78.4%
Provision for income taxes	6,836	4,937	38.5%
Taxes paid in installments	2,060	3,032	-32.1%
Dividends and interest on equity	3,563	3,563	-
Other accounts payable	6,626	5,358	23.7%
Non-Current Liabilities	1,329,265	1,390,543	-4.4%
Other accounts payable	9,402	9,362	0.4%
Deferred taxes	8,326	8,291	0.4%
Loans and financing	1,305,304	1,366,657	-4.5%
Provision for contingencies	6,233	6,233	-
Shareholders' Equity	1,497,481	1,479,939	1.2%
Capital stock	1,073,912	1,073,912	-
Stock option plan	41,818	40,365	3.6%
Treasury shares	-74,787	-80,263	-6.8%
Profit reserve	447,615	437,019	2.4%
Non-controlling shareholders	8,923	8,906	0.2%
Total Liabilities and Shareholders' Equity	3,018,766	2,956,464	2.1%

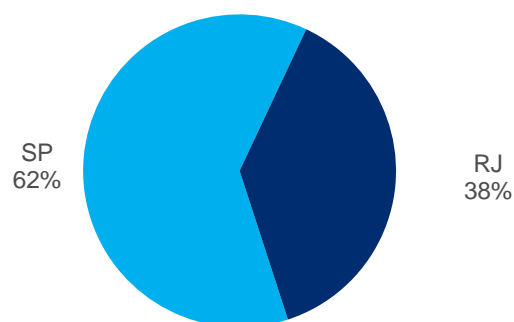
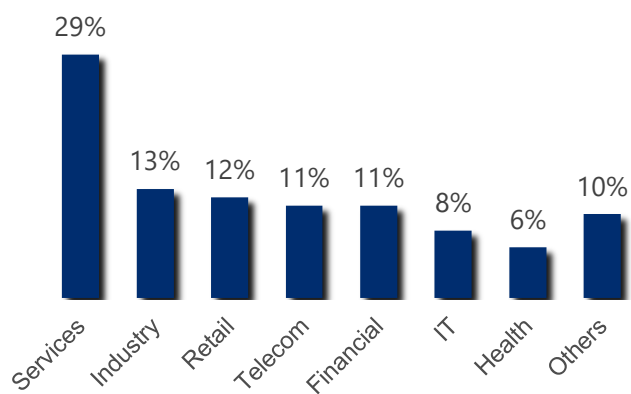
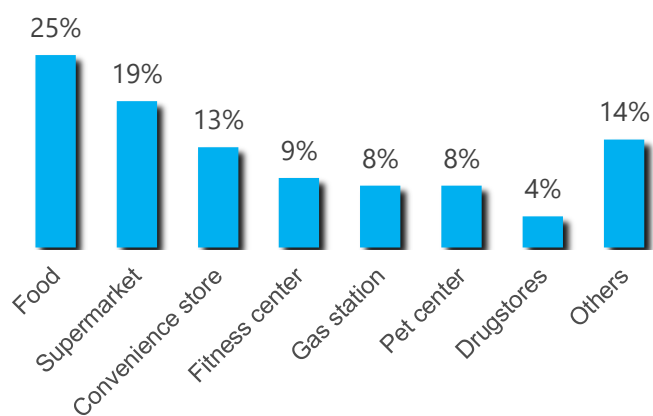
PORTFOLIO PROFILE

Segment	Quantity	Own GLA sq.m.	%	Market Value R\$ thousand	%
Office	24	337,513	82%	4,075,137	88%
Convenience Centers	53	72,340	18%	578,705	12%
Total	77	409,853		4,653,842	100%

Market value breakdown



GLA breakdown

Customer Profile - Office
(% of GLA)Customer Profile - Convenience Centers
(% of GLA)

Notes:
According to CBRE's annual appraisal

PROPERTY PORTFOLIO – OFFICE

Property	City	State	Own GLA (sq.m.)
Brasilprev	São Paulo	SP	11,845
C.A. Santo Amaro	São Paulo	SP	38,184
Corporate Plaza	São Paulo	SP	10,489
Jardim Tietê	São Paulo	SP	20,421
EZ Towers – Torre A	São Paulo	SP	47,002
GlobalTech	Campinas	SP	5,920
Itaim Center	São Paulo	SP	6,329
Jardim Europa	São Paulo	SP	9,001
João Brícola	São Paulo	SP	12,359
Morumbi Office Tower	São Paulo	SP	14,463
SPOP II	São Paulo	SP	5,600
SPOP X	São Paulo	SP	3,480
C.A. Cidade Nova	Rio de Janeiro	RJ	34,097
C.E. Arcos da Lapa	Rio de Janeiro	RJ	9,126
C.E. Botafogo	Rio de Janeiro	RJ	23,440
C.E. Candelária 62	Rio de Janeiro	RJ	6,401
C.E. Urca	Rio de Janeiro	RJ	4,650
C.E. Visconde de Ouro Preto	Rio de Janeiro	RJ	7,162
City Tower	Rio de Janeiro	RJ	21,080
Rio Branco 128	Rio de Janeiro	RJ	11,310
Latitude ¹	Rio de Janeiro	RJ	-
Passeio	Rio de Janeiro	RJ	22,023
Pasteur 110	Rio de Janeiro	RJ	4,806
Souza Cruz	Rio de Janeiro	RJ	8,325
Total – Office	24		337,513

Notes:

(1) Property comprises office rooms for sale

PROPERTY PORTFOLIO – CONVENIENCE CENTERS

Property	City	State	Own GLA (sq.m.)
Araraquara – Av. 36	Araraquara	SP	2,003
Atibaia – Lago	Atibaia	SP	1,237
Bragança Paulista – Lago Sul	Bragança Paulista	SP	2,147
Campinas – Chác. Primavera	Campinas	SP	1,842
Campinas – Parque Prado	Campinas	SP	1,634
Campinas – Taquaral	Campinas	SP	1,332
Cotia – José Giorgi	Cotia	SP	1,724
Cotia – São Camilo	Cotia	SP	2,220
Diadema – Centro	Diadema	SP	1,925
Embu das Artes – Elias Yazbek	Embu das Artes	SP	1,672
Guaratinguetá – Pedregulho	Guaratinguetá	SP	1,481
Hortolândia – Olívio Franceschini	Hortolândia	SP	2,907
Indaiatuba – Itaici	Indaiatuba	SP	893
Indaiatuba – Pq. Ecológico	Indaiatuba	SP	6,126
Itapetininga – Vl. Rio Branco	Itapetininga	SP	1,554
Itatiba – Centro	Itatiba	SP	2,163
Jacareí – Centro	Jacareí	SP	2,119
Jacareí – Villa Branca	Jacareí	SP	1,480
Jaguariúna – Centro	Jaguariúna	SP	1,386
Mogi Mirim – Centro	Mogi Mirim	SP	2,953
Paulínia – Jd. América	Paulínia	SP	3,055
Santo André – Pirelli	Santo André	SP	2,258
São José dos Campos – Urbanova	São José dos Campos	SP	1,493
São Paulo – Chácara Santo Antônio 1	São Paulo	SP	438
São Paulo – Chácara Santo Antônio 2	São Paulo	SP	555
São Paulo – Ellis Maas	São Paulo	SP	1,867
São Paulo – Jardim das Perdizes	São Paulo	SP	2,615
São Paulo – Verbo Divino	São Paulo	SP	2,936
Sorocaba – Horto Florestal	Sorocaba	SP	3,416
Sorocaba – Pannunzio	Sorocaba	SP	1,774
Sumaré – Villa Flora	Sumaré	SP	2,017
Taubaté – Padre Fisher	Taubaté	SP	1,769
Vinhedo – Benedito Storani	Vinhedo	SP	2,132
Macaé – Glória	Macaé	RJ	1,808
São João de Meriti – Vilar dos Teles	São João de Meriti	RJ	3,409
Total – Centers opened	35		72,340
Convenience centers in pre-operational phase	4		5,305
Landbank	14		-
Total - Convenience Centers	53		77,645

LOANS AND FINANCING TABLE

Loans and Financing	Expiration	Term (years)	Balance (R\$ thousand)	Index	Coupon (% p.a.)
Acquisition and investments in the portfolio	Oct 25, 2031	11.6	195,019	CDI	1.10%
Acquisition and investments in the portfolio	Oct 25, 2031	11.6	204,236	CDI	1.10%
Investments in the portfolio	Jun 17, 2034	14.2	199,679	CDI	1.09%
Acquisition and investments in the portfolio	May 18, 2026	6.1	147,416	CDI	102% of CDI
Acquisition – Best Center Jardim das Perdizes	Mar 14, 2034	14.0	19,819	CDI	1.10%
Working capital	Mar 15, 2021	1.0	98,435	CDI	3.5%
Investments in the portfolio	Dec 16, 2023	3.7	78,002	IPCA	5.47%
Development of Convenience Centers	Aug 28, 2024	4.4	25,065	IPCA	6.50%
Development of Convenience Centers	Aug 28, 2024	4.4	6,565	IPCA	6.30%
Development of Convenience Centers	Aug 28, 2020	0.4	620	IPCA	6.10%
Acquisition – Torre A EZ Towers	Jul 15, 2030	10.3	486,302	TR	8.90%
Acquisition – SPOP II and X	Dec 5, 2021	1.7	11,638	IGP-M	10.40%
Total			1,472,796		

EBITDA – CVM INSTRUCTION 527/12

The methodology determined by CVM Instruction 527/12 includes results from the sale of properties.

R\$ million	1Q20	1Q19	Δ %
Net Income (Loss)	10.6	5.9	79.7%
Income Taxes	5.7	3.9	46.2%
Financial Result	24.5	24.7	-0.8%
Depreciation	11.9	10.5	13.3%
EBITDA	52.7	45.0	17.1%
EBITDA Margin	80.5%	78.9%	1.6 p.p.

GLOSSARY

GLA	Gross Leasable Area
Cap Rate	Gross lease revenue of a property in the following 12 months, based on the values in the current lease agreements with no adjustments, divided by value of the property.
EBITDA	Net income for the period minus the effects of the financial result, equity accounting, income taxes, depreciation, and amortization. Our methodology to calculate EBITDA may differ from those used by other companies.
FFO (Funds from Operations)	Net income for the year plus depreciation and amortization expenses minus earnings from the sale of properties and the effects of non-recurring items recorded in the period, if any. Our methodology to calculate FFO may differ from those used by other companies.
NOI (Net Operating Income)	Gross revenue from leases of a property minus expenses allocated to the portfolio properties, such as expenses inherent to vacant areas, maintenance of the owner's responsibility and commissions to real estate brokers on the lease of vacant areas, among others. Our methodology to calculate NOI may differ from those used by other companies.
NAV (Net Asset Value)	Market value of the property portfolio minus the Company's net debt on a specific date. Our methodology to calculate NAV may differ from those used by other companies.

INVESTOR RELATIONS

Fabio Itikawa – CFO and IRO
 Telephone +55 11 3048-5442
 Email: ri@scsa.com.br
www.scsa.com.br/ri