Interim Financial Information (ITR)

MRV Engenharia e Participações S.A.

Individual and Consolidated Interim Financial Information for the Quarter Ended March 31, 2014 and Report on Review of Interim Financial Information

MRV Engenharia e Participações S.A.

Interim Financial Information (ITR)

March 31, 2014

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A free translation from Portuguese into English of Independent Auditor's Review Report on quarterly review information in accordance with accounting practices adopted in Brazil and on consolidated financial information prepared in accordance with IFRS and also with accounting practices adopted in Brazil

Review report on quarterly information

The Board of Directors, Shareholders and Officers
MRV Engenharia e Participações S.A.
Belo Horizonte - MG

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of MRV Engenharia e Participações S.A. ("Company"), contained in the Quarterly Information Form – ITR for the quarter ended March 31, 2014, comprising the balance sheet as at March 31, 2014 and the related statements of income, comprehensive income statement, statements of changes in equity and cash flow statement for the three-months period ended on that date including the explanatory notes.

Management is responsible for the preparation of the individual interim financial information in accordance with 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 consider Guideline OCPC 04 related to the application of Interpretation ICPC 02 to the entities engaged in the construction of real estate in Brazil, issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM) and the Brazil's National Association of State Boards of Accounting (CFC), as well as for the fair presentation of this information consistently with standards 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 in accordance with Brazilian and International Standards on Review Engagements (NBC TR 2410 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 making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information in accordance with the Accounting Pronouncement CPC 21 (R1)

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above is not prepared, in all material respects, in accordance with CPC 21(R1) applicable to the preparation of Quarterly Information (ITR) and presented consistently with the rules issued by the Brazilian Securities Commission.

Conclusion on the consolidated interim financial information in accordance with the Accounting Pronouncement CPC 21 (R1) and IAS 34 – Interim Financial Reporting, which consider Guideline OCPC 04 related to the application of Interpretation ICPC 02 to the entities engaged in the construction of real estate in Brazil, issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM) and the Brazil's National Association of State Boards of Accounting (CFC)

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information included in the quarterly information referred to above is not prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34, which consider Guideline OCPC 04 related to the application of Interpretation ICPC 02 to the entities engaged in the construction of real estate in Brazil, issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM) and the Brazil's National Association of State Boards of Accounting (CFC) and applicable to the preparation of Quarterly Information (ITR) and presented consistently with the rules issued by the Brazilian Securities Exchange Commission.

Emphasis of a matter

Guidance OCPC 04

As mentioned in Note 2.1, the individual and consolidated interim financial information were prepared in accordance with accounting practices adopted in Brazil (CPC 21 R1). The consolidated interim financial information prepared in accordance with IFRS applicable to Brazilian Real Estate Development Entities (IAS 34 for interim financial information) additionally considers Guidance OCPC 04 issued by the Accounting Pronouncements Committee (CPC), which addresses revenue recognition for this industry and involves matters related to the meaning and application of the concept of continuous transfer of risks, rewards and control in selling real estate units as described in Note 2.1. Our conclusion is not qualified in respect of this matter.

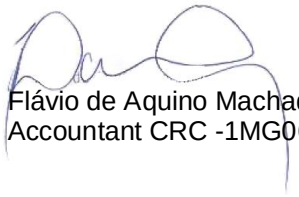
Other matters

Statements of value added

We have also reviewed the individual and consolidated statements of value added (SVA) for the quarter ended March 31, 2014, prepared under Company management's responsibility, whose presentation in the interim financial information is required in accordance with standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information – ITR and considered as supplementary information under IFRS, which do not require SVA presentation. These statements were subject to the same review procedures previously described and, based on our review, nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, in accordance with the overall individual and consolidated interim financial information.

Belo Horizonte, May 13, 2014

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP015199/O-6-F-MG



Flávio de Aquino Machado
Accountant CRC -1MG065899/O-2

INDIVIDUAL / BALANCE SHEET – ASSETS
(In thousands of Brazilian reais - R$)

Code	Description	Current Quarter 3/31/2014	Previous year 12/31/2013
1	Total assets	8,288,390	8,520,616
1.01	Current assets	3,491,459	3,905,980
1.01.01	Cash and cash equivalents	702,325	1,014,842
1.01.01.01	Cash and banks	169,490	241,469
1.01.01.02	Short-term investments	532,835	773,373
1.01.03	Receivables	1,317,725	1,388,134
1.01.03.01	Trade accounts receivable	1,317,725	1,388,134
1.01.03.01.01	Receivables from real estate development	1,316,603	1,386,889
1.01.03.01.02	Receivables from services provided	1,122	1,245
1.01.04	Inventories	1,079,861	1,114,444
1.01.04.01	Real estate under construction	776,298	786,752
1.01.04.02	Completed units	33,195	32,167
1.01.04.03	Land bank	248,014	261,906
1.01.04.04	Advances to suppliers	18,555	29,701
1.01.04.05	Material inventories	3,799	3,918
1.01.06	Recoverable taxes	106,975	94,515
1.01.06.01	Recoverable current taxes	106,975	94,515
1.01.08	Other current assets	284,573	294,045
1.01.08.03	Others	284,573	294,045
1.01.08.03.02	Other assets	36,367	35,324
1.01.08.03.03	Investments securities	248,206	258,721
1.02	Noncurrent assets	4,796,931	4,614,636
1.02.01	Long-term assets	2,440,738	2,300,956
1.02.01.03	Receivables	1,192,865	1,144,975
1.02.01.03.01	Receivables from real estate development	1,192,865	1,144,975
1.02.01.04	Inventories	1,124,635	1,038,611
1.02.01.04.01	Real estate for sale	1,124,635	1,038,611
1.02.01.08	Intercompany receivables	56,876	50,514
1.02.01.08.04	Other related parties	56,876	50,514
1.02.01.09	Other noncurrent assets	66,362	66,856
1.02.01.09.04	Judicial deposits and other	66,362	66,856
1.02.02	Investments	2,244,210	2,201,024
1.02.02.01	Investments	2,244,210	2,201,024
1.02.02.01.02	Investments in Subsidiaries	1,545,431	1,505,404
1.02.02.01.03	Interests in Jointly Controlled	698,779	695,620
1.02.03	Property and equipment	63,960	65,157
1.02.03.01	Operating property and equipment	57,295	61,069
1.02.03.03	Property and equipment under construction	6,665	4,088
1.02.04	Intangible assets	48,023	47,499
1.02.04.01	Intangible assets	48,023	47,499
1.02.04.01.02	Intangible assets	34,471	30,389
1.02.04.01.03	Intangible assets under development	13,552	17,110

INDIVIDUAL/ BALANCE SHEETS - LIABILITIES AND SHAREHOLDERS' EQUITY
(In thousands of Brazilian reais - R$)

CODE	DESCRIPTION	Current Quarter 3/31/2014	Previous year 12/31/2013
2	Total liabilities	8,288,390	8,520,616
2.01	Current Liabilities	1,728,690	1,916,086
2.01.01	Labor and social liabilities	88,063	73,617
2.01.01.01	Related taxes and benefits liabilities	12,092	11,643
2.01.01.02	Payroll liabilities	75,971	61,974
2.01.02	Suppliers	103,187	109,660
2.01.02.01	National suppliers	103,187	109,660
2.01.03	Tax liabilities	12,789	28,112
2.01.03.01	Federal taxes	12,414	26,744
2.01.03.01.01	Income taxes and social contribution	3,715	6,016
2.01.03.01.02	Other federal taxes	8,699	20,728
2.01.03.03	Municipal taxes	375	1,368
2.01.04	Loans and financing	490,926	659,464
2.01.04.01	Loans and financing	325,412	230,866
2.01.04.01.01	Loans and financing in national currency	325,412	230,866
2.01.04.02	Debentures	161,240	423,788
2.01.04.03	Leasing	4,274	4,810
2.01.05	Others liabilities	1,013,323	1,026,389
2.01.05.02	Others	1,013,323	1,026,389
2.01.05.02.02	Mandatory minimum dividend payable to shareholders	100,483	100,483
2.01.05.02.04	Payables for purchase of land	243,819	224,741
2.01.05.02.05	Advances from customers	618,698	642,919
2.01.05.02.06	Other payables	8,350	11,055
2.01.05.02.07	Deferred taxes	41,973	47,191
2.01.06	Accruals	20,402	18,844
2.01.06.02	Other accruals	20,402	18,844
2.01.06.02.04	Accrual for maintenance of real estate	20,402	18,844
2.02	Noncurrent liabilities	2,406,995	2,503,347
2.02.01	Loans and financing	1,838,809	1,975,793
2.02.01.01	Loans and financing	720,815	857,651
2.02.01.01.01	Loans and financing in national currency	720,815	857,651
2.02.01.02	Debentures	1,117,420	1,116,972
2.02.01.03	Leasing	574	1,170
2.02.02	Others liabilities	450,744	417,522
2.02.02.02	Others	450,744	417,522
2.02.02.02.03	Payables for purchase of land	226,527	154,477
2.02.02.02.04	Advances from customers	224,200	262,613
2.02.02.02.05	Other liabilities	17	432
2.02.03	Deferred taxes liabilities	36,693	33,108
2.02.04	Accruals	80,749	76,924
2.02.04.01	Accrual for civil, labor, and tax risks	30,025	23,403
2.02.04.01.01	Tax	68	96
2.02.04.01.02	Labor	13,017	9,913
2.02.04.01.04	Civil	16,940	13,394
2.02.04.02	Other accruals	50,724	53,521
2.02.04.02.04	Accrual for maintenance of real estate	50,724	53,521
2.03	Shareholders' equity	4,152,705	4,101,183
2.03.01	Paid in capital	3,198,236	3,197,819
2.03.02	Capital reserves	33,076	31,911
2.03.02.02	Special goodwill	18,554	18,554
2.03.02.04	Recognized options granted	40,831	39,666
2.03.02.07	Expenses on share issuance	(26,309)	(26,309)
2.03.04	Earnings reserves	840,442	871,453
2.03.04.01	Legal	148,970	148,970
2.03.04.05	Retained earnings reserve	774,348	774,348
2.03.04.08	Proposed additional dividends	40,193	40,193
2.03.04.09	Treasury shares	(123,069)	(92,058)
2.03.05	Earnings/losses accumulated	80,951	-

INDIVIDUAL / STATEMENT OF INCOME
(In thousands of Brazilian reais - R$)

Code	Description	1/1/2014 to 3/31/2014	1/1/2013 to 3/31/2013
3.01	Revenue from sales and services	536,027	493,555
3.01.01	Net operating revenue	536,027	493,555
3.02	Cost of sales and services	(395,381)	(369,215)
3.02.01	Cost of real estate sales and services	(395,381)	(369,215)
3.03	Gross profit	140,646	124,340
3.04	Operating income (expenses)	(54,640)	(51,304)
3.04.01	Selling expenses	(44,790)	(41,879)
3.04.02	General and administrative expenses	(59,958)	(56,573)
3.04.04	Other operating incomes	13,196	10,054
3.04.05	Other operating expenses	(27,925)	(20,363)
3.04.06	Results from equity participation	64,837	57,457
3.05	Income before financial income and taxes	86,006	73,036
3.06	Financial income (expenses), net	1,233	2,205
3.06.01	Financial income	32,517	26,671
3.06.01.01	Financial income	26,236	23,540
3.06.01.02	Financial income from receivables from real estate development	6,281	3,131
3.06.02	Financial expenses	(31,284)	(24,466)
3.07	Income before taxes	87,239	75,241
3.08	Income tax and social contribution	(6,255)	3,632
3.08.01	Current	(8,277)	(3,316)
3.08.02	Deferred	2,022	6,948
3.09	Net income (loss) from continuing operations	80,984	78,873
3.11	Net income (loss) for the period	80,984	78,873
3.99	Earnings per share - (R$/share)		
3.99.01	Basic Earnings for Share		
3.99.01.01	ON	0.17118	0.16532
3.99.02	Diluted Earnings per share - (R$/share)		
3.99.02.01	ON	0.17006	0.16423

INDIVIDUAL / STATEMENTS OF COMPREHENSIVE INCOME
(In thousands of Brazilian reais - R$)

Code	Description	1/1/2014 to 3/31/2014	1/1/2013 to 3/31/2013
4.01	Net income	80,984	78,873
4.03	Comprehensive income for the period	80,984	78,873

INDIVIDUAL / STATEMENTS OF CASH FLOWS
(In thousands of Brazilian reais - R$)

Code	Description	1/1/2014 to 3/31/2014	1/1/2013 to 3/31/2013
6.01	Net cash used in operating activities	(7,409)	(2,094)
6.01.01	Cash provided by operating activities	68,207	23,922
6.01.01.01	Net income for the quarter	80,984	78,873
6.01.01.02	Depreciation and amortization	7,775	6,012
6.01.01.03	Recognized options granted	1,112	1,427
6.01.01.04	Result from sale of property and equipment	939	781
6.01.01.05	Financial income (expenses)	23,755	8,636
6.01.01.06	Results from equity participation	(64,837)	(57,457)
6.01.01.07	Accrual for property maintenance	6,736	9,180
6.01.01.08	Provision for civil, labor and tax risks	7,339	3,380
6.01.01.09	Deferred taxes on income	(2,022)	(6,948)
6.01.01.10	Deferred taxes on revenue (PIS and COFINS)	389	(25,980)
6.01.01.12	Amortization of prepaid expenses	6,037	6,018
6.01.02	Increase (decrease) in assets and liabilities	(75,616)	(26,016)
6.01.02.01	Increase in receivables from real estate development	18,803	123,054
6.01.02.02	(Increase) decrease in real estate for sale	39,774	(47,836)
6.01.02.03	Increase in other assets	(18,754)	4,378
6.01.02.04	Increase (decrease) in trade payables	(6,473)	(40,673)
6.01.02.05	Increase (decrease) in payroll and related taxes	14,446	8,415
6.01.02.06	Increase (decrease) in taxes, fees and contributions	(4,481)	(1,961)
6.01.02.07	Increase (decrease) in advances from customers	(24,131)	4,409
6.01.02.08	Increase (decrease) in other liabilities	(3,120)	744
6.01.02.09	Interest paid	(68,341)	(62,925)
6.01.02.10	Income tax and social contribution paid	(11,108)	(1,677)
6.01.02.11	Realization of accrual for maintenance of real estate	(9,591)	(10,199)
6.01.02.12	Amounts paid for civil, labor and tax risks	(2,640)	(1,745)
6.02	Net cash provided in investing activities	24,697	(41,577)
6.02.01	(Increase) decrease in investment securities	16,122	(25,878)
6.02.02	Advances to related parties	(48,146)	(28,325)
6.02.03	Receipts from related companies	43,058	31,099
6.02.04	(Increase) decrease in investments	21,657	(12,093)
6.02.05	Purchase of property and equipment and intangible assets	(7,994)	(6,380)
6.03	Net cash provided by (used in) financing activities	(329,805)	(269,082)
6.03.01	Net proceeds from shares issuance	417	122
6.03.02	Treasury shares	(31,011)	-
6.03.04	Proceeds from loans, financing	134,311	196,872
6.03.05	Repayment of borrowings, financing and debentures	(433,489)	(466,076)
6.03.08	Capital transaction	(33)	-
6.05	Net decrease in cash and cash equivalents	(312,517)	(312,753)
6.05.01	Cash and cash equivalents at beginning of period	1,014,842	1,017,664
6.05.02	Cash and cash equivalents at end of period	702,325	704,911

INDIVIDUAL / STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY from 1/1/2014 to 3/31/2014
(In thousands of Brazilian reais - R$)

Code	Description	PAID IN CAPITAL	CAPITAL RESERVES, RECOGNIZED OPTIONS GRANTED AND TREASURY SHARES	EARNINGS ESERVES	EARNINGS / LOSSES ACCUMULATED	OTHER COMPREHENSIVE INCOME	SHAREHOLDERS' EQUITY
5.01	Opening balance	3,197,819	31,911	871,453	-	-	4,101,183
5.03	Adjusted opening balance	3,197,819	31,911	871,453	-	-	4,101,183
5.04	Shareholders capital transaction	417	1,165	(31,011)	(33)	-	(29,462)
5.04.01	Capital increase	417	-	-	-	-	417
5.04.03	Recognized options granted	-	1,165	-	-	-	1,165
5.04.04	Treasury shares purchased	-	-	(31,011)	-	-	(31,011)
5.04.08	Unrealized	-	-	-	(33)	-	(33)
5.05	Comprehensive income	-	-	-	80,984	-	80,984
5.05.01	Net income (loss)	-	-	-	80,984	-	80,984
5.07	Closing balance	3,198,236	33,076	840,442	80,951	-	4,152,705

INDIVIDUAL / STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY from 1/1/2013 to 3/31/2013
(In thousands of Brazilian reais - R$)

Code	Description	PAID IN CAPITAL	CAPITAL RESERVES, RECOGNIZED OPTIONS GRANTED AND TREASURY SHARES	EARNINGS ESERVES	EARNINGS / LOSSES ACCUMULATED	OTHER COMPREHENSIVE INCOME	SHAREHOLDERS' EQUITY
5.01	Opening balance	2,650,615	26,202	1,124,816	-	-	3,801,633
5.03	Adjusted opening balance	2,650,615	26,202	1,124,816	-	-	3,801,633
5.04	Shareholders capital transaction	122	1,427	-	(1,420)	-	129
5.04.01	Capital increase	122	-	-	-	-	122
5.04.03	Recognized options granted	-	1,427	-	-	-	1,427
5.04.08	Capital transactio	-	-	-	(1,420)	-	(1,420)
5.05	Comprehensive income	-	-	-	78,873	-	78,873
5.05.01	Net income (loss)	-	-	-	78,873	-	78,873
5.07	Closing balance	2,650,737	27,629	1,124,816	77,453	-	3,880,635

INDIVIDUAL / STATEMENT OF VALUE ADDED
(In thousands of Brazilian reais - R$)

Code	Description	1/1/2014 to 3/31/2014	1/1/2013 to 3/31/2013
7.01	Revenue	563.359	512.760
7.01.01	Revenues from sales of goods, services and products	549.159	500.271
7.01.02	Other revenue	11.302	9.751
7.01.03	Revenue from construction of own assets	2.898	2.738
7.02	Inputs purchased from third parties	(327.280)	(329.881)
7.02.01	Inputs purchased from third parties	(327.280)	(329.881)
7.03	Gross value added	236.079	182.879
7.04	Retentions	(7.775)	(6.012)
7.04.01	Depreciation, amortization and depletion	(7.775)	(6.012)
7.05	Net value added generated	228.304	176.867
7.06	Value added received in transfer	97.354	84.128
7.06.01	Results from equity participation	64.837	57.457
7.06.02	Financial income	32.517	26.671
7.07	Total value added for distribution	325.658	260.995
7.08	Value added distributed	325.658	260.995
7.08.01	Personnel	105.000	70.643
7.08.01.01	Salaries and wages	81.613	52.456
7.08.01.02	Benefits	15.856	13.880
7.08.01.03	Severance Pay Fund (FGTS)	7.531	4.307
7.08.02	Taxes, charges and contributions	59.112	32.713
7.08.02.01	Federal	42.870	17.156
7.08.02.02	State	545	261
7.08.02.03	Municipal	15.697	15.296
7.08.03	Debt remuneration	80.562	78.766
7.08.03.01	Interest	63.379	60.472
7.08.03.02	Rentals	16.532	17.618
7.08.03.03	Others	651	676
7.08.04	Shareholders	80.984	78.873
7.08.04.03	Earnings retained in the period	80.984	78.873

CONSOLIDATED / BALANCE SHEETS - ASSETS
(In thousands of Brazilian reais - R$)

Code	Description	Current Quarter 3/31/2014	Previous year 12/31/2013
1	Total assets	9,920,522	10,198,449
1.01	Current assets	5,436,558	5,870,596
1.01.01	Cash and cash equivalents	1,130,962	1,422,595
1.01.01.01	Cash and banks	299,134	396,425
1.01.01.02	Short-term investments	831,828	1,026,170
1.01.03	Receivables	2,232,606	2,295,682
1.01.03.01	Trade accounts receivable	2,232,606	2,295,682
1.01.03.01.01	Receivables from real estate development	2,231,484	2,294,413
1.01.03.01.02	Receivables from services provided	1,122	1,269
1.01.04	Inventories	1,656,269	1,735,429
1.01.04.01	Real estate under construction	1,157,094	1,192,978
1.01.04.02	Completed units	52,112	54,878
1.01.04.03	Land bank	407,465	436,034
1.01.04.04	Advances to suppliers	33,225	44,880
1.01.04.05	Material inventories	6,373	6,659
1.01.06	Recoverable taxes	123,224	111,715
1.01.06.01	Recoverable current taxes	123,224	111,715
1.01.08	Other current assets	293,497	305,175
1.01.08.03	Others	293,497	305,175
1.01.08.03.02	Other assets	41,212	39,116
1.01.08.03.03	Investments securities	252,285	266,059
1.02	Noncurrent assets	4,483,964	4,327,853
1.02.01	Long-term assets	3,724,374	3,568,245
1.02.01.03	Receivables	2,001,009	1,952,088
1.02.01.03.01	Receivables from real estate development	2,001,009	1,952,088
1.02.01.04	Inventories	1,588,273	1,489,988
1.02.01.04.01	Real estate for sale	1,588,273	1,489,988
1.02.01.08	Intercompany receivables	56,876	50,514
1.02.01.08.04	Other related parties	56,876	50,514
1.02.01.09	Other noncurrent assets	78,216	75,655
1.02.01.09.03	Other noncurrent assets	78,216	75,655
1.02.02	Investments	633,495	632,285
1.02.03	Property and equipment	78,058	79,823
1.02.03.01	Operating property and equipment	69,716	75,012
1.02.03.03	Property and equipment under construction	8,342	4,811
1.02.04	Intangible assets	48,037	47,500
1.02.04.01	Intangible assets	48,037	47,500
1.02.04.01.02	Intangible assets	34,472	30,390
1.02.04.01.03	Intangible assets under development	13,565	17,110

CONSOLIDATED / BALANCE SHEETS - LIABILITIES AND SHAREHOLDERS' EQUITY
(In thousands of Brazilian reais - R$)

Code	Description	Current Quarter 3/31/2014	Previous year 12/31/2013
2	Total liabilities	9,920,522	10,198,449
2.01	Current Liabilities	2,389,426	2,560,666
2.01.01	Labor and social liabilities	114,896	91,912
2.01.01.01	Related taxes and benefits liabilities	15,522	14,064
2.01.01.02	Payroll liabilities	99,374	77,848
2.01.02	Suppliers	174,270	187,781
2.01.02.01	National suppliers	174,270	187,781
2.01.03	Tax liabilities	32,801	48,445
2.01.03.01	Federal taxes	31,894	46,558
2.01.03.01.01	Income taxes and social contribution	9,854	12,459
2.01.03.01.02	Other federal taxes	22,040	34,099
2.01.03.03	Municipal taxes	907	1,887
2.01.04	Loans and financing	599,322	774,692
2.01.04.01	Loans and financing	433,808	346,094
2.01.04.01.01	Loans and financing in national currency	433,808	346,094
2.01.04.02	Debentures	161,240	423,788
2.01.04.03	Leasing	4,274	4,810
2.01.05	Others liabilities	1,434,451	1,424,983
2.01.05.02	Others	1,434,451	1,424,983
2.01.05.02.02	Mandatory minimum dividend payable to shareholders	100,483	100,483
2.01.05.02.04	Payables for purchase of land	329,970	292,495
2.01.05.02.05	Advances from customers	913,773	933,464
2.01.05.02.06	Other payables	14,122	17,318
2.01.05.02.07	Deferred taxes	76,103	81,223
2.01.06	Accruals	33,686	32,853
2.01.06.02	Other accruals	33,686	32,853
2.01.06.02.04	Accrual for maintenance of real estate	33,686	32,853
2.02	Noncurrent liabilities	3,109,900	3,272,383
2.02.01	Loans and financing	2,087,680	2,243,031
2.02.01.01	Loans and financing	969,686	1,124,889
2.02.01.01.01	Loans and financing in national currency	969,686	1,124,889
2.02.01.02	Debentures	1,117,420	1,116,972
2.02.01.03	Leasing	574	1,170
2.02.02	Others liabilities	838,891	854,290
2.02.02.02	Others	838,891	854,290
2.02.02.02.03	Payables for purchase of land	353,546	264,361
2.02.02.02.04	Advances from customers	472,217	576,386
2.02.02.02.05	Other liabilities	13,128	13,543
2.02.03	Deferred taxes liabilities	66,900	61,671
2.02.04	Accruals	116,429	113,391
2.02.04.01	Accrual for civil, labor, and tax risks	30,025	23,403
2.02.04.01.01	Tax	68	96
2.02.04.01.02	Labor	13,017	9,913
2.02.04.01.04	Civil	16,940	13,394
2.02.04.02	Other accruals	86,404	89,988
2.02.04.02.04	Accrual for maintenance of real estate	86,404	89,988
2.03	Shareholders' equity	4,421,196	4,365,400
2.03.01	Paid in capital	3,198,236	3,197,819
2.03.02	Capital reserves	33,076	31,911
2.03.02.02	Special goodwill	18,554	18,554
2.03.02.04	Recognized options granted	40,831	39,666
2.03.02.07	Expenses on share issuance	(26,309)	(26,309)
2.03.04	Earnings reserves	840,442	871,453
2.03.04.01	Legal	148,970	148,970
2.03.04.05	Retained earnings reserve	774,348	774,348
2.03.04.08	Proposed additional dividends	40,193	40,193
2.03.04.09	Treasury shares	(123,069)	(92,058)
2.03.05	Earnings/losses accumulated	80,951	-
2.03.09	Noncontrolling interests	268,491	264,217

CONSOLIDATED / STATEMENTS OF INCOME
(In thousands of Brazilian reais - R$)

Code	Description	1/1/2014 to 3/31/2014	1/1/2013 to 3/31/2013
3.01	Revenue from sales and services	910,858	829,512
3.01.01	Net operating revenue	910,858	829,512
3.02	Cost of sales and services	(670,554)	(612,956)
3.02.01	Cost of real estate sales and services	(670,554)	(612,956)
3.03	Gross profit	240,304	216,556
3.04	Operating income (expenses)	(149,847)	(131,035)
3.04.01	Selling expenses	(68,591)	(62,680)
3.04.02	General and administrative expenses	(60,627)	(58,191)
3.04.04	Other operating incomes	13,642	10,736
3.04.05	Other operating expenses	(30,094)	(25,068)
3.04.06	Results from equity participation	(4,177)	4,168
3.05	Income before financial income and taxes	90,457	85,521
3.06	Financial income (expenses), net	15,057	8,468
3.06.01	Financial income	47,169	33,846
3.06.01.01	Financial income	36,910	29,165
3.06.01.02	Financial income from receivables from real estate development	10,259	4,681
3.06.02	Financial expenses	(32,112)	(25,378)
3.07	Income before taxes	105,514	93,989
3.08	Income tax and social contribution	(16,879)	(1,753)
3.08.01	Current	(17,657)	(10,969)
3.08.02	Deferred	778	9,216
3.09	Net income (loss) from continuing operations	88,635	92,236
3.11	Net income (loss) for the period	88,635	92,236
3.11.01	Attributable to shareholders of the company	80,984	78,873
3.11.02	Non-controlling interests	7,651	13,363
3.99	Earnings per share - (R$/share)		
3.99.01	Basic Earnings for Share		
3.99.01.01	ON	0.17118	0.16532
3.99.02	Diluted Earnings per share - (R$/share)		
3.99.02.01	ON	0.17006	0.16423

CONSOLIDATED / STATEMENTS OFCOMPREHENSIVE INCOME
(In thousands of Brazilian reais - R$)

Code	Description	1/1/2014 to 3/31/2014	1/1/2013 to 3/31/2013
4.01	Net income	88,635	92,236
4.03	Comprehensive income for the period	88,635	92,236
4.03.01	Company owners	80,984	78,873
4.03.02	Noncontrolling interests	7,651	13,363

CONSOLIDATED / STATEMENTS OF CASH FLOWS
(In thousands of Brazilian reais – R$)

Code	Description	1/1/2014 to 3/31/2014	1/1/2013 to 3/31/2013
6.01	Net cash used in operating activities	64,686	41,692
6.01.01	Cash provided by operating activities	159,193	102,330
6.01.01.01	Net income for the quarter	88,635	92,236
6.01.01.02	Depreciation and amortization	9,829	7,387
6.01.01.03	Recognized options granted	1,112	1,427
6.01.01.04	Result from sale of property and equipment	1,237	1,191
6.01.01.05	Financial income (expenses)	25,563	13,079
6.01.01.06	Results from equity participation	4,177	(4,168)
6.01.01.07	Accrual for property maintenance	11,609	14,952
6.01.01.08	Provision for civil, labor and tax risks	7,339	3,380
6.01.01.09	Deferred taxes on income	(778)	(9,216)
6.01.01.10	Deferred taxes on revenue (PIS and COFINS)	887	(27,694)
6.01.01.12	Amortization of prepaid expenses	9,583	9,756
6.01.02	Increase (decrease) in assets and liabilities	(94,507)	(60,638)
6.01.02.01	Increase in receivables from real estate development	7,906	128,972
6.01.02.02	(Increase) decrease in real estate for sale	106,259	16,387
6.01.02.03	Increase in other assets	(25,457)	57,971
6.01.02.04	Increase (decrease) in trade payables	(13,411)	(78,264)
6.01.02.05	Increase (decrease) in payroll and related taxes	22,984	11,166
6.01.02.06	Increase (decrease) in taxes, fees and contributions	3,331	5,454
6.01.02.07	Increase (decrease) in advances from customers	(75,546)	(110,749)
6.01.02.08	Increase (decrease) in other liabilities	(3,611)	(266)
6.01.02.09	Interest paid	(78,024)	(71,015)
6.01.02.10	Income tax and social contribution paid	(19,241)	(10,736)
6.01.02.11	Realization of accrual for maintenance of real estate	(17,057)	(7,813)
6.01.02.12	Amounts paid for civil, labor and tax risks	(2,640)	(1,745)
6.02	Net cash provided in investing activities	(932)	(19,674)
6.02.01	(Increase) decrease in investment securities	19,381	(25,954)
6.02.02	Advances to related parties	(48,146)	(28,325)
6.02.03	Receipts from related companies	43,058	31,099
6.02.04	(Increase) decrease in investments	(5,387)	11,572
6.02.05	Purchase of property and equipment and intangible assets	(9,838)	(8,066)
6.03	Net cash provided by (used in) financing activities	(355,387)	(250,068)
6.03.01	Net proceeds from shares issuance	417	122
6.03.02	Treasury shares	(31,011)	0
6.03.04	Proceeds from loans, financing	202,349	286,007
6.03.05	Repayment of borrowings, financing and debentures	(523,785)	(536,642)
6.03.08	Capital transaction	(3,324)	445
6.03.09	Capital transaction	(33)	0
6.05	Net decrease in cash and cash equivalents	(291,633)	(228,050)
6.05.01	Cash and cash equivalents at beginning of period	1,422,595	1,385,307
6.05.02	Cash and cash equivalents at end of period	1,130,962	1,157,257

CONSOLIDATED / STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY from 1/1/2014 to 3/31/2014
(In thousands of Brazilian reais - R$)

CODE	DESCRIPTION	PAID IN CAPITAL	CAPITAL RESERVES, RECOGNIZED OPTIONS GRANTED AND TREASURY SHARES	EARNINGS RESERVES	EARNINGS/ LOSSES ACCUMULATED	OTHER COMPREHENSIVE INCOME	SHAREHOLDERS' EQUITY	NON-CONTROLLING INTEREST	TOTAL
5.01	Opening balance	3,197,819	31,911	871,453	-	-	4,101,183	264,217	4,365,400
5.03	Adjusted opening balance	3,197,819	31,911	871,453	-	-	4,101,183	264,217	4,365,400
5.04	Shareholders capital transaction	417	1,165	(31,011)	(33)	-	(29,462)	(3,377)	(32,839)
5.04.01	Capital increase	417	-	-	-	-	417	-	417
5.04.03	Recognized options granted	-	1,165	-	-	-	1,165	-	1,165
5.04.04	Treasury shares purchased	-	-	(31,011)	-	-	(31,011)	-	(31,011)
5.04.08	Net contributions from noncontrolling shareholders	-	-	-	(33)	-	(33)	-	(33)
5.04.10	Net distributions to shareholders Noncontrolling interests	-	-	-	-	-	-	(3,377)	(3,377)
5.05	Comprehensive income	-	-	-	80,984	-	80,984	7,651	88,635
5.05.01	Net income (loss)	-	-	-	80,984	-	80,984	7,651	88,635
5.07	Closing balance	3,198,236	33,076	840,442	80,951	-	4,152,705	268,491	4,421,196

CONSOLIDATED / STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY from 1/1/2013 to 3/31/2013
(In thousands of Brazilian reais - R$)

Code	Description	PAID IN CAPITAL	CAPITAL RESERVES, RECOGNIZED OPTIONS GRANTED AND TREASURY SHARES	EARNINGS RESERVES	EARNINGS/ LOSSES ACCU-MULATED	OTHER COM-PREHENSIVE IN-COME	SHAREHOLDERS' EQUITY	NON-CONTROLLING INTEREST	TOTAL
5.01	Opening balance	2,650,615	26,202	1,124,816	-	-	3,801,633	286,340	4,087,973
5.03	Adjusted opening balance	2,650,615	26,202	1,124,816	-	-	3,801,633	286,340	4,087,973
5.04	Shareholders capital transaction	122	1,427	-	(1,420)	-	129	1,865	1,994
5.04.01	Capital increase	122	-	-	-	-	122	445	567
5.04.03	Recognized options granted	-	1,427	-	-	-	1,427	-	1,427
5.04.08	Net contributions from noncontrolling shareholders	-	-	-	(1,420)	-	(1,420)	1,420	-
5.05	Comprehensive income	-	-	-	78,873	-	78,873	13,363	92,236
5.05.01	Net income (loss)	-	-	-	78,873	-	78,873	13,363	92,236
5.07	Closing balance	2,650,737	27,629	1,124,816	77,453	-	3,880,635	301,568	4,182,203

CONSOLIDATED / STATEMENT OF VALUE ADDED
(In thousands of Brazilian reais - R$)

Code	Description	1/1/2014 to 3/31/2014	1/1/2013 to 3/31/2013
7.01	Revenue	947,106	854,553
7.01.01	Revenues from sales of goods, services and products	932,878	841,655
7.01.02	Other revenue	11,330	10,160
7.01.03	Revenue from construction of own assets	2,898	2,738
7.02	Inputs purchased from third parties	(530,320)	(541,103)
7.02.01	Inputs purchased from third parties	(530,320)	(541,103)
7.03	Gross value added	416,786	313,450
7.04	Retentions	(9,829)	(7,387)
7.04.01	Depreciation, amortization and depletion	(9,829)	(7,387)
7.05	Net value added generated	406,957	306,063
7.06	Value added received in transfer	42,992	38,014
7.06.01	Results from equity participation	(4,177)	4,168
7.06.02	Financial income	47,169	33,846
7.07	Total value added for distribution	449,949	344,077
7.08	Value added distributed	449,949	344,077
7.08.01	Personnel	159,753	93,701
7.08.01.01	Salaries and wages	123,973	68,260
7.08.01.02	Benefits	24,795	19,945
7.08.01.03	Severance Pay Fund (FGTS)	10,985	5,496
7.08.02	Taxes, charges and contributions	96,677	54,261
7.08.02.01	Federal	72,338	31,009
7.08.02.02	State	894	655
7.08.02.03	Municipal	23,445	22,597
7.08.03	Debt remuneration	104,884	103,879
7.08.03.01	Interest	78,203	75,230
7.08.03.02	Rentals	26,017	27,880
7.08.03.03	Others	664	769
7.08.04	Shareholders	88,635	92,236
7.08.04.03	Earnings retained in the period	80,984	78,873
7.08.04.04	Non-controlling shareholders	7,651	13,363

1. General information

The general information did not change significantly in relation to the information disclosed in note 1 to the annual financial statements for the year ended December 31, 2013, published on March 28, 2014 in the newspapers Diário Oficial da União (Federal Official Gazette), Hoje em Dia and Estado de São Paulo, and made available in the following websites: www.cvm.gov.br, www.bmfbovespa.com.br and www.mrv.com.br/ri (hereinafter referred to as "financial statements for the year ended December 31, 2013").

2. Presentation of interim financial information and significant accounting policies

2.1. Presentation of interim financial information

The Company's interim financial information comprise:

- The Company's condensed individual interim financial information prepared and presented in accordance with the Accounting Pronouncement CPC 21 (R1) - *Demonstração Intermediária* (Interim Financial Reporting) and with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of the interim financial information (ITR), identified as "Individual".

- The condensed consolidated interim financial information prepared and presented in accordance with the Accounting Pronouncement CPC 21 (R1) and IAS 34 *Interim Financial Reporting*, which consider Guideline OCPC 04 related to the application of Interpretation ICPC 02 to the entities engaged in the construction of real estate in Brazil, issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM) and the Brazil's National Association of State Boards of Accounting (CFC), in accordance with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of the interim financial information (ITR), identified as "Consolidated".

2.2. Significant accounting policies

The policies accounting adopted in preparing these condensed interim financial information are consistent with those adopted in preparing the financial statements for the year ended December 31, 2013.

The other information on the basis of preparation and significant accounting policies did not change in relation to the information disclosed in note 2 to the annual financial statements for the year ended December 31, 2013.

3. New accounting standards already issued and not yet adopted

The IASB standard described below was published but the adoption of which is not yet mandatory, was not early adopted by the Company for the quarter ended March 31, 2014. The Company will implement this standard and interpretation as their application becomes mandatory, although no material impact is expected on the interim financial information and the financial statements.

Standard	Description	Effective date
IFRS 9 *Financial Instruments*	Addresses the classification, measurement, and recognition of financial assets and financial liabilities. Refers to the first stage of the project for replacement of IAS 39 *Financial Instruments: Recognition and Measurement*.	Annual periods beginning on or after January 1, 2015.

4. Cash and cash equivalents

	Individual		Consolidated	
	03/31/14	**12/31/13**	**03/31/14**	**12/31/13**
Cash	**623**	624	**767**	776
Bank checking accounts	**168,867**	240,845	**298,367**	395,649
	169,490	241,469	**299,134**	396,425
Short-term investments:				
Savings deposits	**16,820**	17,553	**18,560**	22,766
Investment fund units	**138,758**	81,467	**373,086**	228,833
Bank Deposit Certificates (CDBs)	**294,937**	426,187	**342,957**	499,752
Debenture-backed repurchase agreements	**82,320**	248,166	**97,225**	274,819
	532,835	773,373	**831,828**	1,026,170
Total	**702,325**	1,014,842	**1,130,962**	1,422,595

The other information on cash and cash equivalents did not change significantly in relation to the information disclosed in note 4 to the financial statements for the year ended December 31, 2013.

5. Marketable securities

	Individual		Consolidated	
	03/31/14	12/31/13	**03/31/14**	12/31/13
Investment fund units	**243,384**	254,038	**243,384**	254,038
Investment tied to savings deposits	**1,643**	1,621	**5,722**	8,959
Real estate consortium	**3,179**	3,062	**3,179**	3,062
Total current	**248,206**	258,721	**252,285**	266,059

The other information on marketable securities did not change significantly in relation to the information disclosed in note 5 to the financial statements for the year ended December 31, 2013.

6. Trade accounts receivable

	Individual		Consolidated	
	03/31/14	**12/31/13**	**03/31/14**	**12/31/13**
Receivables from real estate development				
Receivables from real estate development	**2,525,603**	2,545,434	**4,259,710**	4,269,708
Adjustments to present value	**(16,135)**	(13,570)	**(27,217)**	(23,207)
	2,509,468	2,531,864	**4,232,493**	4,246,501
Current	**1,316,603**	1,386,889	**2,231,484**	2,294,413
Noncurrent	**1,192,865**	1,144,975	**2,001,009**	1,952,088
Receivables from services provided				
Related parties (Note 19 (b))	**413**	723	**419**	729
Other receivables	**709**	522	**703**	540
Total - current receivables	**1,122**	1,245	**1,122**	1,269

The amounts related to receivables for real estate development include: (i) fixed-rate contracts with fixed installments or floating-rate contracts with interest rates below those of similar transactions or floating-rate contracts indexed to inflation which are interest free and adjusted to present value using the higher rate between the rate of the Company's weighted market fundraising rate, less inflation indices and the yield rates of government securities with similar risks and terms; and (ii) floating-rate contracts plus interest of 6% to 12% percent per year. The rates used to calculate the discount to present value at March 31, 2014 ranged from 0.3969% per month to 0.4966% per month (0.3504% per month to 0.4090% at December 31, 2013). The assumptions made by the Company's management, described above for the calculation of the discount to present value, are consistent among the years, and thus there were no changes in assumptions during the reporting periods.

Floating-rate contracts are adjusted based on various financial indices, mainly the National Civil Construction Index (INCC) or the Basic Unit Cost (CUB) for the period before the delivery of the units and the General Market Price Index (IGPM) for the period after the delivery of the units.

The agreements entered into with Caixa Econômica Federal and Banco do Brasil involving subsidized mortgage loans correspond to approximately 9% and 13%, respectively, of the balance of trade accounts receivable as at March 31, 2014 (11% and 8% at December 31, 2013).

As described in note 2.2 to the financial statements for the year ended December 31, 2013, the procedures and guidance set out in OCPC 04 of the Accounting Pronouncements Committee were adopted, which addresses the application of Technical Interpretation ICPC 02 for Brazilian real estate entities, approved by CVM Ruling 653/10, for the recognition of income earned from real estate transactions. Thus:

- receivables were recognized up to the amount of real estate operations conducted in the period, including the related financial income, under the conditions described above, as applicable;

- the discount to present value represents the portion of interest to be earned in future years, on the accrual basis and is realized to calculate revenue at its fair value;

- receipts in excess of the recognized balances of receivables were recognized as advances from customers, in liabilities and are disclosed in note 14; and

- sales revenue are allocated to net income as construction develops, using the method called “POC”, which records the percentage of completion of each project, as described in note 2.2 (a) to the financial statements for the year ended December 31, 2013. The land and construction costs inherent to the related developments of the units sold are allocated to net income when incurred.

The balances of gross revenue receivable and unincurred costs from real estate already contracted sale transactions referring to uncompleted properties, including related financial income, as applicable, are as follows:

	Individual		Consolidated	
	03/31/14	12/31/13	03/31/14	12/31/13
Unearned gross sales revenue (*)	**2,004,592**	1,754,291	**3,651,330**	3,172,485
Costs to be Incurred (*)	**(1,123,732)**	(995,980)	**(2,081,475)**	(1,820,693)

(*) Does not include future inflation effects, sales taxes and financial charges.

The aging list of the amounts above referring to receivables from real estate development and unearned sales revenue is as follows, at the contractual amount of the units sold:

	Individual		Consolidated	
	03/31/14	12/31/13	03/31/14	12/31/13
After the reporting period				
12 months	**2,783,890**	2,650,569	**4,916,009**	4,604,241
13 to 24 months	**1,495,041**	1,406,481	**2,618,167**	2,470,673
25 to 36 months	**200,963**	195,588	**294,256**	289,029
37 to 48 months	**29,420**	28,860	**49,733**	49,420
After 48 months	**4,746**	4,657	**5,658**	5,623
	4,514,060	4,286,155	**7,883,823**	7,418,986
Unearned sales revenue	**2,004,592**	1,754,291	**3,651,330**	3,172,485
Receivables from real estate development	**2,509,468**	2,531,864	**4,232,493**	4,246,501

Before accepting new customers, the Company uses a rating system and conducts credit analysis of each individual customer, based on personal documentation, indebtedness, consumer credit records, and statements of earnings received. After confirmation, the credit limit is set for each individual customer.

The credit risk is assessed as very low in light of the actual guarantee of recovery of the properties in cases of customer default. Therefore, at March 31, 2014 and December 31, 2013 no allowance for doubtful accounts was recognized.

Discounts, rebates and returns are deducted directly from revenue from real estate development and refer substantially to cancellation of purchase and sale agreements for properties not yet delivered. The amounts related to cancelled agreements comprise all the revenue earned, net of the contractual fine to reimburse expenses incurred by the Company and its subsidiaries. Terminated agreements are recognized as they occur.

As at March 31, 2014, the Company had receivables pledged as collateral for fourth issue debentures totaling R$18,870 (R$19,150 at December 31, 2013) and construction financing totaling de R$1,104,425 (R$1,118,775 at December 31, 2013).

7. Inventories (Real estate for sale)

	Individual		Consolidated	
	03/31/14	**12/31/13**	**03/31/14**	**12/31/13**
Real estate under construction	**776,298**	786,752	**1,157,094**	1,192,978
Completed units	**33,195**	32,167	**52,112**	54,878
Land bank	**1,372,649**	1,300,517	**1,995,738**	1,926,022
Advances to suppliers	**18,555**	29,701	**33,225**	44,880
Inventories of supplies	**3,799**	3,918	**6,373**	6,659
Total	**2,204,496**	2,153,055	**3,244,542**	3,225,417
Current	**1,079,861**	1,114,444	**1,656,269**	1,735,429
Noncurrent	**1,124,635**	1,038,611	**1,588,273**	1,489,988

As at March 31, 2014, this line item includes the capitalization of financial charges, as detailed note 11, letter (e), totaling R$118,458 in Individual and R$119,810 on a consolidated basis (R$106,515 in Individual and R$107,407 on a consolidated basis at December 31, 2013).

As at March 31, 2014, the Company had real estate under construction used as collateral of loans and finance agreements, totaling R$206,949 and R$413,628 (R$201,497 and R$333,987 at December 31, 2013), Individual and consolidated, respectively.

The Company has land used as collateral of the 4th issuance debentures, totaling R$35,343 as at March 31, 2014 (R$35,343 at December 31, 2013).

The information on (i) the revenue amount generated by units under construction, (ii) the costs incurred and the profits recognized to date, and (iii) the advances received under these agreements, and the related criteria adopted for their recognition, are described in note 23.

The other information on inventories (real estate for sale) is not significantly different from the information disclosed in note 7 to the financial statements for the year ended December 31, 2013.

8. Investment

a) The main information on equity interests is summarized as follows:

	Equity interest		Shareholders' equity		Profit (loss) for the 1st quarter		Investment		Equity participation for 1st quarter	
	03/31/14	12/31/13	03/31/14	12/31/13	2014	2013	03/31/14	12/31/13	2014	2013
Joint control:										
LOG Commercial Properties e Participações S.A.	**37.87%**	37.87%	**745,153**	739,985	**5,092**	1,127	**282,057**	280,100	**1,928**	474
MRL Engenharia e Empreendimentos S.A.	**37.59%**	37.65%	**21,659**	19,239	**2,419**	1,462	**8,142**	7,243	**909**	550
PRIME Incorporações e Construções S.A.	**60.00%**	60.00%	**6,835**	16,822	**(9,987)**	(4,718)	**4,101**	10,093	**(5,992)**	(2,831)
MRPR Empreendimentos Imobiliário LTDA.	**65.00%**	65.00%	**348**	450	**(101)**	178	**226**	293	**(66)**	116
SCP Ecov (Arag,S. Dourada)	**70.00%**	70.00%	**26,952**	29,416	**(28)**	(883)	**18,867**	20,591	**(20)**	(618)
SCP Reality E Renovare	**32.00%**	32.00%	**9,164**	6,203	**1,010**	3,251	**2,933**	1,985	**323**	1,040
SCP Richmond Cond.	**70.00%**	70.00%	**7,370**	7,162	**1,002**	(1,165)	**5,159**	5,014	**701**	(816)
SCP Royal Palms Club	**70.00%**	70.00%	**8,217**	6,505	**1,545**	1,000	**5,752**	4,553	**1,082**	700
SCP Spazio Classique	**65.00%**	65.00%	**9,312**	8,602	**(1,497)**	(1,940)	**6,053**	5,591	**(973)**	(1,261)
SCP Tingui	**34.00%**	34.00%	**(33)**	(139)	**(55)**	(1,709)	**(11)**	(47)	**(19)**	(581)
Other 39 silent partnerships			**116,538**	117,774	**330**	607	**67,178**	68,639	**(364)**	72
Chapada Imperi SPE LTDA.	**58.00%**	58.00%	**5,186**	5,224	**(1,549)**	(1,138)	**3,008**	3,030	**(898)**	(660)
Citylife/C.Vig SPE LTDA.	**65.50%**	65.50%	**20,052**	20,438	**(1,868)**	(1,981)	**13,134**	13,387	**(1,224)**	(1,298)
Gran Olympus SPE LTDA.	**65.00%**	65.00%	**10,282**	12,999	**(514)**	884	**6,684**	8,449	**(334)**	575
MRV MRL Xiv SPE LTDA.	**70.00%**	70.00%	**22,318**	25,577	**4,784**	3,694	**15,622**	17,904	**3,349**	2,586
MRV MRL Xv SPE LTDA.	**65.00%**	65.00%	**10,856**	6,896	**1,255**	(63)	**7,056**	4,482	**816**	(41)
MRV MRL Xviii SPE LTDA.	**65.00%**	65.00%	**18,761**	16,169	**1,602**	960	**12,195**	10,510	**1,041**	624
MRV Patrim Gal LTDA.	**50.00%**	50.00%	**52,262**	44,662	**2,354**	-	**26,131**	22,331	**1,177**	-
MRV PRIME Xix Inc SPE LTDA.	**65.00%**	65.00%	**5,440**	3,669	**1,698**	(78)	**3,536**	2,385	**1,104**	(51)
Parque Sevilha SPE LTDA.	**65.00%**	65.00%	**12,111**	10,894	**825**	629	**7,872**	7,081	**536**	409
Pq Cast Monaco SPE LTDA.	**65.00%**	65.00%	**19,692**	16,585	**837**	692	**12,800**	10,780	**544**	450
Pq Castelo De Lu SPE LTDA.	**65.00%**	65.00%	**23,835**	25,046	**(4,113)**	306	**15,493**	16,280	**(2,673)**	199
Pq Chap Guimarães SPE LTDA.	**58.00%**	58.00%	**12,709**	11,328	**(723)**	(2,254)	**7,371**	6,570	**(419)**	(1,307)
Pq Chapada Dia SPE LTDA.	**67.00%**	67.00%	**21,008**	18,202	**2,887**	1,223	**14,075**	12,196	**1,934**	819
Taguatinga QI SPE LTDA.	**41.67%**	41.67%	**10,640**	12,673	**48**	(1,520)	**4,434**	5,281	**20**	(633)
Top Taguatinga LI SPE LTDA.	**70.00%**	70.00%	**64,569**	78,185	**(7,860)**	7,303	**45,198**	54,730	**(5,502)**	5,112
Top Taguatinga SPE LTDA.	**70.00%**	70.00%	**87,273**	79,677	**(31)**	4,758	**61,091**	55,774	**(22)**	3,331
Village Gran Castel SPE LTDA.	**65.00%**	65.00%	**7,437**	6,545	**849**	73	**4,834**	4,254	**552**	47
Other 20 SPEs			**58,541**	55,731	**335**	(1,032)	**34,551**	32,904	**295**	(510)
Goodwill on acquisition of jointly controlled entity MRL	**-**	-	**-**	-	**-**	-	**3,237**	3,237	**-**	-
Total jointly controlled entities - Individual			**1,414,487**	1,402,519	**546**	9,666	**698,779**	695,620	**(2,195)**	6,497
Elimination of indirect interests	**-**	-	**-**	-	**-**	-	**(65,284)**	(63,335)	**(1,982)**	(2,329)
Total jointly controlled entities - Consolidated			**1,414,487**	1,402,519	**546**	9,666	**633,495**	632,285	**(4,177)**	4,168
Subsidiaries:										
MDI Desenvolvimento Imobiliário LTDA.	**100.00%**	100.00%	**21,320**	21,337	**115**	(128)	**8,209**	8,358	**115**	(128)
Urbamais Propriedade e Participações S.A.	**60.00%**	60.00%	**7,472**	2,862	**(390)**	(251)	**4,483**	1,717	**(234)**	(151)
SCP Barreto 4A - Mar	**70.00%**	70.00%	**7,919**	8,254	**(1,125)**	47	**5,543**	5,778	**(788)**	33
SCP Barreto 4B	**70.00%**	70.00%	**947**	1,733	**(166)**	(1,629)	**663**	1,213	**(116)**	(1,140)
SCP Bello Solares	**65.00%**	65.00%	**13,725**	13,453	**(770)**	1,525	**8,921**	8,744	**(501)**	991
SCP Bello Valle	**65.00%**	65.00%	**10,131**	10,261	**14**	(1,036)	**6,585**	6,670	**9**	(673)
SCP Belo Mare	**65.00%**	65.00%	**16,645**	16,916	**44**	(1,205)	**10,819**	10,995	**29**	(783)
SCP C.Lu/C.El/C.Vi/Cas	**99.00%**	99.00%	**20,640**	20,520	**97**	1,955	**20,434**	20,315	**96**	1,935
SCP Magarça	**35.00%**	35.00%	**16,157**	15,118	**1,242**	2,551	**5,655**	5,291	**435**	893
SCP Manchete	**35.00%**	35.00%	**12,855**	10,752	**2,112**	383	**4,499**	3,763	**739**	134
SCP P. Fontana Di Roma	**99.00%**	99.00%	**4,262**	6,699	**(41)**	1,491	**4,219**	6,632	**(41)**	1,476
SCP Parque Fonatana	**99.50%**	99.50%	**6,570**	7,903	**(324)**	1,407	**6,537**	7,863	**(322)**	1,400
SCP Parque Monte Cristal	**77.50%**	77.50%	**7,200**	6,237	**1,279**	84	**5,580**	4,834	**991**	65
SCP Parque Monte Fiore	**77.50%**	77.50%	**2,808**	4,393	**2,228**	316	**2,176**	3,405	**1,727**	245
SCP Parque Operetta	**98.00%**	98.00%	**9,093**	10,261	**1,126**	-	**8,911**	10,056	**1,103**	-
SCP Parque Viva Joara	**75.00%**	75.00%	**9,661**	9,602	**(274)**	1,005	**7,245**	7,201	**(206)**	754
SCP Porto Cristal	**99.50%**	99.50%	**2,422**	3,486	**(1,459)**	519	**2,409**	3,469	**(1,452)**	446
SCP Porto Guaiba	**99.50%**	99.50%	**1,485**	1,605	**(118)**	(614)	**1,477**	1,597	**(117)**	(519)
SCP Pq Das Araras	**33.50%**	33.50%	**4,319**	4,295	**35**	1,755	**1,447**	1,439	**12**	588
SCP Pq Das Gaivota	**33.50%**	33.50%	**369**	1,695	**(708)**	1,806	**123**	568	**(237)**	605
SCP Pq. Fonte dos Pássaros	**75.00%**	75.00%	**4,994**	4,345	**798**	-	**3,745**	3,259	**599**	-
SCP Pq La Ter/Sz Orien/V	**98.00%**	98.00%	**13,726**	13,814	**(99)**	4,679	**13,451**	13,538	**(97)**	4,585
SCP Pq Rec P Beija Flor	**34.00%**	34.00%	**24,320**	21,953	**2,647**	6,095	**8,269**	7,464	**900**	2,072
SCP Prt.Planalto	**99.50%**	99.50%	**664**	1,812	**(3,214)**	441	**661**	1,803	**(3,198)**	375
SCP Resid. Jangadas	**75.00%**	75.00%	**34,306**	33,285	**(873)**	(1,176)	**25,730**	24,964	**(655)**	(882)
SCP Residendial Barcas	**75.00%**	75.00%	**11,589**	11,630	**167**	(999)	**8,692**	8,722	**125**	(749)
SCP São Pedro	**50.00%**	50.00%	**6,915**	7,193	**(570)**	3,432	**3,458**	3,597	**(285)**	1,716
SCP Spazio Florian	**80.00%**	80.00%	**10,693**	8,290	**757**	793	**8,554**	6,632	**606**	634
SCP Spazio Portote	**99.50%**	99.50%	**2,857**	3,675	**(1,726)**	(805)	**2,843**	3,656	**(1,717)**	(644)
SCP Spz Nimbus Res.Club	**75.00%**	75.00%	**12,970**	12,971	**(66)**	(2,380)	**9,728**	9,728	**(50)**	(1,785)
SCP Tomba Pq. Filipinas	**75.00%**	75.00%	**10,298**	13,102	**767**	3,343	**7,723**	9,826	**575**	2,507
SCP Uber-The Palm	**99.50%**	99.50%	**4,563**	5,052	**(47)**	540	**4,540**	5,027	**(47)**	537
SCP Village Córsega	**99.00%**	99.00%	**1,864**	2,359	**(558)**	(4)	**1,846**	2,335	**(552)**	(4)
Other 189 silent partnerships			**419,430**	435,142	**(1,981)**	(5,450)	**338,733**	350,377	**(1,178)**	(4,039)

	Equity interest		Shareholders' equity		Profit (loss) for the 1st quarter		Investment		Equity participation for 1st quarter	
	03/31/14	12/31/13	03/31/14	12/31/13	2014	2013	03/31/14	12/31/13	2014	2013
Campo Di Braga SPE LTDA.	**99.50%**	99.50%	**20,212**	17,867	**2,489**	3,165	**20,111**	17,777	**2,477**	3,149
Campo Di Orleans Inc SPE LTDA.	**99.00%**	99.00%	**7,667**	6,751	**906**	1,452	**7,591**	6,684	**897**	1,437
Campo Rizzi In SPE LTDA.	**99.00%**	99.00%	**6,017**	5,510	**591**	(654)	**5,956**	5,455	**585**	(647)
Casa Pueblo Incorpor SPE LTDA.	**97.00%**	97.00%	**4,243**	2,461	**1,039**	134	**4,116**	2,387	**1,008**	130
Evidence Condomínio SPE LTDA.	**99.00%**	99.00%	**55,363**	58,913	**2,004**	(3,321)	**54,809**	58,324	**1,984**	(3,288)
Forte Iracema SPE LTDA.	**60.00%**	60.00%	**15,451**	22,012	**(1,343)**	(1,633)	**9,271**	13,207	**(806)**	(980)
Forte Mucurip SPE LTDA.	**52.00%**	52.00%	**25,990**	21,673	**1,906**	1,157	**13,515**	11,270	**991**	579
Fortune Ii Inc SPE LTDA.	**60.00%**	60.00%	**16,751**	25,862	**(513)**	2,569	**10,050**	15,517	**(308)**	1,541
Four Seasons 3 SPE LTDA.	**52.00%**	52.00%	**5,088**	6,562	**(1,066)**	1,433	**2,646**	3,412	**(554)**	717
Inspiratto Res SPE LTDA.	**52.00%**	52.00%	**11,948**	11,417	**1,061**	1,055	**6,213**	5,937	**552**	528
Md Pe Life SPE LTDA.	**60.00%**	60.00%	**3,725**	3,809	**(1,340)**	448	**2,235**	2,286	**(804)**	188
MRL MRV Li In SPE LTDA.	**65.00%**	65.00%	**7,027**	6,804	**1,354**	1,975	**4,567**	4,423	**880**	1,284
MRL MRV Lii I SPE LTDA.	**65.00%**	65.00%	**5,438**	6,156	**1,206**	73	**3,535**	4,002	**784**	47
MRL MRV Xxxii SPE LTDA.	**70.00%**	70.00%	**4,931**	4,757	**974**	1,731	**3,452**	3,330	**682**	1,212
MRL MRV Xxxvi SPE LTDA.	**65.00%**	65.00%	**10,662**	10,129	**1,473**	239	**6,930**	6,584	**957**	155
MRV Ancona Ii SPE LTDA.	**99.50%**	99.50%	**21,643**	16,203	**1,613**	170	**21,532**	16,122	**1,605**	169
MRV Lcg Es V Incorpo SPE LTDA.	**75.00%**	75.00%	**3,811**	3,578	**708**	210	**2,858**	2,683	**531**	158
MRV Magis Ii Incorpo SPE LTDA.	**62.00%**	62.00%	**8,490**	6,442	**1,697**	330	**5,264**	3,994	**1,052**	205
MRV Magis Iii Incor SPE LTDA.	**99.50%**	99.50%	**6,128**	6,191	**526**	190	**6,097**	6,160	**523**	103
MRV Magis Vii G SPE LTDA.	**99.50%**	99.50%	**22,222**	17,174	**2,602**	510	**22,111**	17,088	**2,589**	255
MRV Magis Xiv Incorp SPE LTDA.	**62.00%**	62.00%	**7,416**	5,457	**2,365**	101	**4,598**	3,384	**1,466**	63
MRV Md Novo Jaboatao SPE LTDA.	**60.00%**	60.00%	**2,275**	1,800	**400**	944	**1,365**	1,080	**240**	566
MRV MRL Jardim De Gotemburgo SPE LTDA.	**99.00%**	99.00%	**6,990**	5,975	**1,763**	49	**6,920**	5,915	**1,745**	49
MRV MRL L Incorp. SPE LTDA.	**99.00%**	99.00%	**4,183**	3,734	**763**	665	**4,141**	3,697	**755**	658
MRV MRL Novolar I In SPE LTDA.	**35.00%**	35.00%	**4,918**	4,045	**1,874**	1,988	**1,721**	1,416	**656**	696
MRV MRL Rj I Pq SPE LTDA.	**70.00%**	70.00%	**14,732**	14,536	**156**	(1,585)	**10,313**	10,175	**109**	(1,110)
MRV MRL Rj Lxxiv Inc SPE LTDA.	**65.00%**	65.00%	**4,139**	2,237	**1,853**	(23)	**2,690**	1,454	**1,204**	(15)
MRV MRL Rj2 Inc SPE LTDA.	**65.00%**	65.00%	**6,616**	7,457	**1,155**	285	**4,301**	4,847	**751**	185
MRV MRL Xi Inc SPE LTDA.	**99.00%**	99.00%	**11,048**	10,933	**573**	496	**10,937**	10,824	**567**	491
MRV MRL Xiii SPE LTDA.	**97.00%**	97.00%	**2,486**	3,090	**(74)**	(1,244)	**2,412**	2,997	**(72)**	(1,207)
MRV MRL Xl Incorp SPE LTDA.	**65.00%**	65.00%	**5,630**	9,298	**(2,533)**	2,760	**3,660**	6,044	**(1,646)**	1,794
MRV MRL Xli Incorpor SPE LTDA.	**99.00%**	99.00%	**13,945**	13,952	**3,107**	477	**13,806**	13,812	**3,076**	472
MRV MRL Xlvi Incorp SPE LTDA.	**99.00%**	99.00%	**8,018**	10,604	**1,399**	1,088	**7,938**	10,498	**1,385**	1,077
MRV MRL Xxv Inc SPE LTDA.	**99.00%**	99.00%	**8,784**	8,561	**1,442**	1,535	**8,696**	8,475	**1,428**	1,520
MRV MRL Xxxii Inc. SPE LTDA.	**97.00%**	97.00%	**3,467**	4,607	**(152)**	(964)	**3,363**	4,469	**(147)**	(935)
MRV Pe Vila Natal Co SPE LTDA.	**60.00%**	60.00%	**5,885**	4,009	**1,010**	511	**3,531**	2,406	**606**	307
MRV PRIME Iv Inc SPE LTDA.	**99.00%**	99.00%	**8,124**	8,410	**245**	623	**8,042**	8,326	**243**	617
MRV PRIME Morada do Campo SPE LTDA.	**99.00%**	99.00%	**4,164**	2,900	**555**	-	**4,122**	2,871	**549**	-
MRV PRIME V SPE LTDA.	**98.00%**	98.00%	**2,736**	2,895	**774**	1,338	**2,681**	2,838	**759**	1,311
MRV PRIME Viii Inc SPE LTDA.	**99.00%**	99.00%	**6,852**	7,046	**(230)**	1,024	**6,783**	6,976	**(228)**	1,014
MRV PRIME Ix Inc SPE LTDA.	**99.00%**	99.00%	**6,421**	5,864	**609**	638	**6,357**	5,805	**603**	632
MRV PRIME Xi SPE LTDA.	**97.00%**	97.00%	**8,799**	7,542	**994**	(53)	**8,535**	7,316	**964**	(51)
MRV PRIME Xii SPE LTDA.	**99.00%**	99.00%	**3,956**	3,185	**706**	(97)	**3,917**	3,153	**699**	(96)
MRV PRIME Xvii SPE LTDA.	**65.00%**	65.00%	**12,062**	10,959	**708**	835	**7,840**	7,123	**460**	543
MRV PRIME Xviii Inc SPE LTDA.	**98.00%**	98.00%	**19,259**	19,617	**217**	991	**18,874**	19,225	**213**	971
MRV PRIME Xx Inc. Sp SPE LTDA.	**97.00%**	97.00%	**8,238**	8,465	**1,026**	1,134	**7,991**	8,211	**995**	1,100
MRV PRIME Xxi Inc SPE LTDA.	**65.00%**	65.00%	**10,821**	8,038	**1,751**	896	**7,034**	5,225	**1,138**	582
MRV PRIME Xxii Incor SPE LTDA.	**99.00%**	99.00%	**4,767**	4,496	**814**	193	**4,719**	4,451	**806**	191
MRV PRIME Xxiii Inco SPE LTDA.	**97.00%**	97.00%	**5,903**	6,032	**673**	71	**5,726**	5,851	**653**	69
MRV PRIME Xxix Incor SPE LTDA.	**99.00%**	99.00%	**12,410**	12,276	**970**	3,469	**12,286**	12,153	**960**	3,434
MRV PRIME Xxx Incorp SPE LTDA.	**99.00%**	99.00%	**15,835**	15,580	**1,526**	3,266	**15,677**	15,424	**1,511**	3,233
MRV PRIME Xxxi Incor SPE LTDA.	**99.00%**	99.00%	**14,952**	14,485	**1,413**	3,665	**14,803**	14,340	**1,399**	3,628
MRV PRIME Xxxii Inco SPE LTDA.	**99.00%**	99.00%	**6,879**	7,166	**432**	1,326	**6,810**	7,094	**428**	1,313
MRV PRIME Xxxiv Inco SPE LTDA.	**99.00%**	99.00%	**2,748**	1,870	**576**	-	**2,721**	1,852	**570**	-
MRV PRIME Xxxvii In SPE LTDA.	**99.00%**	99.00%	**7,785**	5,315	**838**	-	**7,707**	5,262	**830**	-
MRV PRIME Xxxviii In SPE LTDA.	**99.00%**	99.00%	**8,832**	7,101	**1,876**	(4)	**8,744**	7,030	**1,857**	(4)
Nautilus Inc SPE LTDA.	**75.00%**	75.00%	**11,343**	10,163	**1,003**	(514)	**8,507**	7,622	**752**	(386)
Paladium SPE LTDA.	**99.50%**	99.50%	**2,409**	2,270	**99**	(504)	**2,397**	2,258	**99**	(501)
Parque Apoema Inc SPE LTDA.	**97.00%**	97.00%	**2,907**	2,073	**614**	(61)	**2,819**	2,011	**596**	(59)
Parque Ilha Do Sol I SPE LTDA.	**99.00%**	99.00%	**14,021**	12,412	**1,534**	829	**13,881**	12,288	**1,519**	821
Parque Lagoa Bella SPE LTDA.	**65.00%**	65.00%	**2,725**	3	**979**	-	**1,771**	2	**636**	-
Parque Los Alpes Inc SPE LTDA.	**99.00%**	99.00%	**4,714**	5,347	**1,150**	164	**4,667**	5,294	**1,139**	162
Parque Paradiso Inc SPE LTDA.	**97.00%**	97.00%	**22,479**	18,360	**2,299**	(42)	**21,805**	17,809	**2,230**	(41)
Parque Patagonia Inc SPE LTDA.	**99.00%**	99.00%	**5,167**	4,990	**836**	893	**5,116**	4,940	**828**	884
Parque Petropolis In SPE LTDA.	**70.00%**	70.00%	**8,110**	7,901	**(637)**	(1,928)	**5,677**	5,530	**(446)**	(1,350)
Parque Piazza Venezi SPE LTDA.	**99.00%**	99.00%	**3,298**	3,414	**658**	1,002	**3,265**	3,380	**651**	992
Parque Santa Clara Inc SPE LTDA.	**99.00%**	99.00%	**21,982**	21,367	**8,528**	-	**21,762**	21,154	**8,443**	-
Parque Santa Lucia Incorp. SPE LTDA.	**99.00%**	99.00%	**4,136**	2,461	**1,019**	-	**4,094**	2,436	**1,009**	-
Parque Vila Imperial Inc SPE LTDA.	**75.00%**	75.00%	**3,785**	2,485	**668**	(89)	**2,838**	1,864	**501**	(67)
Parque Xavantes Inc SPE LTDA.	**70.00%**	70.00%	**4,848**	4,416	**1,517**	73	**3,393**	3,091	**1,062**	51
Pq Arkansas Inc. SPE LTDA.	**99.50%**	99.50%	**11,872**	10,109	**1,467**	554	**11,813**	10,059	**1,460**	551
Pq Asteca SPE LTDA.	**99.50%**	99.50%	**759**	800	**(982)**	(1,108)	**755**	796	**(977)**	(1,102)
Pq Piazza Navona SPE LTDA.	**99.40%**	99.40%	**14,073**	14,517	**1,743**	6,856	**13,989**	14,430	**1,733**	6,815
Prive Praia De SPE LTDA.	**60.00%**	60.00%	**3,952**	6,952	**(6,283)**	(796)	**2,371**	4,171	**(3,770)**	(334)
Roc 2 SPE LTDA.	**65.00%**	65.00%	**3,102**	-	**850**	-	**2,017**	-	**553**	-
San Pietro SPE LTDA.	**99.40%**	99.40%	**3,706**	3,219	**1,339**	374	**3,684**	3,200	**1,331**	372
Santos Dumont SPE LTDA.	**98.50%**	98.50%	**5,578**	6,133	**(549)**	595	**5,495**	6,041	**(541)**	586
Spazio Campo B SPE LTDA.	**98.25%**	98.25%	**15,568**	14,618	**1,488**	1,623	**15,296**	14,362	**1,462**	1,595
Spazio Campo G SPE LTDA.	**99.25%**	99.25%	**12,215**	11,854	**2,323**	970	**12,123**	11,765	**2,306**	963
Other 238 SPEs			**460,251**	428,577	**7,204**	1,631	**357,368**	331,404	**5,031**	474
Total subsidiaries - Individual			**1,923,071**	1,876,254	**77,247**	66,643	**1,545,431**	1,505,404	**67,032**	50,960
Total subsidiaries and jointly controlled entities - Individual			**3,337,558**	3,278,773	**77,793**	76,309	**2,244,210**	2,201,024	**64,837**	57,457

b) Changes in investments are as follows:

	Opening balances	Capital / profit subscription (reduction / distribution)	Equity in subsidiaries and jointly controlled entities 1st quarter	Closing balances
Quarter ended March 31, 2014:				
Joint control:				
LOG Commercial Properties e Participações S.A.	280,100	29	1,928	**282,057**
MRL Engenharia e Empreendimentos S.A.	7,243	(10)	909	**8,142**
PRIME Incorporações e Construções S.A.	10,093	-	(5,992)	**4,101**
Other	398,184	5,335	960	**404,479**
Total jointly controlled entities - Individual	695,620	5,354	(2,195)	**698,779**
Elimination of indirect interests	(63,335)	(1,950)	(1,982)	**(65,284)**
Total jointly controlled entities - Consolidated	632,285	3,404	(4,177)	**633,495**
Subsidiaries:				
MDI Desenvolvimento Imobiliário LTDA.	8,358	(264)	115	**8,209**
Urbamais Propriedade e Participações S.A.	1,717	3,000	(234)	**4,483**
Other	1,495,329	(29,741)	67,151	**1,532,739**
Total subsidiaries - Individual	1,505,404	(27,005)	67,032	**1,545,431**
Total subsidiaries and jointly controlled entities - Individual	2,201,024	(21,651)	64,837	**2,244,210**
Quarter ended March 31, 2013:				
Total subsuduaries - Consolidated	553,615	(11,572)	4,168	**546,211**
Total subsidiaries and jointly controlled entities - Individual	2,064,464	8,585	57,457	**2,130,506**

c) The main information on the Company's indirect investments is summarized as follows:

	Total equity interest		Shareholders' equity		Profit (loss) for the 1st quarter	
	03/31/14	12/31/13	03/31/14	12/31/13	2014	2013
LOG Commercial Properties e Participacões S.A.						
Cabral	**18.94%**	18.94%	**104,729**	102,258	**2,472**	262
LDI	**37.87%**	37.87%	**27,638**	27,093	**546**	-
LOG Aracajú	**37.87%**	37.87%	**12,582**	10,316	**(17)**	-
LOG Campos	**37.83%**	37.83%	**43,771**	41,080	**(20)**	(2)
LOG Curitiba	**37.87%**	37.87%	**25,684**	25,598	**(17)**	-
LOG Feira De Santana	**37.87%**	37.87%	**12,809**	23,415	**(108)**	(3)
LOG Fortaleza	**37.87%**	37.87%	**33,839**	33,602	**51**	(4)
LOG Goiânia	**37.83%**	37.83%	**45,559**	45,576	**(35)**	(355)
LOG Hortolândia	**37.87%**	37.87%	**73,902**	74,331	**1,300**	(6)
LOG I	**37.87%**	37.87%	**66,676**	65,755	**2,530**	1,592
LOG II	**37.87%**	37.87%	**20,788**	20,533	**594**	499
LOG Itatiaia	**37.87%**	37.87%	**37,910**	25,561	**(21)**	-
LOG Juiz de Fora	**37.87%**	37.87%	**32,424**	32,396	**3**	(7)
LOG Jundiaí	**37.87%**	37.87%	**36,772**	36,168	**1,197**	855
LOG Londrina	**37.87%**	37.87%	**27,249**	25,630	**(19)**	-
LOG Macae	**37.87%**	37.87%	**13,326**	13,348	**2**	-
LOG Rio	**37.87%**	37.87%	**16,643**	16,600	**(22)**	-
LOG RP	**37.87%**	37.87%	**19,088**	18,991	**(17)**	-
LOG SJC Sony	**37.87%**	37.87%	**54,014**	53,946	**(17)**	-
LOG SJP	**37.87%**	37.87%	**14,785**	15,169	**(386)**	(5)
LOG SJRP	**37.87%**	37.87%	**9,308**	9,308	**(17)**	-
LOG Via Expressa	**37.87%**	37.87%	**63,580**	64,053	**(385)**	(5)
LOG Viana	**37.87%**	37.87%	**60,667**	60,232	**(168)**	(10)
Betim subdivision	**15.03%**	14.81%	**69,741**	69,070	**-**	(1)
Office Park Pirituba	**37.87%**	37.87%	**103,610**	102,042	**(17)**	-
Torino	**15.15%**	15.15%	**183,280**	183,126	**155**	-
Other 2 projects			**660**	(3)	**(6)**	(1)
Total			**1,211,034**	1,195,194	**7,578**	2,809
Prime Incorporações e Construções Ltda.						
Chapada Imperi SPE LTDA.	**18.60%**	18.60%	**5,186**	5,224	**(1,549)**	(1,138)
Citylife/C.Vig SPE LTDA.	**20.70%**	20.70%	**20,052**	20,438	**(1,868)**	(1,981)
Gran Olympus SPE LTDA.	**21.00%**	21.00%	**10,282**	12,999	**(514)**	884
MRPR Empreendimentos Imobiliário LTDA.	**21.00%**	21.00%	**348**	450	**(101)**	178
MRV PRIME Xix Inc SPE LTDA.	**21.00%**	21.00%	**5,440**	3,669	**1,698**	(78)
Parque Sevilha SPE LTDA.	**21.00%**	21.00%	**12,111**	10,894	**825**	629
Pq Cast Monaco SPE LTDA.	**21.00%**	21.00%	**19,692**	16,585	**837**	692
Pq Castelo De Lu SPE LTDA.	**21.00%**	21.00%	**23,835**	25,046	**(4,113)**	306
Pq Chap Guimarães SPE LTDA.	**18.00%**	18.00%	**12,709**	11,328	**(723)**	(2,254)
Pq Chapada Dia SPE LTDA.	**19.80%**	19.80%	**21,008**	18,202	**2,887**	1,223
SCP Ecov (Arag,S. Dourada)	**18.00%**	18.00%	**26,952**	29,416	**(28)**	(883)
SCP Spazio Classique	**21.00%**	21.00%	**9,312**	8,602	**(1,497)**	(1,940)
Taguatinga QI SPE LTDA.	**15.00%**	15.00%	**10,640**	12,673	**48**	(1,520)
Top Taguatinga LI SPE LTDA.	**18.00%**	18.00%	**64,569**	78,185	**(7,860)**	7,303
Top Taguatinga SPE LTDA.	**18.00%**	18.00%	**87,273**	79,677	**(31)**	4,758
Village Gran Castel SPE LTDA.	**21.00%**	21.00%	**7,437**	6,545	**849**	73
Other 36 projects			**83,483**	84,689	**(724)**	(1,083)
Total			**420,329**	424,622	**(11,864)**	5,169

	Total equity interest		Shareholders' equity		Profit (loss) for the 1st quarter	
	03/31/14	12/31/13	03/31/14	12/31/13	2014	2013
MRL Engenharia e Empreendimentos S.A.						
MRV MRL Xiv SPE LTDA.	**11.28%**	11.30%	**22,318**	25,577	**4,784**	3,694
MRV MRL Xv SPE LTDA.	**13.16%**	13.18%	**10,856**	6,896	**1,255**	(63)
MRV MRL Xviii SPE LTDA.	**13.16%**	13.18%	**18,761**	16,169	**1,602**	960
SCP Reality e Renovare	**6.39%**	6.40%	**9,164**	6,203	**1,010**	3,251
SCP Richmond Cond.	**11.28%**	11.30%	**7,370**	7,162	**1,002**	(1,165)
SCP Royal Palms Club	**11.28%**	11.30%	**8,217**	6,505	**1,545**	1,000
SCP Tingui	**6.01%**	6.02%	**(33)**	(139)	**(55)**	(1,709)
Other 30 projects			**97,962**	96,603	**976**	306
Total			**174,615**	164,976	**12,119**	6,274

d) Total balances of balance sheet accounts and profit or loss accounts of direct or indirect jointly controlled entities included in the consolidated interim financial statements information are summarized as follows:

	Assets					
	Current assets		Noncurrent assets		Total assets	
	03/31/14	12/31/13	03/31/14	12/31/13	03/31/14	12/31/13
Companies						
LOG Commercial Properties e Participações S.A.	**106,394**	178,759	**1,523,253**	1,447,528	**1,629,647**	1,626,287
MRL Engenharia e Empreendimentos S.A.	**26,187**	27,600	**128,825**	124,293	**155,011**	151,892
PRIME Incorporações e Construções S.A.	**36,597**	10,917	**197,916**	196,901	**234,513**	207,818
MRPR Empreendimentos Imobiliário LTDA.	**530**	627	**16**	17	**546**	644
SCP Ecov (Arag,S. Dourada)	**27,024**	30,726	**2,354**	2,377	**29,378**	33,103
SCP Reality e Renovare	**23,437**	29,563	**44**	44	**23,481**	29,607
SCP Richmond Cond.	**6,001**	6,740	**2,757**	2,771	**8,758**	9,511
SCP Royal Palms Club	**8,747**	8,347	**10,461**	10,480	**19,208**	18,827
SCP Spazio Classique	**972**	1,568	**10,295**	10,298	**11,267**	11,866
SCP Tingui	**324**	305	**18**	19	**342**	324
Other 39 silent partnerships	**92,302**	91,738	**53,563**	65,457	**145,865**	157,195
Chapada Imperi SPE LTDA.	**5,445**	6,339	**668**	678	**6,113**	7,017
Citylife/C.Vig SPE LTDA.	**5,018**	6,374	**17,584**	17,592	**22,602**	23,966
Gran Olympus SPE LTDA.	**15,042**	19,073	**1,110**	1,115	**16,152**	20,188
MRV MRL Xiv SPE LTDA.	**20,530**	24,008	**6,150**	6,138	**26,680**	30,146
MRV MRL Xv SPE LTDA.	**14,311**	10,344	**3,943**	3,974	**18,254**	14,318
MRV MRL Xviii SPE LTDA.	**18,378**	15,749	**4,642**	4,630	**23,020**	20,379
MRV Patrim Gal LTDA.	**72,921**	46,867	**8,509**	1,131	**81,430**	47,998
MRV PRIME Xix Inc SPE LTDA.	**9,341**	6,731	**342**	337	**9,683**	7,068
Parque Sevilha SPE LTDA.	**22,209**	22,594	**340**	377	**22,549**	22,971
Pq Cast Monaco SPE LTDA.	**31,520**	27,029	**5,104**	5,323	**36,624**	32,352
Pq Castelo De Lu SPE LTDA.	**(4,810)**	(1,939)	**32,999**	33,058	**28,189**	31,119
Pq Chap Guimarães SPE LTDA.	**11,286**	11,055	**7,604**	7,550	**18,890**	18,605
Pq Chapada Dia SPE LTDA.	**29,558**	29,583	**1,005**	1,189	**30,563**	30,772
Taguatinga QI SPE LTDA.	**12,107**	13,741	**1,052**	712	**13,159**	14,453
Top Taguatinga LI SPE LTDA.	**24,428**	30,923	**64,276**	65,271	**88,704**	96,194
Top Taguatinga SPE LTDA.	**106,460**	94,935	**40,657**	40,703	**147,117**	135,638
Village Gran Castel SPE LTDA.	**14,178**	12,709	**1,490**	1,491	**15,668**	14,200
Other 20 SPEs	**105,750**	103,151	**25,251**	24,571	**131,001**	127,722
Total	**842,186**	866,156	**2,152,228**	2,076,024	**2,994,414**	2,942,180

	Liabilities and shareholders' equity							
	Current liabilities		Noncurrent liabilities		Shareholders' equity		Liabilities and shareholders' equity	
	03/31/14	12/31/13	03/31/14	12/31/13	03/31/14	12/31/13	03/31/14	12/31/13
Companies								
LOG Commercial Properties e Participações S.A.	**233,292**	357,307	**651,202**	528,995	**745,153**	739,985	**1,629,647**	1,626,287
MRL Engenharia e Empreendimentos S.A.	**21,946**	24,739	**111,406**	107,914	**21,659**	19,239	**155,011**	151,892
PRIME Incorporações e Construções S.A.	**38,155**	31,938	**189,523**	159,057	**6,835**	16,822	**234,513**	207,818
MRPR Empreendimentos Imobiliário LTDA.	**197**	194	**-**	-	**348**	450	**546**	644
SCP Ecov (Arag,S. Dourada)	**2,827**	3,508	**(401)**	179	**26,952**	29,416	**29,378**	33,103
SCP Reality e Renovare	**2,323**	2,466	**11,994**	20,938	**9,164**	6,203	**23,481**	29,607
SCP Richmond Cond.	**780**	1,116	**608**	1,233	**7,370**	7,162	**8,758**	9,511
SCP Royal Palms Club	**5,040**	5,131	**5,951**	7,191	**8,217**	6,505	**19,208**	18,827
SCP Spazio Classique	**951**	1,823	**1,004**	1,441	**9,312**	8,602	**11,267**	11,866
SCP Tingui	**376**	463	**(1)**	-	**(33)**	(139)	**342**	324
Other 39 silent partnerships	**18,715**	20,257	**10,612**	19,164	**116,538**	117,774	**145,865**	157,195
Chapada Imperi SPE LTDA.	**702**	1,204	**225**	589	**5,186**	5,224	**6,113**	7,017
Citylife/C.Vig SPE LTDA.	**1,044**	1,798	**1,506**	1,730	**20,052**	20,438	**22,602**	23,966
Gran Olympus SPE LTDA.	**5,831**	6,275	**39**	914	**10,282**	12,999	**16,152**	20,188
MRV MRL Xiv SPE LTDA.	**3,642**	3,913	**720**	656	**22,318**	25,577	**26,680**	30,146
MRV MRL Xv SPE LTDA.	**6,172**	6,335	**1,226**	1,087	**10,856**	6,896	**18,254**	14,318
MRV MRL Xviii SPE LTDA.	**3,874**	3,861	**385**	349	**18,761**	16,169	**23,020**	20,379
MRV Patrim Gal LTDA.	**3,340**	2,905	**25,828**	431	**52,262**	44,662	**81,430**	47,998
MRV PRIME Xix Inc SPE LTDA.	**1,374**	729	**2,869**	2,670	**5,440**	3,669	**9,683**	7,068
Parque Sevilha SPE LTDA.	**4,404**	4,169	**6,034**	7,908	**12,111**	10,894	**22,549**	22,971
Pq Cast Monaco SPE LTDA.	**5,738**	7,201	**11,194**	8,566	**19,692**	16,585	**36,624**	32,352
Pq Castelo De Lu SPE LTDA.	**1,863**	2,493	**2,491**	3,580	**23,835**	25,046	**28,189**	31,119
Pq Chap Guimarães SPE LTDA.	**1,190**	1,883	**4,991**	5,394	**12,709**	11,328	**18,890**	18,605
Pq Chapada Dia SPE LTDA.	**6,090**	6,406	**3,465**	6,164	**21,008**	18,202	**30,563**	30,772
Taguatinga QI SPE LTDA.	**1,943**	1,035	**576**	745	**10,640**	12,673	**13,159**	14,453
Top Taguatinga LI SPE LTDA.	**12,694**	7,924	**11,441**	10,085	**64,569**	78,185	**88,704**	96,194
Top Taguatinga SPE LTDA.	**18,988**	8,219	**40,856**	47,742	**87,273**	79,677	**147,117**	135,638
Village Gran Castel SPE LTDA.	**3,572**	3,573	**4,659**	4,082	**7,437**	6,545	**15,668**	14,200
Other 20 SPEs	**41,344**	40,109	**31,116**	31,882	**58,541**	55,731	**131,001**	127,722
Total	**448,407**	558,974	**1,131,520**	980,686	**1,414,487**	1,402,519	**2,994,414**	2,942,180

	Operating revenue		Cost of properties sold		Operating income (expenses)		Financial income (expenses)		Income tax and social contribution		Net income (loss)	
	1st quarter		1st quarter		1st quarter		1st quarter		1st quarter		1st quarter	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Companies												
LOG Commercial Properties e Participações S.A.	**13,946**	9,239	**(1,816)**	(2,695)	**(3,125)**	(3,118)	**(3,602)**	(2,262)	**(311)**	(37)	**5,092**	1,127
MRL Engenharia e Empreendimentos S.A.	**-**	(20)	**-**	-	**5,481**	3,669	**(3,062)**	(2,186)	**-**	-	**2,419**	1,462
PRIME Incorporações e Construções S.A.	**-**	-	**-**	-	**(4,167)**	(1,306)	**(5,793)**	(3,309)	**(27)**	(104)	**(9,987)**	(4,718)
MRPR Empreendimentos Imobiliário LTDA.	**-**	-	**-**	-	**(106)**	(41)	**5**	221	**-**	(2)	**(101)**	178
SCP Ecov (Arag,S. Dourada)	**1,229**	3,895	**(1,026)**	(4,318)	**(359)**	(383)	**121**	70	**7**	(147)	**(28)**	(883)
SCP Reality e Renovare	**5,519**	9,174	**(4,380)**	(5,347)	**(110)**	(280)	**89**	(368)	**(108)**	72	**1,010**	3,251
SCP Richmond Cond.	**2,171**	730	**(1,157)**	(1,862)	**(83)**	(15)	**133**	1	**(62)**	(19)	**1,002**	(1,165)
SCP Royal Palms Club	**4,298**	4,951	**(2,704)**	(3,914)	**(16)**	(81)	**57**	34	**(90)**	10	**1,545**	1,000
SCP Spazio Classique	**564**	731	**(2,078)**	(2,274)	**(52)**	(368)	**50**	(3)	**19**	(26)	**(1,497)**	(1,940)
SCP Tingui	**-**	-	**(116)**	(1,699)	**(6)**	(6)	**67**	(4)	**-**	-	**(55)**	(1,709)
Other 39 silent partnerships	**13,958**	25,905	**(13,084)**	(23,407)	**(936)**	(1,762)	**704**	296	**(312)**	(425)	**330**	607
Chapada Imperi SPE LTDA.	**142**	996	**(1,677)**	(2,087)	**(38)**	(78)	**18**	63	**6**	(32)	**(1,549)**	(1,138)
Citylife/C.Vig SPE LTDA.	**2,134**	1,063	**(4,030)**	(2,668)	**(241)**	(331)	**112**	(2)	**157**	(43)	**(1,868)**	(1,981)
Gran Olympus SPE LTDA.	**(41)**	4,029	**(237)**	(3,013)	**(116)**	(140)	**55**	21	**(175)**	(13)	**(514)**	884
MRV MRL Xiv SPE LTDA.	**8,977**	8,835	**(4,031)**	(4,544)	**(60)**	(313)	**113**	(3)	**(215)**	(281)	**4,784**	3,694
MRV MRL Xv SPE LTDA.	**4,002**	-	**(2,318)**	-	**(372)**	(62)	**2**	(1)	**(59)**	-	**1,255**	(63)
MRV MRL Xiii SPE LTDA.	**5,634**	2,586	**(3,624)**	(1,492)	**(284)**	(126)	**(13)**	1	**(111)**	(9)	**1,602**	960
MRV Patrim Gal LTDA.	**13,511**	-	**(8,973)**	-	**(1,809)**	-	**(20)**	-	**(355)**	-	**2,354**	-
MRV PRIME Xix Inc SPE LTDA.	**3,728**	17	**(1,988)**	(11)	**(61)**	(83)	**5**	-	**14**	(1)	**1,698**	(78)
Parque Sevilha SPE LTDA.	**5,585**	3,305	**(4,596)**	(2,476)	**(261)**	(191)	**80**	24	**17**	(33)	**825**	629
Pq Cast Monaco SPE LTDA.	**6,547**	3,475	**(5,135)**	(2,275)	**(476)**	(581)	**25**	1	**(124)**	72	**837**	692
Pq Castelo De Lu SPE LTDA.	**703**	5,993	**(4,668)**	(4,567)	**(218)**	(967)	**28**	21	**42**	(174)	**(4,113)**	306
Pq Chap Guimarães SPE LTDA.	**186**	551	**(903)**	(2,757)	**(37)**	(68)	**27**	9	**4**	11	**(723)**	(2,254)
Pq Chapada Dia SPE LTDA.	**7,324**	5,145	**(4,300)**	(3,583)	**(220)**	(247)	**57**	12	**26**	(104)	**2,887**	1,223
Taguatinga QI SPE LTDA.	**298**	(41)	**(362)**	(1,513)	**(87)**	(18)	**145**	91	**54**	(39)	**48**	(1,520)
Top Taguatinga LI SPE LTDA.	**2,395**	18,641	**(9,723)**	(10,515)	**(597)**	(584)	**7**	91	**58**	(330)	**(7,860)**	7,303
Top Taguatinga SPE LTDA.	**9,177**	12,865	**(9,109)**	(7,594)	**(316)**	(730)	**322**	383	**(105)**	(166)	**(31)**	4,758
Village Gran Castel SPE LTDA.	**4,043**	1,347	**(3,055)**	(964)	**(131)**	(281)	**22**	2	**(30)**	(31)	**849**	73
Other 20 SPEs	**4,492**	2,012	**(3,241)**	(2,764)	**(960)**	(496)	**123**	200	**(79)**	25	**335**	(1,023)
Total	**120,522**	125,423	**(98,331)**	(98,339)	**(9,763)**	(8,987)	**(10,123)**	(6,608)	**(1,759)**	(1,826)	**546**	9,676

Note: some percentages and other amounts of disclosed in (a) to (d) in all tables above have been rounded to facilitate their presentation. Thus, some totals presented in the tables may not represent the exact arithmetical sum of the amounts above.

On the recognition of results from equity participation in subsidiary MDI and LOG, unrealized earnings are eliminated because of the land sales and receivables assignment transactions by MDI and the Company to LOG. The effects, at March 31 2014 and December 31, 2013 are as follows:

	Unrealized earnings	
	03/31/14	12/31/13
Land sale and receivables assignment amount	**21,651**	21,651
Cost of land purchase	**(7,106)**	(7,106)
Taxes levied on the transaction	**(1,434)**	(1,434)
Total unrealized earnings eliminated	**13,111**	13,111

The asset percentages related to the Company's projects are included in the merger equity segregation frameworks, at March 31, 2014 and December 31, 2013 are as follows:

	03/31/14		12/31/13	
Projects with equity segregation under Law 10931/04	**5,021,546**	**50.62%**	4,904,073	48.08%
Silent partnerships (SCPs)	**574,467**	**5.79%**	614,740	6.03%
Special Purpose Entities (SPEs)	**797,343**	**8.04%**	932,926	9.15%
Other entities	**30,871**	**0.31%**	26,552	0.26%
Projects with segregation	**6,424,227**	**64.76%**	6,478,291	63.52%
Projects without segregation	**3,426,295**	**34.54%**	3,720,158	36.48%
Total Consolidated	**9,920,522**	**100.00%**	10,198,449	100.00%

The other information on investment is not significantly different from the information disclosed in note 8 to the financial statements for the year ended December 31, 2013.

9. Property and equipment

The breakdown of property and equipment as at March 31, 2014 and December 31, 2013 is as follows:

	03/31/14			12/31/13
	Cost	Accumulated depreciation	Net	Net
Individual:				
Buildings	**21,967**	**(11,081)**	**10,886**	11,650
Aircraft and vehicles	**8,206**	**(1,319)**	**6,887**	6,961
Machinery and equipment	**35,389**	**(5,457)**	**29,932**	31,355
Furniture and fixtures	**4,767**	**(2,209)**	**2,558**	2,704
IT equipment and installations	**5,225**	**(4,174)**	**1,051**	1,121
Sales booths and model apartments	**16,051**	**(10,070)**	**5,981**	7,278
Construction in progress	**6,665**	**-**	**6,665**	4,088
Total	**98,270**	**(34,310)**	**63,960**	65,157
Consolidated:				
Buildings	**24,370**	**(12,335)**	**12,035**	12,828
Aircraft and vehicles	**8,229**	**(1,336)**	**6,893**	6,968
Machinery and equipment	**41,224**	**(6,525)**	**34,699**	36,318
Furniture and fixtures	**5,016**	**(2,269)**	**2,747**	2,919
IT equipment and installations	**5,366**	**(4,265)**	**1,101**	1,175
Sales booths and model apartments	**30,982**	**(18,741)**	**12,241**	14,804
Construction in progress	**8,342**	**-**	**8,342**	4,811
Total	**123,529**	**(45,471)**	**78,058**	79,823

The movements in consolidated property and equipment are as follows:

	Consolidated				
	Initial	Additions	Write-off	Transfer	Final
Quarter ended March 31, 2014:					
Cost:					
Buildings	23,167	**984**	**(553)**	**772**	**24,370**
Aircraft and vehicles in use	8,229	**-**	**-**	**-**	**8,229**
Machinery and equipment	42,497	**115**	**(1,389)**	**1**	**41,224**
Furniture and fixtures	5,086	**-**	**(69)**	**(1)**	**5,016**
IT equipment and installations	5,609	**6**	**(249)**	**-**	**5,366**
Sales booths and model apartments	33,702	**805**	**(3,472)**	**(53)**	**30,982**
Construction in progress	4,811	**4,408**	**(158)**	**(719)**	**8,342**
Total cost	123,101	**6,318**	**(5,890)**	**-**	**123,529**
Accumulated depreciation:					
Buildings	10,339	**2,482**	**(486)**	**-**	**12,335**
Aircraft and vehicles in use	1,261	**75**	**-**	**-**	**1,336**
Machinery and equipment	6,179	**776**	**(430)**	**-**	**6,525**
Furniture and fixtures	2,167	**123**	**(21)**	**-**	**2,269**
IT equipment and installations	4,434	**75**	**(244)**	**-**	**4,265**
Sales booths and model apartments	18,898	**3,315**	**(3,472)**	**-**	**18,741**
Total accumulated depreciation	43,278	**6,846**	**(4,653)**	**-**	**45,471**
Total property and equipment, net	79,823	**(528)**	**(1,237)**	**-**	**78,058**
Quarter ended March 31, 2013					
Total property and equipment, net	86,346	(357)	(1,191)	-	84,798

As at March 31, 2014, the Company's management concluded that there were no indications of impairment of its tangible assets with finite useful lives, as none of the loss indicators set out in CPC 01 (R1), paragraphs 10 and 12, was evidenced.

The other information on property and equipment is not significantly different from the information disclosed in note 9 to the financial statements for the year ended December 31, 2013.

10. Intangible assets

The breakdown of intangible assets as at March 31, 2014 and December 31, 2013 is as follows:

	03/31/14			12/31/13
	Cost	Accumulated depreciation	Net	Net
Individual:				
Software development	**30,043**	**(11,893)**	**18,150**	15,282
Software license	**40,221**	**(23,900)**	**16,321**	15,107
Intangibles under development	**13,552**	**-**	**13,552**	17,110
Total	**83,816**	**(35,793)**	**48,023**	47,499
Consolidated:				
Software development	**30,043**	**(11,894)**	**18,149**	15,281
Software license	**40,234**	**(23,911)**	**16,323**	15,109
Intangibles under development	**13,565**	**-**	**13,565**	17,110
Total	**83,842**	**(35,805)**	**48,037**	47,500

The movements in consolidated intangible assets are as follows:

	Consolidated			
	Initial	Additions	Transfer	Final
Quarter ended March 31, 2014:				
Cost:				
Software development	25,924	-	**4,119**	**30,043**
Software license	37,288	**622**	**2,324**	**40,234**
Intangibles under development	17,110	**2,898**	**(6,443)**	**13,565**
Total cost	80,322	**3,520**	**-**	**83,842**
Accumulated amortization:				
Software development	10,643	**1,251**	**-**	**11,894**
Software license	22,179	**1,732**	**-**	**23,911**
Total accumulated amortization	32,822	**2,983**	**-**	**35,805**
Total intangible assets	47,500	**537**	**-**	**48,037**
Quarter ended March 31, 2013				
Total intangible assets	41,087	1,037	-	42,124

As at March 31, 2014, the Company's management concluded that there were no indications of impairment of its intangible assets with finite useful lives, as none of the loss indicators set out in CPC 01 (R1), paragraphs 10 and 12, was evidenced.

The other information on intangible assets is not significantly different from the information disclosed in note 10 to the financial statements for the year ended December 31, 2013.

11. Loans, financing and debentures

	Individual		Consolidated	
	03/31/14	12/31/13	03/31/14	12/31/13
Leases	**4,848**	5,980	**4,848**	5,980
Debentures (a)	**1,283,032**	1,545,738	**1,283,032**	1,545,738
Loans and financing (b)	**1,050,540**	1,093,727	**1,407,807**	1,476,193
(-) Financing cost	**(8,685)**	(10,188)	**(8,685)**	(10,188)
Total (c)	**2,329,735**	2,635,257	**2,687,002**	3,017,723
Current	**490,926**	659,464	**599,322**	774,692
Noncurrent	**1,838,809**	1,975,793	**2,087,680**	2,243,031

Summary of main features:

(a) Debentures:

The Company issued simple, nonconvertible, registered, book-entry, unsecured debentures.

The breakdown of debentures per maturity (period after the end of the reporting period) is as follows:

	Individual and Consolidated				
	03/31/14				12/31/13
	4th issue	5th issue	6th issue	Total	Total
Amortization:					
12 months	**127,056**	**13,621**	**22,355**	**163,032**	425,738
13 to 24 months	**120,000**	**250,000**	**-**	**370,000**	370,000
25 to 36 months	**-**	**250,000**	**250,000**	**500,000**	500,000
37 to 48 months	**-**	**-**	**250,000**	**250,000**	250,000
Total	**247,056**	**513,621**	**522,355**	**1,283,032**	1,545,738
Costs:					
12 months	**(521)**	**(504)**	**(767)**	**(1,792)**	(1,950)
13 to 24 months	**(348)**	**(505)**	**(767)**	**(1,620)**	(1,751)
25 to 36 months	**-**	**(126)**	**(769)**	**(895)**	(1,021)
37 to 48 months	**-**	**-**	**(65)**	**(65)**	(256)
Total	**(869)**	**(1,135)**	**(2,368)**	**(4,372)**	(4,978)
Total net	**246,187**	**512,486**	**519,987**	**1,278,660**	1,540,760

In the first quarter of 2014, the Company settled the 3rd issue of debentures, for R$272,320.

The main features of the Company's debentures are as follows:

Issue	Date	Series	Number	Amount	Contractual rates	Effective rate	Maturity	Charge payment
4th	12/23/2010	single	300	300,000	TR + 8.25% p.a.(*)	TR + 8.42% p.a. (*)	12/13 to 12/15 (**)	Semiannual
5th	7/15/2011	single	500,000	500,000	CDI + 1.50% p.a.	CDI + 1.60% p.a.	07/15 and 07/16	Semiannual
6th	5/3/2012	single	500,000	500,000	CDI + 1.50% p.a.	CDI + 1.65% p.a.	05/16 and 05/17	Semiannual

(*) The spread for projects with a marketing value higher than the value set by the FGTS Board is 10.25% p.a.
(**) Semiannual maturities.

(b) Loans and financing:

As at March 31, 2014 and December 31, 2013, loans and financing are broken down as follows:

	Individual		Consolidated	
	03/31/14	12/31/13	03/31/14	12/31/13
Type				
Bank credit notes	**148,907**	167,471	**148,907**	167,471
Working capital	**418,038**	421,611	**418,038**	421,611
Construction financing	**479,992**	500,894	**837,259**	883,360
FINAME financing	**3,603**	3,751	**3,603**	3,751
	1,050,540	1,093,727	**1,407,807**	1,476,193
(-) Financing cost	**(4,313)**	(5,210)	**(4,313)**	(5,210)
Total	**1,046,227**	1,088,517	**1,403,494**	1,470,983

As at March 31, 2014, the main terms and conditions of loans and financing are as follows:

Individual and Consolidated			
Type	**Maturity**	**Index**	**Contractual rates**
Bank credit notes	Quarterly 3/13 to 3/15	CDI	1.15% p.a.
Working capital	Semiannual 12/15 to 06/17	111% of CDI	-
Working capital	Sundry 12/13 to 7/15	CDI	1.40% and 1.45% p.a.
Construction financing	Sundry 1/12 to 12/18	TR	8.00% to 10.50% p.a.
FINAME financing	Monthly 10/10 to 04/20	Fixed rate	4.50% p.a.

As at March 31, 2014 and December 31, 2013, loans and financing are broken down as follows:

	Individual		Consolidated	
After the reporting period	**03/31/14**	**12/31/13**	**03/31/14**	**12/31/13**
12 months	**325,412**	230,866	**433,808**	346,094
13 to 24 months	**449,954**	594,345	**608,647**	763,725
25 to 36 months	**228,875**	220,683	**318,837**	318,391
37 to 48 months	**40,754**	41,243	**40,970**	41,393
After 48 months	**1,232**	1,380	**1,232**	1,380
Total	**1,046,227**	1,088,517	**1,403,494**	1,470,983

(c) Breakdown of loans, financing, leases and debentures by maturity:

	Individual		Consolidated	
After the reporting period	**03/31/14**	**12/31/13**	**03/31/14**	**12/31/13**
12 months	**490,926**	659,464	**599,322**	774,692
13 to 24 months	**818,908**	963,764	**977,601**	1,133,144
25 to 36 months	**727,980**	719,662	**817,942**	817,370
37 to 48 months	**290,689**	290,987	**290,905**	291,137
After 48 months	**1,232**	1,380	**1,232**	1,380
Total	**2,329,735**	2,635,257	**2,687,002**	3,017,723

(d) Contractual obligations

As at March 31, 2014, the Company is compliant with all the contractual requirements involving financial ratios of the loan, financing and debenture agreements.

(e) Allocation of financial charges

Financial expenses on loans, financing and debentures are capitalized and charged to the cost of each project or capitalized in property and equipment according to the criterion described in note 2.2 (c) to the financial statements at December 31, 2013.

	Individual		Consolidated	
	1st quarter of		1st quarter of	
	2014	2013	2014	2013
Gross financial charges	**61,150**	51,931	**68,808**	59,567
Capitalized financial charges	**(36,009)**	(32,762)	**(43,801)**	(38,272)
Amounts recognized in financial income (expenses) (note 25)	**25,141**	19,169	**25,007**	21,295
Financial charges allocated to real state under construction				
Opening balance	**106,515**	75,294	**107,407**	78,794
Capitalized financial charges	**36,009**	32,762	**43,801**	38,272
Charges allocated to profit or loss in cost of properties sold and service (note 24)	**(24,066)**	(27,876)	**(31,398)**	(35,667)
Closing balance	**118,458**	80,180	**119,810**	81,399

In the quarter ended March 31, 2014, total capitalized loans, financing and debentures represented an average charge rate of 10.45% per annum (8.84% per annum in the quarter ended March 31, 2013).

Financial charges on loans, financing and debentures related to construction are capitalized to the cost of each project and recorded in the income statement according to the criterion used for revenue recognition.

The other information on loans, financing and debentures is not significantly different from the information disclosed in note 11 to the financial statements for the year ended December 31, 2013.

12. Leases

The other information on leases is not significantly different from the information disclosed in note 12 to the financial statements for the year ended December 31, 2013.

13. Land payables

	Individual		Consolidated	
	03/31/14	12/31/13	03/31/14	12/31/13
Credit purchases	**473,257**	379,913	**686,446**	559,095
Discount to present value	**(2,911)**	(695)	**(2,930)**	(2,239)
Total	**470,346**	379,218	**683,516**	556,856
Current	**243,819**	224,741	**329,970**	292,495
Noncurrent	**226,527**	154,477	**353,546**	264,361

Maturities are broken down as follows:

After the reporting period	Individual		Consolidated	
	03/31/14	12/31/13	03/31/14	12/31/13
12 months	**243,819**	224,741	**329,970**	292,495
13 to 24 months	**46,720**	30,138	**61,250**	38,438
25 to 36 months	**31,011**	3,943	**34,344**	8,918
37 to 48 months	**147,689**	2,961	**256,844**	5,461
After 48 months	**1,107**	117,435	**1,108**	211,544
	470,346	379,218	**683,516**	556,856

The other information on land payables did not change significantly in relation to the information disclosed in note 13 to the financial statements for the year ended December 31, 2013.

14. Advances from customers

	Individual		Consolidated	
	03/31/14	12/31/13	03/31/14	12/31/13
Advanced receivables	**229,877**	248,820	**353,704**	396,873
Advances for barters	**613,021**	656,712	**1,032,286**	1,112,977
	842,898	905,532	**1,385,990**	1,509,850
Current	**618,698**	642,919	**913,773**	933,464
Noncurrent	**224,200**	262,613	**472,217**	576,386

Advances from customers are broken down as follows:

After the reporting period	Individual		Consolidated	
	03/31/14	12/31/13	03/31/14	12/31/13
12 months	**618,698**	642,919	**913,773**	933,464
13 to 24 months	**158,016**	168,254	**329,312**	365,079
After 24 months	**66,184**	94,359	**142,905**	211,307
Total	**842,898**	905,532	**1,385,990**	1,509,850

Bank guarantees provided for barter arrangements are summarized as follows:

After the reporting period	03/31/14	12/31/13
12 months	**163,113**	187,004
13 to 24 months	**51,064**	25,350
25 to 36 months	**26,440**	19,506
	240,617	231,860

Further to bank guarantees, customer advances are insured by a property delivery guarantee, as described in note 29.

The other information on advances from customers is not significantly different from the information disclosed in note 14 to the financial statements for the year ended December 31, 2013.

15. Payroll and related taxes

	Individual		Consolidated	
	03/31/14	**12/31/13**	**03/31/14**	**12/31/13**
Salaries and wages	**17,282**	15,381	**23,363**	19,035
Payroll taxes	**12,092**	11,643	**15,522**	14,064
Accrued vacation, 13th salary and related taxes	**40,995**	30,909	**57,440**	42,686
Provision of employee and management profit sharing	**14,117**	12,986	**14,117**	12,986
Other	**3,577**	2,698	**4,454**	3,141
Total	**88,063**	73,617	**114,896**	91,912

Employee and management profit sharing, as provided for by prevailing legislation, can be either under voluntary programs maintained by the Company and subsidiaries or agreements with employees or labor unions.

16. Taxes payable

	Individual		Consolidated	
	03/31/14	**12/31/13**	**03/31/14**	**12/31/13**
Income tax and social contribution	**3,715**	6,016	**9,854**	12,459
Taxes on revenue (PIS and COFINS)	**1,772**	12,309	**9,675**	20,315
Withheld third-party taxes	**2,609**	3,054	**7,071**	7,304
Taxes withheld on interest on capital	**4,318**	5,365	**5,294**	6,480
Other	**375**	1,368	**907**	1,887
Total	**12,789**	28,112	**32,801**	48,445

As at March 31, 2014, the amounts of recoverable taxes essentially arising from tax credits on the inventory of costs incurred on units sold (PIS and COFINS), short-term investments and intercompany loans (withholding income tax) are R$106,975 (R$94,515 at December 31, 2013), Individual, and R$123,224 (R$111,715 at December 31, 2013), on a consolidated basis, are classified in line item 'Recoverable taxes', in current assets.

17. Provision for maintenance of real estate

	Individual		Consolidated	
	03/31/14	**12/31/13**	**03/31/14**	**12/31/13**
Current	**20,402**	18,844	**33,686**	32,853
Noncurrent	**50,724**	53,521	**86,404**	89,988
Total	**71,126**	72,365	**120,090**	122,841

The movements in the provision for maintenance of real estate are as follows:

	Opening balance	Additions	Write-offs	Transfer	Closing balance
Individual:					
Current	18,844	8,352	(9,591)	2,797	20,402
Noncurrent	53,521	-	-	(2,797)	50,724
Total – 1st quarter of 2014	**72,365**	**8,352**	**(9,591)**	-	**71,126**
Total – 1st quarter of 2013	100,838	7,568	(35,085)	-	73,321
Consolidated:					
Current	32,853	14,306	(17,057)	3,584	33,686
Noncurrent	89,988	-	-	(3,584)	86,404
Total – 1st quarter of 2014	**122,841**	**14,306**	**(17,057)**	-	**120,090**
Total – 1st quarter of 2013	164,537	12,863	(55,893)	-	121,507

They are accrued on an estimated basis, in amounts corresponding to 1.85% of the construction costs as at March 31, 2014 (1.85% at December 31, 2013). At March 31, 2013, the amount accrued for projects in progress was adjusted to reflect the new provision estimate percentage, amounting to R$26,336 in Individual and R$43,401 on a consolidated basis.

The other information on the provision for maintenance of real estate did not change significantly in relation to the information disclosed in note 17 to the financial statements for the year ended December 31, 2013.

18. Provision for civil, labor and tax risks

The movements in provisions are as follows:

	Individual and Consolidated					
	Opening balance	**Additions**	**Reversals**	**Payments**	**Inflation adjustment**	**Closing balance**
Civil	13,394	6,102	(1,120)	(1,881)	445	16,940
Labor	9,913	2,625	(238)	(758)	1,475	13,017
Tax	96	10	(40)	(1)	3	68
Administrative proceedings	-	-	-	-	-	-
Total – 1st quarter of 2014	**23,403**	**8,737**	**(1,398)**	**(2,640)**	**1,923**	**30,025**
Total – 1st quarter of 2013	17,678	4,802	(1,422)	(1,745)	1,125	20,438

The following table shows the total number of the Group's lawsuits, classified by type, and the number of lawsuits with a likelihood of an unfavorable outcome classified as "probable":

	Individual and Consolidated			
	03/31/14		**12/31/13**	
	Total lawsuits	**Probable lawsuits (*)**	**Total lawsuits**	**Probable lawsuits (*)**
Type:				
Civil	**17,435**	**1,216**	14,953	903
Labor	**4,835**	**728**	4,637	766
Tax	**294**	**19**	292	25
Administrative proceedings	**180**	**-**	104	-
Total	**22,744**	**1,963**	19,986	1,694

(*) According to the Company's legal counsel's assessment.

As shown above the main lawsuits as at March 31, 2014 and the additions for the three-month period then ended refer to civil and labor lawsuits, basically related to:

- Civil: actions seeking injunctions/compensation related to the delivery of the units and involving purchase and sale agreements of units sold.
- Labor: lawsuits involving former employees of contractors over which the Company has joint liability.

Civil, labor, tax and administrative proceedings assessed by legal counsel as possible losses, which have the same nature as those described above, total R$75,503 as at March 31, 2014 (R$63,065 at December 31, 2013). In accordance with accounting practices adopted in Brazil and applicable legislation, no provision was recognized for these contingent liabilities.

The other information on provisions for civil, labor and tax risks is not significantly different from the information disclosed in note 18 to the financial statements for the year ended December 31, 2013.

19. Related-party transactions

(a) Short-term investments

The Company and the subsidiaries and joint ventures designated below held investments in Bank Certificates of Deposit (CDB) in Intermedium Crédito Financiamento e Investimento S.A. (Intermedium), a company controlled by shareholders Rubens Menin Teixeira de Souza (Company owner) and Marcos Alberto Cabaleiro Fernandez. These investments amounts are as follows:

Balances:	Index	03/31/14	12/31/13
Subsidiaries:			
MDI Desenvolvimento Imobiliário Ltda.	111.15% CDI	**12,191**	11,726
Urbamais Properties e Participações S.A.	111.18% CDI	**5,920**	1,728
Joint ventures:			
LOG Commercial Properties e Participações S.A.	110.99% CDI	**31,595**	42,834
Cabral Investimentos SPE Ltda.	110.39% CDI	**4,798**	-
Other related parties:			
MRV Engenharia e Participações S.A.	111.11% CDI	**41,152**	43,264
SPE's Sociedade de Propósito Específico	110.00% CDI	**4,485**	5,884
Total		**100,141**	105,436

Total financial income for the quarters ended March 31, 2014 and 2013, paid by Intermedium, was R$2,747 and R$906, respectively.

(b) Receivables from services provided

	Individual		Consolidated	
	03/31/14	12/31/13	03/31/14	12/31/13
Joint ventures:				
MRL Engenharia e Empreendimentos S.A.	**19**	127	**25**	133
LOG Commercial Properties e Participações S.A.	**190**	201	**190**	201
Other related parties:				
Construtora Verde Grande Ltda.	**9**	15	**9**	15
MRV Serviços de Engenharia Ltda.	**-**	43	**-**	43
Expar Êxito Participações Ltda.	**1**	1	**1**	1
Intermedium Crédito Financiamento e Investimento S.A.	**7**	7	**7**	7
Partners in real estate development projects	**187**	329	**187**	329
Total	**413**	723	**419**	729

The companies Construtora Verde Grande Ltda. (CVG), Expar Exito Participações Ltda. and MRV Serviços de Engenharia Ltda. (Serviços) are controlled by Company shareholders: Marcos Alberto Cabaleiro Fernandez, Lucas Cabaleiro Fernandez, Rubens Menin Teixeira de Souza and Mário Lúcio Pinheiro Menin, but are not part of the Company's corporate group. The Company provides building services to these related parties. The receivables from services provided stated in the table above include the agreements between the Company and said companies.

Revenue collected by the Company is calculated at the rate of 15% on construction cost in the case of the construction contract, and at the rates of 7.6% (CVG) and 8.5%

(Serviços) on actual sales in the case of the unit sale and administrative support agreement. The agreements are effective until the end of construction and the end of unit sales.

Service revenue charged by the Company from Intermedium refers to the business introduction commission corresponding to 0.15% of total the Company's trade payables, discounted from the invoices payable to the bank.

In addition, the Company provides administrative services to jointly held subsidiary LOG Commercial Properties e Participações S.A. (LOG). The agreement provides for the monthly payment of R$5.5 per project developed by LOG or its investees. This amount is annually adjusted using the average salary increase percentage granted to the employees of the Company. The agreement is effective for an indefinite period.

Revenue from administrative services charged by the Company to MRL Engenharia e Empreendimentos S.A. (MRL) is calculated on a monthly basis at a fixed amount (annually adjusted) of each transaction with the Company, multiplied by the service percentage of completion performed for MRL.

In the period ended March 31, 2014, revenue from services provided to these companies (net of taxes) totaled R$880 in Individual and on a consolidated basis (R$750 for the quarter ended March 31, 2013) and was recognized in line item 'Other operating income, net'.

(c) Intercompany loan balances

	Individual		Consolidated	
	03/31/14	**12/31/13**	**03/31/14**	**12/31/13**
Credits:				
Joint ventures:				
Prime Incorporação e Construções S.A.	**6,526**	1,488	**6,526**	1,488
MRL Engenharia e Empreendimentos S.A.	**4**	89	**4**	89
Other related parties:				
Partners in real estate development projects	**50,346**	48,937	**50,346**	48,937
Total	**56,876**	50,514	**56,876**	50,514

The balances of intercompany loans do not have fixed maturities and are calculated according to agreed conditions yields substantially CDI plus a fixed rate of 2.40% per annum for the quarter ended March 31, 2014 (2,57% in 2013).

Intercompany loans and receivables from joint ventures and partners refer mainly to transactions conducted to fund the initial stage of the projects in view of the business relationships that are maintained with related parties for the development of real estate development and construction operations.

Financial income from related parties for the quarters ended March 31, 2014 and 2013 is broken down as follows:

	Individual		Consolidated	
	1st quarter of		1st quarter of	
	2014	**2013**	**2014**	**2013**
Joint ventures:				
Prime Incorporação e Construções S.A.	**167**	134	**167**	134
MRL Engenharia e Empreendimentos S.A.	**2**	2	**2**	2

	Individual		Consolidated	
	1st quarter of		1st quarter of	
	2014	2013	2014	2013
LOG Commercial Properties e Participações S.A.	-	20	-	20
Other related parties:				
Partners in real estate development projects	**1,130**	1,304	**1,130**	1,304
Total	**1,299**	1,460	**1,299**	1,460

In addition to the amounts above, the Company has receivables from subsidiaries and partners in real estate development projects related to capital contributions and advances to be made, recognized in line item 'Other noncurrent assets', as shown below:

	Individual		Consolidated	
	03/31/14	12/31/13	03/31/14	12/31/13
Subsidiaries:				
Prime Incorporação e Construções S.A.	**711**	1,097	**885**	1,214
MRL Engenharia e Empreendimentos S.A.	**310**	1,718	**466**	1,913
LOG Commercial Properties e Participações S.A.	**227**	243	**231**	247
MDI Desenvolvimento Imobiliário Ltda.	**21**	-	**22**	-
Silent partnerships and special purpose entities	**2,060**	559	**2,677**	1,295
Other related parties:				
Partners in real estate development projects	**5,677**	5,333	**6,530**	6,400
Total	**9,006**	8,950	**10,811**	11,069

The balances receivable from subsidiaries and partners for capital contributions do not incur charges and are receivable immediately after being collected by the Company.

As at March 31, 2014 and December 31, 2013 no allowance for doubtful accounts was recognized for due from related parties as no losses on these transactions are expected.

Related-party transactions are conducted with subsidiaries and partners in real estate projects under terms and conditions negotiated by the parties. As the Company does not conduct similar transactions with unrelated parties, there is no evidence that these transactions would produce the same results had they been conducted with unrelated parties.

(d) Lease agreements

The Company leases some floors in the building MA Cabaleiro owned by Company shareholder Marcos Alberto Cabaleiro Fernandez. The lease expenses for the quarter ended March 31, 2014, recognized in profit or loss, totaled R$234 (R$250 for the quarter ended March 31, 2013).

(e) Noncompetition agreement

Company shareholders Marcos Alberto Cabaleiro Fernandez, Lucas Cabaleiro Fernandez and Rubens Menin Teixeira de Souza entered into a noncompetition agreement with the Company, under which they agree not to engage in any activity in the construction industry outside the Company during a two-year period after a possible withdrawal as shareholders. Their activities in the industry are, therefore, restricted to the Company.

(f) Brand license

On January 5, 2007, the Company entered into a Brand License Agreement with MRV Serviços de Engenharia Ltda. under which MRV Serviços de Engenharia Ltda. granted a free and exclusive license to the Company for the use of the mixed brand "MRV Engenharia", in the Brazilian territory, which is duly registered in the Brazilian Industrial Property Office (INPI). The license is effective for ten years from the date of the underlying agreement, a period that can be renewed, and cannot be assigned to any other party unless otherwise previously consented.

(g) Guarantees, warranties and surety

The Company guaranteed Bank Credit Notes obtained by some of its jointly controlled entities from financial institutions, as described below:

Guarantees, warranty and surety

	Start	Maturity	Amount
MRL Engenharia e Empreendimentos S.A.	4/20/2012	4/22/2014	3,676
	4/29/2013	4/13/2016	4,413
	4/30/2013	4/14/2016	10,479
	9/2/2011	3/2/2016	17,928
	9/6/2011	3/2/2016	35,821
	6/10/2011	6/10/2014	2,518
	9/30/2013	9/10/2016	51,202
Prime Incorporações e Construções S.A.	4/29/2013	4/13/2016	10,274
	6/29/2013	4/13/2016	5,015
	4/30/2013	4/14/2016	15,719
	9/2/2011	3/2/2016	21,770
	06/09/2011	3/2/2016	62,686
	5/27/2011	5/27/2014	2,920
	4/22/2013	4/22/2014	1,336
	10/02/2013	9/12/2016	51,202
	2/26/2014	2/5/2017	40,380
			337,339

(h) Compensation of key personnel

Pursuant to CPC 05 (R1), which addresses related party disclosures, and according to the understanding of the Company, management's key personnel consists of members of the Board of Directors and officers elected by the Board of Directors in conformity with the Company's bylaws, and their responsibilities comprise decision-making powers and control of the Company's activities.

	Individual		Consolidated	
	1st quarter of		1st quarter of	
	2014	2013	2014	2013
Short-term benefits granted to management:				
Management compensation	**1,761**	1,658	**1,863**	1,760
Profit sharing	**452**	600	**452**	600
Share-based compensation:				
Stock option plan	**505**	421	**505**	421
	2,718	2,679	**2,820**	2,781

In addition to the benefits above, the Company does not grant any other benefits such as postemployment benefits, other long-term benefits or severance compensation.

(i) Largest shareholder

The Company's largest shareholder is Mr. Rubens Menin Teixeira de Souza, who holds 33.4% of the Company shares as at March 31, 2014 (33.0% at December 31, 2013).

20. Shareholders' equity

(a) Issued capital

	Individual and Consolidated	
	03/31/2014	**12/31/2013**
Subscribed capital	**3,198,236**	3,197,819
Number of common shares, without par value	**477,221**	483,102

In the quarters ended March 31, 2014 and 2013, the Company's Board of Directors approved, within the authorized capital limit, the following capital increases, all through registered, book-entry, common shares, without par value, and the cancelation of treasury shares, as follows:

Date of Board approval	Description	Number of shares	Unit price	Total capital increase	Capital after capital increase	Total outstanding shares after issuance
		(thousand)	R$	R$'000	R$'000	(thousand)
Quarter ended March 31, 2014:						
1/27/2014	**Program 2 and program 5 of the stock option plan**	**111**	**3.333**	**370**	**3,198,189**	**483,213**
1/27/2014	**Program 2 and program 5 of the stock option plan**	**8**	**5.910**	**47**	**3,198,236**	**483,221**
1/27/2014	**Cancellation of treasury shares**	**6,000**	**-**	**-**	**-**	**477,221**
Quarter ended March 31, 2013:						
3/13/2013	Program 1 of the stock option plan	110	0.335	36	2,650,651	482,854
3/13/2013	Program 2 of the stock option plan	26	3.333	86	2,650,737	482,880

(b) Stock option plan

The tables below show the movements in stock options for each stock option program, for the quarters ended March 31, 2014 and 2013:

		(In thousands)				
Program	**Number of participants**	**Opening balance**	**Granted**	**Expired/ forfeited**	**Exercised**	**Closing balance**
Quarter ended March 31, 2014:						
1	12	3,094	-	-	-	3,094
2	37	1,109	-	-	(37)	1,072
3	141	1,416	-	-	-	1,416
4	223	1,893	-	-	-	1,893
5	65	1,522	-	-	(8)	1,514
		9,034	-	-	(45)	8,989
Weighted average price of shares		5.79	-	-	3.77	5.80

Program	Number of participants	(In thousands) Opening balance	Granted	Expired/ forfeited	Exercised	Closing balance
Quarter ended March 31, 2013:						
1	20	3,545	-	(110)	-	3,435
2	39	1,205	-	(25)	-	1,180
3	150	1,459	-	-	-	1,459
4	230	1,945	-	-	-	1,945
		8,154	-	(135)	-	8,019
Weighted average price of shares		5.50	-	3.58	-	5.64

Program	Other information: Number of vested stock options (thou.)	Compensation cost for the 1st quarter	Unrecognized compensation cost	Remaining compensation cost period (in years)	Remaining contractual life (in years)
1	-	79	207	0.1	0.1
2	83	44	1,367	0.8	0.7
3	113	290	1,595	1.2	3.9
4	113	362	3,649	2.5	5.2
5	68	337	4,087	3.7	6.3
2014	377	1,112	10,905	2.5	2.9
2013	128	1,389	11,308	2.3	3.5

The compensation costs arising from the jointly controlled entities and recognized by the Company totaled R$53 for the quarter ended March 31, 2014 (R$38 for the quarter ended March 31, 2013).

As at March 31, 2014, had all options currently granted been exercised, the Company would have issued 8,989,000 shares, which would represent a 1.85% dilution in relation to total Company shares of 477,221.

(c) Treasury shares

In the quarter ended March 31, 2014, the Board of Directors approved the cancelation of 6,000,000 shares held in treasury, as described in (c) below, and 4,270,000 shares where bought back at the average price R$7.26 and cost of R$31,011. The movements were as follows:

Type	Opening balance	Acquired	Resold	Cancelled	Closing balance	Cost in reais (per share): Weighted average	Maximum	Minimum	Fair value at end of reporting period
1st quarter of 2014:									
Common shares	9,338	4,270	-	(6,000)	7,608	7.26	7.40	6.95	61,550
1st quarter of 2013:									
Common shares	5,313	-	-	-	5,313	-	-	-	44,576

(d) Mandatory minimum dividend payable to shareholders

According to the Company's management's proposal, to be approved at the Annual Shareholders' Meeting, 2013 dividends are as follows:

	2013	2012
Net income	**423,084**	527,566
Legal reserve - 5% of net income	**(21,154)**	(26,378)
Net income available for distribution	**401,930**	501,188
Proposed dividends - % of net income available for distribution		
- Mandatory minimum dividends - 25%	**100,483**	125,297
- Additional proposed – 10%	**40,193**	-
Total proposed dividends	**140,676**	125,297
Number of common shares at end of reporting period (less treasury shares)	**473,764**	477,086
Proposed dividends per share - R$		
- Mandatory minimum dividends - R$	**0.2121**	0.2624
- Additional proposed dividends - R$	**0.0848**	-
- Total proposed dividends - R$	**0.2969**	0.2624

The additional proposed dividends for 2013, in the amount of R$40,193 (zero in 2012), above the minimum required, will be recognized as liabilities when approved by shareholders.

Dividends for 2012, amounting to R$125,297, were approved at the Annual Shareholders' Meeting (ASM) held on April 30, 2013 and were paid on June 17, 2013, equivalent to R$0.262365227 per share.

(e) Noncontrolling interests

	Consolidated	
	2013	2012
Opening balance	**264,217**	286,340
Contributions from (distributions to) noncontrolling shareholders	**(3,377)**	445
Capital transactions	**-**	1,420
Profit sharing for the period	**7,651**	13,363
Closing balance	**268,491**	301,568

The other information on shareholders' equity is not significantly different from the information disclosed in note 20 to the financial statements for the year ended December 31, 2013.

21. Earnings per share

The table below shows net income data and the number of shares used to calculate basic and diluted earnings per share:

	Individual and Consolidated	
	1st quarter of	
	2014	2013
Basic earnings per share:		
Net income for the period	**80,984**	78,873
Weighted average number of outstanding common shares (thousand)	**473,092**	477,086
Basic earnings per share - in R$	**0.17118**	0.16532
Diluted earnings per share:		
Net income for the period	**80,984**	78,873
Weighted average number of outstanding common shares (thousand)	**473,092**	477,086
Dilutive effect of stock options (thousands of shares)	**3,126**	3,170
Total shares after dilutive effect (thousand)	**476,218**	480,256
Diluted earnings per share - in R$	**0.17006**	0.16423

22. Segment information

	LOG consolidated (*)	
Balance sheet:	**03/31/14**	**12/31/13**
ASSETS		
Current assets	**106,394**	178,759
Noncurrent assets		
Investment	**159,141**	156,929
Investment property	**1,304,827**	1,246,621
Other noncurrent assets	**59,285**	43,978
Total noncurrent assets	**1,523,253**	1,447,528
Total assets	**1,629,647**	1,626,287
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Loans, Financing and Debentures	**156,237**	245,321
Land Payables	**6,504**	13,821
Other current liabilities	**70,551**	98,165
Total current liabilities	**233,292**	357,307
Noncurrent liabilities		
Loans, financing and debentures	**640,240**	521,595
Other noncurrent liabilities	**10,962**	7,400
Total noncurrent liabilities	**651,202**	528,995
Total liabilities	**884,494**	886,302
Shareholders' equity	**745,153**	739,985
Total liabilities and equity	**1,629,647**	1,626,287

	LOG consolidated (*)	
	1st quarter of	
	2014	2013
Income statements:		
Net operating revenue	**13,946**	9,240
Cost of leases	**(1,816)**	(2,755)
Gross profit	**12,130**	6,485
Operating income (expenses)		
Operating expenses	**(3,125)**	(3,000)
Operating profit before financial income (expenses)	**9,005**	3,485
Financial income (expenses)	**(3,602)**	(2,390)
Income before income tax and social contribution	**5,403**	1,095
Income Tax and Social Contribution	**(311)**	32
Net income for the year	**5,092**	1,127

(*) Full amounts of the jointly ventures, ie not applied our ownership percentage of each balance for this presentation.

The other information on segment information did not change significantly in relation to the information disclosed in note 22 to the financial statements for the year ended December 31, 2013.

23. Net operating revenue

The table below shows the reconciliation between gross revenue and net revenue stated in the statements of income for the quarters ended March 31, 2014 and 2013:

	Individual		Consolidated	
	1st quarter of		1st quarter of	
	2014	2013	2014	2013
Gross operating revenue				
Real estate development	**533,567**	475,967	**905,646**	801,016
Bartered real estate units	**15,592**	24,304	**27,232**	40,639
	549,159	500,271	**932,878**	841,655
Taxes on sales	**(13,132)**	(6,716)	**(22,020)**	(12,143)
Net operating revenue	**536,027**	493,555	**910,858**	829,512

The amounts related to units under construction recognized in Consolidated for the quarters ended March 31, 2014 and 2013 are as follows:

	Consolidated	
	1st quarter of	
	2014	2013
Net revenue from units under construction	**890,631**	785,321
Costs of properties sold under construction	**(649,280)**	(577,054)
Recognized profits	**241,351**	208,267
Advances received or from barters	**201,275**	129,866

The accounting revenue recognition criteria and policies are described in note 2.2 to the financial statements for the year ended December 31, 2013.

Additionally, in order to determine when the risks and rewards from the ownership of the real estate units sold are transferred to the buyers, the Company follows the guidance set out in Technical Guideline OCPC 04. This determination requires significant judgment and, in the context of this judgment, management has assessed all the discussions on this subject conducted by a Work Group coordinated by the

Brazilian Securities and Exchange Commission (CVM), where the Company was represented by the ABRASCA (Brazilian Association of Publicly–traded Companies), and which resulted in the presentation to the CPC of the draft OCPC 04, which the CPC approved and which has guided the application of Technical Interpretation ICPC 02 by Brazilian real estate developers.

The accounting treatment of terminated sell and purchase commitment agreements are described in note 6.

The other information on net operating revenue did not change significantly in relation to the information disclosed in note 23 to the financial statements for the year ended December 31, 2013.

24. Costs and expenses in the statement of income

	Individual		Consolidated	
	1st quarter of		1st quarter of	
	2014	**2013**	**2014**	**2013**
Cost of properties sold and services:				
Financial charges (note 11 (e))	**24,066**	27,876	**31,398**	35,667
Land, construction and maintenance costs	**371,315**	341,339	**639,156**	577,289
Total cost of properties sold and services	**395,381**	369,215	**670,554**	612,956
Selling, general and administrative expenses:				
Salaries, charges and benefits	**42,298**	37,001	**49,060**	42,023
Management compensation	**1,641**	1,538	**1,743**	1,640
Management and employees profit sharing	**1,131**	1,500	**1,143**	1,500
Stock option plan expenses	**1,112**	1,389	**1,112**	1,389
Outside services	**10,449**	13,075	**11,140**	14,042
Marketing expenses	**14,717**	17,579	**24,192**	27,902
Utilities	**2,701**	2,793	**2,930**	3,102
Depreciation and amortization	**6,580**	5,504	**8,468**	6,708
Other costs	**24,119**	18,073	**29,431**	22,565
Total selling, general and administrative expenses	**104,748**	98,452	**129,218**	120,871
Classified as:				
Selling expenses	**44,790**	41,879	**68,591**	62,680
General and administrative expenses	**59,958**	56,573	**60,627**	58,191
	104,748	98,452	**129,218**	120,871

25. Financial expenses and income

	Individual		Consolidated	
	1st quarter of		1st quarter of	
	2014	**2013**	**2014**	**2013**
Finance costs:				
Interest expenses on loans, financing and debentures (note 11(e))	**(25,141)**	(19,169)	**(25,007)**	(21,295)
Expenses on debenture issue commissions and fees	**(1,879)**	(1,100)	**(1,879)**	(606)
Expenses on fees and taxes	**(945)**	(2,805)	**(1,428)**	(2,332)
Other financial expenses	**(3,319)**	(1,392)	**(3,798)**	(1,145)
	(31,284)	(24,466)	**(32,112)**	(25,378)
Financial income:				
Income from short-term investments:	**21,004**	21,526	**27,997**	26,884
Interest income on intercompany loans (note 19 (c))	**1,299**	1,471	**1,299**	1,488
Other financial income	**3,933**	543	**7,614**	793
	26,236	23,540	**36,910**	29,165
Income from real estate development receivables	**6,281**	3,131	**10,259**	4,681
	32,517	26,671	**47,169**	33,846
Financial income (expenses)	**1,233**	2,205	**15,057**	8,468

26. Financial instruments and risk management

(a) Capital risk management

As at March 31, 2014 and December 31, 2013, the consolidated debt-to-equity ratio is as follows:

	Individual		Consolidated	
	03/31/14	**12/31/13**	**03/31/14**	**12/31/13**
Loans, Financing and Debentures	**2,329,735**	2,635,257	**2,687,002**	3,017,723
Cash, cash equivalents and marketable securities	**(950,531)**	(1,273,563)	**(1,383,247)**	(1,688,654)
Net debt (cash) (o)	**1,379,204**	1,361,694	**1,303,755**	1,329,069
Shareholders' equity	**4,152,705**	4,101,183	**4,421,196**	4,365,400
Net debt (cash) (o) to shareholders' equity	**33.2%**	33.2%	**29.5%**	30.4%

(b) Categories of financial instruments

	Individual		Consolidated	
	03/31/14	**12/31/13**	**03/31/14**	12/31/13
Financial assets:				
Cash and banks	**169,490**	241,469	**299,134**	396,425
Fair value through profit or loss held for trading (*)	**532,835**	773,373	**831,828**	1,026,170
Held-to-maturity investments	**4,822**	4,683	**8,901**	12,021
Available-for-sale financial assets (*)	**243,384**	254,038	**243,384**	254,038
Loans and receivables	**2,584,209**	2,583,623	**4,331,132**	4,298,284
Financial liabilities:				
Amortized cost	**2,944,970**	3,135,622	**3,618,475**	3,793,221

(*) Financial assets recognized at fair value with level 2 measurement.

It is not the Company policy to enter into derivative transactions or any other assets for speculative purposes. As at March 31, 2014 and December 31, 2013, the Company does not have financial instruments not recorded in its financial statements or derivatives.

(c) Risk management

Market risk

The Company conducted a sensitivity analysis for the financial instruments exposed to changes in interest rates and financial indicators. The sensitivity analysis was developed considering the exposure to changes in the indexes of financial assets and financial liabilities, taking into account the net exposure of these financial instruments at March 31, 2014, as if such balances were outstanding during the entire first quarter of 2014, as detailed below:

- Exposed net financial asset and exposed net financial liability: the change between the estimated rate for 2014 ("probable scenario") and the effective rate for the twelve-month period ended March 31, 2014, multiplied by the exposed net balance at March 31, 2014 was used to calculate the financial effect, had the probable scenario materialize in 2014. For the estimates of the effects, we considered a decrease in financial assets and an increase in financial liabilities at the rate estimated for 2014 of 25% for scenario I and 50% for scenario II.

Index	Assets	Liabilities	Exposed asset (liability)	Effective rate for the 12-month period ended 3/31/2014	Estimated annual rate for 2014 (*)		Change in effective rate for each scenario	Total estimated financial effect	Estimated effect on profit and equity
Probable scenario									
CDI	882,379	(1,638,788)	(756,409)	8.90%	11.12%	(i)	2.22%	(16,792)	(11,200)
IGPM	-	(193,303)	(193,303)	7.31%	6.61%	(ii)	-0.70%	1,353	902
INCC	3,741,129	(53,870)	3,687,259	7.81%	5.60%	(ii)	-2.21%	(81,488)	(81,488)
TR	24,282	(1,093,522)	(1,069,240)	0.38%	0.88%	(iii)	0.50%	(5,346)	(3,566)
IPCA	-	(18)	(18)	6.15%	6.30%	(iii)	0.15%	-	-
								(102,273)	(95,352)
Scenario I									
CDI	882,379	(1,638,788)	(756,409)	8.90%	13.90%		5.00%	(37,820)	(25,226)
IGPM	-	(193,303)	(193,303)	7.31%	8.26%		0.95%	(1,836)	(1,225)
INCC	3,741,129	(53,870)	3,687,259	7.81%	4.20%		-3.61%	(133,110)	(133,110)
TR	24,282	(1,093,522)	(1,069,240)	0.38%	1.10%		0.72%	(7,699)	(5,135)
IPCA	-	(18)	(18)	6.15%	7.88%		1.73%	-	-
								(180,465)	(164,696)
Scenario II									
CDI	882,379	(1,638,788)	(756,409)	8.90%	16.68%		7.78%	(58,849)	(39,253)
IGPM	-	(193,303)	(193,303)	7.31%	9.91%		2.60%	(5,026)	(3,352)
INCC	3,741,129	(53,870)	3,687,259	7.81%	2.80%		-5.01%	(184,732)	(184,732)
TR	24,282	(1,093,522)	(1,069,240)	0.38%	1.32%		0.94%	(10,051)	(6,704)
IPCA	-	(18)	(18)	6.15%	9.45%		3.30%	(1)	(1)
								(258,659)	(234,042)

(i) Data obtained on the Central Bank of Brazil website.
(ii) Data obtained on the Central Bank of Brazil website, Focus Bulletin. As there was no market projection for the INCC available for 2013, IGPM's fluctuation was considered.
(iii) Data obtained on the BM&F website.
(*) Effective change for the first quarter of 2014 plus a projection for the next nine months of 2014.

The total financial effect estimated, except on the INCC, would be recognized in real estate for sale and development and allocated to profit or loss as the real estate units were sold. Thus, the estimated effect on net income and shareholders' equity is net of the remaining portion of real estate for sale and development.

As required by IFRS 7, management believes that the estimated annual rates presented in the probable scenarios above reflect the reasonable possible scenario for 2014.

Liquidity and interest rate risk table

The table below details the remaining contractual maturity of the Group's non-derivative financial liabilities and the contractual amortization periods, basically represented by loans, financing, debentures, trade payables, and payables for purchase of land. This table was prepared using the undiscounted cash flows of financial liabilities, based on the closest date when the Group should settle the related obligations. The tables include interest and principal cash flows. As interest flows are based on floating rates, the undiscounted amount was based on the interest curves at period-end. Contractual maturity is based on the most recent date when the Group should settle the related obligations.

	Up to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
Individual:					
Floating rates	824,052	987,944	865,302	399,623	3,076,921
Fixed rates	1,471	2,251	687	1,952	6,361
Non-interest bearing securities	207,235	5,028	1,078	132,353	345,694
Total	1,032,758	995,223	867,067	533,928	3,428,976
Consolidated:					
Floating rates	952,591	1,147,505	972,254	439,736	3,512,086
Fixed rates	2,002	2,251	687	1,952	6,892
Non-interest bearing securities	346,996	21,316	4,411	241,507	614,230
Total	1,301,589	1,171,072	977,352	683,195	4,133,208

The Company has financial assets (basically represented by cash and cash equivalents, securities, and receivables from real estate development) that it considers sufficient to honor its commitments arising on its operating activities.

(d) Fair value of financial instruments

The table below shows in detail the comparisons between the carrying amounts and fair values of loans, financing and debentures:

	Individual			Consolidated		
	03/31/14			03/31/14		
Financial instruments	**Carrying amount**	**Fair value**	**Difference**	**Carrying amount**	**Fair value**	**Difference**
Leases						
CDI + Spread	**(4,848)**	**(4,848)**	**-**	**(4,848)**	**(4,848)**	**-**
Total	**(4,848)**	**(4,848)**	**-**	**(4,848)**	**(4,848)**	**-**
Debentures						
CDI + 1.50% p.a.	**(1,035,976)**	**(1,036,453)**	**(477)**	**(1,035,976)**	**(1,036,453)**	**(477)**
TR + 8.25% to 10.25% p.a.	**(247,056)**	**(247,057)**	**(1)**	**(247,056)**	**(247,057)**	**(1)**
Total	**(1,283,032)**	**(1,283,510)**	**(478)**	**(1,283,032)**	**(1,283,510)**	**(478)**
Bank Credit Notes						
CDI + 1.15% p.a.	**(148,907)**	**(148,906)**	**1**	**(148,907)**	**(148,906)**	**1**
Total	**(148,907)**	**(148,906)**	**1**	**(148,907)**	**(148,906)**	**1**
Working capital loan						
111% of CDI	**(160,076)**	**(156,535)**	**3,541**	**(160,076)**	**(156,535)**	**3,541**
CDI + 1.40% p.a.	**(52,544)**	**(52,544)**	**-**	**(52,544)**	**(52,544)**	**-**
CDI + 1.45% p.a.	**(205,418)**	**(205,418)**	**-**	**(205,418)**	**(205,418)**	**-**
Total	**(418,038)**	**(414,497)**	**3,541**	**(418,038)**	**(414,497)**	**3,541**
Financing						
To construction – TR + 8% to 10.5% p.a.	**(479,992)**	**(479,992)**	**-**	**(837,259)**	**(837,259)**	**-**
FINAME fixed rate of 4.50% p.a.	**(3,603)**	**(3,602)**	**1**	**(3,603)**	**(3,602)**	**1**
Total	**(483,595)**	**(483,594)**	**1**	**(840,862)**	**(840,861)**	1
Grand total (w/o issuance costs)	**(2,338,420)**	**(2,335,355)**	**3,065**	**(2,695,687)**	**(2,692,622)**	**3,065**

Financial instruments	Individual 12/31/13			Consolidated 12/31/13		
	Carrying amount	Fair value	Difference	Carrying amount	Fair value	Difference
Leases						
CDI + Spread	(5,980)	(5,980)	-	(5,980)	(5,980)	-
Total	(5,980)	(5,980)	-	(5,980)	(5,980)	-
Debentures						
CDI + 1.50% p.a.	(1,034,483)	(1,032,701)	1,782	(1,034,483)	(1,032,701)	1,782
CDI + 1.60 % p.a.	(269,562)	(269,562)	-	(269,562)	(269,562)	-
TR + 8.25% to 10.25% p.a.	(241,693)	(241,693)	-	(241,693)	(241,693)	-
Total	(1,545,738)	(1,543,956)	1,782	(1,545,738)	(1,543,956)	1,782
Bank Credit Notes						
CDI + 1.15% p.a.	(167,471)	(167,471)	-	(167,471)	(167,471)	-
Total	(167,471)	(167,471)	-	(167,471)	(167,471)	-
Working capital loan						
111% of CDI	(160,066)	(160,066)	-	(160,066)	(160,066)	-
CDI + 1.40% p.a.	(51,135)	(51,135)	-	(51,135)	(51,135)	-
CDI + 1.45% p.a.	(210,410)	(210,410)	-	(210,410)	(210,410)	-
Total	(421,611)	(421,611)	-	(421,611)	(421,611)	-
Financing						
To construction – TR + 8% to 10.5% p.a.	(500,894)	(500,894)	-	(883,360)	(883,360)	-
FINAME fixed rate of 4.50% p.a.	(3,751)	(3,751)	-	(3,751)	(3,751)	-
Total	(504,645)	(504,645)	-	(887,111)	(887,111)	-
Grand total (w/o issuance costs)	(2,645,445)	(2,643,663)	1,782	(3,027,911)	(3,026,129)	1,782

The fair values of loans, financing, debentures and leases were estimated by the Company's management based on their future value on maturity at the contracted rate, discounted to present value at the market rate at March 31, 2014 and December 31, 2013.

The table below shows a comparative of the contracted and market rates, individual and consolidated, at March 31, 2014, is as follows:

	Current market rate	Maturity dates
Leases		
CDI + 1.21% p.a.	CDI + 1.21% p.a.	December 2015
CDI + 1.69% p.a.	CDI + 1.69% p.a.	January 2015
CDI + 2.10% p.a.	CDI + 2.10% p.a.	September 2014
CDI + 2.10% p.a.	CDI + 3.10% p.a.	August 2014
CDI + 2.38% p.a.	CDI + 2.38% p.a.	May 2014
CDI + 2.40% p.a.	CDI + 2.40% p.a.	December 2014
CDI + 2.40% p.a.	CDI + 2.40% p.a.	January 2015
CDI + 2.60% p.a.	CDI + 2.60% p.a.	September 2014
CDI + 2.88% p.a.	CDI + 2.88% p.a.	March 2015
CDI + 2.88% p.a.	CDI + 2.88% p.a.	April 2015
Debentures		
CDI + 1.50% p.a.	CDI + 1.70% p.a.	July 2016
CDI + 1.50% p.a.	CDI + 1.50% p.a.	May 2017
CDI + 1.60% p.a.	CDI + 1.60% p.a.	February 2014
TR + 8.25% to 10.25% p.a.	TR + 8.62% p.a.	December 2015
Real Estate Credit Note		
CDI + 1.15% p.a.	CDI + 1.15% p.a.	March 2015
Loans and financing – working capital		
111% of CDI	111% of CDI	June 2017
CDI + 1.40% p.a.	CDI + 1.40% p.a.	March 2015
CDI + 1.45% p.a.	CDI + 1.45% p.a.	July 2015
Construction financing		
TR + 8% to 10.50% p.a.	TR + 8% to 10.50% p.a.	December 2018
FINAME		
Fixed rate of 4.50% p.a.	Fixed rate of 4.50% p.a.	April 2020

Management believes that the other financial instruments, such as trade receivables, trade payables, cash and cash equivalents, which are recognized in the financial statements at their carrying amounts, do not present significant changes in relation to their fair values.

The other information on financial instruments did not change significantly from the information disclosed in note 26 to the financial statements for the year ended December 31, 2013.

27. Deferred taxes

Deferred tax liabilities are broken down as follows:

	Individual		Consolidated	
	03/31/14	**12/31/13**	**03/31/14**	12/31/13
Liabilities:				
Income tax (IRPJ)	**22,781**	24,316	**47,080**	47,883
Social contribution (CSLL)	**11,676**	12,089	**24,280**	24,371
Tax on revenue (PIS)	**7,867**	7,797	**12,749**	12,565
Tax on revenue (COFINS)	**36,342**	36,097	**58,894**	58,075
Total	**78,666**	80,299	**143,003**	142,894
Current	**41,973**	47,191	**76,103**	81,223
Noncurrent	**36,693**	33,108	**66,900**	61,671

The effects of corporate income tax (IRPJ) and social contribution on income (CSLL) on temporary differences are as follows:

	Individual		Consolidated	
	03/31/14	**12/31/13**	**03/31/14**	**12/31/13**
Effects of IRPJ and CSLL on:				
Portion not received for real estate development	**(58,298)**	(58,818)	**(99,015)**	(99,227)
(-) Advances from customers	**7,057**	7,454	**10,871**	12,014
Net	**(51,241)**	(51,364)	**(88,144)**	(87,213)
(-) Accrual for maintenance of real estate	**3,003**	3,555	**3,003**	3,555
(-) Provision for civil, labor and tax risks	**10,208**	7,957	**10,208**	7,957
(-) Provision for profit sharing	**2,880**	2,649	**2,880**	2,649
(-) Other provisions	**693**	798	**693**	798
Net credits	**(34,457)**	(36,405)	**(71,360)**	(72,254)
Net amounts recorded in:				
Liabilities	**(34,457)**	(36,405)	**(71,360)**	(72,254)
Total	**(34,457)**	(36,405)	**(71,360)**	(72,254)

The reconciliation of income tax and social contribution expenses at the statutory and effective rates for the quarters ended March 31, 2014 and 2013 is as follows:

	Individual					
	1st quarter of					
	2014			2013		
IRPJ and CSLL in income statement:	**IRPJ**	**CSLL**	**Total**	**IRPJ**	**CSLL**	**Total**
Income before income tax and social contribution	**(87,239)**	**(87,239)**		(75,241)	(75,241)	
Tax rate	**25%**	**9%**		25%	9%	
Nominal expense	**(21,810)**	**(7,852)**		(18,810)	(6,772)	
Effects of IRPJ and CSLL on:						
Equity in investees	**16,209**	**5,835**		14,364	5,171	
Earmarked assets	**2,347**	**207**		8,756	1,925	
Options recognized	**(278)**	**(100)**		(357)	(128)	
Employee and management profit sharing	**(113)**	**(41)**		-	-	
Other permanent add-backs	**(179)**	**(480)**		(450)	(67)	
Actual expense	**(3,824)**	**(2,431)**		3,503	129	
IRPJ and CSLL in income statement:						
Current	**(5,433)**	**(2,844)**	**(8,277)**	(2,177)	(1,139)	(3,316)
Deferred	**1,609**	**413**	**2,022**	5,680	1,268	6,948
Actual amount in income	**(3,824)**	**(2,431)**	**(6,255)**	3,503	129	3,632

	Consolidated					
	1st quarter of					
	2014			2013		
	IRPJ	**CSLL**	**Total**	**IRPJ**	**CSLL**	**Total**
Revenue from real estate development - subsidiaries	**372,079**	**372,079**		325,049	325,049	
Finance income on real estate development receivables - subsidiaries	**3,978**	**3,978**		1,550	1,550	
Total	**376,057**	**376,057**		326,599	326,599	
Percentage:						
Real estate development	**8%**	**12%**		8%	12%	
Deemed income:						
Real estate development	**30,085**	**45,127**		26,128	39,192	
Financial income - subsidiaries	**10,674**	**10,674**		5,625	5,625	
Other revenue - subsidiaries	**445**	**445**		682	682	
Tax base	**41,204**	**56,246**		32,435	45,499	
Statutory rate	**25%**	**9%**		25%	9%	
IRPJ and CSLL in subsidiaries	**(10,301)**	**(5,062)**		(8,109)	(4,095)	
IRPJ and CSLL in Individual	**(3,824)**	**(2,431)**		3,503	129	
Earmarked asset effects in Consolidated	**733**	**579**		1,934	1,108	
Other	**2,547**	**880**		2,686	1,091	
Expenses in income	**(10,845)**	**(6,034)**		14	(1,767)	
Breakdown of expense in profit or loss:						
Current	**(11,557)**	**(6,100)**	**(17,657)**	(7,099)	(3,870)	(10,969)
Deferred	**712**	**66**	**778**	7,113	2,103	9,216
Total	**(10,845)**	**(6,034)**	**(16,879)**	14	(1,767)	(1,753)

The other information on deferred taxes did not change significantly in relation to the information disclosed in note 27 to the financial statements for the year ended December 31, 2013.

28. Noncash transactions

During the quarters ended March 31, 2014 and 2013, the Company and its subsidiaries conducted the following investment and financing transactions that did not involve cash, which, therefore, are not reflected in the statement of cash flows:

	Individual		Consolidated	
	1st quarter		1st quarter	
	2014	2013	2014	2013
Advances from barters	**(62,634)**	(37,659)	**(123,860)**	(6,046)
Capitalized financial charges (note 11 (e))	**35,426**	32,762	**43,213**	38,272
Addition of provision for maintenance of real estate (note 17)	**8,352**	7,568	**14,306**	12,863

29. Insurance

The Company has an insurance policy that considers primarily risk concentration and their materiality, taking into consideration the nature of its business, and advice of the insurance brokers. As at March 31, 2014, insurance coverage is as follows:

Items	Type of coverage	Insured amount
- Construction insurance (engineering risk)	- Coverage during construction for involuntary damages caused during construction, installation and assembling work on the insured sites.	7,628,518
-Civil liability	- Directors and officers liability insurance (D&O).	80,000
- Civil liability	- Builder civil liability (construction works).	49,100
- Real property delivery insurance	- Guarantees delivery of the works to committed buyers/barterers.	638,699
- Builder guarantee insurance	- Insures the lender the completion and legal documentation of construction.	707,298
- Car insurance (auto/optional civil liability/passenger injuries)	- Damages to insured vehicles, civil liability and passenger bodily injury.	1,090
- Lenders insurance	- Insures the Company the receipt of actual property price in the event of death of borrower.	1,793
- Company group life and collective injuries insurance	- Bodily injury involuntarily caused to employees, contractors, interns and engineers.	946,703
- Residential	- Property damage caused by electrical damages, fire, lightening, windstorm, aircraft crash, and insures against loss of rental.	2,986
- Corporate	- - Property damage caused by electrical damages, fire, windstorm, riot and insures against loss of rental.	941,714
- Aviation	- Hull, hijack, LUC/AV53.	30,577
- Sundry risks insurance	- Losses and/or property damage caused to equipment by any accidents due to external cause (including fire, lightening and explosion of any nature, robbery and theft).	2,000
- Lessor guarantee insurance	- Insures the receipt of leases, real estate tax (IPTU), and CAM fees by the lessor if not paid by the lessee.	6,863

30. Events after the reporting period

The Annual and Extraordinary Shareholders' Meeting held on April 30, 2014 approved, but not limited to, the following matters:

- Capitalization of the legal reserve in the amount of R$148,970 and the earnings retention reserve amounting to R$160,000.
- Increase of the authorized capital ceiling from R$3,350,000 to R$3,600,000.
- The overall management compensation at R$17,000.
- Approval of dividends for 2013, in the amount of R$140,676, which will be paid on June 16, 2014, R$0.301514331 per share, without adjustment, as the equity position of the May 15, 2014.

31. Approval of the interim financial information

This interim financial information was approved by the Directors on May 12, 2014.



MRV ANNOUNCES ITS 1Q14 RESULTS

Strong growth of 40% in pre-sales sets a new Company record
12% increase on Earnings per Share

Belo Horizonte, May 14, 2014 – MRV Engenharia e Participações S.A. (BM&FBovespa: MRVE3 – ADR OTCQX: MRVNY), announces its results for the first quarter of 2014 (1Q14). The financial information is presented in million Reais (R$ million), except where otherwise indicated, and is based on the consolidated financial statements prepared and presented in accordance to the International Financial Reporting Standards (IFRS), which considers Guideline CPC 04 Application of Interpretation ICPC 02 to Brazilian Real Estate Development Entities, issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM) and the Federal Accounting Council (CFC), consistent with the standards issued by CPC.

CONFERENCE CALLS EARNINGS RELEASE 1Q14

English	**Portuguese**
May 15, 2014	May 15, 2014
12:00 PM (Brasília) / 11:00 AM (New York)	12:00 PM (Brasília) / 11:00 AM (New York)
Phone: +1 646 843 6054	Phone: +55 (11) 2188 0155
Code: MRV	Code: MRV

Highlights

- Best quarter of pre-sales in the Company's history, despite the continuous increase in the unit's average selling price. In 1Q14 sales reached R$ 1,538 million (10,734 units), a 40% value growth y-o-y, even with a 14% price increase in the last twelve months.
- Sales over Supply of 26% in 1Q14.
- 8,451 finished units in 1Q14, an increase of 36% compared to last year.
- Net Operating Revenue of R$911 million, an increase of 9.8% compared to the same period of the previous year.
- Evolution of net income per share of 12.1%, going from R$0.153 in 4Q13 to 0.171 in 1Q14.
- Cash generation of R$56 million in 1Q14.
- Low leverage: Net Debt / Equity reached 29.5%.
- In 2014, until 05/14/14, 7,320,000 shares were bought back, amounting a total of R$ 53.6 million.



Management's Comments

Market: Strong demand and Market Share increase

We continue to benefit from a demanding market with extremely low competition. We have been identifying an increase in our *market share* at the places we operate. The strength of the MRV brand, jointly with the perception of our products' quality by the customers, has contributed for our sales performance. In spite of the economy's deceleration, the labor market remains steady and the low-income housing segment has shown great resilience. The supply of housing credit also remains unchanged, and we see room for continuous growth of our operation. We have increased our pre-sales, both gross and net, in 40% compared to 1Q13 and Sales over Supply reached 26% in a seasonally weaker quarter for sales.

MCMV 3: Ensuring continuity

We are optimistic about the announcement of MCMV 3, forecasted for June, as communicated by the Government on April 28. The numbers are yet to be defined by the Government, but the sector's proposal is to have an additional 3 million homes built under the new phase.

Cancellations: Reduced Risk and Margin Growth opportunity

We have seen a great concern by the Market towards the volume of cancelled units. Once again, the resilience of the low-income housing segment and the imbalance between supply and demand in this segment have contributed for MRV to sell its cancelled units with increased price and at a high resale speed. Moreover, the great majority of the Company's cancellations occur during construction phase, allowing the cancelled unit to be resold and the clients' base to be depurated while the project is still in construction phase.

Financial Performance: Gradual Improvement

As we have been indicating, our financial performance has been gradually improving with the delivery of older projects, with lower margins. When we compare 1Q14's gross margin with the adjusted margin from 1Q13 (excluding the effects of tax and maintenance provision reversal), we can see an important improvement.

Market Value of LOG's Investment Property

LOG has been increasing its operations despite of the current pace of the Brazilian economy. MRV has in LOG a non-recognized value by the stock market. Conservatively, on March 31, 2014, estimated market value of its assets is R$ 1.8 billion, which represents an increase on its Shareholders' Equity of R$ 454 million if it is revaluated. Thus evaluated, LOG would represent R$ 0.97 on MRVE3 price.

LOG's great value generation refers to a combination of seized market opportunities, identification, development and the generation of distinguished quality assets, creating cap rate compression between the yield on cost and the traded prices in the market.

Sustainability

To work for our business' sustainability and lifelong has always been MRV's priority.

National Commitment

COMPROMISSO NACIONAL | Aperfeiçoamento das Condições de Trabalho na Indústria da Construção

The only homebuilder in the Country to adhere to the National Commitment for the Working Conditions in the Construction Industry, MRV has widened the program: the practices on the proposal are already in 21 construction sites, benefiting more than three thousand and five hundred employees.





National Commitment's event in a Project at Araucária in the State of Paraná, on May 13th, 2014.



We have reached the mark of 50 literacy and professional qualification schools in the construction sites, benefiting more than 880 students.

Clients and brand strength

MRV has been working tirelessly in order to provide the best for its clients. The brand's strength is renowned and MRV was the most remembered brand by the consumers in 15 Brazilian cities where the Top of Mind survey is conducted. The tripod location, price and quality, makes MRV's apartments into the greatest desire of the Brazilian low income housing consumers.

The Company understands that its role goes beyond building and selling apartments. Effectively, MRV helps people and families to improve their lives. Therefore, for 2014, MRV is preparing several innovative actions for its clients, focused on the idea of how their stories are transformed when they acquire a MRV: *#meumundomelhor*. The main goal is to be even closer to the clients, assisting them on their new discoveries and experiences after acquiring and moving to their apartment to transform their better world also sustainable.



Entrega dos Sonhos (Dreams' Delivery)

All of the Company's sectors are committed to seeking solutions that ensure more quality on the delivered units. To highlight the investment made by MRV on its product's quality, in 2012 the project "Entrega dos Sonhos" (Dreams' Delivery) which has been improving day by day, making the moment the unit is delivered to the client a special and important moment, totally focused on quality. Through this Project, our clients have seen how much the Company praises for the quality of its units.





Main Indicators[1]

Financial Highlights

The financial indicators presented in this report are in accordance to the pronouncements CPC 19 (R2) – Joint Arrangements (IFRS 11), which have entered into force as of January 1st, 2013, except when otherwise stated.

Consolidated Financial Highlights (R$ million)	1Q14	4Q13	1Q13	Chg. 1Q14 x 4Q13	Chg. 1Q14 x 1Q13
Net Operating Revenue	**911**	950	830	4.1% ↓	9.8% ↑
Gross Profit	**240**	249	217	3.6% ↓	11.0% ↑
% Gross Margin	**26.4%**	26.2%	26.1%	0.1 p.p. ↑	0.3 p.p. ↑
EBITDA	**132**	133	129	0.7% ↓	2.4% ↑
% EBITDA Margin	**14.5%**	14.0%	15.5%	0.5 p.p. ↑	1.0 p.p. ↓
Net Income	**81**	72	79	11.9% ↑	2.7% ↑
% Net margin	**8.9%**	7.6%	9.5%	1.3 p.p. ↑	0.6 p.p. ↓
Return on Equity (LTM)	**10.5%**	10.6%	13.1%	0.1 p.p. ↓	2.6 p.p. ↓
Return on Equity (annualized)	**7.8%**	7.0%	8.2%	0.8 p.p. ↑	0.4 p.p. ↓
EPS (R$)	**0.171**	0.153	0.165	12.1% ↑	3.6% ↑
Unearned Sales Revenues	**3,651**	3,172	2,918	15.1% ↑	25.1% ↑
Unearned Costs of Units Sold	**(2,081)**	(1,821)	(1,715)	14.3% ↑	21.4% ↑
Unearned Results	**1,570**	1,352	1,203	16.1% ↑	30.5% ↑
% Unearned Margin	**43.0%**	42.6%	41.2%	0.4 p.p. ↑	1.8 p.p. ↑
Cash Generation (Cash burn)	**56**	162	62	65.5% ↓	9.7% ↓
Net Debt (Net Cash)	**1,304**	1,329	1,601	1.9% ↓	18.6% ↓
Net Debt/Shareholders' Equity	**29.5%**	30.4%	38.3%	1.0 p.p. ↓	8.8 p.p. ↓
Net Debt/EBITDA LTM	**2.02x**	2.07x	2.20x	2.4% ↓	8.2% ↓

[1] All figures included in this earnings release consider net income and shareholders' equity attributable to equity holders of the parent, unless indicated otherwise.



Operational Highlights

Land bank	1Q14	4Q13	1Q13	Chg. 1Q14 x 4Q13	Chg. 1Q14 x 1Q13
%MRV					
Land Bank (R$ billion)	**23.2**	23.3	22.9	0.1% ↓	1.6% ↑
Units	**167,474**	165,624	173,374	1.1% ↑	3.4% ↓
Usable Area (in thousands of sq.m.)	**7,703**	7,607	8,102	1.3% ↑	4.9% ↓
Average Price - R$'000 / unit	**139**	140	132	1.2% ↓	5.2% ↑
Average Price - R$'000 / sq.m.	**3.0**	3.1	2.8	1.3% ↓	6.9% ↑
100%					
Number of Projects	**370**	384	399	3.6% ↓	7.3% ↓
Land Bank (R$ billion)	**24.6**	24.7	24.4	0.5% ↓	0.7% ↑
Units	**177,012**	175,816	185,683	0.7% ↑	4.7% ↓
Units per Project	**478**	458	465	4.5% ↑	2.8% ↑
Usable Area (in thousands of sq.m.)	**8,145**	8,079	8,672	0.8% ↑	6.1% ↓
Average Price - R$'000 / unit	**139**	140	131	1.1% ↓	5.6% ↑
Average Price - R$'000 / sq.m.	**3.0**	3.1	2.8	1.3% ↓	7.2% ↑
%CPC 19 IFRS 11					
Land Bank (R$ billion)	**24.0**	23.8	23.6	0.8% ↑	1.7% ↑
Units	**172,484**	169,120	179,031	2.0% ↑	3.7% ↓

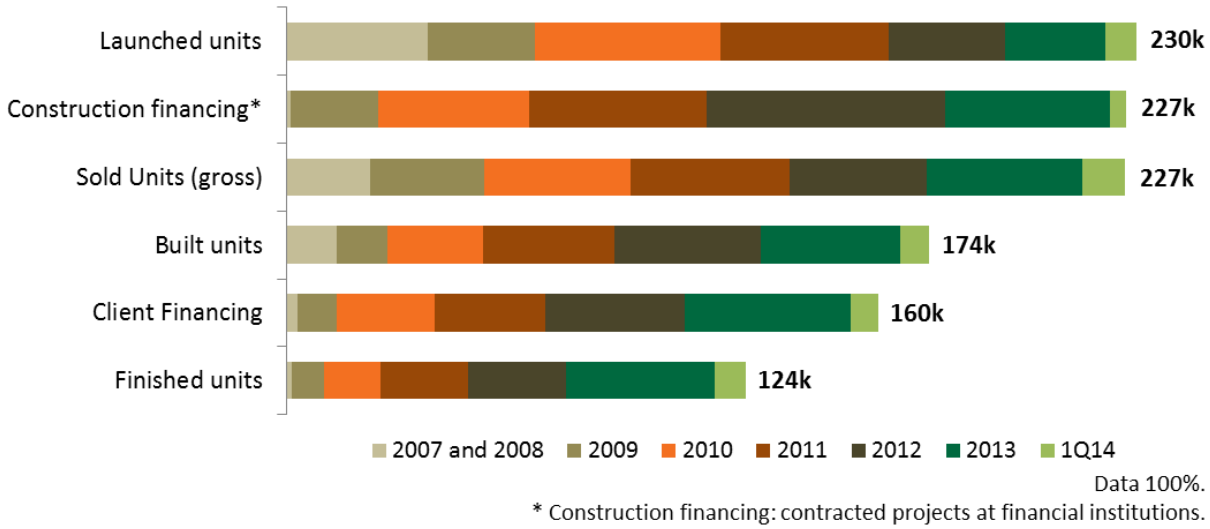
Launches	1Q14	4Q13	1Q13	Chg. 1Q14 x 4Q13	Chg. 1Q14 x 1Q13
%MRV					
Launches (R$ million)	**1,158**	1,341	754	13.7% ↓	53.7% ↑
Units	**7,841**	8,879	6,117	11.7% ↓	28.2% ↑
Average Launching Size (units)	**290**	286	322	1.4% ↑	9.8% ↓
Usable Area (in thousands of sq.m.)	**356**	410	275	13.2% ↓	29.3% ↑
Average Price - R$'000 / unit	**148**	151	123	2.2% ↓	19.9% ↑
Average Price - R$'000 / sq.m.	**3.3**	3.3	2.7	0.5% ↓	18.9% ↑
100%					
Number of Projects	**27**	31	19	12.9% ↓	42.1% ↑
Launches (R$ million)	**1,250**	1,454	783	14.0% ↓	59.6% ↑
Units	**8,473**	9,692	6,358	12.6% ↓	33.3% ↑
Usable Area (in thousands of sq.m.)	**384**	446	286	13.8% ↓	34.6% ↑
Average Price - R$'000 / unit	**148**	150	123	1.6% ↓	19.8% ↑
Average Price - R$'000 / sq.m.	**3.3**	3.3	2.7	0.2% ↓	18.6% ↑
%CPC 19 IFRS 11					
Launches (R$ million)	**1,184**	1,375	767	13.9% ↓	54.2% ↑
Units	**8,025**	9,180	6,230	12.6% ↓	28.8% ↑

Pre-Sales	1Q14	4Q13	1Q13	Chg. 1Q14 x 4Q13	Chg. 1Q14 x 1Q13
%MRV					
Pre-Sales (R$ million)	**1,538**	1,230	1,095	25.0% ↑	40.5% ↑
Units	**10,734**	8,832	8,816	21.5% ↑	21.8% ↑
Usable Area (in thousands of sq.m.)	**495**	407	397	21.6% ↑	24.6% ↑
Average Price - R$'000 / unit	**143**	139	124	2.9% ↑	15.4% ↑
Average Price - R$'000 / sq.m.	**3.1**	3.0	2.8	2.8% ↑	12.7% ↑
100%					
Pre-Sales (R$ million)	**1,669**	1,353	1,204	23.3% ↑	38.5% ↑
Units	**11,574**	9,592	9,674	20.7% ↑	19.6% ↑
Usable Area (in thousands of sq.m.)	**546**	453	448	20.5% ↑	22.0% ↑
Average Price - R$'000 / unit	**144**	141	124	2.2% ↑	15.8% ↑
Average Price - R$'000 / sq.m.	**3.1**	3.0	2.7	2.4% ↑	13.6% ↑
%CPC 19 IFRS 11					
Pre-Sales (R$ million)	**1,529**	1,220	1,118	25.3% ↑	36.8% ↑
Units	**10,851**	8,964	9,102	21.1% ↑	19.2% ↑

Production and Real Estate Financing	1Q14	4Q13	1Q13	Chg. 1Q14 x 4Q13	Chg. 1Q14 x 1Q13
100%					
Built Units	**7,796**	8,408	9,152	7.3% ↓	14.8% ↓
Finished units	**8,451**	12,583	6,216	32.8% ↓	36.0% ↑
Construction Financing	**4,127**	19,367	6,934	78.7% ↓	40.5% ↓
Client Financing	**7,445**	10,012	10,277	25.6% ↓	27.6% ↓
%MRV					
Built Units	**7,250**	7,770	8,266	6.7% ↓	12.3% ↓
Finished units	**7,708**	11,903	5,696	35.2% ↓	35.3% ↑
Construction Financing	**3,742**	17,756	6,315	78.9% ↓	40.7% ↓
Client Financing	**7,125**	9,289	9,503	23.3% ↓	25.0% ↓
%CPC 19 IFRS 11					
Built Units	**7,227**	7,716	8,229	6.3% ↓	12.2% ↓
Finished units	**7,843**	11,031	5,976	28.9% ↓	31.2% ↑
Construction Financing	**3,711**	18,641	6,574	80.1% ↓	43.6% ↓
Client Financing	**7,152**	9,348	10,037	23.5% ↓	28.7% ↓

Operational Performance - MRV

Balanced Operation



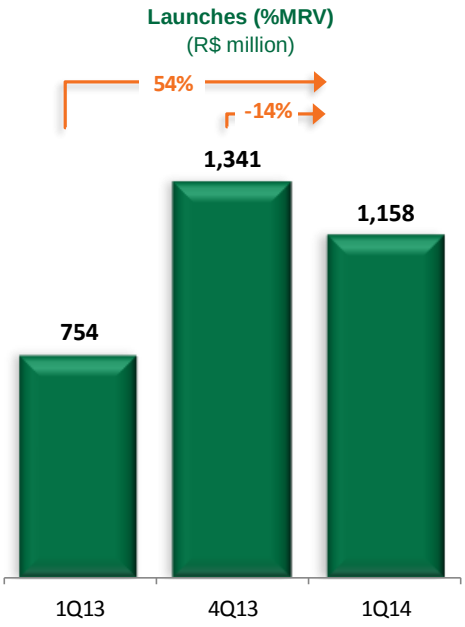
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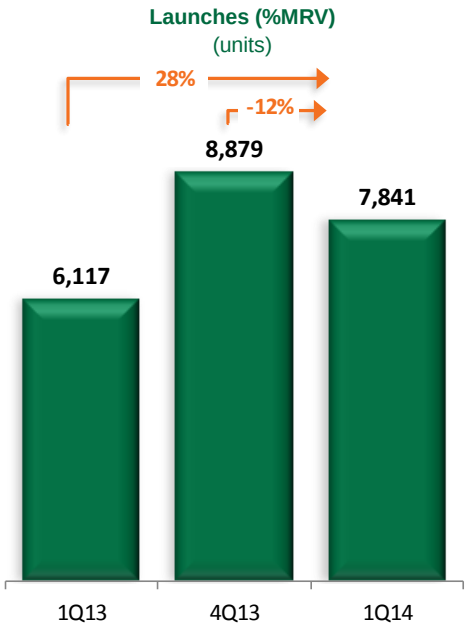
* Construction financing: contracted projects at financial institutions.

Launches (%MRV), gross of swaps

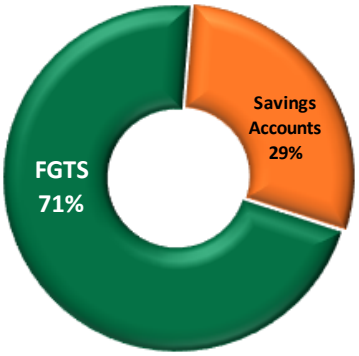
Launches reached R$1,158 million in 1Q14 (7,841 units at an average price of R$147.7k per unit).

By the end of 1Q14, MRV had 7.7k units of R$ 1,0 billion of PSV already with launching permits, but not yet launched.

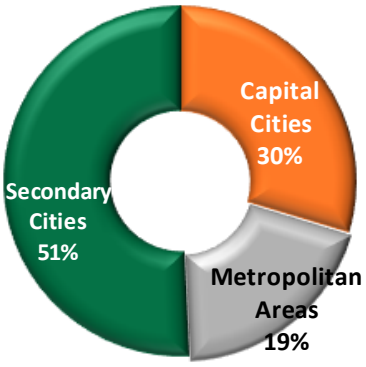




Launches by Financing Source 1Q14
- %MRV (units)



Launches 1Q14 by Geographic Distribution – %MRV (units)



Launches 1Q14 by State
-% MRV (R$ million)

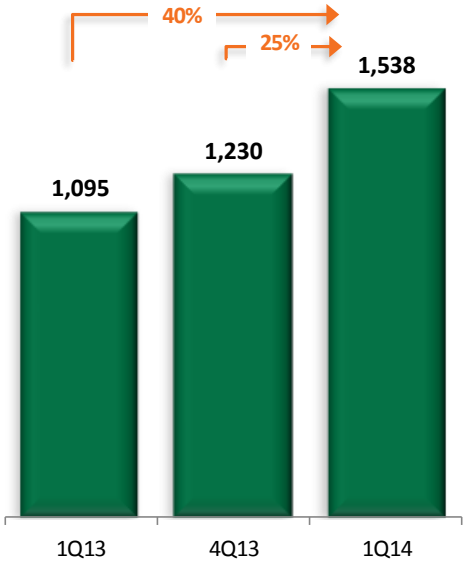
State	R$ million	%
Minas Gerais	362	31.2%
Rio Grande do Sul	173	15.0%
São Paulo	172	14.9%
Rio de Janeiro	160	13.8%
Bahia	91	7.9%
Espírito Santo	68	5.9%
Paraná	64	5.6%
Santa Catarina	36	3.1%
Alagoas	31	2.7%
Total	**1,158**	**100.0%**

Pre-Sales (%MRV), net of swaps

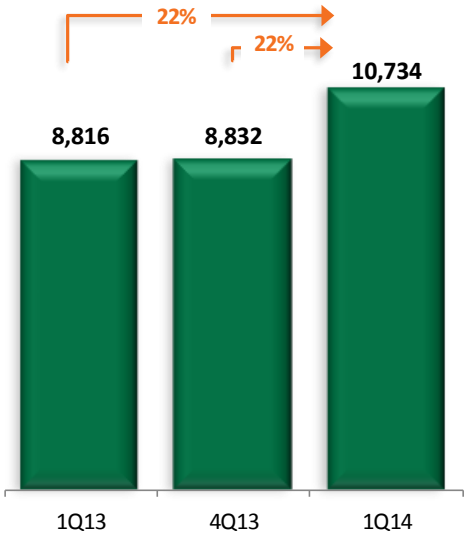
All-time record pre-sales in a quarter in the Company's history, despite the continuous average unit price increase. In 1Q14 pre-sales reached R$1,538 million (10,734 units, at an average price of R$143.3k per unit), a 40% value increase compared to the same period of the previous year, even with a 14% price increase in the last twelve months. We see a low competition market in segment and cities in which we operate, scenario that should remain over a medium to long-term. Of 1Q14's total sales, 81% were eligible to "*Minha Casa Minha Vida*" program.



Pre-sales (%MRV)
(R$ million)



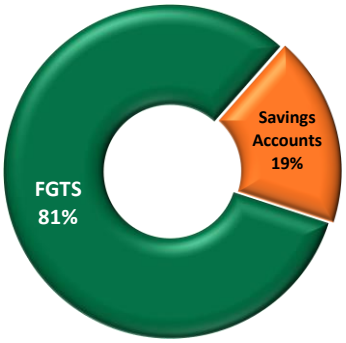
Pre-sales (%MRV)
(units)



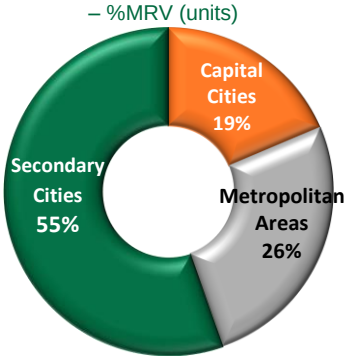
Pre-Sales 1Q14 per State (%MRV)

State	R$ million	%
São Paulo	694	45.1%
Minas Gerais	207	13.5%
Paraná	136	8.9%
Rio de Janeiro	126	8.2%
Bahia	63	4.1%
Espírito Santo	61	4.0%
Rio Grande do Sul	40	2.6%
Goiás	27	1.8%
Pernambuco	24	1.6%
Paraíba	21	1.4%
Sergipe	21	1.4%
Ceará	20	1.3%
Santa Catarina	18	1.2%
Mato Grosso	18	1.2%
Alagoas	16	1.1%
Rio Grande do Norte	16	1.0%
Distrito Federal	13	0.9%
Mato Grosso do Sul	10	0.7%
Maranhão	4	0.3%
Total	**1,538**	**100.0%**

Pre-Sales by Financing Source
1Q14 - %MRV (units)



Pre-sales 1Q14 by Geographic Distribution
– %MRV (units)



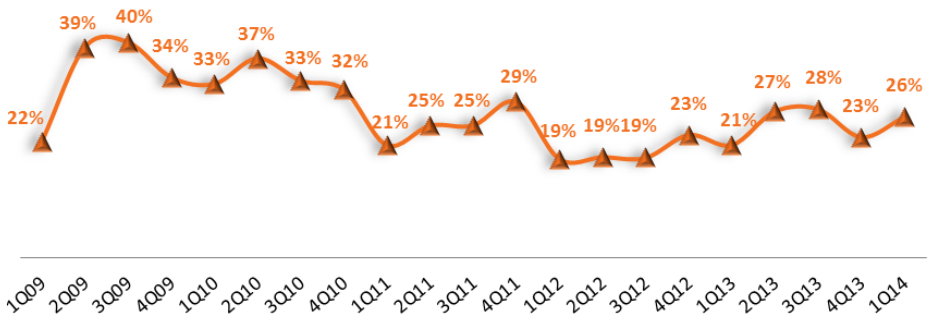
Pre-Sales per launching period – %MRV (R$)

Launching Period	Pre Sales														
	2009	2010	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
1Q14															8%
4Q13														19%	21%
3Q13													12%	17%	9%
2Q13												5%	12%	8%	5%
1Q13											7%	14%	8%	6%	4%
4Q12										7%	15%	12%	7%	6%	4%
3Q12									14%	20%	13%	5%	4%	5%	6%
2Q12								14%	16%	20%	7%	7%	7%	4%	4%
1Q12							3%	12%	10%	5%	5%	4%	2%	4%	4%
4Q11						11%	23%	18%	16%	11%	10%	9%	9%	5%	5%
3Q11					16%	25%	20%	12%	9%	9%	10%	9%	8%	5%	5%
2Q11				9%	14%	8%	10%	8%	5%	5%	4%	4%	3%	2%	2%
1Q11			17%	16%	12%	9%	8%	8%	6%	4%	2%	3%	3%	2%	2%
2010		55%	60%	57%	38%	30%	27%	19%	16%	13%	18%	19%	14%	11%	12%
2009	45%	27%	11%	9%	9%	8%	4%	4%	4%	3%	4%	5%	5%	4%	6%
Before 2009	55%	18%	13%	10%	10%	9%	4%	5%	4%	4%	5%	4%	4%	4%	2%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Launches in 1Q14 were concentrated in March, and most of the pre-sold units in the period came from inventory.

Sales over Supply of 26% in 1Q14 was a consequence of the Company's pre-sales record for a quarter.

Sales over Supply



Sales over Supply = Sales / (Initial Inventory + Launches)

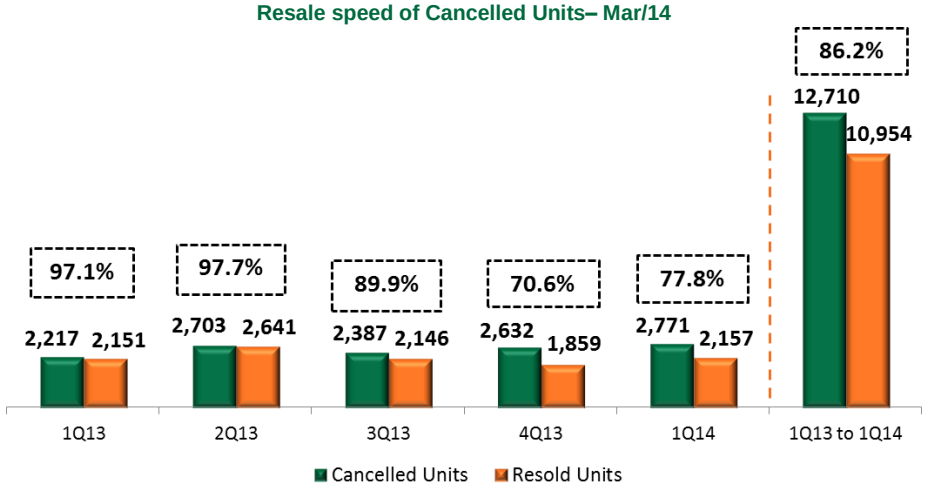
Cancellations (%MRV)

- High resale speed.
- Resale of the cancelled units with price increase in real terms.
- 80% of the cancellations takes place during the construction phase.

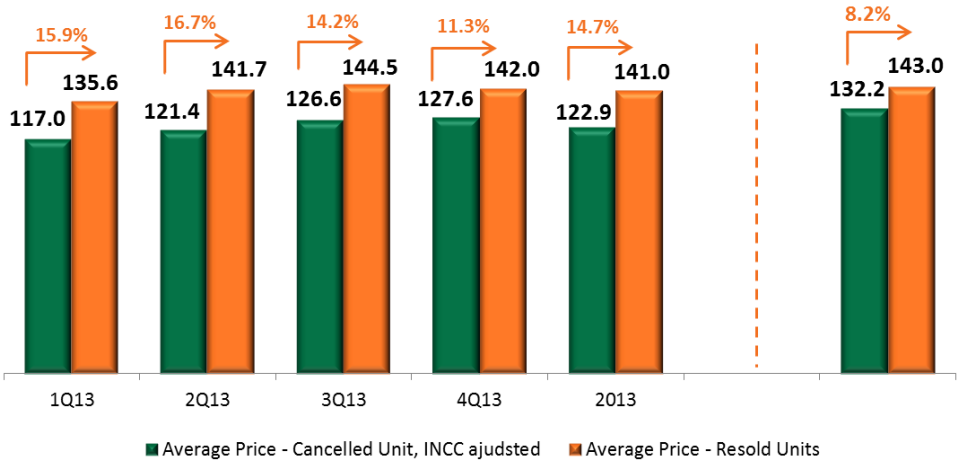
(R$ million)	1Q13	2Q13	3Q13	4Q13	1Q14	Chg. 1Q14 x 1Q13
Gross Sales	1,094,722	1,381,231	1,388,108	1,229,996	1,538,059	40.5% ↑
Cancellations (Contract Value)	232,615	293,669	265,548	295,952	327,981	41.0% ↑
Cancellations / Gross Sales	21.2%	21.3%	19.1%	24.1%	21.3%	0.08 p.p. ↑
Net Sales	862,106	1,087,562	1,122,560	934,043	1,210,077	40.4% ↑

(units)	1Q13	2Q13	3Q13	4Q13	1Q14	Chg. 1Q14 x 1Q13
Gross units Sold	8,816	10,551	10,250	8,832	10,734	21.8% ↑
Cancelled Units	2,217	2,703	2,387	2,632	2,771	25.0% ↑
Cancellations / Gross Sales	25.1%	25.6%	23.3%	29.8%	25.8%	0.67 p.p. ↑
Net Sales (units)	6,599	7,848	7,863	6,200	7,963	20.7% ↑

Resale speed of Cancelled Units– Mar/14



Average resale price x Average cancelled unit selling price adjusted by the INCC [2]



Cancellation per construction status (units)

	1Q13	2Q13	3Q13	4Q13	1Q14
Under construction	63%	88%	85%	86%	80%
Finished	37%	12%	15%	14%	20%

[2] Average contract value of the cancelled unit adjusted by the period's INCC between the original sale and the resale.

The volume of cancellations remained high due to stricter credit screening rules implemented by the banks in 4Q13. MRV's client evaluation criterions are already adequate to the banks' new reality.

Due to the predominance of *Crédito Associativo* (where mortgages are granted during the construction cycle) in our business model, the great majority of the Company's cancellations occur during construction phase, allowing the cancelled unit to be resold and the clients' base to be depurated while the project is still being built.

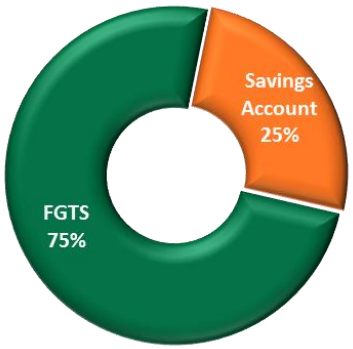
Moreover, due the elevated demand for finished and/or semi-finished units, MRV has been less tolerant with clients who take a long time to contract their mortgage with the banks. This can be verified in the low volume of finished units in the inventory to be sold, allowing a quick resale of the cancelled units and decreasing the cancelling of finished units.

The implementation of *SICAQ/SAC Project* (where pre-sales is conditional to the approval of the client's mortgage approval by the bank) is ongoing and will enable a decrease in the level of cancellations, minimizing the Company's risks and accelerating cash receipts.

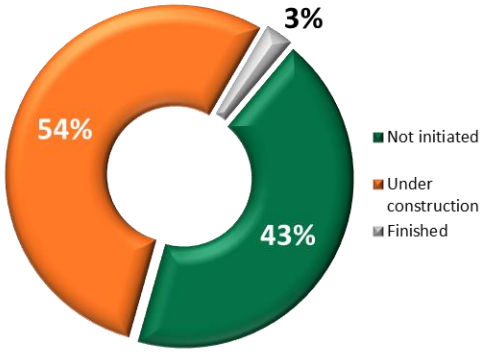
Inventory at Market Value (%MRV)

On March 31, 2014, the inventory at market value totaled R$ 4.71 billion (versus R$ 4.67 billion on December 31, 2013). Inventory units' price is regularly updated.

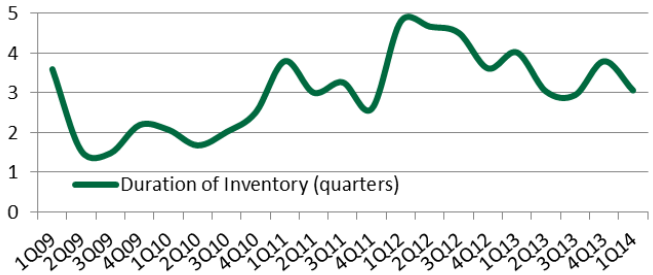
Inventory at market value by financing source – %MRV (units) (03/31/2014)



Inventory at market value by construction phase – %MRV (units) (03/31/2014)



At the end of March/2014 we had approximately 3 quarters of pre-sales in inventory units to be sold. Inventory of finished units remains low and represent, approximately, 8 days of the pre-sales volume.



Inventory Duration = Final inventory / Sales

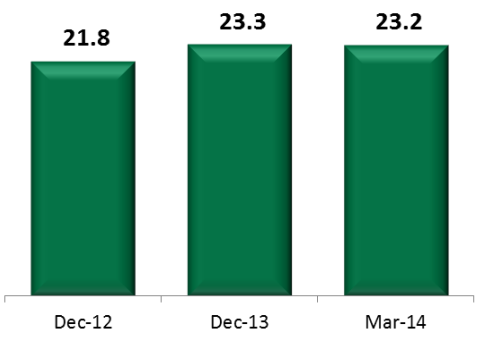
Land Bank (%MRV)

Land bank

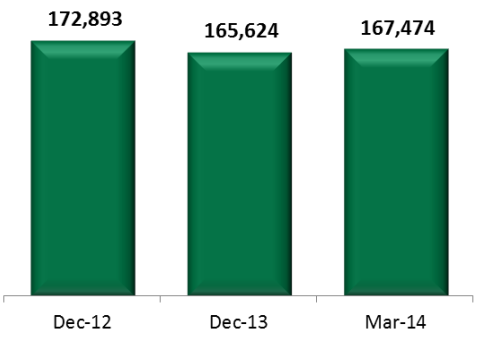
	1Q13	4Q13	1Q14
Land Bank (opening balance) (R$ million)	21,794	22,696	23,253
Acquisitions/Adjustments (R$ million)	1,821	1,899	1,143
Launches (R$ million)	(754)	(1,341)	(1,158)
Land Bank (closing balance) (R$ million)	22,862	23,253	23,239
Land Bank - Units (thousands)	173	166	167
# of units per project (average)	435	431	453
Average Price (R$ thousands)	132	140	139

Units' price of the land bank is regularly updated.

Land bank – %MRV
(R$ billion)



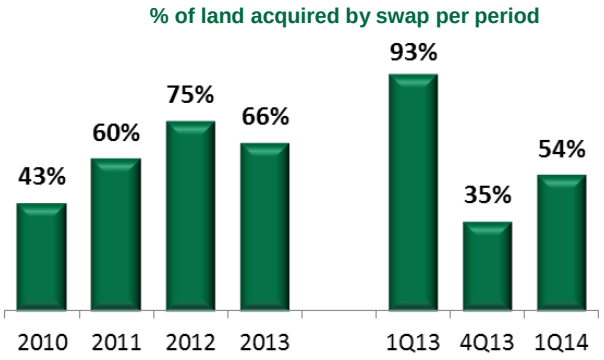
Land bank – %MRV
(units)



83% of the units in the Land bank are eligible to be financed with resources from FGTS and 17% eligible for financing with Savings Deposit resources.

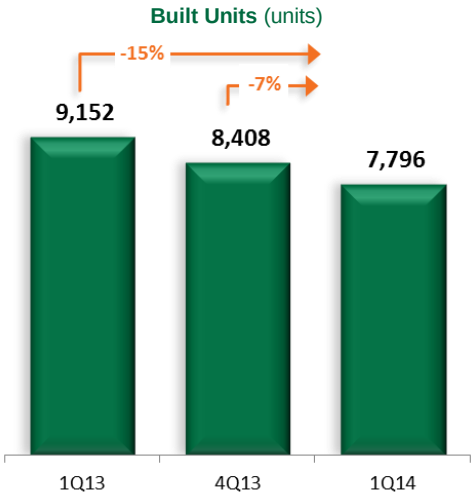
MRV's land bank is already consolidated, and new land acquisitions shall be done mainly through swaps. Specific opportunities may cause fluctuations in the percentage of swaps at certain periods.

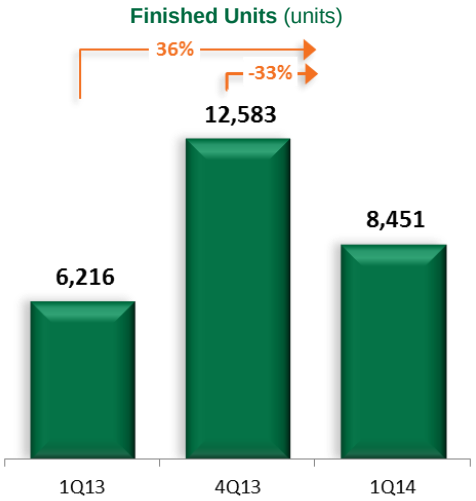


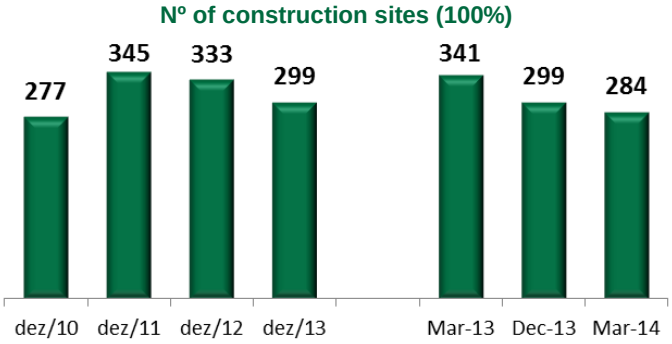


Production (100%)

The volume of units built in 1Q14 fell over the same period of 2013 due to the reduction on launches in the last two years, thereby reducing the number of projects to be started, and the increased completion of projects in progress. This volume shall increase as of the second quarter of 2014, due to the beginning of new construction sites.

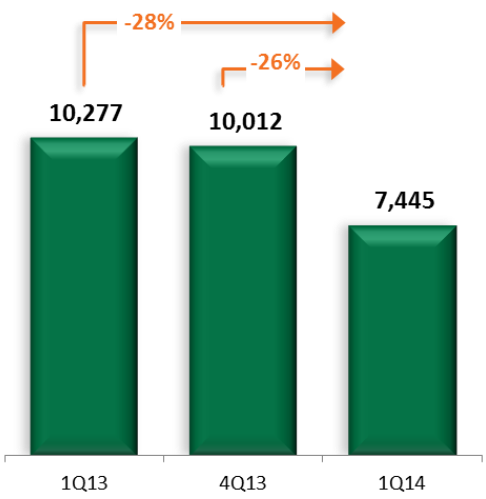




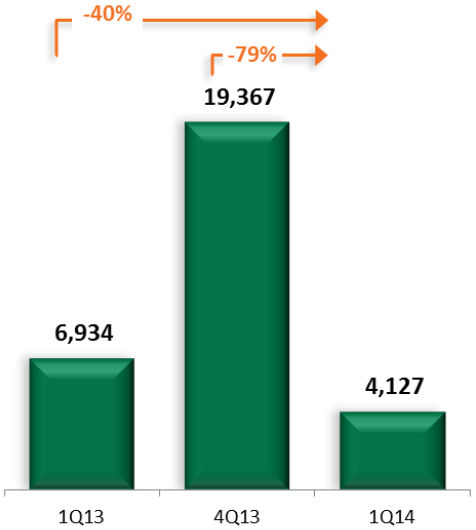


Real Estate Financing (100%)

Client Financing (transferred units) [3]



Construction Financing (Contracted Units)[4]



The number of clients financed by the banks reached 7,445 units in 1Q14. The decrease in the number of mortgages granted this quarter occurred mainly due to the deadlock / instability on CEF's SICAQ system (system used for the mortgage granting approval) during the months of February and March.

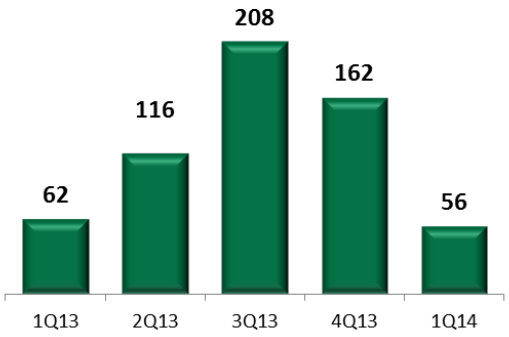
We have an inventory of 161k contracted units (valid construction financing contracts). Of this total, approximately 10k units were not yet launched (still in Land Bank), nearly 64k units were not yet built and 38k units are in sales inventory.

3 Client Financing: Quantity of clients (individuals) that signed their mortgages with a financial institution in the period.
4 Contracted units: Units from projects that had the construction financing approved by a financial institution in the period.

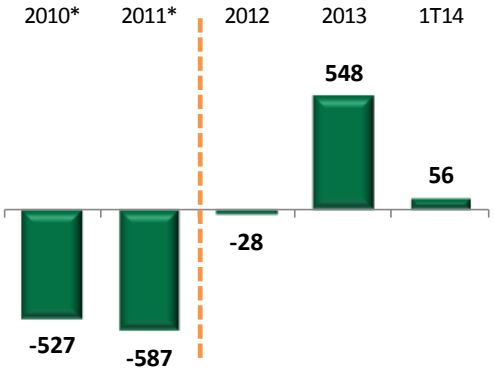
Cash Generation – Generation of R$56 million in 1Q14

We have generated R$56 million in 1Q14 of Free Cash Flow. The problems of CEF's SICAQ system, which affected negatively the mortgage granting process during the quarter, impacted the cash flow generated in the quarter. We maintain our focus on generating cash, seeking continuous improvement in the cash collection cycle.

Consolidated Cash Generation / Cash Burn[5] (R$ million) – CPC 19 IFRS 11



Consolidated Cash Generation / Cash Burn (R$ million) – 2010* an 2011*: Proportional consolidation / 2012, 2013 and 1Q14: CPC 19 IFRS 11



The cash generation is a consequence of the number of mortgages approved and processed by the banks. From the day the client signs the mortgage with the bank to the day of the effective credit at MRV's banking account, the amount to be credited to MRV, equivalent to the percentage already built of the project, remains in a "Transitory Account". Additionally to the effective cash generated during the year, the balance of these transitory accounts reached R$ 354 million in 03/31/2014, granting a continuous cash generation.

MRV considers the Securitization of Real Estate Receivables *("CRI – Certificado de Recebíveis Imobiliários")* as debt until the client's mortgage is granted by the bank or the maturity of the liabilities.

[5] Cash Generation / Cash Burn – measured by the variation of the net debt, excluding capital increases, bought back shares held in treasury and dividends paid, when applicable. Consolidated cash generation/cash burn represents the homebuilding business, considering pronouncements CPC19-IFRS11.

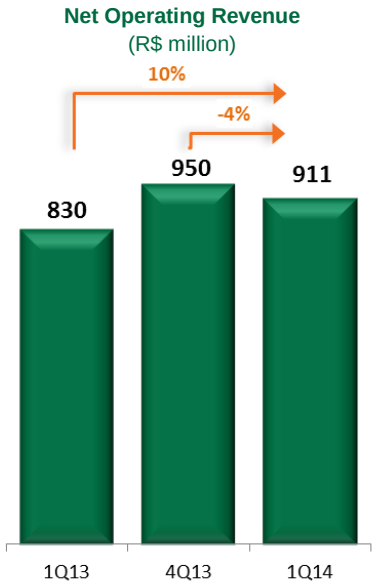
MRV Financial Performance

The financial indicators presented in this report are in accordance to the pronouncements CPC 19 (R2) – Joint Arrangements (IFRS 11), which have entered into force as of January 1st, 2013, except when otherwise stated.

Net Operating Revenue

In 1Q14 net operating revenue reached R$911 million, a 10% increase y-o-y. Despite the lower volume of units build and higher cancellations in the quarter, the 40% increase in pre-sales allowed the increase the net operating revenue when compared to 1Q13.

Comparing to 4Q13, the Net Operating Revenue had a 4% revenue drop.

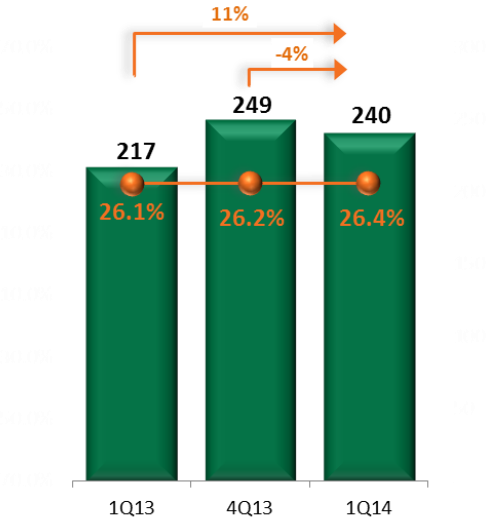


(R$ million)	1Q14	4Q13	1Q13	Chg. 1Q14 x 4Q13	Chg. 1Q14 x 1Q13
Net Operational Revenue	**891**	929	800	4.1% ↓	11.4% ↑
Financial results allocated to Net Revenue	**20**	21	30	3.7% ↓	32.5% ↓
Total Net Operational Revenue	**911**	950	830	4.1% ↓	9.8% ↑

Gross Profit

The gross margin of 1Q14 keeps improving gradually.

Gross Profit (R$ million) **and Gross Margin** (%)



The table below demonstrates the financial charges recorded under COGS:

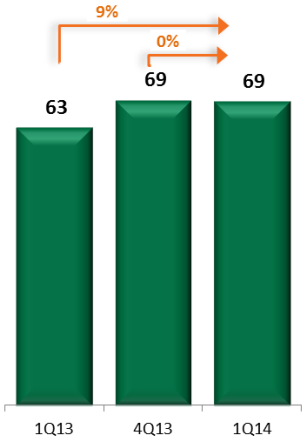
Financial Cost recorded under COGS

(R$ million)	1Q14	4Q13	1Q13
Financial Cost recorded under COGS	**31**	36	36
% of Net Operating Revenue	**3.4%**	3.8%	4.3%

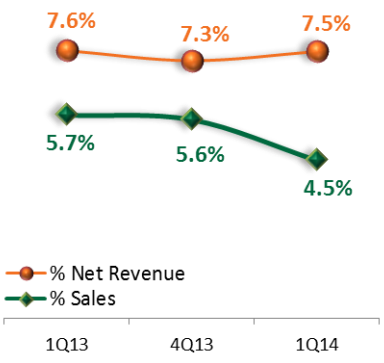
The gross margin in 1Q14 was impacted by 3.4 p.p. by the financial charges allocated to COGS (Cost of Goods Sold). Excluding financial charges, the gross margin of 1Q14 was 29.8% compared to 30.1% in 4Q13 and to 30.4% in 1Q13.

Selling Expenses

Selling Expenses
(R$ million)



% Selling Expenses/ Pre-Sales (%MRV)
and **% Selling Expenses / Net Operating Revenue**

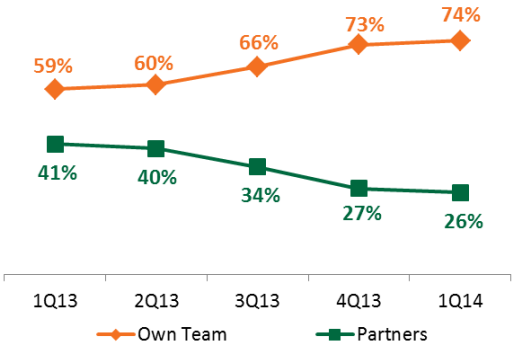


We have reported a strong optimization of the selling expenses, with a decrease of 120 bps in the ratio selling expenses / pre-sales compared to the same period of the previous year:

Despite the 40% increase on this quarter's pre-sales compared to 1Q13, we had R$4 million decrease (equivalent to 13%) on marketing and advertisement expenses.

In absolute terms, selling expenses increased only 9% when compared to 1Q13, with a 40% growth on pre-sales on the other hand, as mentioned before.

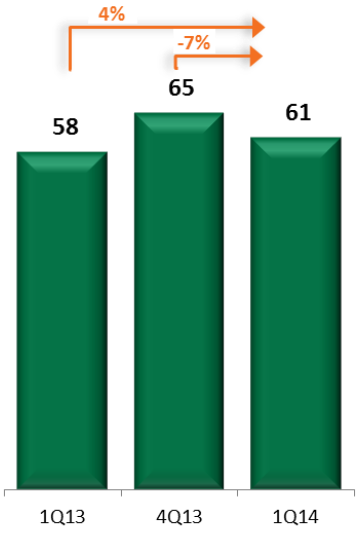
Evolution of pre-sales per Team
Own Team x Partners (units)



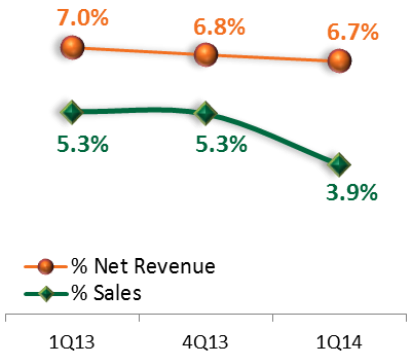
We have being increasing our own sales force team, and this has allowed operational gains, as the sales quality and priorities are more aligned to the Company's interest.

General and Administrative Expenses (G&A)

General and Administrative Expenses
(R$ million)



% G&A Expenses / Pre-Sales (%MRV)
and % **G&A Expenses / Net Operating Revenue**

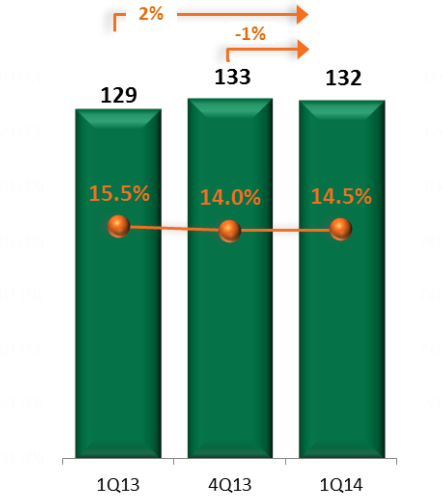


The Company administrative structure is able to support the operational growth.

EBITDA[6]

The EBITDA margin evolution of 50 bps in 1Q14 reflected the increase of the net operating revenues and the gradual evolution of the gross margin.

EBITDA (R$ million) and **EBITDA margin** (%)



Find below the EBITDA calculation:

R$ million	1Q14	4Q13	1Q13	Chg. 1Q14 x 4Q13	Chg. 1Q14 x 1Q13
Income before taxes	106	94	94	12.8%	12.3%
Depreciation and Amortization	10	10	7	(3.5%)	33.1%
Financial Results	(15)	(7)	(8)	103.5%	77.8%
Financial charges recorded under cost of sales	31	36	36	(13.5%)	(12.0%)
EBITDA	**132**	**133**	**129**	**(0.7%)**	**2.4%**
EBITDA Margin	*14.5%*	*14.0%*	*15.5%*	*0.5 p.p.*	*(1.0 p.p.)*

Financial Results

(R$ million)	1Q14	4Q13	1Q13	Chg. 1Q14 x 4Q13	Chg. 1Q14 x 1Q13
Financial Expenses	**(32)**	(41)	(25)	22.3% ↓	26.5% ↑
Financial Income	**37**	42	29	11.9% ↓	26.6% ↑
Financial income from receivables from real estate development	**10**	7	5	49.7% ↑	119.2% ↑
Total	**15**	7	8	103.5% ↑	77.8% ↑

The reduction of financial expenses and financial income, compared to the last quarter, was a consequence of (i) the payment, in February, of R$ 272 million, of principal and interest, related to the 3rd debenture issuance, and (ii) the reduction of the cash balance, respectively. The increase of the Financial Expenses from receivables from real estate development is due to the increase in the number of projects that obtained *living permits* and in the variation of the index that adjusts the contracts – INCC.

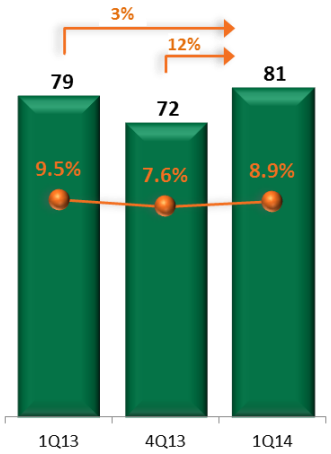
6 See EBITDA definition at the Glossary

The total financial results are demonstrated below, adjusted for financial charges recorded at the Cost of Goods Sold.

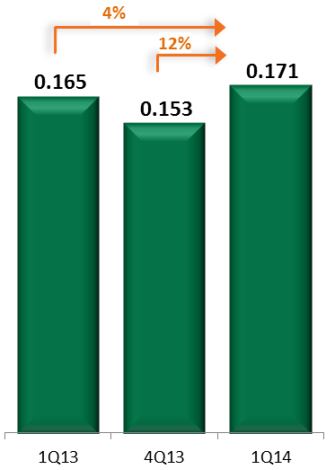
(R$ million)	1Q14	4Q13	1Q13	Chg. 1Q14 x 4Q13	Chg. 1Q14 x 1Q13
Financial result	15	7	8	103.5% ↑	77.8% ↑
Financial Cost recorded under COGS	(31)	(36)	(36)	13.5% ↓	12.0% ↓
Adjusted Total	**(16)**	**(29)**	**(27)**	**43.5% ↓**	**39.9% ↓**

Net Income

Net Income (R$ million) and **Net Margin** (%)



Net Income per Share (R$)



The quarter's net income was 11,9% higher compared to 4Q13. Thus, we had an evolution of net income per share of 12,1%, going from R$ 0.153 in 4Q13 to R$ 0.171.

Unearned Results

(R$ million)	Mar-14	Dec-13	Mar-13	Chg. Mar-14 x Dec-13	Chg. Mar-14 x Mar-13
Unearned Sales Revenues	3,651	3,172	2,918	15.1% ↑	25.1% ↑
(-) Unearned Costs of Units Sold	(2,081)	(1,821)	(1,715)	14.3% ↑	21.4% ↑
Unearned Results	1,570	1,352	1,203	16.1% ↑	30.5% ↑
Unearned Results Margin	43.0%	42.6%	41.2%	0.4 p.p. ↑	1.8 p.p. ↑



Balance Sheet

Cash and Cash Equivalents and Short-term Investments

On March 31, 2014 we had Cash and Cash Equivalent and Short-term Investments of R$1,383 million, a decrease of 18% compared to R$ 1,689 million on December 31, 2013. In 1Q14 we made the final payment of the 3rd debenture issuance amounting R$ 272 million of principal and interest, in line with our strategy to reduce the corporate debt. We maintain a solid cash position and a low leveraged balance sheet, giving us comfort to keep up with our operations even in periods of uncertainty in the global and Brazilian economies.

Receivables from Real Estate Development

(R$ million)	Mar-14	Dec-13	Chg. Mar-14 x Dec-13
12 months	4,916	4,604	6.8% ↑
13 to 24 months	2,618	2,471	6.0% ↑
25 to 36 months	294	289	1.8% ↑
37 to 48 months	50	49	0.6% ↑
Over 49 months	6	6	0.6% ↑
Total	**7,884**	**7,419**	**6.3% ↑**
Receivables from real estate development	4,232	4,247	0.3% ↓
Unearned sales revenue	3,651	3,172	15.1% ↑
Total	**7,884**	**7,419**	**6.3% ↑**

On March 31, 2014, we had a total of R$ 337 million of receivables without the unit's warranty (*Pró-soluto*[7]), representing approximately 4.3% of the total R$ 7,884 million account receivables.

Pro-soluto (R$ million)	Mar-14
After Keys Delivery	71
Before Keys Delivery	266
Total	**337**
Receivables	7,884
Pro-soluto / Receivables (%)	4.3%

[7] Pro Soluto: receivables from clients who have already financed their units at financial institutions.



Advances from Customers

(R$ million)	Mar-14	Dec-13	Chg. Mar-14 x Dec-13
12 months	914	933	2.1% ↓
13 to 24 months	329	365	9.8% ↓
Over 24 months	143	211	32.4% ↓
Total	**1,386**	**1,510**	8.2% ↓
Advanced receivables	354	397	10.9% ↓
Advances for barters	1,032	1,113	7.3% ↓
Total	**1,386**	**1,510**	8.2% ↓

Real Estate for Sale and Development

(R$ million)	Mar-14	Dec-13	Chg. Mar-14 x Dec-13
Properties under construction	1,157	1,193	3.0% ↓
Completed Units	52	55	5.0% ↓
Land bank	1,996	1,926	3.6% ↑
Advances to Suppliers	33	45	26.0% ↓
Inventories of supplies	6	7	4.3% ↓
Total	**3,245**	**3,225**	**0.6% ↑**
Current	1,656	1,735	4.6% ↓
Non-current	1,588	1,490	6.6% ↑

Total Debt

Total debt as of March 31, 2014 was R$ 2,687 million, fully denominated in Brazilian *Reais*, and mainly indexed to the interbank deposit rate and referential rate.

Debt Maturity Schedule

(R$ million)	Loans - Construction Financing*	Debentures	Total
12 months	438	161	599
13 to 24 months	609	368	978
25 to 36 months	319	499	818
37 to 48 months	41	250	291
Over 48 months	1	-	1
Total Debt	**1,408**	**1,279**	**2,687**

*Include leases

On March 31, 2014 the duration[8] of MRV's debt was 20 months.

[8] Duration – see attachment 8 - glossary



Debt Breakdown

(R$ million)	Maturity	Charges	Balance Due Mar/14	Balance Due Dec/13
Working capital – CDI			**1,595**	**1,884**
Debentures - 3rd Issuance	02/01/2014	CDI + 1.6% p.a.	-	269
Debentures - 5th Issuance	07/01/2016	CDI + 1.5% p.a.	512	525
Debentures - 6th Issuance	3/5/2017	CDI + 1.5% p.a.	520	506
Working capital – CDI	up to June/17	CDI + 1.18% to 1.45% p.a.	415	418
CCB which backed the CRI transaction	Mar/13 to Mar/15	CDI + 1.15% p.a.	148	166
Construction Finance - TR			**1,083**	**1,124**
Debentures - 4th Issuance	12/1/2015	TR + 8.25 p.a.	246	241
Construction Financing	up to Dec/18	TR + 8% to 10.5% p.a.	837	883
Others			**8**	**10**
Others	up to Apr/20	CDI + Spread and Fixed rate 4.5%	8	10
Total			**2,687**	**3,018**

Weighted Average Debt Cost

(R$ million)	Balance Due Mar/14	Balance Due / Total (%)	Average Cost
CDI	(1,604)	59.7%	CDI + 1.4%
TR	(1,083)	40.3%	TR + 8.1%
Others (fixed rate 4.5%)	-	0.0%	4.5%
Total	**(2,687)**	**100.0%**	

The Company prioritizes Construction Financing due to the efficiency it brings to the client financing (mortgage granting process) and to its lower costs when compared to the Corporate Debt.

Net Debt

Consolidated MRV Net Debt

(R$ million)	Mar-14	Dec-13	Chg. Mar-14 x Dec-13
Total debt	2,687	3,018	11.0% ↓
(-) Cash and cash equivalents and Short-term investments	(1,383)	(1,689)	18.1% ↓
Net Debt	1,304	1,329	1.9% ↓
Total Shareholders' Equity	4,421	4,365	1.3% ↑
Net Debt / Total Shareholders' Equity	29.5%	30.4%	1.0 p.p. ↓
EBITDA LTM	647	643	0.5% ↑
Net Debt / EBITDA LTM	2.02x	2.07x	2.4% ↓

Covenants & Corporate Risk

Ratings

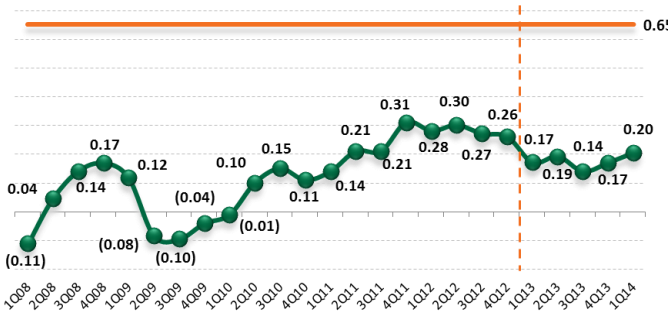
STANDARD &POOR'S

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FitchRatings

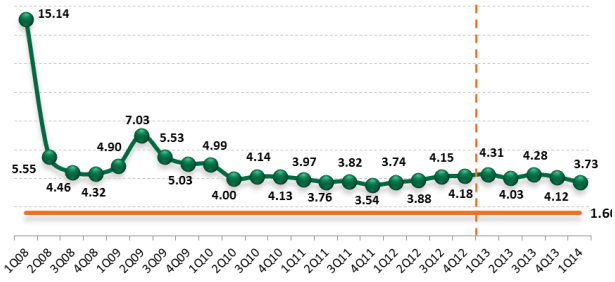
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Debt Covenant[9]



$$\frac{\text{Net Debt} + \text{Properties Payable}}{\text{Equity}} < 0.65$$

Receivables Covenant



$$\frac{\text{Receivables} + \text{Unearned Income} + \text{Inventories}}{\text{Net Debt} + \text{Properties Payable} + \text{Unincurred Costs}} > 1.6$$

Shares

MRVE3 (05/13/14)
477,221,343 shares
Market Share: R$ 3.4 billion
US$ 1.5 billion
(05/31/14: US$ 1 = R$ 2.21)
Average Daily Trading Volume (2014):
R$ 33.85 million

Share Buyback Plan

Share Buyback Plan (03/18/2014)	
Term	03/17/2015
Status	Active
Approved Quantity	15,000,000
Acquired Quantity until 05/14/14	3,850,000
Buyback Available Balance (as of 05/14/14)	11,150,000
Treasury Shares (as of 05/14/14)	7,563,959

Since August/2011 we have had Share Buyback Programs, where the acquired shares should remain in Treasury, be cancelled or be sold.

In 1Q14, we have bought back 4,270,000 shares, amounting R$31 million.

On March 17, 2014, a new Share Buyback Program was approved with a total authorized share buyback volume of 15,000,000 shares, valid from March 18, 2014 to March 17, 2015.Since the beginning of this current program, 3,850,000 shares were already bought, amounting R$28.3 million.

During 2014, up to 05/14/14, 7,320,000 shares were bought back, amounting a total of R$ 53.6 million.

The Company is oriented to a value creation to its shareholders, and shall use the consistent cash flow generation to buyback the Company's shares in moments of lower prices, with the subsequent cancellation of those shares.

[9] Debt and Receivables Covenants calculated in accordance to pronouncement CPC 19 (R2) – IFRS 11 as of 1Q13



LOG Commercial Properties

LOG CP, from 3Q13 on, as LOG has requested for public company in CVM´s "B" category, starts to release its detailed results. LOG´s earnings release is available on MRV's website (http://ri.mrv.com.br/relatorios_trimestrais.aspx?l=2). Find below LOG CP's main metrics:

Operating Highlights (in GLA sq.m., in %LOG)	1Q14	4Q13	1Q13	1Q14 x 4Q13	1Q14 x 1Q13	1Q14 Accumulated	1Q13 Accumulated	1T14 Accum. x 1T13 Accum.
Portfolio	**1,327,457**	**1,317,566**	**1,396,166**	**0.8%**	**-5.6%**	**1,327,457**	**1,396,166**	**-4.9%**
Warehouses	1,173,771	1,174,798	1,205,544	-0.1%	-2.6%	1,173,771	1,205,544	-2.6%
Retail *	51,056	48,368	89,985	5.6%	-43.3%	51,056	89,985	-43.3%
Office	102,630	94,400	100,637	8.7%	2.0%	102,630	100,637	2.0%
Approved GLA	**2,621**	**81,772**	**(9,136)**	**-96.8%**	**-128.7%**	**875,532**	**695,112**	**26.0%**
Warehouses	1,435	79,321	(9,220)	-98.2%	-115.6%	861,925	681,951	26.4%
Retail *	1,185	2,451	84	-51.6%	1311.2%	13,607	13,160	3.4%
Office	-	-	-	0.0%	0.0%	-	-	0.0%
Built GLA	**35,602**	**43,713**	**43,466**	**-18.6%**	**-18.1%**	**589,288**	**405,776**	**45.2%**
Warehouses	34,618	44,679	41,258	-22.5%	-16.1%	579,085	400,949	44.4%
Retail *	984	(966)	2,208	-201.8%	-55.4%	10,203	4,827	111.4%
Office	-	-	-	0.0%	0.0%	-	-	0.0%
Delivered GLA	**20,092**	**57,447**	**-**	**-65.0%**	**0.0%**	**432,747**	**252,903**	**71.1%**
Galpões	20,116	54,803	-	-63.3%	0.0%	430,127	252,903	70.1%
Retail *	(23)	2,644	-	-100.9%	0.0%	2,621	-	0.0%
Office	-	-	-	0.0%	0.0%	-	-	0.0%

Financial Highlights (in R$ thousand)	1Q14	4Q13	1Q13	1Q14 x 4Q13	1Q14 x 1Q13	1Q14 Accumulated	1Q13 Accumulated	1T14 Accum. x 1T13 Accum.
Net Operating Revenues	14	13	9	7.1%	50.9%	14	9	50.9%
EBITDA	11	11	6	2.9%	71.7%	11	6	71.7%
EBITDA Margin (%)	77.6%	80.8%	68.2%	-3.2 p.p.	9.4 p.p.	77.6%	68.2%	9.4 p.p.
Adjusted EBITDA **	10	8	6	14.3%	53.5%	10	6	53.5%
Adjusted EBITDA Margin (%)	69.4%	64.9%	68.2%	4.5 p.p.	1.2 p.p.	69.4%	68.2%	1.2 p.p.
FFO	7	10	4	-27.5%	77.9%	7	4	77.9%
FFO Margin (%)	49.5%	73.2%	42.0%	-23.6 p.p.	7.5 p.p.	49.5%	42.0%	7.5 p.p.
Adjusted FFO **	6	7	4	-12.7%	50.1%	6	4	50.1%
Adjusted FFO Margin (%)	41.8%	51.2%	42.0%	-9.4 p.p.	-0.2 p.p.	41.8%	42.0%	-0.2 p.p.

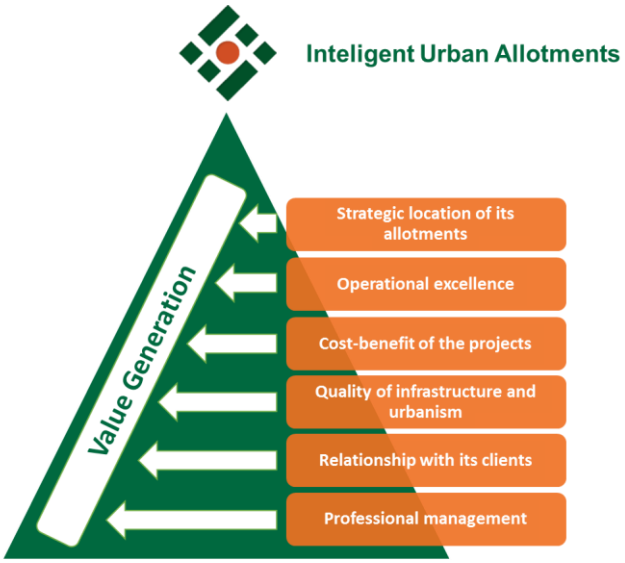
* Retail: Shopping Centers and Strip Malls.
** Adjusted EBITDA and FFO does not consider non recurrent events as subsidiary shares sales.
*** The operating highlights considers LOG´s JV´s.

Urbamais

Urbamais Properties e Participações S.A. (“Urbamais”) is a company of MRV’s Group, with the goal to sustainably develop large urban areas for residential use and/or mixed products.

Urbamais operates (i) researching and identifying distinguished areas, aiming to boost the success of its allotments, and (ii) planning and executing the infrastructure and urbanism with high quality and environmental awareness.

The company’s advantages are based on the following pillars: strategic location of its allotments, operational excellence, cost-benefit of the projects, quality of infrastructure and urbanism, relationship with its clients and professional management.



We believe in the potential of land development segment because of its fragmentation, with a large number of small players.

We see a great synergy with MRV, due to its recognized real estate market expertise, its strong presence in Brazil's main regions and its consolidated corporate image in the capital market. The combination of Urbamais’ differentials and the synergy with MRV assures a great opportunity of value generation to the shareholders operating in a segment with attractive margins and returns.

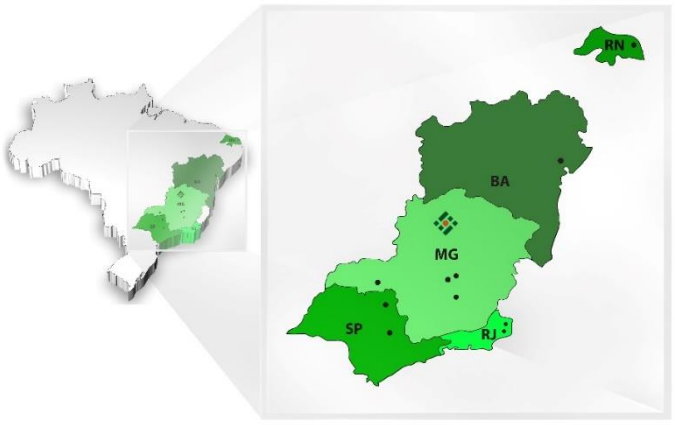
Human Resources

Urbamais is professionally managed, independently from MRV, with great focus on cost control, profitability and cash generation. The company counts on its own, highly experienced executive body in its business areas: real estate development, commercial and production.

As part of the synergy, the back office activities (Information Technology, Controllership, Human Resources, etc) have been performed by MRV’s SSC (Shared Services Center), which is already consolidated and highly efficient.

Geographical Presence

Urbamais is already present in10 cities, located in 5 States in Brazil in the Southeast and Northeast.



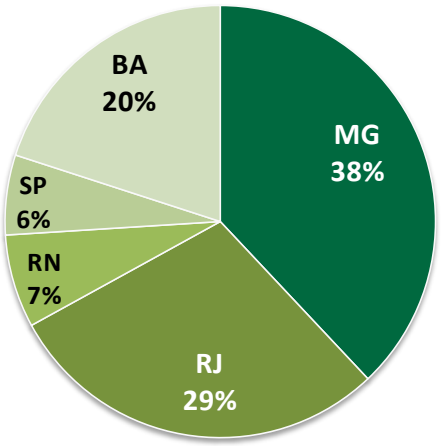
Land bank

In nearly two years of operations, we have been able to form a Land bank of 5.5 million sq.m. of usable area. The land is acquired essentially through partnership contracts with the owners, reducing the initial cash exposure, and they are located in mid-sized cities which are growing exponentially, and as a consequence, with strong demand for urban allotments.

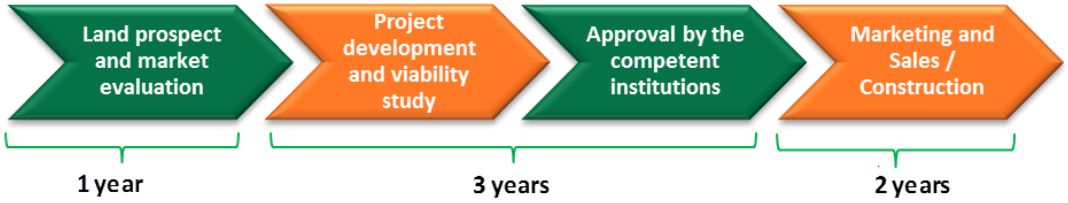
On April 30 2014, the land firm had a Land bank with a potential estimated PSV of R$2,021 million.

Land Bank - Urbamais	04/30/2014
Potential PSV	R$ 2,021 million
Usable Area	5.5 million sq.m.

Distribuição do Banco de Terrenos por Estado

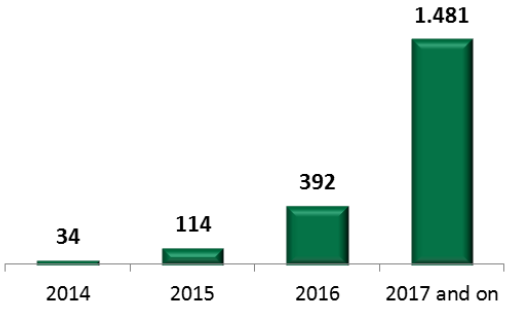


As demonstrated below, the land development segment has a long business cycle, but it needs little working capital.



We preview an exponential growth in our operations, as seen in the graph below. This distribution considers not only the estimated deadlines for approval, but also the phased launch of some projects.

Land bank potential PSV distribution per year of launch (R$ mm)



* The launches forecast do **not** represent any Company Guidance.
They only indicate a Company estimate, based on the average time needed for project approval.

Launches

Urbamais has chosen the city of Araraquara, in the country side of São Paulo State, to launch its first Project at the beginning of the second semester of 2014.

The project *Parque Atlanta* has a total estimated PSV R$34 million and is strategically located in a region with strong potential for growth, next to Shopping Centers, universities and excellent access to roads.

Photo insertion of the *Parque Atlanta* allotment – Araraquara - SP





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Attachment 01 – Consolidated Statement of Income (R$ million) CPC 19 –IFRS11

R$ million	1Q14	4Q13	1Q13	Chg. 1Q14 x 4Q13	Chg. 1Q14 x 1Q13
NET OPERATING REVENUE	**911**	**950**	**830**	**(4.1%)**	**9.8%**
COST OF PROPERTIES SOLD AND SERVICES	(671)	(701)	(613)	(4.3%)	9.4%
GROSS PROFIT	**240**	**249**	**217**	**(3.6%)**	**11.0%**
Gross Margin	*26.4%*	*26.2%*	*26.1%*	*0.1 p.p.*	*0.3 p.p.*
OPERATING INCOME (EXPENSES)					
Selling expenses	(69)	(69)	(63)	(0.4%)	9.4%
General & Administrative Expenses	(61)	(65)	(58)	(6.5%)	4.2%
Other operating income (expenses), net	(16)	(16)	(14)	4.9%	14.8%
Equity Income	(4)	(14)	4	(69.4%)	-
INCOME BEFORE FINANCIAL INCOME (EXPENSES)	**90**	**86**	**86**	**5.0%**	**5.8%**
FINANCIAL RESULTS					
Financial expenses	(32)	(41)	(25)	(22.3%)	26.5%
Financial income	37	42	29	(11.9%)	26.6%
Financial income from receivables from real estate development	10	7	5	49.7%	119.2%
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	**106**	**94**	**94**	**12.8%**	**12.3%**
Income Tax and Social Contribution	(17)	(19)	(2)	(12.3%)	862.9%
NET INCOME	**89**	**74**	**92**	**19.2%**	**(3.9%)**
PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	8	2	13	289.2%	(42.7%)
PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	**81**	**72**	**79**	**11.9%**	**2.7%**
Net Margin	*8.9%*	*7.6%*	*9.5%*	*1.3 p.p.*	*(0.6 p.p.)*

EBITDA (R$ million) - (CPC 19 – IFRS 11)

R$ million	1Q14	4Q13	1Q13	Chg. 1Q14 x 4Q13	Chg. 1Q14 x 1Q13
Income before taxes	106	94	94	12.8%	12.3%
Depreciation and Amortization	10	10	7	(3.5%)	33.1%
Financial Results	(15)	(7)	(8)	103.5%	77.8%
Financial charges recorded under cost of sales	31	36	36	(13.5%)	(12.0%)
EBITDA	**132**	**133**	**129**	**(0.7%)**	**2.4%**
EBITDA Margin	*14.5%*	*14.0%*	*15.5%*	*0.5 p.p.*	*(1.0 p.p.)*



Attachment 02 – Consolidated MRV Balance Sheet (R$ million) (CPC 19 –IFRS11)

ASSETS	3/31/2014	12/31/2013	Chg. Mar/14 x Dec/13
CURRENT ASSETS			
Cash and cash equivalents	1,131	1,423	(20.5%)
Short-term investments	252	266	(5.2%)
Receivables from real estate development	2,231	2,294	(2.7%)
Receivables from services provided	1	1	(11.6%)
Real estate for sale and development	1,656	1,735	(4.6%)
Recoverable current taxes	123	112	10.3%
Other assets	41	39	5.4%
Total Current Assets	**5,437**	**5,871**	**-7.4%**
NONCURRENT ASSETS			
Receivables from real estate development	2,001	1,952	2.5%
Real estate for sale and development	1,588	1,490	6.6%
Due from related parties	57	51	12.6%
Other noncurrent assets	78	76	3.4%
Investment property	633	632	0.2%
Property and equipment	78	80	(2.2%)
Intangible Assets	48	48	1.1%
Total Noncurrent Assets	**4,484**	**4,328**	**3.6%**
TOTAL ASSETS	**9,921**	**10,198**	**-2.7%**



Attachment 02 – Consolidated MRV Balance Sheet (R$ million) CPC 19 –IFRS11 – continuation

LIABILITIES AND SHAREHOLDERS' EQUITY	3/31/2014	12/31/2013	Chg. Mar/14 x Dec/13
CURRENT LIABILITIES			
Trade accounts payable	174	188	(7.2%)
Loans and financing	599	775	(22.6%)
Payables for purchase of land	330	292	12.8%
Advances from customers	914	933	(2.1%)
Labor and social liabilities	115	92	25.0%
Tax liabilities	33	48	(32.3%)
Accrual for maintenance of real estate	34	33	2.5%
Deferred tax liabilities	76	81	(6.3%)
Proposed dividends	100	100	0.0%
Other payables	14	17	(18.5%)
Total Current Liabilities	**2,389**	**2,561**	**-6.7%**
NONCURRENT LIABILITIES			
Loans and financing	2,088	2,243	(6.9%)
Payables for purchase of land	354	264	33.7%
Advances from customers	472	576	(18.1%)
Accrual for maintenance of real estate	86	90	(4.0%)
Accrual for civil, labor, and tax risks	30	23	28.3%
Deferred tax liabilities	67	62	8.5%
Other liabilities	13	14	(3.1%)
Total Noncurrent Liabilities	**3,110**	**3,272**	**-5.0%**
SHAREHOLDERS' EQUITY			
Equity attributable to the shareholders of the Company	4,153	4,101	1.3%
Non-controlling Interests	268	264	1.6%
Total Shareholders' Equity	**4,421**	**4,365**	**1.3%**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**9,921**	**10,198**	**-2.7%**



Attachment 03 – Consolidated Statement of Cash Flow (R$ million) CPC 19 –IFRS11

Consolidated (R$ million)	1Q14	1Q13	Chg. 1Q14 x 1Q13
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	89	92	(3.9%)
Adjustments to reconcile net income to cash used in operating activities	71	10	599.0%
Decrease (increase) in operating assets	89	203	(56.4%)
Increase (decrease) in operating liabilities	(183)	(264)	(30.6%)
Net cash used in operating activities	**65**	**42**	**55.2%**
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (increase) in investment securities	19	(26)	-
Advances to related parties	(48)	(28)	70.0%
Receipts from related parties	43	31	38.5%
Decrease in (acquisition of/contribution to) investments	(5)	12	-
Acquisition of property and equipment and intangible assets	(10)	(8)	22.0%
Net cash used in investing activities	**(1)**	**(20)**	**(95.3%)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from shares issuance	0	0	241.8%
Treasury shares	(31)	-	-
Proceeds from loans and financing	202	286	(29.3%)
Payment of loans, financing and debenture	(524)	(537)	(2.4%)
Capital transaction	(0)	-	-
Contributions to non-controlling shareholders	(3)	0	-
Net cash (used in) generated by financing activities	**(355)**	**(250)**	42.1%
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, NET	**(292)**	**(228)**	**27.9%**
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of the period	1,423	1,385	2.7%
Cash and cash equivalents at end of the period	1,131	1,157	(2.3%)



Attachment 04 – Consolidated Income Statement LOG CP 100% (R$ million)
(CPC 19 – IFRS11)

INCOME STATEMENT	1Q14	4Q13	1Q13	Chg. 1Q14 x 4Q13	Chg. 1Q14 x 1Q13
NET OPERATING REVENUES	**14**	**13**	**9**	**7.1%**	**50.9%**
Cost	(2)	(4)	(3)	-54.2%	-34.1%
GROSS PROFIT	**12**	**9**	**6**	**34.0%**	**87.0%**
OPERATING EXPENSES					
Selling expenses	(2)	(2)	(1)	15.8%	105.2%
General & Administrative expenses	(2)	(3)	(2)	-33.1%	27.2%
Other operatin expenses, net	0	(1)	(0)	-	-
Equity in subsidiaries and JV´s	1	4	0	-64.8%	890.8%
OPERATING INCOME BEFORE FINACIAL RESULTS	**9**	**7**	**3**	**37.4%**	**158.4%**
FINANCIAL RESULTS					
Financial expenses	(7)	(5)	(3)	22.7%	129.5%
Financial income	3	5	1	-40.6%	496.1%
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	**5**	**6**	**1**	**-14.0%**	**393.4%**
INCOME TAX AND SOCIAL CONTRIBUTION					
Current	(2)	(2)	(1)	-10.8%	130.5%
Deferred	1	1	1	18.9%	78.7%
NET INCOME	**5**	**6**	**1**	**-8.4%**	**351.8%**
PROFIT ATRIBUTABLE TO					
Shareholder´s of the company	5	6	1	-8.4%	351.8%
Non-controlling interests	-	-	-	-	-

Financial Highlights (in R$ thousand)	1Q14	4Q13	1Q13	1Q14 x 4Q13	1Q14 x 1Q13
Net Operating Revenues	14	13	9	7.1%	50.9%
EBITDA	11	11	6	2.9%	71.7%
EBITDA Margin (%)	77.6%	80.8%	68.2%	-3.2 p.p.	9.4 p.p.
Adjusted EBITDA **	10	8	6	14.3%	53.5%
Adjusted EBITDA Margin (%)	69.4%	64.9%	68.2%	4.5 p.p.	1.2 p.p.
FFO	7	10	4	-27.5%	77.9%
FFO Margin (%)	49.5%	73.2%	42.0%	-23.6 p.p.	7.5 p.p.
Adjusted FFO **	6	7	4	-12.7%	50.1%
Adjusted FFO Margin (%)	41.8%	51.2%	42.0%	-9.4 p.p.	-0.2 p.p.

** Adjusted EBITDA and FFO do not consider non recurrent events as Shopping Contagem stake sale.



Attachment 05 – Consolidated Balance Sheet LOG CP 100% (R$ million)
(CPC 19 – IFRS11)

ASSETS	31-Mar-14	31-Dec-13	Chg. Mar-14 x Dec-13
CURRENT ASSETS			
Cash and cash equivalents	76	151	-49.8%
Accounts receivable	22	21	4.2%
Recoverable taxes	7	5	36.5%
Deferred selling expenses	2	2	15.2%
Other assets	-	0	-
Total current assets	**106**	**179**	**-40.5%**
NON-CURRENT ASSETS			
Trade accounts receivable	13	14	-6.7%
Deferred selling expenses	3	3	21.3%
Recoverable taxes	34	20	73.3%
Deferred taxes	8	7	16.8%
Other assets	0	0	0.0%
Investment in subsidiaries and jointly controlled	159	157	1.4%
Investment property	1,305	1,247	4.7%
Property and equipment	1	1	4.7%
Total non-current assets	**1,523**	**1,448**	**5.2%**
TOTAL ASSETS	**1,630**	**1,626**	**0.2%**

LIABILITIES & SHAREHOLDER'S EQUITY	31-Mar-14	31-Dec-13	Chg. Mar-14 x Dec-13
CURRENT LIABILITIES			
Accounts Payable	9	11	-13.4%
Loans and financing	156	245	-36.3%
Salaries, payroll taxes and benefits	5	4	12.4%
Taxes and contributions	4	4	-10.7%
Land payable	7	14	-52.9%
Advances from customers - Swap	2	7	-67.9%
Payable Dividends	3	3	0.0%
Credits on related parties	0	0	-5.5%
Other liabilities	48	69	-31.3%
Total current liabilities	**233**	**357**	**-34.7%**
Non-current liabilities			
Land payable	-	-	-
Loans and financing	640	522	22.7%
Advances from Customers - Swap	9	6	52.9%
Deferred taxes	1	1	-8.2%
Others	1	1	91.4%
Total Non-current liabilities	**651**	**529**	**23.1%**
Total Liabilities	**884**	**886**	**-0.2%**
SHAREHOLDER´S EQUITY			
Equity atributable to the shareholder´s of the company	745	740	0.7%
Non-controlling interest	0	0	-21.6%
Total Shareholder´s Equity	**745**	**740**	**0.7%**
TOTAL LIABILITIES & SHAREHOLDER'S EQUITY	**1,630**	**1,626**	**0.2%**



Attachment 06 – Consolidated Statement of Cash Flow LOG CP 100% (R$ million)
(CPC 19 – IFRS11)

CASH FLOW STATEMENT	1Q14	1Q13	Chg. 1Q14 x 4Q13
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	5	1	351.8%
Adjustments to reconcile profit to net cash used in operating activities	6	5	18.1%
Decrease (increase) in operating assets	(6)	(4)	45.2%
Increase (decrease) in operating liabilities	5	0	1135.9%
Net cash used in operating activities	**9**	**2**	**349.0%**
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (Increase) of investments	(23)	(2)	989.1%
Acquisition of investment property	(68)	(87)	-21.3%
Other	(0)	-	-
Net cash used in investing activities	**(91)**	**(89)**	**2.3%**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans and debentures, net	139	91	53.1%
Payment of loans	(123)	-	-
Interest paid	(10)	(4)	170.1%
Contribution from shareholders	-	-	-
Spending on issue of shares	-	-	-
Payment of obligations with related companies	-	(16)	-
Increase in obligations with related companies	-	16	-
Distributions to non-controlling shareholders	(0)	0	-
Dividends paid	-	-	-
Net cash provided by financing activities	**7**	**87**	**-92.5%**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, NET	**(75)**	**0**	**-15353.8%**
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of the period	151	24	527.5%
Cash and cash equivalents at end of year	76	25	208.5%



Attachment 07 – Glossary

Built Units – Recorded according to the construction's evolution, equivalent construction.

Cash Burn – cash burn as measured by the change in net debt, excluding capital increases, purchased shares held in treasury and dividend payments, when available.

Pre-Sales – Every contract resulting from the sale of units over a certain period of time, including units being launched and units in stock.

Duration – Weighted average time of the debt maturity.

EBITDA - is equal to net income plus income tax and social contribution, net financial result, financial charges recorded under cost of goods sold, depreciation, amortization and minority interest. MRV believes that the reversion of the adjustment to present value of receivables from units sold and not yet delivered that is recorded as gross operating revenue is part of our operating activities and therefore we do not exclude these revenues from EBITDA's calculation. EBITDA is not a Brazilian GAAP measure and should not be considered in isolation and should not be considered an alternative to net income, as an indicator of our operating performance or cash flows or as a measure of our liquidity. EBITDA does not have a standard definition and other companies may measure their EBITDA in a different way. Because the calculation of EBITDA does not take into consideration income tax and social contribution, net financial result, financial charges recorded under cost of goods sold, depreciation, amortization, minority interest, and expenses related to financial and legal advisory fees in connection with the entry of the selling shareholder and MRV initial public offering, EBITDA is an indicator of our general economic performance which is not affected by changes in interest rates, income tax and social contribution rates and rates of depreciation and amortization. Because EBITDA does not take into account certain costs related to our business which could materially affect our profits, such as financial result, taxes, depreciation, amortization and capital expenditures, among others, EBITDA is subject to limitations that impair its use as a measure of our profitability.

EPS - Earnings per share **-** Basic earnings per share are calculated by dividing income for the period attributed to the holders of common shares of the parent entity by the weighted average number of common shares outstanding during the period, less treasury shares, if any.

FFO – Funds From Operations, Net Income minus depreciation.

FFO Margin – Margin calculated dividing the FFO by Net Operational Revenues.

FIP M Plus – Private Equity fund managed by Bradesco BBI.

Finished Units – Recorded according to the construction's conclusion, full project at once.

GLA – Gross leasable area, which corresponds to the areas available for lease.

INCC – *Índice Nacional de Custos da Construção* – inflation index associated with construction costs of residential units.

Land bank – land held in stock with the estimated PSV

LOG Commercial Properties – Subsidiary company, jointly controlled, in the business of industrial and commercial properties.



LOG-CP Portfolio – contemplates the GLA of the projects in operation, in construction and the potential GLA in development.

Minha Casa Minha Vida (My House My Life) – The Program Minha Casa Minha Vida, known as MCMV, is the national housing program of the Federal Government, which aims to reduce the housing deficit. The program envisages the construction of 3 million units for families earning up to 10 minimum wages. This program has two versions: Minha Casa Minha Vida, released in April 2009, with the goal of building one million houses to be contracted until 2010, and Minha Casa Minha Vida 2, released in 2010 with the goal of building two million additional homes, to be contracted between 2011 and 2014.

NOI - Net Operating Income, that is equal to the operating revenues less project direct expenses.

Novo Mercado - Special listing segment of the BM&FBOVESPA, with differentiated corporate governance rules, in which the Company was included on July 23, 2007.

OCPC 04 and PoC Method (Percentage of Completion) – Revenues, as well as the costs and expenses relating to the real estate development activity, are recognized along the real estate project's construction period, in line with the evolution of the cost incurred, according to OCPC 04. Most of our sales consist of credit sales carried out through installments. On an overall basis, we receive the value (or part of the value, in case of credit sales) in the sales contracts before revenue recognition. The revenue from real estate development relative to a certain period reflects the recognition of sales that were previously contracted.

PSV – Potential Sales Value - The PSV value is equivalent to the total number of potential launch Units, multiplied by the Unit's average estimated sales price.

RET – Special Tax Regime

ROE – Return on Equity – ROE is defined as the ratio between net income (after interest and taxes) and the average shareholder's equity.

SBPE – *Sistema Brasileiro de Poupança e Empréstimo* – Real Estate mortgage using funds from the savings accounts' deposits.

SFH Funds – Funds from the National Housing System (SFH) are originated from the Governance Severance Indemnity Fund for Employees (FGTS) and from savings accounts deposits (SBPE).

Starwood – Starwood is a private equity firm with headquarters in Greenwich, USA. Founded in 1991, Starwood has invested over US$ 8 billion of equity capital, representing over US$ 26 billion in assets. Starwood has approximately US$ 16 billion of assets under management, having invested in nearly every class of real estate on a global basis, including offices, retail, residential, golf, hotels, resorts and industrial assets.

Swap Agreements – A system in which the land-owner gets a certain number of units to be built on the land in exchange for the land.

Unearned Results – the balance of real estate sale transactions already contracted, referring to uncompleted properties, non-incurred budgeted costs (according to budgets), and unearned revenue from sale of properties, not reflected in the financial statements.

Yield on cost – Defined as the Rent Revenues divided by Total investment.



Disclaimer

Unless otherwise stated, the operating data refer to MRV's share in projects.

This presentation contains forward-looking statements relating to the prospects of the business, estimates for operating and financial results, and those related to growth prospects of MRV. These are mere projections and, as such, are based exclusively on the Management's expectations about the future of the business.

These expectations are highly dependent upon required approvals and licenses for projects, market conditions, performance of the Brazilian economy, the sector and international markets and, therefore, are subject to changes without prior notice.

This performance report includes accounting data and non-accounting data such as operating and financial results and outlooks based on the expectations of the Board of Directors. The non-accounting data such as values and units of Launches, Pre-Sales, amounts related to the housing program "Minha Casa Minha Vida", Inventory at Market Value, Land bank, Unearned Results, cash disbursement and Guidance were not subject to review by the Company's independent auditors.

The EBITDA, in this report, represents the net income before income tax and social contribution, net financial result, financial costs recorded under cost of goods sold, depreciation, amortization and minority interest. MRV believes that the reversion of the adjustment to present value of receivables from units sold and not yet delivered that is recorded as gross operating revenue is part of our operating activities and therefore we do not exclude these revenues from EBITDA's calculation. EBITDA is not a Brazilian GAAP and IFRS measure and should not be considered in isolation and should not be considered an alternative to net income, as an indicator of our operating performance or cash flows or as a measure of our liquidity. Because the calculation of EBITDA does not take into consideration income tax and social contribution, net financial result, financial charges recorded under cost of goods sold, depreciation, amortization and minority interest, EBITDA is an indicator of MRV general economic performance which is not affected by changes in interest rates, income tax and social contribution rates and rates of depreciation and amortization. Because EBITDA does not take into account certain costs related to our business which could materially affect our profits, such as financial result, taxes, depreciation, amortization and capital expenditures, among others, EBITDA is subject to limitations that impair its use as a measure of our profitability.

Relationship with Independent Auditors

Pursuant to CVM Instruction 381/03, we inform that the Company's independent auditors Ernst & Young Auditores Independentes S/S ("Ernst & Young") did not provide any services during the first quarter of 2014 other than those relating to external audit. The Company's policy for hiring independent auditors ensures that there is no conflict of interest, loss of autonomy or objectiveness.

About MRV

MRV Engenharia e Participações S.A. is the largest Brazilian real estate developer and homebuilder in the lower-income segment, with more than 34 years of experience, active in 121 cities, in 19 Brazilian states and in the Federal District. MRV is listed on the BM&FBovespa's *Novo Mercado* under the ticker MRVE3. The ADRs are traded on OTCQX International Premier of the Over-The-Counter (OTC) Market, with ticker MRVNY.