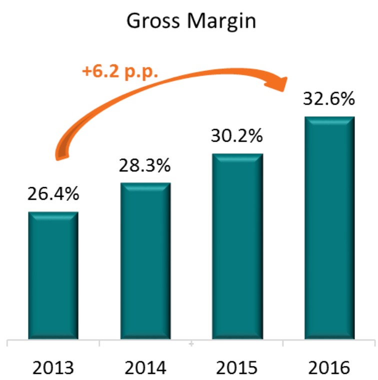
Expressive Gross Margin of 33.4% in 4Q16, the highest in the last 6 years

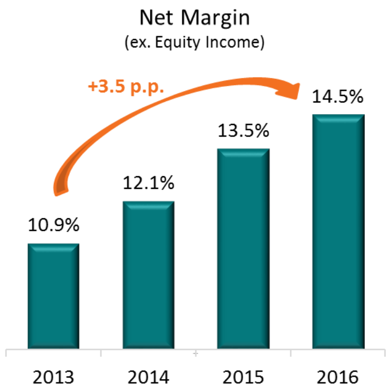
Net Margin of 13.1% in 2016 of 160bps

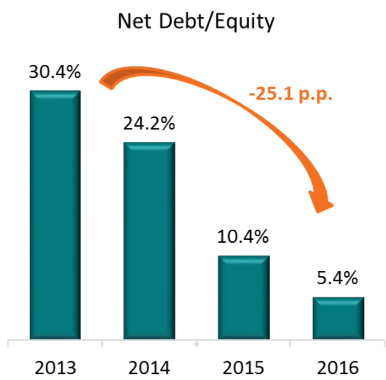
Belo Horizonte, March 7th, 2017 – MRV Engenharia e Participações S.A. (BM&FBovespa: MRVE3 – ADR OTCPINK: MRVNY), announces its results for the fourth quarter of 2016. The financial information is presented in million Reais (R$ million), except where otherwise indicated, and is based on the consolidated 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.

HIGHLIGHTS

- Continuous growth of the Gross Margin, reaching 32.6% in 2016, an increase of 240 bps compared to 2015.
- Cash Generation of R$ 511 million in 2016.
- Leverage of 5.4% in 2016, a decrease of 500 bps compared to the same period last year.







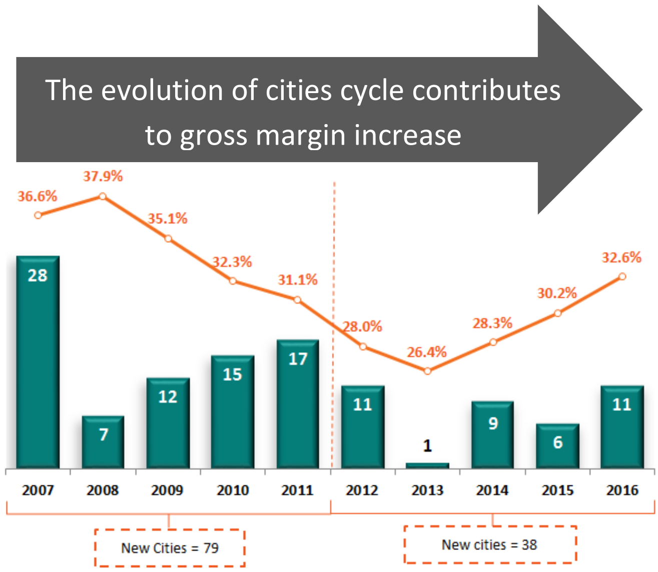
Management Message

Efficient Operation – Company structure prepared for 50k units - Potential of growth

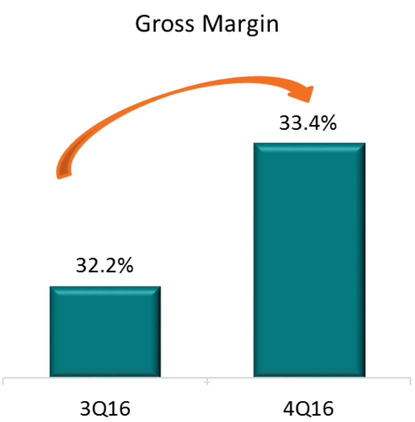
In last years, the Company focused on the increase of its projects operational efficiency, making our operation even more homogeneous, balanced and efficient.

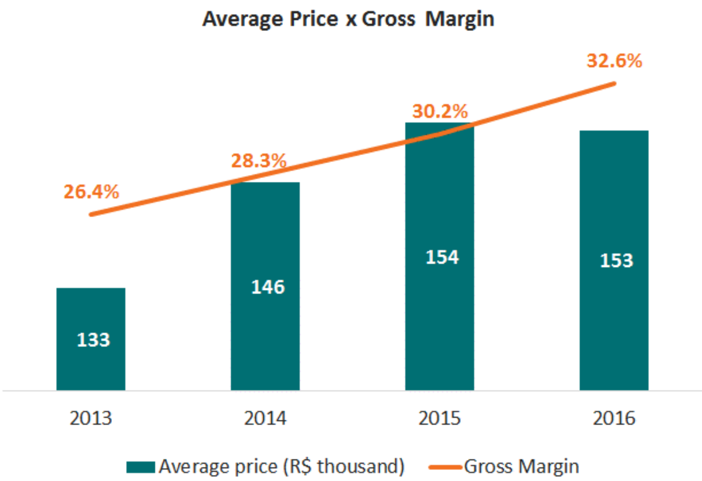
<u>Excellence in execution and mature cities</u>: the cities operation is even more mature, reporting a continuous margins growth that reflects the enhancement of project execution and team expertise. We reinforce our employee's qualification trough training and retention, investments in machinery and equipment, and lastly, in new construction methods.

GROSS MARGIN x CITIES CYCLE	Fortaleza	Cuiabá and Várzea Grande	Porto Alegre
1st Cycle	13%	-2.35%	-2.38%
2nd Cycle	25%	19%	10.8%
3rd Cycle	39%	43%	40%



➢ Even inserted in a scenario of price slow down, the **gross margin reached its highest level since 2010**. We were able to expressly reduce projects costs, due to productivity increase and/or suppliers contracts' renegotiation, reaching in 4Q16, **the highest gross margin in the last 6 years**.





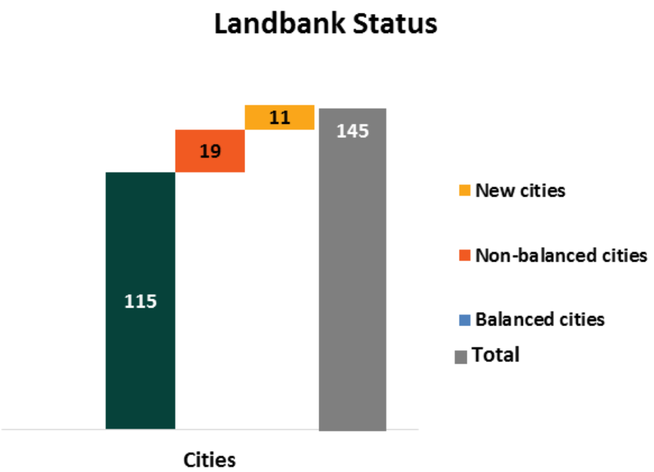
IT Investment: new processes and management system were implemented, during the last 3 years we invested more than R$ 120 million in IT, in which we developed proprietary systems, artificial intelligence, management software, big data, etc.

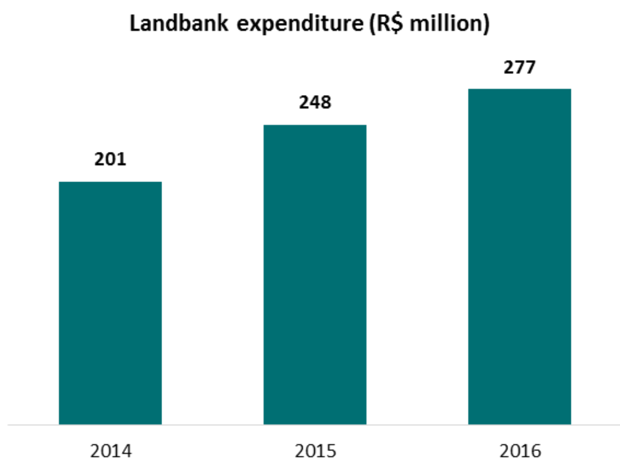
Cancelation reduction: In 2013, we started to implement a simultaneous sales system ("Vendas Simultâneas") focusing on cancelation reduction and increase of transfers speed. From this new process, the company's cancelation level reached 24.3% in 2016, a decrease of 971 bps when compared to 2015.

Structured BackOffice: Our team has great experience in managing large volume of processes. We have employees with large experience in the Company. We invested in processes automatization that contributed to gain efficiency. We are ready to operate in a **level of 50 thousand units per year** with our current structure.

As a result, we can see the continuous enhancement of the Company's productivity indexes and the gross margin strong increase.

Robust landbank: In 4Q16, we continued our strategy of landbank investment, reaching a PSV of R$ 41.1 billion. Through the acquisitions made in the last 3 years the Company could provide a better cities landbank equilibrium, filling each region with adequate landbank to meet potential demand.



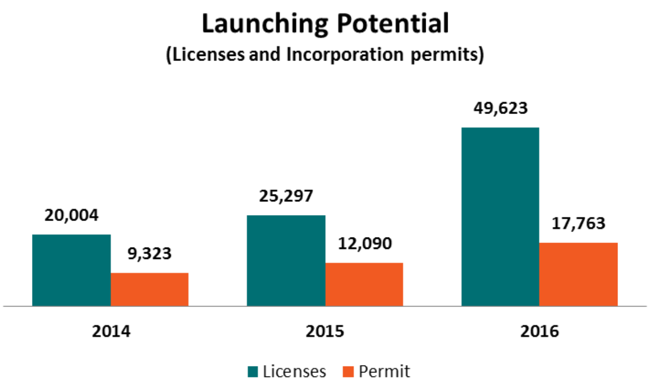


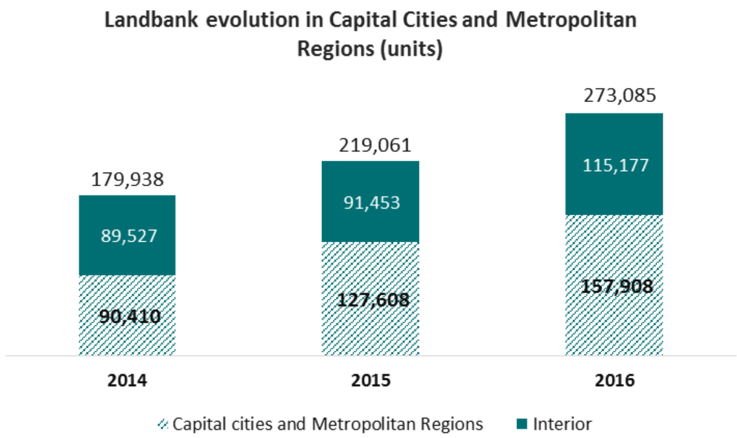
Only in 4Q16, 24,760 licenses were conceded, totaling a potential of 49.6 thousand units to be launched after the incorporation permits are issued.

We highlight projects with concept of planned neighborhood in cities of São Paulo (Grand Reserva Paulista – Nasbe Area), Betim, Fortaleza, Rio de Janeiro, Bahia, etc with high potential market, sustaining Company's growth through market share increase in the main capital cities and metropolitan regions.

The cities where we operate have regions with high demand to be met. Our growth will result from our market share increase in those markets, supported by a mature landbank, especially in capital cities and metropolitan regions, which will boost launches and sales volume.

The Company is ready to escalate its operation and absorb the growth, and that will contribute to a future increase of profit and ROE.





New MCMV3 - Opportunities

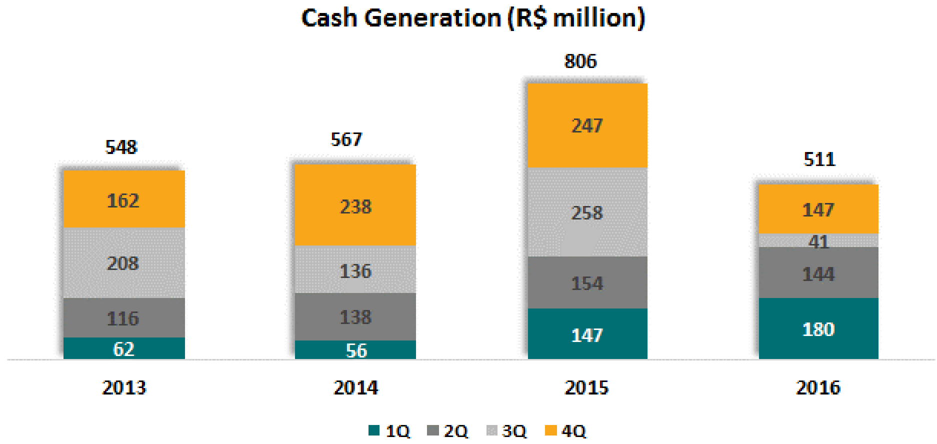
In February/2017 the Brazilian government announced the MCMV3 program extension and adjustments in some parameters. As a result from those measures, the habitational program increased budget went from R$ 64.4 billion to R$ 72.9 billion, with greater resources availability to expand credit and increase subsidies.

All measures were positive to MRV, amongst them:

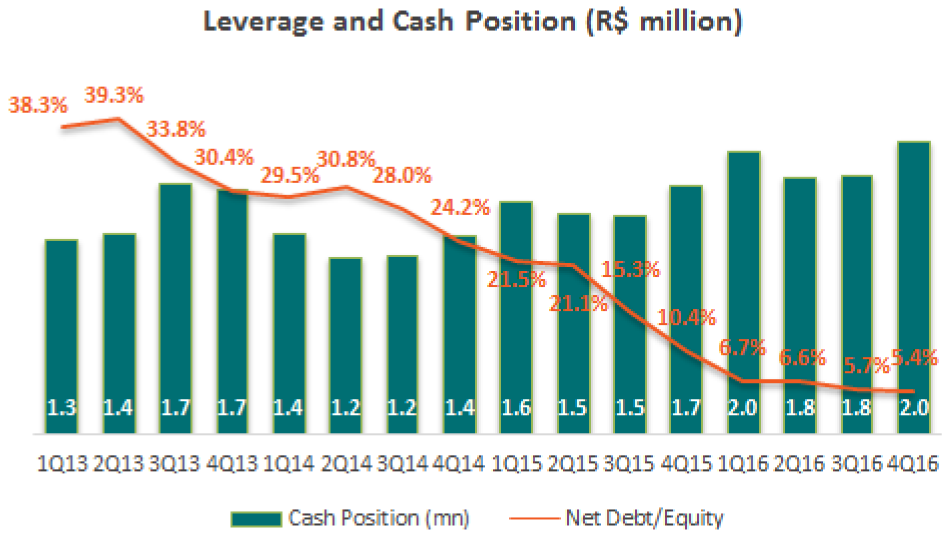
1. <u>Increase of Groups 1.5, 2 and 3 monthly family income</u>
    a. With the new monthly family income, we estimate a 5.3% increase of our client's affordability.
2. <u>Inclusion of families with gross monthly income up to R$ 9,000.</u>
    a. Increase of potential demand of our products, especially the ones located in capital cities and metropolitan regions.
    b. Affordability increase (Group 3 A – TR + 9.16% | SBPE TR + 10.5%).
    c. Gross margin growth.
3. <u>Group 1.5</u>
    a. Increase of the Company's performance in the second lowest group of the program, expanding our market the size. We estimate that this new group can represent up to 15% of our operation.
    b. Higher sales speed.
    c. Less need from clients to finance with the Company.

Cash Generation and Leverage Ratio

- In the last 4 years, we reached R$ 2.4 billion of cash generation. Currently we have a strong cash position of R$ 2 billion and leverage of only 5.4% net debt/equity ratio.



- The Company's financial performance allows us to increase the shareholders return through extraordinary dividends payment and at the same time, maintaining a comfortable leverage and cash position.



Sustainability and Brand Recognition

In November of 2016, BM&FBovespa announced the 12th Corporate Sustainability Index (ISE) portfolio that will be in force from January 2nd, 2017 to January 5th, 2018. The new portfolio gather 38 shares from 34 companies, and for the first time, MRV Engenharia is part of this select group and is proud of being the sector representative this year.

The actual portfolio represents 15 different sectors and sums R$ 1.31 trillion in market value, equivalent to 52.14% of total amount of listed companies in BM&FBovespa[1].

Since its foundation, in 2005, ISE presented a profitability of +145.36% while Ibovespa[2] index presented 94.11%. In this same period, ISE showed even lower volatility than Ibovespa, 25.25% and 28.05, respectively.

ISE 2017 portfolio building process was assured by external auditing, where KPMG issued the “Unrestricted limited liability”. This assurance process is done since 2012, which brings the index more credibility and reliability. Furthermore, ISE remains with the partnership to daily monitor the company’s corporate image.

In 2017, MRV Institute became an associate of Instituto Ethos, a civil society organization of public interest (Oscip) whose mission is to mobilize, sensitize and help companies to manage their business in a socially responsible way, making them all partners in order to build a fair and sustainable society.
Associated companies share a common interest of stablishing ethical standard of relationship with employees, clients, suppliers, community, shareholders, government, and the environment.

MRV Engenharia brand is nationally recognized by its history of social transformation, sustainable construction, Brazilian larger and better technical assistance network, Relationship with Clients, urbanization and projects landscape, highly qualified workers, among others. Our product has high standards, in gated communities with leisure areas, security cabins, modern frontages, landscaping, parking space, special finishing options during construction, recycling, solar energy, among other benefits.

Our clients are our brand’s ambassador, we have 91% of client satisfaction during attendance, and 89% indicates MRV. We are leader of access in social media, having more than 3.5 million Facebook fans.

We keep up with our clients during all the steps of purchasing process, building a long-term relationship resulting in loyalty and continuity of our business.

In the last 3 years, we delivered 120 thousand keys, which is equivalent to a city as large as Vitória (Espírito Santo state capital). We are the largest homebuilder in Latin America.

[1] Data base 11/22/2016 (in the previous year the total amount was R$ 1.15 trillion of market value, the equivalent of 45.68% of total amount.
[2] Data base 11/22/2016.

Financial Performance - MRV

Consolidated Financial Highlights (R$ million)	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
Net Operating Revenue	1,060	1,074	1,197	1.3% ↓	11.5% ↓	4,197	4,672	10.2% ↓
Financial results allocated to Net Revenue	7	22	11	68.1% ↓	38.0% ↓	52	91	43.1% ↓
Total Net Operating Revenue	**1,067**	**1,096**	**1,208**	**2.7% ↓**	**11.7% ↓**	**4,249**	**4,763**	**10.8% ↓**
Financial Cost recorded under COGS	35	34	37	2.5% ↑	4.7% ↓	140	133	5.3% ↑
Gross Profit	**357**	**353**	**375**	**1.1% ↑**	**5.0% ↓**	**1,387**	**1,439**	**3.6% ↓**
% Gross Margin	33.4%	32.2%	31.1%	1.2 p.p. ↑	2.4 p.p. ↑	32.6%	30.2%	2.4 p.p. ↑
Selling expenses	**133**	**128**	**117**	**4.4% ↑**	**14.4% ↑**	**499**	**458**	**9.0% ↑**
Selling expenses / net revenues (%)	12.5%	11.7%	9.6%	0.8 p.p. ↑	2.9 p.p. ↑	11.7%	9.6%	2.1 p.p. ↑
Selling expenses / pre-sales (%)	10.3%	9.3%	8.5%	1.0 p.p. ↑	1.9 p.p. ↑	9.5%	8.3%	1.2 p.p. ↑
General & Administrative Expenses	**69**	**77**	**77**	**10.0% ↓**	**10.3% ↓**	**287**	**280**	**2.8% ↑**
G&A expenses / net revenues (%)	6.5%	7.1%	6.4%	0.5 p.p. ↓	0.1 p.p. ↑	6.8%	5.9%	0.9 p.p. ↑
G&A expenses / pre-sales (%)	5.4%	5.6%	5.6%	0.2 p.p. ↓	0.2 p.p. ↓	5.5%	5.1%	0.4 p.p. ↑
EBITDA Adjusted (ex. Equity Income)	**177**	**176**	**198**	**0.5% ↑**	**10.9% ↓**	**694**	**764**	**9.2% ↓**
% EBITDA Margin Adjusted (ex. Equity Income)	16.6%	16.0%	16.4%	0.5 p.p. ↑	0.2 p.p. ↑	16.3%	16.0%	0.3 p.p. ↑
EBITDA	**160**	**162**	**174**	**1.4% ↓**	**7.7% ↓**	**637**	**669**	**4.7% ↓**
% EBITDA Margin	15.0%	14.8%	14.4%	0.2 p.p. ↑	0.7 p.p. ↑	15.0%	14.0%	1.0 p.p. ↑
Net Income Adjusted (ex. Equity Income)	**158**	**163**	**164**	**3.1% ↓**	**3.9% ↓**	**614**	**643**	**4.5% ↓**
% Net margin Adjusted (ex. Equity Income)	14.8%	14.9%	13.6%	0.1 p.p. ↓	1.2 p.p. ↑	14.5%	13.5%	1.0 p.p. ↑
Net Income	**142**	**150**	**140**	**5.4% ↓**	**1.2% ↑**	**557**	**548**	**1.7% ↑**
% Net margin	13.3%	13.7%	11.6%	0.4 p.p. ↓	1.7 p.p. ↑	13.1%	11.5%	1.6 p.p. ↑
Earnings per share (R$) Adjusted (ex. Equity Income)	**0.358**	**0.369**	**0.373**	**3.1% ↓**	**4.0% ↓**	**1.393**	**1.457**	**4.4% ↓**
Earnings per share (R$)	**0.321**	**0.340**	**0.317**	**5.4% ↓**	**1.3% ↑**	**1.263**	**1.240**	**1.8% ↑**
ROE (LTM) Adjusted (ex. Equity Income)	12.2%	12.6%	13.6%	0.3 p.p. ↓	1.4 p.p. ↓	12.2%	13.6%	1.4 p.p. ↓
ROE (annualized) Adjusted (ex. Equity Income)	12.2%	12.8%	13.7%	0.6 p.p. ↓	1.5 p.p. ↓	12.2%	13.7%	1.5 p.p. ↓
ROE (LTM)	11.1%	11.3%	11.9%	0.2 p.p. ↓	0.8 p.p. ↓	11.1%	11.9%	0.8 p.p. ↓
ROE (annualized)	10.9%	11.8%	11.9%	0.8 p.p. ↓	1.0 p.p. ↓	10.9%	11.9%	1.0 p.p. ↓
Unearned Sales Revenues	2,059	2,186	2,656	5.8% ↓	22.5% ↓	2,059	2,656	22.5% ↓
Unearned Costs of Units Sold	(1,225)	(1,315)	(1,545)	6.8% ↓	20.7% ↓	(1,225)	(1,545)	20.7% ↓
Unearned Results	834	871	1,110	4.2% ↓	24.9% ↓	834	1,110	24.9% ↓
% Unearned Margin	40.5%	39.8%	41.8%	0.7 p.p. ↑	1.3 p.p. ↓	40.5%	41.8%	1.3 p.p. ↓
Cash Generation	**147**	**41**	**247**	**261.1% ↑**	**40.6% ↓**	**511**	**806**	**36.5% ↓**
Net Debt (Net Cash)	293	311	525	5.9% ↓	44.3% ↓	293	525	44.3% ↓
Net Debt/Shareholders' Equity	5.4%	5.7%	10.4%	0.3 p.p. ↓	5.0 p.p. ↓	5.4%	10.4%	5.0 p.p. ↓
Net Debt/EBITDA LTM Adjusted (ex. Equity Income)	0.42x	0.43x	0.69x	2.9% ↓	38.7% ↓	0.42x	0.69x	38.7% ↓
Net Debt/EBITDA LTM	0.46x	0.48x	0.79x	3.9% ↓	41.6% ↓	0.46x	0.79x	41.6% ↓

Operational Performance - MRV

Land bank

Land bank	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
%MRV								
Land Bank (R$ billion)*	**41.1**	39.6	33.5	3.8% ↑	22.8% ↑	**41.1**	33.5	22.8% ↑
Acquisitions/Adjustments (R$ million)	**2,590**	1,927	4,303	34.4% ↑	39.8% ↓	**11,633**	11,512	1.1% ↑
Units*	**273,677**	262,057	219,061	4.4% ↑	24.9% ↑	**273,677**	219,061	24.9% ↑
Usable Area (in thousands of sq.m.)	**11,017**	10,523	9,854	4.7% ↑	11.8% ↑	**11,017**	9,854	11.8% ↑
Average Price - R$'000 / unit	**147**	148	149	0.5% ↓	1.4% ↓	**147**	149	1.4% ↓
Average Price - R$'000 / sq.m.	**3.7**	3.8	3.4	0.8% ↓	9.9% ↑	**3.7**	3.4	9.9% ↑
% Swap - land bank	**44%**	48%	47%	3.2 p.p. ↓	3.2 p.p. ↓	**44%**	47%	3.2 p.p. ↓
% Swap - acquisitions in the period	**34%**	28%	33%	5.5 p.p. ↑	0.9 p.p. ↑	**34%**	48%	14.5 p.p. ↓
By financing source - FGTS	**99%**	99%	98%	0.3 p.p. ↑	1.5 p.p. ↑	**99%**	98%	1.5 p.p. ↑
By financing source - Savings accounts	**1%**	1%	2%	0.4 p.p. ↓	1.6 p.p. ↓	**1%**	2%	1.6 p.p. ↓
100%								
Number of Projects	**652**	607	498	7.4% ↑	30.9% ↑	**652**	498	30.9% ↑
Land Bank (R$ billion)*	**44.1**	42.7	36.0	3.1% ↑	22.3% ↑	**44.1**	36.0	22.3% ↑
Units	**283,849**	273,264	226,916	3.9% ↑	25.1% ↑	**283,849**	226,916	25.1% ↑
Units per Project	**435**	450	456	3.3% ↓	4.5% ↓	**435**	456	4.5% ↓
Usable Area (in thousands of sq.m.)	**11,463**	10,987	10,189	4.3% ↑	12.5% ↑	**11,463**	10,189	12.5% ↑
Average Price - R$'000 / unit	**147**	147	159	0.5% ↓	7.8% ↓	**147**	159	7.8% ↓
Average Price - R$'000 / sq.m.	**3.8**	3.9	3.5	1.2% ↓	8.7% ↑	**3.8**	3.5	8.7% ↑

* Includes the residential and allotment segments.

Since 2014, the company is focused in its landbank development and strategic balance, in order to adequate its future demand. The acquisitions in 2015 and 2016 are, in their majority, eligible to FGTS funding.

Taking advantage of market opportunities for land acquisition, the Company increased its landbank potential, mostly through cash payment deals, that reduced the swaps volume in the period. It is worth mentioning that payments are split in several installments and linked to future events (licenses, permits, etc.).

Gross Launches (%MRV)

Launches	4Q16	3Q16	3Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 3Q15	2016	2015	Chg. 2016 x 2015
%MRV								
Launches (R$ million)*	**1,071**	821	1,631	30.5% ↑	34.3% ↓	**3,987**	4,704	15.2% ↓
Units	**6,777**	5,505	10,792	23.1% ↑	37.2% ↓	**26,366**	31,871	17.3% ↓
Average Launching Size (units)	**271**	306	415	11.4% ↓	34.7% ↓	**322**	389	17.3% ↓
Usable Area (in thousands of sq.m.)	**336**	247	471	36.2% ↑	28.7% ↓	**1,252**	1,433	12.6% ↓
Average Price - R$'000 / unit	**152**	149	151	2.2% ↑	0.8% ↑	**150**	148	1.2% ↑
Average Price - R$'000 / sq.m.	**3.2**	3.3	3.5	4.1% ↓	7.9% ↓	**3.2**	3.3	3.0% ↓
By financing source - FGTS	**100%**	100%	96%	0.0 p.p.	3.9 p.p.	**100%**	89%	11.3 p.p.
By financing source - Savings accounts	**0%**	0%	4%	0.0 p.p.	3.9 p.p.	**0%**	11%	11.3 p.p.
Per region - Capital Cities	**23%**	15%	25%	8.0 p.p.	2.0 p.p.	**12%**	21%	9.2 p.p.
Per region - Metropolitan Areas	**26%**	34%	12%	8.3 p.p.	14.4 p.p.	**39%**	14%	25.0 p.p.
Per region - Secondary Cities	**51%**	51%	63%	0.3 p.p.	12.4 p.p.	**49%**	64%	15.5 p.p.
100%								
Number of Projects	**25**	18	26	38.9% ↑	3.8% ↓	**82**	82	0.0% ↑
Launches (R$ million)*	**1,261**	867	1,736	45.5% ↑	27.3% ↓	**4,432**	5,020	11.7% ↓
Units	**7,975**	5,915	11,314	34.8% ↑	29.5% ↓	**29,536**	33,576	12.0% ↓
Usable Area (in thousands of sq.m.)	**370**	253	496	46.1% ↑	25.3% ↓	**1,362**	1,513	10.0% ↓
Average Price - R$'000 / unit	**158**	147	153	7.9% ↑	3.1% ↑	**150**	150	0.4% ↑
Average Price - R$'000 / sq.m.	**3.4**	3.4	3.5	0.4% ↓	2.7% ↓	**3.3**	3.3	2.0% ↓

* Includes the residential and allotment segments.

MRV Engenharia

All Company’s launches in 2016 were eligible to FGTS. FGTS’ healthy balance sheet, the availability of resources and attractive interest rates have been positively contributing to the performance of low-income segment.

Large Brazilian capital cities and metropolitan regions concentrate most of Brazilian housing demand. In 2016, 51% of our launches were made in capital cities and/or metropolitan regions, showing an increase of 1600 bps when compared to 2015. The launches in capital cities were even more expressive in 4Q16 (23%), representing 49% of 2016 total volume.

Out of R$ 41.1 billion of landbank, R$ 2.5 billion already have issued incorporation permits (RI), equivalent to 17,763 units. The launch of those units depends on the inventory level of each region and construction financing with financial institutions (PJ), which have not fully occurred in this quarter, influencing the volume of launched units.

Pre-Sales (%MRV), net of swaps

Pre-sales	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
%MRV								
Pre-sales (R$ million)*	**1,293**	1,368	1,379	5.5% ↓	6.2% ↓	**5,259**	5,497	4.3% ↓
Units	**8,537**	9,005	8,869	5.2% ↓	3.7% ↓	**34,082**	35,782	4.8% ↓
Usable Area (in thousands of sq.m.)	**378**	403	395	6.2% ↓	4.1% ↓	**1,536**	1,602	4.1% ↓
Average Price - R$'000 / unit	**151**	152	156	0.9% ↓	3.5% ↓	**153**	154	0.6% ↓
Average Price - R$'000 / sq.m.	**3.4**	3.4	3.5	0.8% ↑	2.1% ↓	**3.4**	3.4	0.2% ↓
By financing source - FGTS	**94%**	94%	89%	0.6 p.p. ↓	4.8 p.p. ↑	**94%**	86%	8.0 p.p. ↑
By financing source - Savings accounts	**6%**	6%	11%	0.6 p.p. ↑	4.8 p.p. ↓	**6%**	14%	7.8 p.p. ↓
Per region - Capital Cities	**19%**	19%	23%	0.6 p.p.	3.2 p.p.	**20%**	21%	1.2 p.p.
Per region - Metropolitan Areas	**33%**	29%	28%	4.3 p.p.	5.5 p.p.	**30%**	29%	0.7 p.p.
Per region - Secondary Cities	**47%**	52%	50%	4.9 p.p.	2.3 p.p.	**50%**	50%	0.5 p.p.
Sales over supply (%) - gross sales	**19%**	20%	20%	1.2 p.p. ↓	0.8 p.p. ↓	**53%**	55%	2.4 p.p. ↓
Sales over supply (%) - net sales	**15%**	15%	15%	0.6 p.p. ↓	0.1 p.p. ↑	**40%**	39%	1.7 p.p. ↑
100%								
Pre-sales (R$ million)*	**1,396**	1,468	1,481	4.9% ↓	5.7% ↓	**5,643**	5,950	5.2% ↓
Units	**9,090**	9,506	9,383	4.4% ↓	3.1% ↓	**36,183**	38,249	5.4% ↓
Usable Area (in thousands of sq.m.)	**404**	427	429	5.4% ↓	5.9% ↓	**1,633**	1,763	7.4% ↓
Average Price - R$'000 / unit	**152**	152	158	0.1% ↓	3.8% ↓	**156**	156	0.3% ↑
Average Price - R$'000 / sq.m.	**3.5**	3.4	3.4	0.5% ↑	0.2% ↑	**3.5**	3.4	2.4% ↑

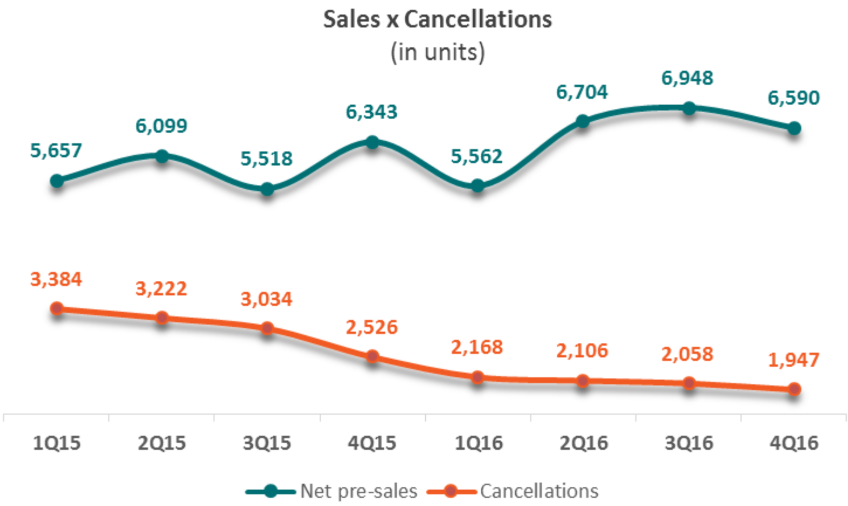
* Includes the residential and allotment segments.

During 2016, the Company increased its focus on sale of FGTS eligible units, representing 94% of total sold units. This strategy aims to meet the high demand of the market and good credit conditions. Additionally, the supply side in this segment remains lower than the market demand.

Cancelations (%MRV)

(R$ thousand)	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
Gross Sales	1,293,352	1,367,955	1,379,238	5.5% ↓	6.2% ↓	5,249,767	5,496,949	4.5% ↓
Cancellations (Contract Value)	285,340	315,838	354,319	9.7% ↓	19.5% ↓	1,232,576	1,640,866	24.9% ↓
Cancellations / Gross Sales	22.1%	23.1%	25.7%	1.03 p.p. ↓	3.63 p.p. ↓	23.5%	29.9%	6.37 p.p. ↓
Net Sales	1,008,012	1,052,117	1,024,919	4.2% ↓	1.6% ↓	4,017,190	3,856,083	4.2% ↑
(units)	**4Q16**	**3Q16**	**4Q15**	**Chg. 4Q16 x 3Q16**	**Chg. 4Q16 x 4Q15**	**2016**	**2015**	**Chg. 2016 x 2015**
Gross units Sold	8,537	9,005	8,869	5.2% ↓	3.7% ↓	34,082	35,782	4.8% ↓
Cancelled Units	1,947	2,058	2,526	5.4% ↓	22.9% ↓	8,278	12,166	32.0% ↓
Cancellations / Gross Sales	22.8%	22.8%	28.5%	0.05 p.p. ↓	5.68 p.p. ↓	24.3%	34.0%	9.71 p.p. ↓
Net Sales (units)	6,590	6,948	6,343	5.1% ↓	3.9% ↑	25,804	23,616	9.3% ↑

There was a 4.4% increase of net sales, due to a 25% decrease of cancellations. In 2016, the new sales and credit process (“Simultaneous Sales”) was fundamental for this evolution.



Real Estate Financing

Real Estate Financing	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
%MRV								
Client Financing (units)	**8,831**	6,226	6,053	41.8% ↑	45.9% ↑	**29,069**	29,807	2.5% ↓
Construction Financing	**8,515**	6,042	8,780	40.9% ↑	3.0% ↓	**23,260**	19,890	16.9% ↑
100%								
Client Financing (units)	**9,065**	6,841	6,366	32.5% ↑	42.4% ↑	**30,683**	31,702	3.2% ↓
Construction Financing	**8,927**	6,225	9,918	43.4% ↑	10.0% ↓	**24,146**	21,835	10.6% ↑

* Includes the residential and allotment segments.

In 4Q16, we reached 9,065 transferred units, an increase of 32.5% compared to 3Q16. In October, we recovered an expressive volume of units that could not be transferred in September due to the banks strike. The Company’s volume of transferred units is in line with net sales.

Production

Production	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
%MRV								
Built Units	**7,847**	8,963	8,253	12.4% ↓	4.9% ↓	**32,731**	35,715	8.4% ↓
Finished units	**10,205**	7,056	7,307	44.6% ↑	39.7% ↑	**34,864**	34,554	0.9% ↑
100%								
Built Units*	**8,886**	9,791	8,943	9.2% ↓	0.6% ↓	**34,898**	38,717	9.9% ↓
Finished units	**10,858**	8,286	8,039	31.0% ↑	35.1% ↑	**37,459**	37,540	0.2% ↓
Construction sites*	**214**	228	223	6.1% ↓	4.0% ↓	**214**	223	4.0% ↓

* Includes the residential and allotment segments.

The volume of built units is in line with the units sold in the period.

Inventory at Market Value (%MRV)

The slight increase of finished units in the Company’s inventory reflects the greater rigorousness in the credit concession from some financial institutions.

The release of MCMV3 and effectiveness of the new parameters, affected positively the eligibility of the Company's inventories in FGTS, reaching 97% of the units.

Inventory at Market Value	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15
%MRV					
Inventory at Market Value (R$ billion)**	**5.84**	**5.84**	**6.06**	0.1% ↓	3.7% ↓
By Financing Source (PSV)					
FGTS	**97%**	94%	91%	2.9 p.p. ↑	5.9 p.p. ↑
Savings Accounts	**3%**	6%	9%	2.9 p.p. ↓	5.9 p.p. ↓
By Construction phase (units)					
Not iniciated	**34%**	30%	50%	4.2 p.p. ↑	16.1 p.p. ↓
Under construction	**61%**	66%	46%	4.9 p.p. ↓	15.2 p.p. ↑
Finished	**5%**	4%	4%	0.7 p.p. ↑	0.9 p.p. ↑
Inventory Duration *	**4.5**	4.2	4.4	6.3% ↑	2.6% ↑

* Inventory duration = final inventory / Pre-sales (per quarter)

** Only launches. Does not include landbank.

Financial Performance- MRV

Net Operational Revenue

(R$ million)	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
Net Operational Revenue	**1,060**	1,074	1,197	1.3% ↓	11.5% ↓	4,197	4,672	10.2% ↓
Financial results allocated to Net Revenue	**7**	22	11	68.1% ↓	38.0% ↓	52	91	43.1% ↓
Total Net Operational Revenue	**1,067**	1,096	1,208	2.7% ↓	11.7% ↓	4,249	4,763	10.8% ↓

Gross Profit

(R$ million)	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
Gross Profit	**357**	353	375	1.1% ↑	5.0% ↓	**1,387**	1,439	3.6% ↓
Gross Margin (%)	**33.4%**	32.2%	31.1%	1.2 p.p. ↑	2.4 p.p. ↑	**32.6%**	30.2%	2.4 p.p. ↑

The continuous gross margin increase of our projects is a consequence of the Company's high execution capacity and with continuous enhancement of operational performance.

We work under rigorous cost control and systemic management of projects, reducing diversion risks and discrepancies among projects.

Additionally, in previous years, we were successful in renegotiating contracts with suppliers and in land acquisition processes, which contributed to the maintenance / reduction of material prices.

Financial Cost recorded under COGS

(R$ million)	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
Financial Cost recorded under COGS	**35**	34	37	2.5% ↑	4.7% ↓	**140**	133	5.3% ↑
% of Net Operating Revenue	**3.3%**	3.1%	3.0%	0.2 p.p. ↑	0.2 p.p. ↑	**3.3%**	2.8%	0.5 p.p. ↑
Gross profit with financial cost	**357**	353	375	1.1% ↑	5.0% ↓	**1,387**	1,439	3.6% ↓
Gross profit ex.h financial cost	**391**	387	412	1.2% ↑	4.9% ↓	**1,527**	1,572	2.9% ↓
Gross Margin ex. financial cost (%)	**36.7%**	35.3%	34.1%	1.4 p.p. ↑	2.6 p.p. ↑	**35.9%**	33.0%	2.9 p.p. ↑

Selling, General and Administrative Expenses (SG&A)

(R$ million)	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
Selling expenses	**133**	128	117	4.4% ↑	14.4% ↑	**499**	458	9.0% ↑
Selling expenses / net revenues (%)	12.5%	11.7%	9.6%	0.8 p.p. ↑	2.9 p.p. ↑	11.7%	9.6%	2.1 p.p. ↑
Selling expenses / pre-sales (%)	10.3%	9.3%	8.5%	1.0 p.p. ↑	1.9 p.p. ↑	9.5%	8.3%	1.2 p.p. ↑
	0.0%	0.0%	0.0%	0.0 p.p. ↑	0.0 p.p. ↑	0.0%	0.0%	0.0 p.p. ↑
General & Administrative Expenses	**69**	77	77	10.0% ↓	10.3% ↓	**287**	280	2.8% ↑
G&A expenses / net revenues (%)	6.5%	7.1%	6.4%	0.5 p.p. ↓	0.1 p.p. ↑	6.8%	5.9%	0.9 p.p. ↑
G&A expenses / pre-sales (%)	5.4%	5.6%	5.6%	0.2 p.p. ↓	0.2 p.p. ↓	5.5%	5.1%	0.4 p.p. ↑
Other operating (income) expenses	**24**	17	29	47.6% ↑	16.3% ↓	**88**	107	17.6% ↓

We are constantly reviewing our structure, objecting to adjust our SG&A expenses. In this quarter, we put greater effort in the commercial area and presented a G&A increase from other expenses (legal expenses).

Equity Income

(R$ million)	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
LOG Commercial Properties e Participações S.A	3.2	2.6	5.2	23.1% ↑	39.0% ↓	13.2	14.2	6.5% ↓
Prime Incorporações e Construções S.A	(14.2)	(9.7)	(24.3)	46.8% ↑	41.4% ↓	(46.7)	(83.8)	44.2% ↑
MRL Engenharia e Empreendimentos S.A	(5.8)	(6.0)	(5.5)	3.5% ↓	7.0% ↑	(24.2)	(24.2)	0.1% ↑
Others	4.5	(0.1)	(0.0)	-	-	0.4	(1.9)	-
Total	**(12.4)**	**(15.3)**	**(24.5)**	**19.1% ↓**	**49.5% ↓**	**(57.3)**	**(95.8)**	**40.2% ↑**

The results of our subsidiaries and jointly controlled companies have been presenting a constant evolution in their financial indicators.

Financial Results

(R$ million)	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
Financial Expenses	**(14)**	(12)	(14)	9.0% ↑	2.1% ↓	**(63)**	(78)	19.4% ↓
Financial Income	**59**	54	52	9.6% ↑	14.2% ↑	**228**	196	16.3% ↑
Financial income from receivables from real estate development	**10**	17	14	42.6% ↓	26.5% ↓	**48**	82	41.0% ↓
Total	**56**	59	52	5.7% ↓	7.9% ↑	**214**	200	6.7% ↑

The increase of financial income results from better profitability of the Company's cash applications as well as the increase of total amount of cash position.

We demonstrate below the total financial result adjusted by the financial charges allocated to COGS.

(R$ million)	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
Financial result	56	59	52	5.7% ↓	7.9% ↑	214	200	6.7% ↑
Financial Cost recorded under COGS	35	34	37	2.5% ↑	4.7% ↓	140	133	5.3% ↑
Adjusted Total	**91**	93	88	2.7% ↓	2.7% ↑	**354**	333	6.1% ↑

EBITDA[3]

R$ million	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
Income before taxes	169	177	179	4.7% ↓	5.8% ↓	668	699	4.3% ↓
Depreciation and Amortization	12	11	10	18.0% ↑	29.2% ↑	42	37	13.3% ↑
Financial Results	(56)	(59)	(52)	5.7% ↓	7.9% ↑	(214)	(200)	6.7% ↑
Financial charges recorded under cost of sales	35	34	37	2.5% ↑	4.7% ↓	140	133	5.3% ↑
EBITDA	**160**	162	174	1.4% ↓	7.7% ↓	**637**	669	4.7% ↓
EBITDA Margin	*15.0%*	*14.8%*	*14.4%*	0.2 p.p. ↑	0.7 p.p. ↑	*15.0%*	*14.0%*	1.0 p.p. ↑
EBITDA Adjusted (ex. Equity Income)	**177**	176	198	0.5% ↑	10.9% ↓	**694**	764	9.2% ↓
EBITDA Margin adjusted (ex. Equity Income)	*16.6%*	*16.0%*	*16.4%*	0.5 p.p. ↑	0.2 p.p. ↑	*16.3%*	*16.0%*	0.3 p.p. ↑

Net Income

(R$ million)	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
Net Income	**142**	150	140	5.4% ↓	1.2% ↑	**557**	548	1.7% ↑
% Net margin	13.3%	13.7%	11.6%	0.4 p.p. ↓	1.7 p.p. ↑	13.1%	11.5%	1.6 p.p. ↑
	0.0%	0.0%	0.0%	0.0 p.p. ↑	0.0 p.p. ↑	0.0%	0.0%	0.0 p.p. ↑
Net income (ex. Equity Income)	**158**	163	164	3.1% ↓	3.9% ↓	**614**	**643**	4.5% ↓
% Net margin (ex. Equity Income)	14.8%	14.9%	13.6%	0.1 p.p. ↓	1.2 p.p. ↑	14.5%	13.5%	1.0 p.p. ↑

[3]EBITDA: see definition at the Glossary

Unearned Results

(R$ million)	Dec/16	Sep/16	Dec/15	Chg. Dec/16 x Sep/16	Chg. Dec/16 x Dec/15
Unearned Sales Revenues	2,059	2,186	2,656	5.8% ↓	22.5% ↓
(-) Unearned Costs of Units Sold	(1,225)	(1,315)	(1,545)	6.8% ↓	20.7% ↓
Unearned Results	834	871	1,110	4.2% ↓	24.9% ↓
Unearned Results Margin	40.5%	39.8%	41.8%	0.7 p.p. ↑	1.3 p.p. ↓

Balance Sheet

Cash and Cash Equivalents and Short-term Investments

(R$ million)	Dec/16	Sep/16	Dec/15	Chg. Dec/16 x Sep/16	Chg. Dec/16 x Dec/15
Cash and cash equivalents	1,764	1,661	1,596	6.2% ↑	10.5% ↑
Short-term investments	258	133	128	93.0% ↑	100.5% ↑
Total	2,021	1,795	1,724	12.6% ↑	17.2% ↑

The Company has a conservative cash management policy, especially in a challenging macroeconomic scenario. Additionally, the strong cash position put us in better position when negotiating land acquisition.

Receivables from Real Estate Development

(R$ million)	Dec/16	Sep/16	Dec/15	Chg. Dec/16 x Sep/16	Chg. Dec/16 x Dec/15
12 months	3,170	3,448	3,969	8.1% ↓	20.1% ↓
13 to 24 months	1,369	1,447	1,752	5.4% ↓	21.9% ↓
25 to 36 months	144	150	176	3.9% ↓	18.0% ↓
37 to 48 months	23	25	29	7.5% ↓	20.1% ↓
Over 49 months	4	3	3	24.9% ↑	7.8% ↑
Total	**4,709**	**5,073**	**5,929**	7.2% ↓	20.6% ↓
Receivables from real estate development	2,650	2,888	3,273	8.2% ↓	19.0% ↓
Unearned sales revenue	2,059	2,186	2,656	5.8% ↓	22.5% ↓
Total	**4,709**	**5,073**	**5,929**	7.2% ↓	20.6% ↓

The Simultaneous Sales is contributing for the reduction of accounts receivable cycle, more efficiency of our working capital needs and recurrent cash generation.

Mortgage with MRV (R$ million)	Dec/16	Set/16	Dec/15	Chg. Dec/16 x Set/16	Chg. Dec/16 x Dec/15
After Keys Delivery	423	405	282	4.5% ↑	50.3% ↑
Before Keys Delivery	640	615	567	4.1% ↑	12.9% ↑
Total	**1,063**	**1,020**	**848**	4.2% ↑	25.3% ↑
Mortgage with MRV/Pre-sales LTM (%)	20.3%	19.1%	15.5%	1.2 p.p. ↑	4.8 p.p. ↑
Change in Mortgage with MRV/Pre-sales (%)	3.4%	4.8%	2.5%	1.4 p.p. ↓	0.8 p.p. ↑

MRV portfolio is composed by amounts to be received from clients, in other words, installments payed directly to the Company, once mortgage given by banks represent an average of 75% of the unit's value.

The amount to be received after key deliveries remained in the same level as 3Q16representing 40% of total. For this portfolio, we provisioned R$ 127 million by the end of 2016.

Clients (in R$ million)	Dec/16	Sep/16
Clients	2,826	3,040
Present value adjustment	(49)	(53)
Bad Debt Provision	(127)	(100)
	2,650	2,888
Current	1,658	1,953
Noncurrent	**991**	**935**

Advances from Customers

(R$ million)	Dec/16	Sep/16	Dec/15	Chg. Dec/16 x Sep/16	Chg. Dec/16 x Dec/15
12 months	675	702	852	3.9% ↓	20.8% ↓
13 to 24 months	371	391	435	5.1% ↓	14.7% ↓
Over 24 months	257	268	282	4.0% ↓	8.6% ↓
Total	**1,304**	**1,361**	**1,569**	4.2% ↓	16.9% ↓
Advanced receivables	121	141	365	13.9% ↓	66.9% ↓
Advances for barters	1,183	1,221	1,203	3.1% ↓	1.7% ↓
Total	**1,304**	**1,361**	**1,569**	4.2% ↓	16.9% ↓

Real Estate for Sale and Development

(R$ million)	Dec/16	Sep/16	Dec/15	Chg. Dec/16 x Sep/16	Chg. Dec/16 x Dec/15
Properties under construction	2,376	2,170	1,892	9.5% ↑	25.6% ↑
Completed Units	41	47	57	12.8% ↓	27.9% ↓
Land bank	3,680	3,527	2,992	4.3% ↑	23.0% ↑
Advances to Suppliers	33	34	31	3.9% ↓	5.9% ↑
Inventories of supplies	6	6	11	4.6% ↓	49.4% ↓
Total	**6,136**	**5,783**	**4,983**	6.1% ↑	23.1% ↑
Current	3,077	2,748	2,726	12.0% ↑	12.9% ↑
Non-current	3,059	3,036	2,256	0.8% ↑	35.6% ↑

Total Debt

On December 31, 2016 our debt totaled R$ 2,314 million, fully denominated in Brazilian *Reais*, and mainly indexed to the interbank deposit rate and referential rate.

Debt Maturity Schedule

(R$ million)	Construction Financing	Corporate Debt*	Total
12 months	400	537	937
13 to 24 months	489	430	919
25 to 36 months	257	139	396
37 to 48 months	6	12	18
Over 48 months	4	39	43
Total Debt	**1,157**	**1,157**	**2,314**

*Include leases and Finame

On December 31, 2016, the duration of MRV's debt was 17 months.

Debt Breakdown

(R$ million)	Maturity	Charges	Balance Due Dec/16	Balance Due Sep/16
Corporate Debt – CDI			**1,139**	**1,059**
Debentures - 6th Issuance	05/2017	CDI + 1.5% p.a.	256	266
Debentures - 7th Issuance	12/2016	CDI + 1.6% p.a.	-	264
Working capital – CDI	up to 06/2018	111%CDI p.a. to CDI+2,05% p.a.	238	274
CCB which backed the CRI operation	02/2023	CDI + 0.4% p.a. to 2.03% p.a.	628	247
Leasing	up tp 08/2019	CDI + 2.5% p.a. to 2.85% p.a.	17	10
Construction Finance - TR			**1,157**	**1,030**
Debentures - 4th Issuance	12/2017	TR + 8.25 p.a.	81	93
Construction Financing	up to 09/2021	TR + 8% a 12%	800	666
Working capital – TR	03/2023	TR + 10.21% to 13.29% p.a.	276	271
Others			**18**	**16**
Others	up to 09/2019	TJLP + 3.7% to 4.5%p.a. and Fixed rate 4.5% and 9.5%	18	16
Total			**2,314**	**2,105**

Weighted Average Debt Cost

(R$ million)	Balance Due Dec/16	Balance Due / Total (%)	Average Cost
CDI	1,139	49.2%	CDI + 1.4%
TR	1,156	50.0%	TR + 9.0%
Others (fixed rate)	18	0.8%	5.0%
Total	**2,314**	**100.0%**	**13.11%**

On December 31, 2016, the Company weighted average debt cost was below the Selic set up to the period of 13.75%.

Net Debt

Consolidated MRV Net Debt

(R$ million)	Dec/16	Sep/16	Dec/15	Chg. Dec/16 x Sep/16	Chg. Dec/16 x Dec/15
Total debt	2,314	2,105	2,250	9.9% ↑	2.8% ↑
(-) Cash and cash equivalents and Short-term investments	(2,021)	(1,795)	(1,724)	12.6% ↑	17.2% ↑
Net Debt	293	311	525	5.9% ↓	44.3% ↓
Total Shareholders' Equity	5,437	5,437	5,050	0.0% ↑	7.7% ↑
Net Debt / Total Shareholders' Equity	5.4%	5.7%	10.4%	0.3 p.p. ↓	5.0 p.p. ↓
EBITDA LTM	637	650	669	2.1% ↓	4.7% ↓
Net Debt / EBITDA LTM	0.46x	0.48x	0.79x	3.9% ↓	41.6% ↓
EBITDA LTM Adjusted (ex. Equity Income)	694	716	764	3.0% ↓	9.2% ↓
Net Debt / EBITDA LTM (ex. Equity Income)	0.42x	0.43x	0.69x	2.9% ↓	38.7% ↓

Covenants & Corporate Risk

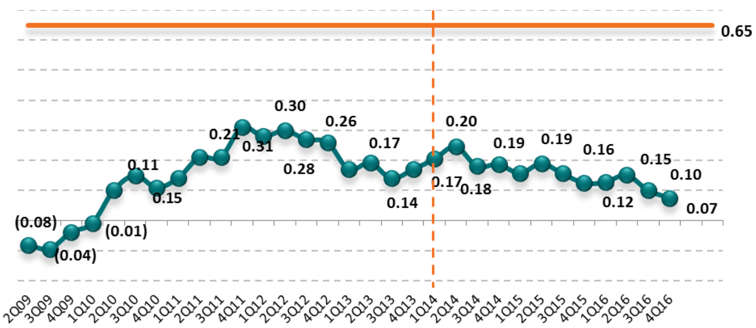
STANDARD & POOR'S

brAA-

FitchRatings

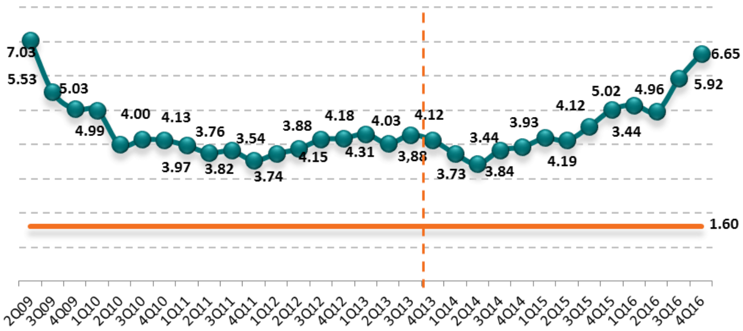
brAA--

Debt Covenant[4]



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

Receivables Covenant



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

Repurchases

Share Buyback Plan	
Term	12/19/2017
Status	Active
Approved Quantity	20,000,000
Acquired Quantity (as of 12/31/2016)	0
Treasury Shares (as of 12/31/16)	2,868,066

MRVE3 (12/31/16)

441,271,618 shares in the market

Market Share: R$ 4,9 billion

US$ 1,5 billion

(12/31/16: US$ 1 = R$ 3.259)

Average Daily Trading Volume (4Q16):

R$ 27,4 million

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4 Debt and Receivables Covenants calculated in accordance to new accounting consolidation rules as of 1Q13.

LOG Commercial Properties

Operating Highlights (in GLA sq.m., in %LOG)	31/Dec/16 Accum.	31/Dec/15 Accum.	31/Dec/16 x 31/Dec/15
Potential Portfolio	**1,573,983**	**1,276,099**	**23.3%**
Warehouses	1,496,255	1,220,346	22.6%
Retail *	77,728	55,754	39.4%
Approved GLA	**1,052,917**	**1,018,084**	**3.4%**
Warehouses	1,032,151	997,318	3.5%
Retail *	20,766	20,766	0.0%
Built GLA	**703,290**	**665,177**	**5.7%**
Warehouses	681,681	649,917	4.9%
Retail *	21,610	15,260	41.6%
Delivered GLA	**654,546**	**621,968**	**5.2%**
Warehouses	636,831	606,777	5.0%
Retail *	17,715	15,191	16.6%

Financial Highlights (in R$ thousand)	4Q16	3Q16	4Q15	4Q16 x 3Q16	4Q16 x 4Q15	12M16 Accum.	12M15 Accum.	12M16 x 12M15
Net Operating Revenues	24,521	23,961	24,169	2.3%	1.5%	96,774	92,911	4.2%
EBITDA	(6,094)	19,716	9,891	-130.9%	-161.6%	54,686	44,550	22.8%
EBITDA Margin (%)	-24.9%	82.3%	40.9%	-107.1 p.p.	-65.8 p.p.	56.5%	47.9%	8.6 p.p.
Adjusted EBITDA **	19,961	18,913	20,275	5.5%	-1.5%	78,066	74,403	4.9%
Adjusted EBITDA Margin (%)	81.4%	78.9%	83.9%	2.5 p.p.	-2.5 p.p.	80.7%	80.1%	0.6 p.p.
FFO	10,250	6,497	13,875	57.8%	-26.1%	35,891	17,396	106.3%
FFO Margin (%)	41.8%	27.1%	57.4%	14.7 p.p.	-15.6 p.p.	37.1%	18.7%	18.4 p.p.
Adjusted FFO **	7,824	8,619	6,569	-9.2%	19.1%	35,145	31,493	11.6%
Adjusted FFO Margin (%)	31.9%	36.0%	27.2%	1.7 p.p.	4.7 p.p.	36.3%	33.9%	2.4 p.p.

* Retail: Shopping Centers and Strip Malls.
** Adjusted EBITDA and FFO does not consider non recurrent events as Shopping Contagem stake sale, part of land sale, SPE sale and gain/loss with investment properties Fair Value.
*** The operating highlights considers LOG´s JV´s.

Urbamais

Urbamais delivered its first allotment, “Parque Atlanta”, located in Araraquara-SP. The project was launched in August, 2014 and delivered in June 2016, two months before the scheduled time.

“Parque Atlanta” is a gated allotment with extensive green area and recreation, with total PSV of R$ 34 million and 335 plots. By the end of 2016, all units were already sold.

In the first semester of 2016, “Jardim de Campos” was launched, a project with 464 plots and total estimated PSV of R$ 28 million. The allotment is located in a region nearby downtown of Campo dos Goytacazes (RJ).

In 4Q16, Urbamais launched more than one project of gated allotment – “Jardim dos Girassóis”, with 1,137 plots and PSV of R$ 70 million. The project is located in Feira de Santana (BA), in an under development area of the city around trade and services businesses. This is the Company’s second project in this city, continuing to development of “Recanto das Flores” complex.

The launched PSV increased 21% in 2016, when compared to 2015. In line with this same trend of growth, pre-sales increased 10.4% in 2016, in equivalent amounts of Urbamais percentage of participation. The total amount of pre-sales, including our partners, reached R$ 80.8 million in 2016.

Built units increased 88.2% in 2016 compared to 2015, in equivalent amounts of Urbamais percentage of participation. All built units, including our partners, reached 1,161 units in 2016.

We also highlight the 10.7% of growth in landbank compared to 2015, reaching R$ 2.4 billion.

Results

Due to the greater volume of ongoing projects, along with construction sites evolution, Urbamais ended 2016 reporting a Net Revenue of R$ 56.2 million, an increase of 156% compared to 2015.

The continuos grow of the net revenue allowed a reduction on operational expenses, resulting in a EBITDA margin of 29.6% and net margin of 25.5%, both presenting a growth when compared to last year.

In 2016, net profit and EBITDA were R$ 14.3 and R$ 16.6 million, respectively. Those results present an increase of around 200% compared to 2015.

Landbank (R$ million)

Land bank	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
100% Urbamais*								
Land Bank (R$ billion)	**2,440**	2,468	2,204	1.2% ↓	10.7% ↑	**2,440**	2,204	10.7% ↑
Acquisitions/Adjustments (R$ million)	**61**	74	105	16.7% ↓	41.6% ↓	**61**	105	41.6% ↓
Units	**26**	27	25	3.4% ↓	4.9% ↑	**26**	25	4.9% ↑
Usable Area (in thousands of sq.m.)	**6,224**	6,339	5,752	1.8% ↓	8.2% ↑	**6,224**	5,752	8.2% ↑
Average Price - R$'000 / unit	**94**	92	89	2.3% ↑	5.6% ↑	**94**	89	5.6% ↑
Average Price - R$'000 / sq.m.	**392**	389	383	0.7% ↑	2.3% ↑	**392**	383	2.3% ↑
% Urbamais**								
Land Bank (R$ billion)	**1,545**	1,566	1,410	1.4% ↓	9.6% ↑	**1,545**	1,410	9.6% ↑
Acquisitions/Adjustments (R$ million)	**43**	47	58	8.1% ↓	24.9% ↓	**228**	58	294.7% ↑
Units	**16**	17	16	3.9% ↓	3.1% ↑	**16**	16	3.1% ↑
Area (in thousands of sq.m.)	**3,946**	4,031	3,640	2.1% ↓	8.4% ↑	**3,946**	3,640	8.4% ↑
Average Price - R$'000 / unit	**94**	92	89	2.6% ↑	6.3% ↑	**94**	89	6.3% ↑
Average Price - R$'000 / sq.m.	**392**	389	387	0.7% ↑	1.2% ↓	**392**	387	1.2% ↓
%MRV***								
Land Bank (R$ billion)	**927**	940	846	1.4% ↓	9.6% ↑	**927**	846	9.6% ↑
Units	**10**	10	10	3.9% ↓	3.1% ↑	**10**	10	3.1% ↑
Area (in thousands of sq.m.)	**2,367**	2,419	2,184	2.1% ↓	8.4% ↑	**2,367**	2,184	8.4% ↑

* Total Units (Urbamais + Partners)
** The amount equivalent to 100% of Urbamais
*** The proportional value of MRV in Urbamais

Launches (R$ million)

Launches	4Q16	3Q16	4Q15	Var. 4Q16 x 3Q16	Var. 4Q16 x 4Q15	2016	2015	Var. 2016 x 2015
100% Urbamais*								
Launches (R$ million)	**90.2**	-	38	0.0% ↑	135.4% ↑	**118**	112	5.8% ↑
Units	**1,365**	-	619	0.0% ↑	120.5% ↑	**1,829**	1,724	6.1% ↑
Average Launching Size (units)	**683**	-	619	0.0% ↑	10.3% ↑	**610**	575	6.1% ↑
Area (in thousands of sq.m.)	**256**	-	129	0.0% ↑	98.9% ↑	**336**	317	5.8% ↑
Average Price - R$'000 / unit	**66**	-	62	0.0% ↑	6.8% ↑	**65**	65	0.3% ↓
Average Price - R$'000 / sq.m.	**352**	-	297	0.0% ↑	18.3% ↑	**352**	352	0.0% ↑
Number of projects	**2**	-	1	0.0% ↑	100.0% ↑	**3**	3	0.0% ↑
% Urbamais**								
Launches (R$ million)	**65**	-	28	0.0% ↑	135.4% ↑	**93**	77	21.0% ↑
Units	**984**	-	446	0.0% ↑	120.5% ↑	**1,448**	1,189	21.8% ↑
Area (in thousands of sq.m.)	**185**	-	93	0.0% ↑	98.9% ↑	**264**	219	20.4% ↑
% MRV***								
Launches (R$ million)	**39**	-	17	0.0% ↑	135.4% ↑	**56**	49	13.4% ↑
Units	**590**	-	268	0.0% ↑	120.5% ↑	**869**	745	16.6% ↑
Area (in thousands of sq.m.)	**111**	-	56	0.0% ↑	98.9% ↑	**159**	138	14.5% ↑

* Total Units (Urbamais + Partners)
** The amount equivalent to 100% of Urbamais
*** The proportional value of MRV in Urbamais

Pre-sales (R$ million)

Pre-sales*	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
100% Urbamais*								
Pre-sales (R$ million)	**18.2**	16.7	33.0	9.0% ↑	44.7% ↓	**80.8**	84.6	4.6% ↓
Units	**271**	199	470	36.2% ↑	42.3% ↓	**1,035**	1,228	15.7% ↓
Usable Area (in sq.m.)	**49**	39	95	25.6% ↑	48.9% ↓	**192**	226	15.3% ↓
Average Price - R$'000 / unit	**67**	84	70	20.0% ↓	4.2% ↓	**78**	69	13.2% ↑
Average Price - R$'000 / sq.m.	**375**	432	347	13.2% ↓	8.1% ↑	**421**	374	12.7% ↑
Sales over supply (%) - gross sales	**17%**	56%	45%	70.1% ↓	62.6% ↓	**55%**	62%	11.1% ↓
Sales over supply (%) - net sales	**13%**	39%	42%	66.8% ↓	69.1% ↓	**45%**	60%	25.0% ↓
% Urbamais**								
Pre-sales (R$ million)	**13.4**	12.4	23.2	8.3% ↑	42.3% ↓	**64**	57.7	10.4% ↑
Units	**201**	148	333	35.1% ↑	39.8% ↓	**819**	840	2.5% ↓
Usable Area (in sq.m.)	**36**	29	67	24.7% ↑	46.9% ↓	**150**	155	3.3% ↓
% MRV***								
Pre-sales (R$ million)	**8.9**	8.9	15.4	0.1% ↓	42.2% ↓	**43**	40.7	4.6% ↑
Units	**128**	101	214	26.7% ↑	40.3% ↓	**528**	567	6.8% ↓
Usable Area (in sq.m.)	**23**	20	43	17.7% ↑	46.5% ↓	**98**	105	6.6% ↓

* Total Units (Urbamais + Partners)
** The amount equivalent to 100% of Urbamais
*** The proportional value of MRV in Urbamais

Production (R$ million)

Production	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
100% Urbamais*								
Built Units	**580**	243	327	138.3% ↑	77.3% ↑	**1,161**	673	72.6% ↑
Finished units	-	-	-			**335**	-	
Construction sites	**3**	3	3	0.0% ↑	0.0% ↑	**3**	3	0.0% ↑
% Urbamais**								
Built Units	**434**	186	224	133.3% ↑	93.2% ↑	**851**	452	88.2% ↑
Finished units	-	-	-			**255**	-	
% MRV***								
Built Units	**260**	111	135	134.3% ↑	93.2% ↑	**516**	286	80.4% ↑
Finished units	-	-	-			**201**	-	

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

R$ million	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
NET OPERATING REVENUE	**1,067**	**1,096**	**1,208**	**2.7% ↓**	**11.7% ↓**	**4,249**	**4,763**	10.8% ↓
COST OF PROPERTIES SOLD AND SERVICES	(710)	(743)	(833)	4.4% ↓	14.8% ↓	(2,862)	(3,324)	13.9% ↓
GROSS PROFIT	**357**	**353**	**375**	**1.1% ↑**	**5.0% ↓**	**1,387**	**1,439**	3.6% ↓
Gross Margin	*33.4%*	*32.2%*	*31.1%*	*1.2 p.p. ↑*	*2.4 p.p. ↑*	*32.6%*	*30.2%*	*2.4 p.p. ↑*
OPERATING INCOME (EXPENSES)								
Selling expenses	(133)	(128)	(117)	4.4% ↑	14.4% ↑	(499)	(458)	9.0% ↑
General & Administrative Expenses	(69)	(77)	(77)	10.0% ↓	10.3% ↓	(287)	(280)	2.8% ↑
Other operating income (expenses), net	(24)	(17)	(29)	47.6% ↑	16.3% ↓	(88)	(107)	17.6% ↓
Equity Income	(16)	(13)	(25)	23.6% ↑	33.4% ↓	(57)	(96)	40.2% ↓
INCOME BEFORE FINANCIAL INCOME (EXPENSES)	**113**	**118**	**128**	**4.2% ↓**	**11.4% ↓**	**455**	**498**	8.7% ↓
FINANCIAL RESULTS								
Financial expenses	(14)	(12)	(14)	9.0% ↑	2.1% ↓	(63)	(78)	19.4% ↓
Financial income	59	54	52	9.6% ↑	14.2% ↑	228	196	16.3% ↑
Financial income from receivables from real estate development	10	17	14	42.6% ↓	26.5% ↓	48	82	41.0% ↓
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	**169**	**177**	**179**	**4.7% ↓**	**5.8% ↓**	**668**	**699**	4.3% ↓
Income Tax and Social Contribution	(26)	(24)	(26)	7.8% ↑	0.7% ↓	(94)	(103)	8.9% ↓
NET INCOME	**143**	**153**	**153**	**6.6% ↓**	**6.7% ↓**	**574**	**595**	3.5% ↓
PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	2	4	14	0.0% ↑	0.0% ↑	17	48	0.0% ↑
PROFIT ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	**142**	**150**	**140**	**5.4% ↓**	**1.2% ↑**	**557**	**548**	1.7% ↑
Net Margin	*13.3%*	*13.7%*	*11.6%*	*0.4 p.p. ↓*	*1.7 p.p. ↑*	*13.1%*	*11.5%*	*1.6 p.p. ↑*
BASIC EARNINGS PER SHARE	**0.321**	0.340	0.317	5.4% ↓	1.3% ↑	**1.263**	1.240	1.8% ↑

EBITDA (R$ million)

R$ million	4Q16	3Q16	4Q15	Chg. 4Q16 x 3Q16	Chg. 4Q16 x 4Q15	2016	2015	Chg. 2016 x 2015
Income before taxes	169	177	179	4.7% ↓	5.8% ↓	668	699	4.3% ↓
Depreciation and Amortization	12	11	10	18.0% ↑	29.2% ↑	42	37	13.3% ↑
Financial Results	(56)	(59)	(52)	5.7% ↓	7.9% ↑	(214)	(200)	6.7% ↑
Financial charges recorded under cost of sales	35	34	37	2.5% ↑	4.7% ↓	140	133	5.3% ↑
EBITDA	**160**	162	174	1.4% ↓	7.7% ↓	**637**	669	4.7% ↓
EBITDA Margin	*15.0%*	*14.8%*	*14.4%*	0.2 p.p. ↑	0.7 p.p. ↑	*15.0%*	*14.0%*	1.0 p.p. ↑
EBITDA Adjusted (ex. Equity Income)	**177**	176	198	0.5% ↑	10.9% ↓	**694**	764	9.2% ↓
EBITDA Margin adjusted (ex. Equity Income)	*16.6%*	*16.0%*	*16.4%*	0.5 p.p. ↑	0.2 p.p. ↑	*16.3%*	*16.0%*	0.3 p.p. ↑

MRV Engenharia

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

ASSETS	12/31/16	9/30/16	12/31/15	Var. Dec/16 x Sep/16	Var. Dec/16 x Dec/15
CURRENT ASSETS					
Cash and cash equivalents	1,764	1,661	1,596	6.2% ↑	10.5% ↑
Short-term investments	258	133	128	93.0% ↑	100.5% ↑
Receivables from real estate development	1,658	1,953	2,069	15.1% ↓	19.9% ↓
Receivables from services provided	4	3	6	28.3% ↑	39.9% ↓
Real estate for sale and development	3,077	2,748	2,726	12.0% ↑	12.9% ↑
Recoverable current taxes	229	205	196	11.9% ↑	16.8% ↑
Deferred expenses	57	54	44	6.3% ↑	30.0% ↑
Other assets	74	57	54	30.3% ↑	37.6% ↑
Total Current Assets	**7,120**	**6,813**	**6,820**	**4.5% ↑**	**4.4% ↑**
NONCURRENT ASSETS					
Receivables from real estate development	991	935	1,204	6.0% ↑	17.6% ↓
Real estate for sale and development	3,059	3,036	2,256	0.8% ↑	35.6% ↑
Due from related parties	37	38	88	4.3% ↓	58.5% ↓
Deferred expenses	36	40	32	9.5% ↓	11.2% ↑
Other noncurrent assets	73	71	62	1.8% ↑	16.8% ↑
Investment property	783	676	740	16.0% ↑	5.9% ↑
Property and equipment	140	127	105	10.1% ↑	32.9% ↑
Intangible Assets	86	87	84	0.6% ↓	2.1% ↑
Total Noncurrent Assets	**5,207**	**5,010**	**4,573**	**3.9% ↑**	**13.9% ↑**
TOTAL ASSETS	**12,327**	**11,823**	**11,392**	**4.3% ↑**	**8.2% ↑**

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

LIABILITIES AND SHAREHOLDERS' EQUITY	12/31/16	9/30/16	12/31/15	Var. Dec/16 x Sep/16	Var. Dec/16 x Dec/15
CURRENT LIABILITIES					
Trade accounts payable	315	310	254	1.6% ↑	23.9% ↑
Payables for purchase of investments	35	41	40	15.8% ↓	3.6% ↑
Loans and financing	937	1,105	1,119	15.2% ↓	16.2% ↓
Payables for purchase of land	515	610	348	15.6% ↓	47.9% ↑
Advances from customers	675	702	852	3.9% ↓	20.8% ↓
Labor and social liabilities	110	128	110	13.9% ↓	0.4% ↑
Tax liabilities	57	44	56	29.9% ↑	2.6% ↑
Accrual for maintenance of real estate	40	40	37	0.3% ↑	8.5% ↑
Deferred tax liabilities	59	72	67	18.6% ↓	12.9% ↓
Proposed dividends	132	-	130	-	1.7% ↑
Other payables	49	51	38	4.0% ↓	29.7% ↑
Total Current Liabilities	**2,924**	**3,103**	**3,050**	**5.8% ↓**	**4.1% ↓**
NONCURRENT LIABILITIES					
Payables for purchase of investments	-	4	32	100.0% ↓	88.4% ↓
Loans and financing	1,377	1,001	1,131	37.6% ↑	21.7% ↑
Payables for purchase of land	1,695	1,372	1,166	23.6% ↑	45.4% ↑
Advances from customers	629	659	717	4.7% ↓	12.3% ↓
Accrual for maintenance of real estate	100	97	99	2.8% ↑	1.1% ↑
Accrual for civil, labor, and tax risks	98	96	92	2.0% ↑	6.6% ↑
Deferred tax liabilities	40	34	42	16.6% ↑	4.7% ↓
Other liabilities	27	20	13	37.3% ↑	106.6% ↑
Total Noncurrent Liabilities	**3,965**	**3,282**	**3,292**	**20.8% ↑**	**20.4% ↑**
SHAREHOLDERS' EQUITY					
Equity attributable to the shareholders of the Company	5,184	5,173	4,776	0.2% ↑	8.5% ↑
Non-controlling Interests	254	264	274	3.9% ↓	7.5% ↓
Total Shareholders' Equity	**5,437**	**5,437**	**5,050**	**0.0% ↑**	**7.7% ↑**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**12,326**	**11,823**	**11,392**	**4.3% ↑**	**8.2% ↑**

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

Consolidated (R$ million)	4Q16	3Q16	Chg. 4Q16 x 3Q16	2016	2015	Chg. 2016 x 2015
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income	143	153	6.6% ↓	574	595	3.5% ↓
Adjustments to reconcile net income to cash used in operating activities	109	130	15.9% ↓	458	382	20.0% ↑
Decrease (increase) in operating assets	55	(29)	287.7% ↓	146	477	69.4% ↓
Increase (decrease) in operating liabilities	(133)	(185)	28.2% ↓	(603)	(427)	41.2% ↑
Net cash used in operating activities	**174**	**69**	153.9% ↑	**576**	**1,028**	44.0% ↓
CASH FLOWS FROM INVESTING ACTIVITIES						
Decrease (increase) in investment securities	(111)	15	834.0% ↓	(105)	43	340.8% ↓
Advances to related parties	(90)	(31)	190.1% ↑	(363)	(305)	18.8% ↑
Receipts from related parties	93	39	137.2% ↑	422	283	49.2% ↑
Decrease in (acquisition of/contribution to) investments	(124)	15	952.8% ↓	(101)	(10)	899.3% ↑
Payment for acquisition of subsidiary	(11)	(42)	73.5% ↓	(44)	(38)	15.0% ↑
Acquisition of fixed and intangible assets	(27)	(27)	0.0% ↓	(90)	(74)	21.4% ↑
Net cash used in investing activities	**(271)**	**(31)**	770.2% ↑	**(310)**	**(101)**	205.8% ↑
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from shares issuance	-	-	-	-	-	-
Proceeds from stock options' exercise	0	1	(88.3%)	1	3	67.2% ↓
Treasury shares	-	(1)	100.0% ↓	(3)	4	166.5% ↓
Treasury shares	-	-	-	-	(39)	100.0% ↓
Proceeds from loans, financing and debenture	795	440	80.6%	1,928	1,178	63.7% ↑
Payment of loans, financing and debenture	(584)	(470)	24.2% ↑	(1,863)	(1,465)	27.2% ↑
Capital transaction	0	(0)	241.5% ↓	(1)	0	435.0% ↓
Net contributions (distributions) of noncontrolling interests	(12)	(309)	96.0% ↓	(34)	(58)	40.5% ↓
Advanced payment from related companies	-	-	-	-	-	-
Net cash (used in) generated by financing activities	**199**	**(339)**	158.7% ↓	**(128)**	**(548)**	76.6% ↓
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, NET	**102**	**(301)**	**133.9% ↓**	**138**	**378**	**63.5% ↑**
CASH AND CASH EQUIVALENTS						
Cash and cash equivalents at beginning of the period	1,661	1,628	2.1% ↑	1,596	1,217	31.1% ↑
Cash and cash equivalents at end of the period	1,764	1,661	6.2% ↑	1,764	1,596	10.5% ↑

Attachment 04 – Consolidated Income Statement LOG CP 100% (R$ thousands)

INCOME STATEMENT	4Q16	3Q16	4Q15	Chg. % 4Q16 x 3Q16	Chg. % 4Q16 x 4Q15	12M16	12M15	Chg. % 12M16 x 12M15
NET OPERATING REVENUES	**24,521**	**23,961**	**24,169**	**2.3%**	**1.5%**	**96,774**	**92,911**	**4.2%**
Cost	-	-	-	0.0%	0.0%	-	-	0.0%
GROSS PROFIT	**24,521**	**23,961**	**24,169**	**2.3%**	**1.5%**	**96,774**	**92,911**	**4.2%**
OPERATING EXPENSES	**(30,675)**	**(4,304)**	**(14,346)**	612.7%	113.8%	**(42,323)**	**(48,566)**	-12.9%
Selling expenses	(2,836)	(2,998)	(2,219)	-5.4%	27.8%	(10,961)	(10,146)	8.0%
General & Administrative expenses	(2,364)	(2,509)	(2,634)	-5.8%	-10.3%	(9,543)	(9,555)	-0.1%
Other operatin expenses, net	(185)	(49)	352	277.6%	-152.6%	(528)	(2,307)	-77.1%
Investment Property Fair Value Variation	(27,151)	802	(8,866)	-3485.4%	206.2%	(24,477)	(30,997)	-21.0%
Equity in subsidiaries and JV´s	1,861	450	(979)	313.6%	-290.1%	3,186	4,439	-28.2%
OPERATING INCOME BEFORE FINACIAL RESULTS	**(6,154)**	**19,657**	**9,823**	**-131.3%**	**-162.6%**	**54,451**	**44,345**	**22.8%**
FINANCIAL RESULTS	**(16,313)**	**(15,311)**	**(14,730)**	**6.5%**	**10.7%**	**(51,555)**	**(43,489)**	**18.5%**
Financial expenses	(17,351)	(18,760)	(18,174)	-7.5%	-4.5%	(60,672)	(63,384)	-4.3%
Financial income	1,038	3,449	3,444	-69.9%	-69.9%	9,117	19,895	-54.2%
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	**(22,467)**	**4,346**	**(4,907)**	**-617.0%**	**357.9%**	**2,896**	**856**	**238.3%**
INCOME TAX AND SOCIAL CONTRIBUTION	**32,657**	**2,092**	**18,714**	**1461.0%**	**74.5%**	**32,760**	**16,335**	**100.6%**
Current	(1,405)	(1,082)	(1,368)	29.9%	2.7%	(5,078)	(5,999)	-15.4%
Deferred	34,062	3,174	20,082	973.2%	69.6%	37,838	22,334	69.4%
NET INCOME	**10,190**	**6,438**	**13,807**	**58.3%**	**-26.2%**	**35,656**	**17,191**	**107.4%**
PROFIT ATRIBUTABLE TO								
Shareholder´s of the company	10,189	6,436	13,819	58.3%	-26.3%	35,647	17,196	107.3%
Non-controlling interests	1	2	(12)	-50.0%	-108.3%	9	(5)	-280.0%

Attachment 05 – Consolidated Balance Sheet LOG CP 100% (R$ thousands)

ASSETS	31/Dec/16	30/Sep/16	31/Dec/15	Chg. % Dec-16 x Sep-16	Chg. % Dec-16 x Dec-15
CURRENT ASSETS					
Cash and cash equivalents	146,941	18,259	17,258	704.8%	751.4%
Accounts receivable	24,094	24,998	19,119	-3.6%	26.0%
Recoverable taxes	7,476	7,504	8,532	-0.4%	-12.4%
Deferred selling expenses	6,785	6,100	4,329	11.2%	56.7%
Other assets	442	111	187	298.2%	136.4%
Total current assets	**185,738**	**56,972**	**49,425**	**226.0%**	**275.8%**
NON-CURRENT ASSETS					
Trade accounts receivable	12,800	13,290	14,641	-3.7%	-12.6%
Deferred selling expenses	3,694	3,540	7,862	4.4%	-53.0%
Recoverable taxes	40,953	41,265	38,403	-0.8%	6.6%
Deferred taxes	90,213	56,381	51,052	60.0%	76.7%
Other assets	1,049	867	608	21.0%	72.5%
Investment in subsidiaries and jointly controlled	247,220	242,734	237,314	1.8%	4.2%
Investment property	2,298,800	2,295,228	2,174,413	0.2%	5.7%
Property and equipment	1,631	1,640	1,800	-0.5%	-9.4%
Total non-current assets	**2,696,360**	**2,654,945**	**2,526,093**	**1.6%**	**6.7%**
TOTAL ASSETS	**2,882,098**	**2,711,917**	**2,575,518**	**6.3%**	**11.9%**

LIABILITIES & SHAREHOLDER'S EQUITY	31/Dec/16	30/Sep/16	31/Dec/15	Chg. % Dec-16 x Sep-16	Chg. % Dec-16 x Dec-15
CURRENT LIABILITIES					
Accounts Payable	3,561	10,010	6,601	-64.4%	-46.1%
Loans and financing	337,250	355,859	150,579	-5.2%	124.0%
Salaries, payroll taxes and benefits	2,523	2,576	2,401	-2.1%	5.1%
Taxes and contributions	2,680	2,241	2,559	19.6%	4.7%
Advances from customers - Swap	1,570	1,587	3,518	-1.1%	-55.4%
Payable Dividends	8,466	-	1,634	0.0%	418.1%
Credits on related parties	948	1,053	965	-10.0%	-1.8%
Other liabilities	632	728	722	-13.2%	-12.5%
Total current liabilities	**357,630**	**374,054**	**168,979**	**-4.4%**	**111.6%**
Non-current liabilities					
Loans and financing	651,834	715,591	814,379	-8.9%	-20.0%
Advances from Customers - Swap	41,073	41,085	42,406	0.0%	-3.1%
Deferred taxes	54,958	55,298	51,125	-0.6%	7.5%
Others	2,319	2,674	2,756	-13.3%	-15.9%
Total Non-current liabilities	**750,184**	**814,648**	**910,666**	**-7.9%**	**-17.6%**
Total Liabilities	**1,107,814**	**1,188,702**	**1,079,645**	**-6.8%**	**2.6%**
SHAREHOLDER´S EQUITY					
Equity atributable to the shareholder´s of the company	1,774,157	1,523,089	1,495,765	16.5%	18.6%
Non-controlling interest	127	126	108	0.8%	17.6%
Total Shareholder´s Equity	**1,774,284**	**1,523,215**	**1,495,873**	**16.5%**	**18.6%**
TOTAL LIABILITIES & SHAREHOLDER'S EQUITY	**2,882,098**	**2,711,917**	**2,575,518**	**6.3%**	**11.9%**

Attachment 06 – Consolidated Statement of Cash Flow LOG CP 100% (R$ thousands)

CASH FLOW STATEMENT	12M16	12M15	Chg. % 12M16 x 12M15
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	35,656	17,191	107.4%
Adjustments to reconcile profit to net cash used in operating activities	42,526	65,688	-35.3%
Decrease (increase) in operating assets	(7,115)	(13,994)	-49.2%
Increase (decrease) in operating liabilities	4,246	4,885	-13.1%
Income tax and social contribution paid	(4,728)	(5,488)	-13.8%
Land sale receiving	4,540	105,954	-95.7%
Dividends received from subsidiaries	-	20,000	-100.0%
Net cash used in operating activities	**75,125**	**194,236**	**-61.3%**
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (Increase) of investments	(3,887)	(5,544)	-29.9%
Acquisition of investment property	(65,705)	(39,821)	65.0%
Other	(753)	(983)	-23.4%
Net cash used in investing activities	**(70,345)**	**(46,348)**	**51.8%**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans and debentures, net	305,782	209,716	45.8%
Payment of loans	(301,697)	(297,604)	1.4%
Derivative financial instrument redemption or acquisition	(5,115)	6,073	-184.2%
Interest paid	(122,891)	(126,038)	-2.5%
Contributions from shareholders	251,634	25,856	873.2%
Payment of obligations with related companies	(111,387)	-	-100.0%
Increase in obligations with related companies	110,201	-	-100.0%
Dividend payments	(1,634)	(25,856)	-93.7%
Contributions from noncontrolling shareholders	10	(111)	-109.0%
Net cash provided by financing activities	**124,903**	**(207,964)**	**-160.1%**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, NET	**129,683**	**(60,076)**	**-315.9%**
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year	17,258	77,334	-77.7%
Cash and cash equivalents at end of year	146,941	17,258	751.4%

Attachment 07 – Glossary

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

Cash – Composed by the balance of cash and cash equivalents and financial investments (bonds and securities).

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.

Construction financing – Units from projects that had the construction financing approved by a financial institution in the period

Client financing – Quantity of clients (individuals) that signed their mortgages with a financial institution in the period

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

"Crédito Associativo" – is a type of mortgage offered by Caixa Econômica Federal and Banco do Brasil to individuals that aim to finance their houses during the construction period. On the other hand, the homebuilders will also be paid by the banks according to the percentage of completion method. In this method, the cash flow is faster and more efficient than the traditional method where the company is financed only when the project is delivered.

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 services during the nine months of 2016 other than those relating to external audit, except professional services related to the issuance of a comfort letter on the accounting and financial information presented in the prospectus for issuance of Certificates of Real Estate Receivables, contracted on September 6, 2016 for a total amount of R $ 134 thousand. 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 37 years of experience, active in 145 cities, in 22 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 OTC PINK International Premier of the Over-The-Counter (OTC) Market, with ticker MRVNY.