

RESULTS

2Q13

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CYRELA
BRAZIL REALTY



2Q13 Results

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Operating Results	Raphael Horn
Financial Results	José Florêncio Rodrigues

Cyrela's Highlights

- Gross margin stood at 32.6%, up 2.9 p.p. vs 2Q12 and down 0.1 p.p. vs 1Q13. In 6M13, gross margin of 32.6% vs 30.6% 6M12.
- EBITDA margin of 20.0%, an increase of 0.4 p.p. vs 2Q12 and a decrease of 1.3 p.p. vs 1Q13. In 6M13, EBITDA margin stood at 20.6% versus 17.6% in 6M12.
- Cash generation of R$ 154 million in the quarter, ex-dividends. In the semester, a cash generation of R$ 370 million vs a cash burn of R$ 56 million in 6M12.
- Pre-sales of R$ 2,181 million in 2Q13, which is 66.0% higher vs 2Q12 and 60.5% higher vs 1Q13. In the semester, pre-sales of R$ 3,540 million vs R$ 2,534 million in 6M12.
- Launches of R$ 1,762 million in 2Q13, 61.8% higher vs 2Q12. In the semester, the volume launched was R$ 2,717 million, which is 37.3% higher than 6M12.
- Net revenue of R$ 1,372 million in 2Q13, 13% higher vs 1Q13. In 6M13, net revenue totaled R$ 2,588 million, 9.3% lower than 6M12.
- Net debt / Equity of de 35.6% in 2Q13 vs 35.9% in 1Q13.
- ROE of 15% (Net income LTM / Equity average LTM ex-minorities)

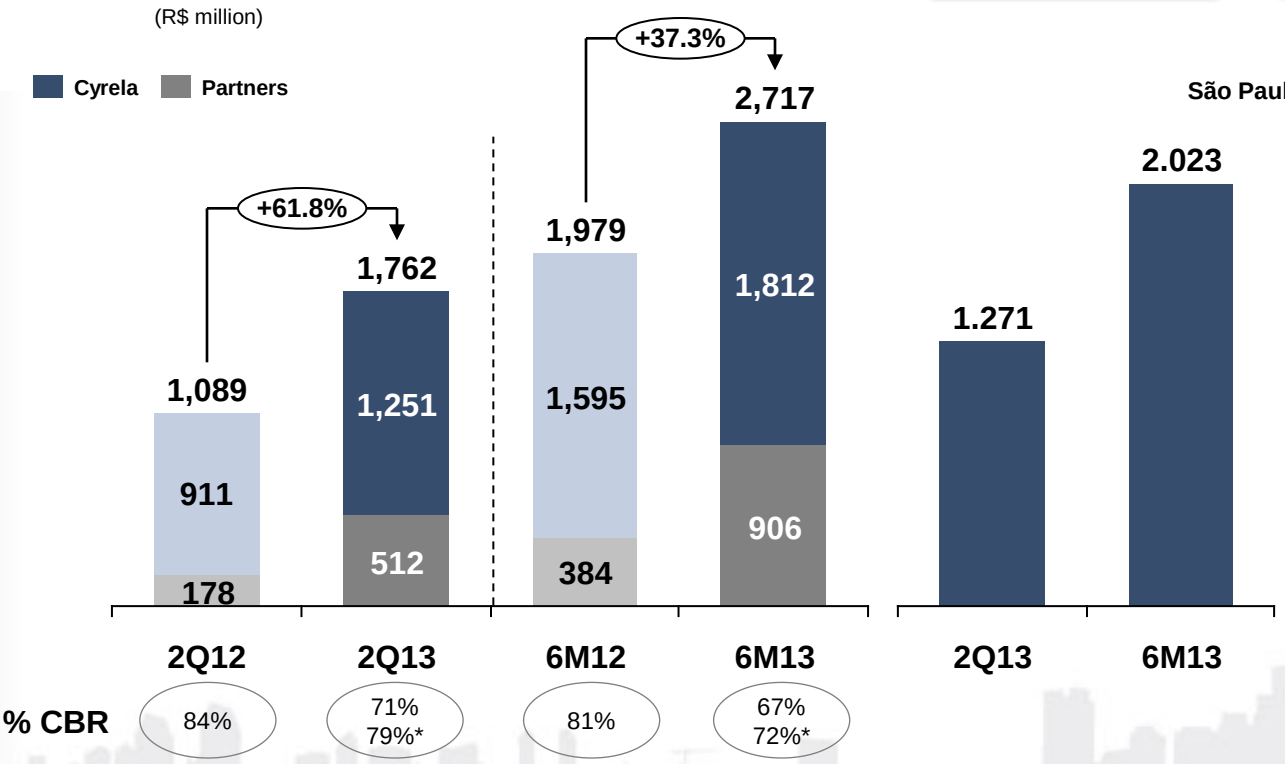


Operatings Figures

Cyrela's Launches

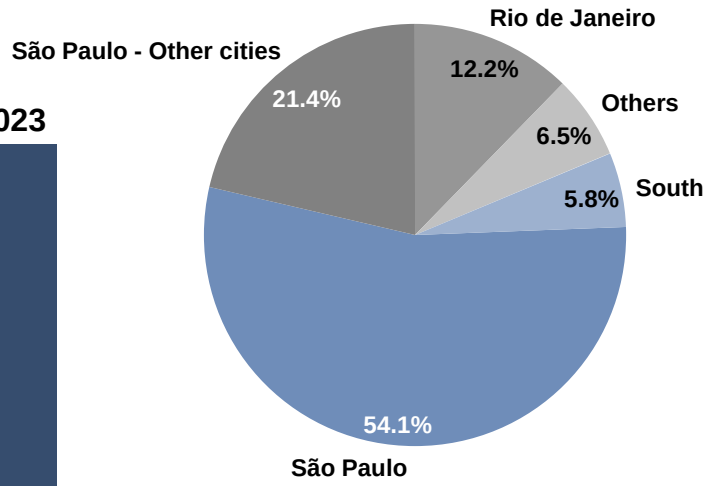
- **R$ 1,762 million in 2Q13 vs R$ 1,089 million in 2Q12;**
- **R$ 2,717 million in 1H13 vs R$ 1,979 million in 1H12.**
- **In 1H13, 53% of total launches belongs to the MAP segment and 47% to the Economic segment ("MCMV Faixa 1" represents 54% of the economic segment)**

Launches



Ex-"Faixa 1"

Launches by Region 2Q13



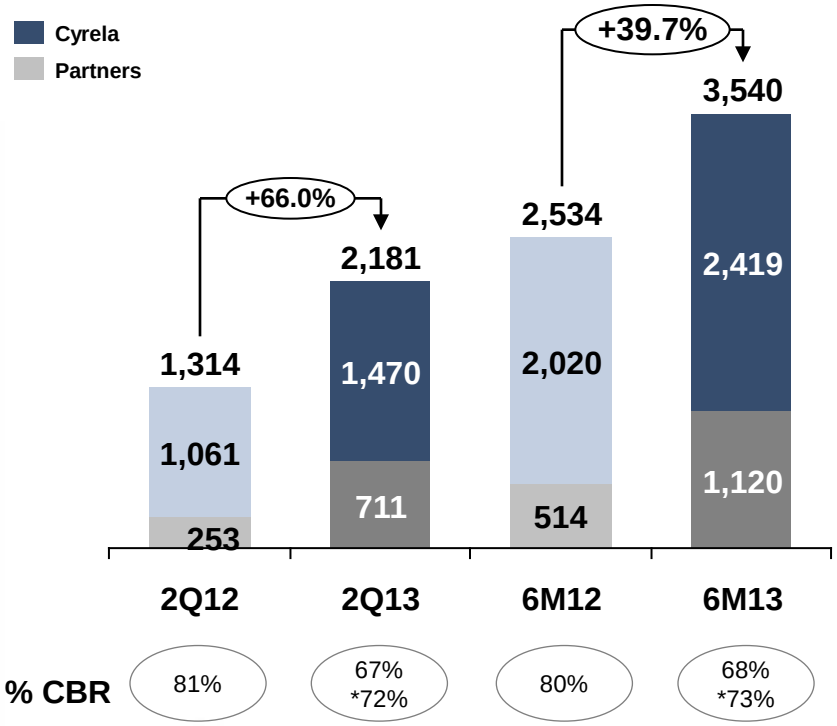
* %CBR w/o "Faixa 1"

Cyrela's Pre-Sales

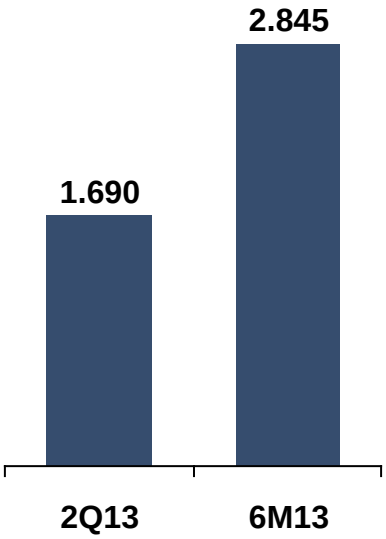
- 50% of pre-sales were from inventories;
- % CBR of 67% in 2Q13 (72% ex-"Faixa 1") vs 81% in 2Q12.

Pre-sales

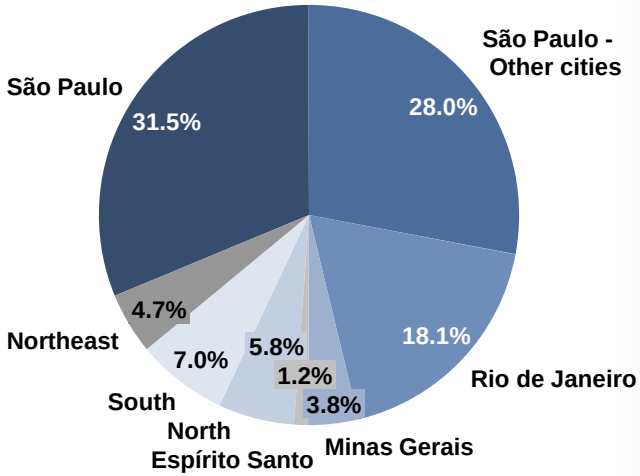
(R$ million)



Ex-"Faixa 1"



Pre-sales by region 2Q13

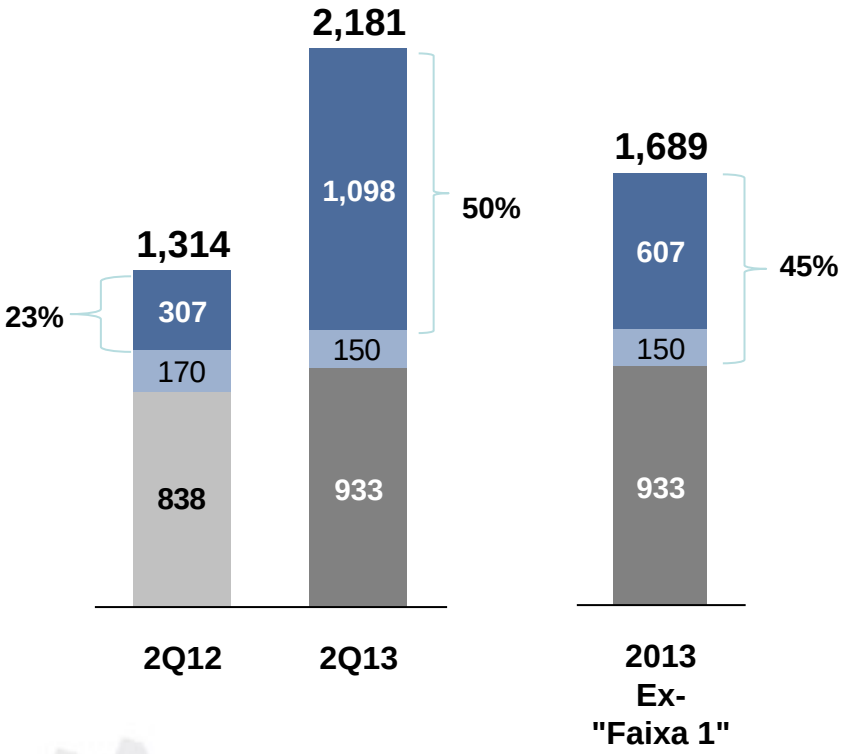


* %CBR w/o "Faixa 1"

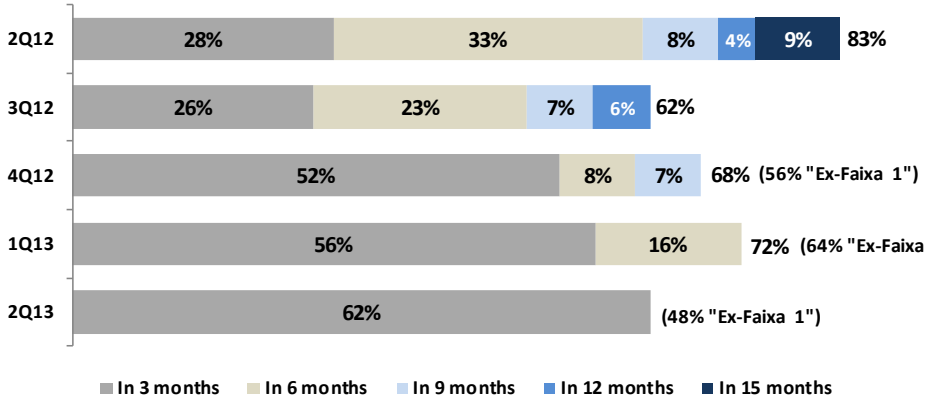
Sales Speed

- Sales Speed of the last 12 months attained 55.7% in 2Q13.
- Excluding the “MCMV Faixa 1”, Sales Speed of the last 12 months attained 50.8% in 2Q13.

Pre-sales by launch period



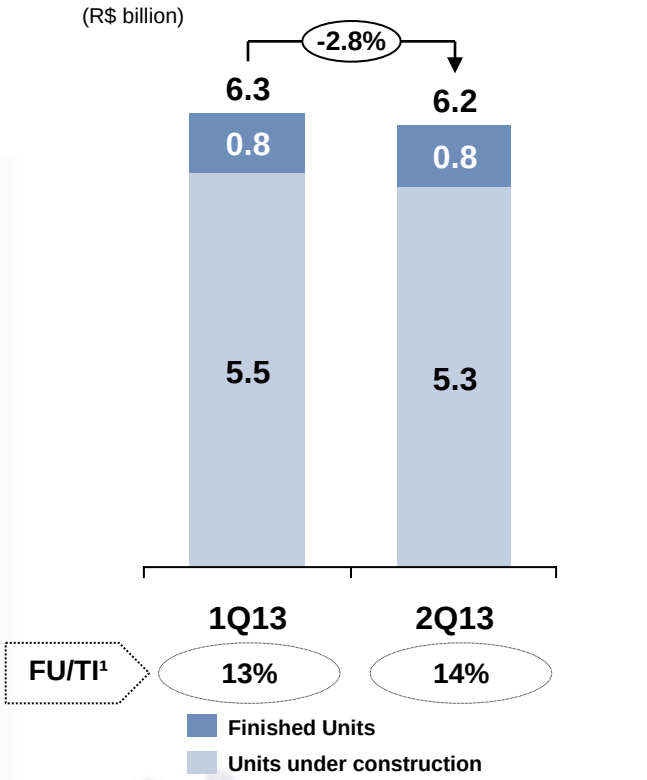
Sales Speed – Last 12 months



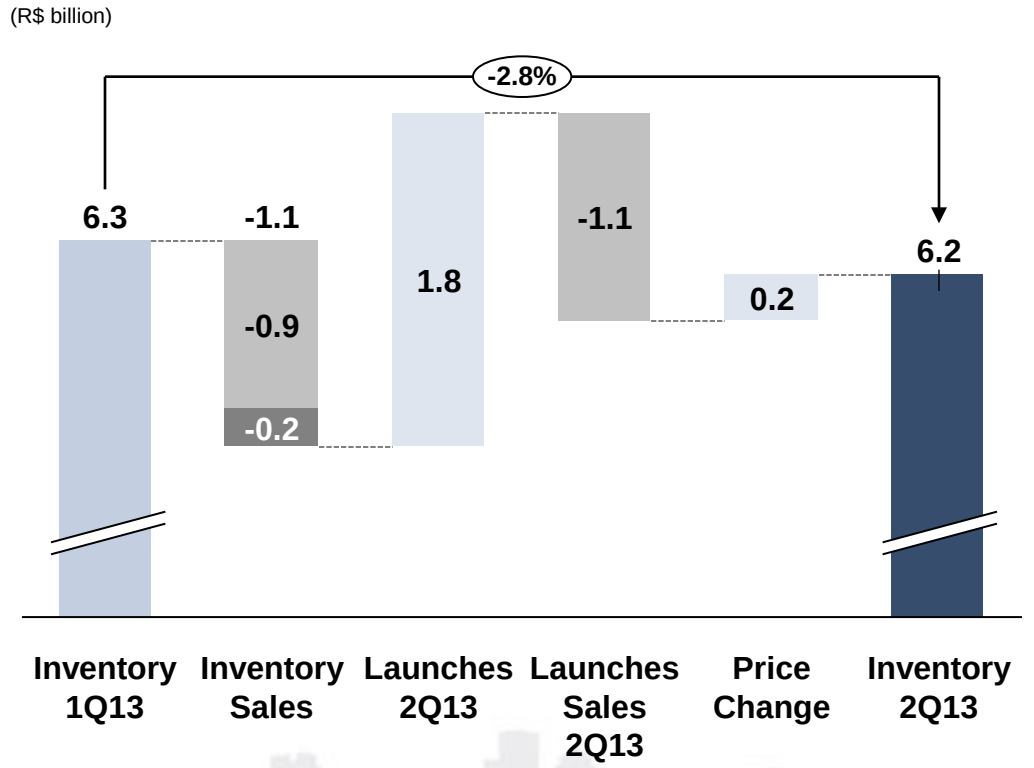
Inventory

- R$ 6.2 billion in inventories (R$ 5.3 billion %CBR);
- 13.6% of finished uinits inventories (vs 13.3% in 1Q13).

Inventory



Change in Inventory

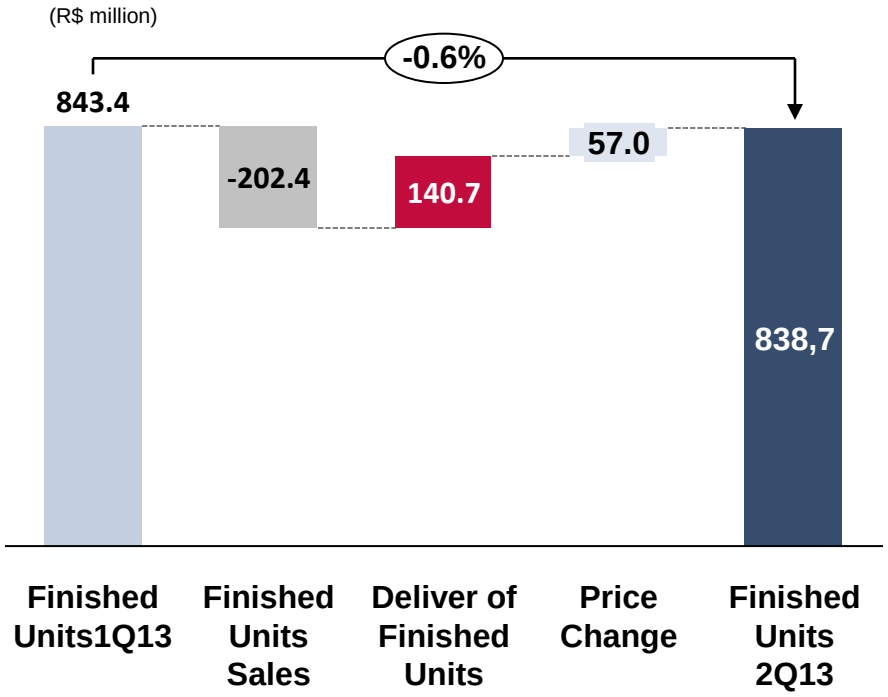


¹ Finished units/ Total inventory

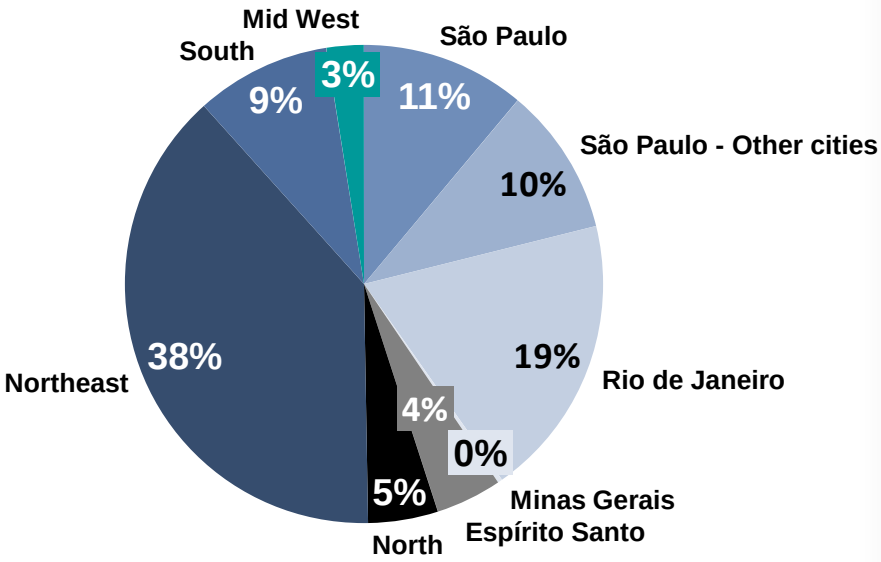
Finished Units

- R$ 843 million (vs. R$ 953 million in 4Q12)
- 10 biggest projects in finished units represents, approximately, 48% of total finished units in 2Q13.

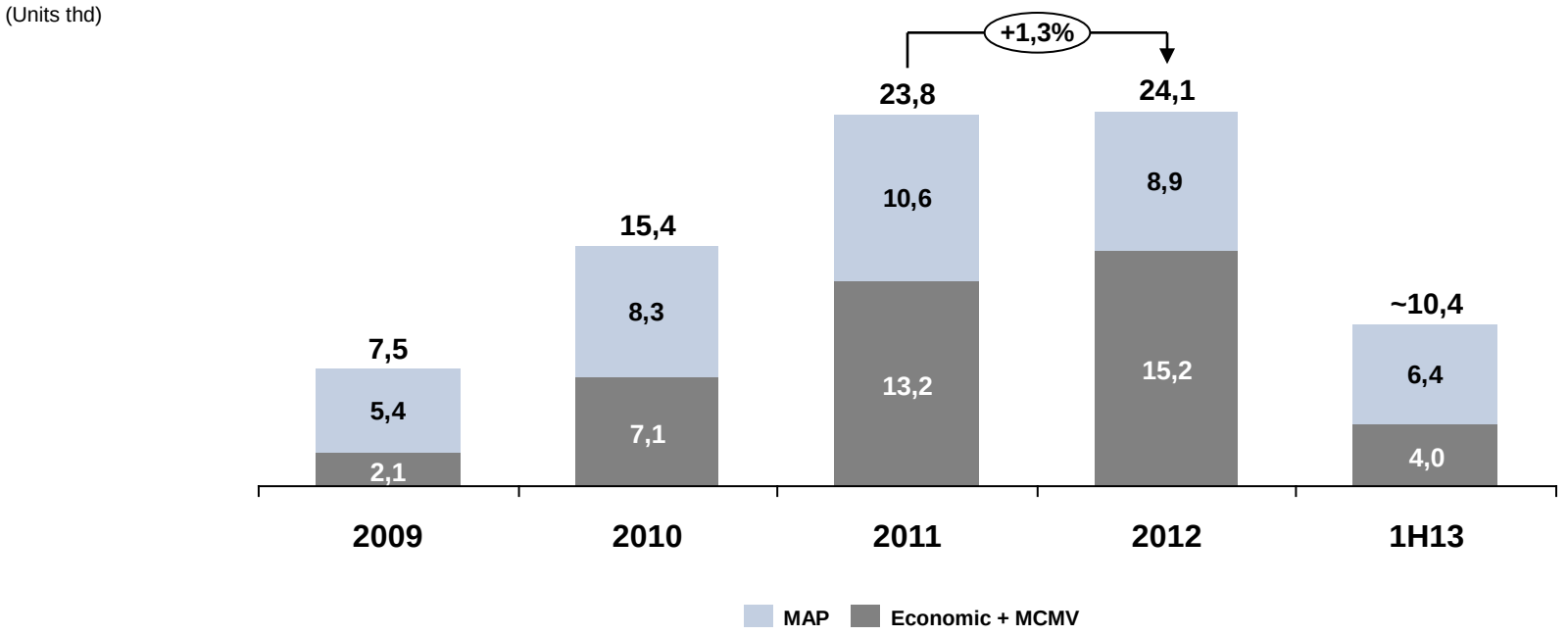
Finished Units



Breakdown



Delivered Units



- 5 thd units delivered in 2Q13 in 18 projects. In 1H13, 10 thd units in 36 projects;
- Economic + MCMV: 1.5 thd units in 6 projects in 2Q13. 4 thd units in 15 projects delivered in the first six months of the year.
- Delivered units in 2Q13 represent PSV of R$ 1.5 billion. In 1H13, R$ 2.6 billion have been delivered.

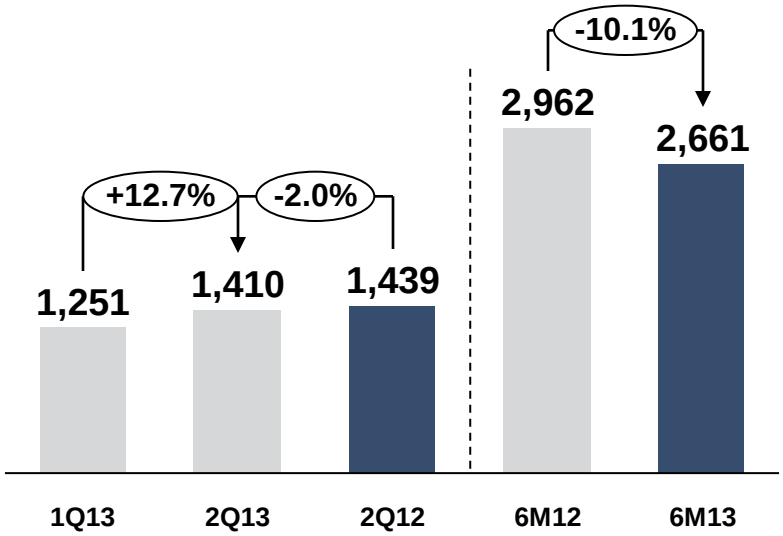


Financial Results

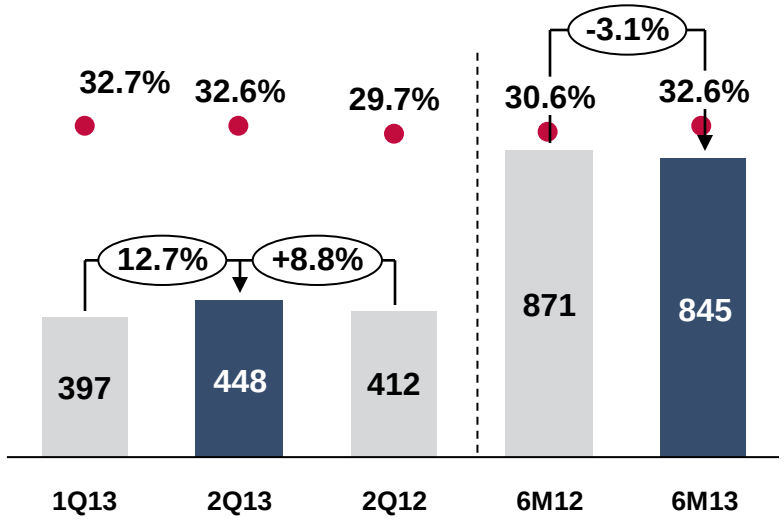
Financial Results

(R$ million)

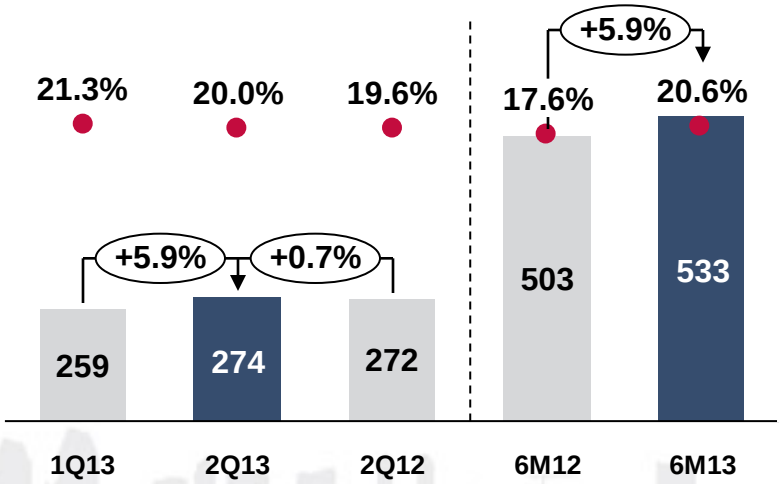
Gross Revenue



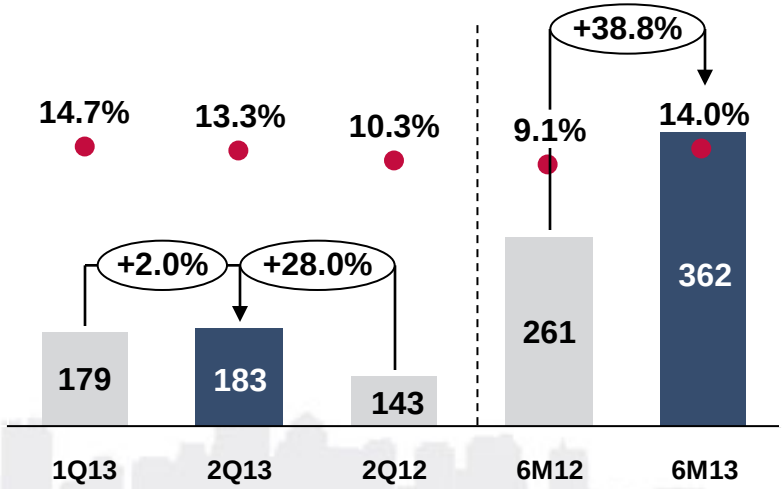
Gross profit and Gross margin



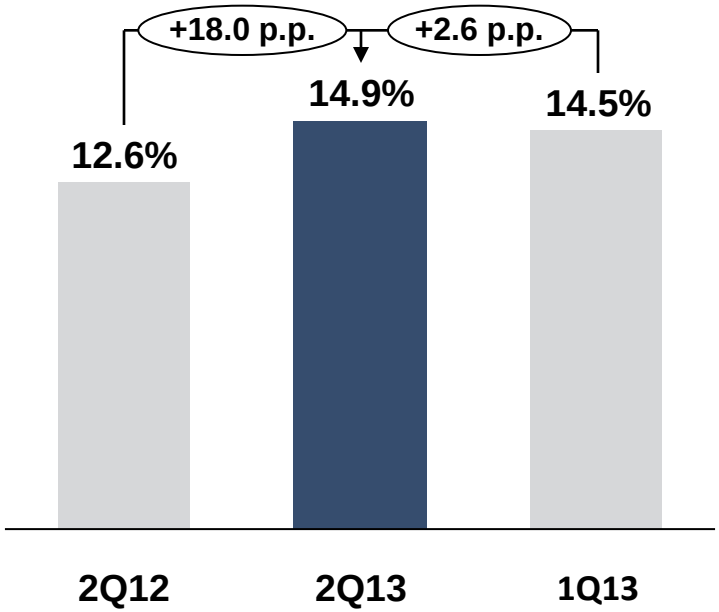
EBITDA and EBITDA margin



Net income and Net margin



Return on Equity*

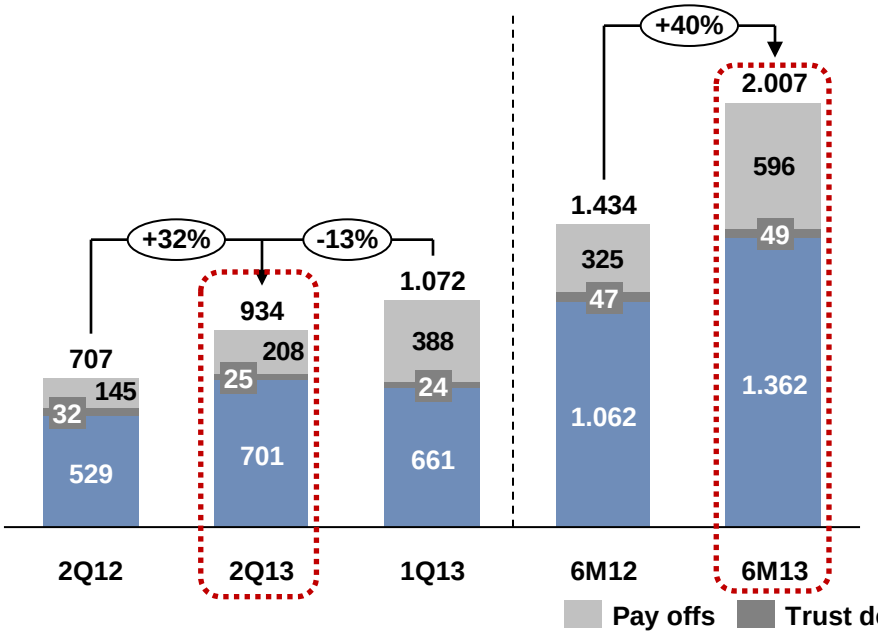


- **Return on Equity stood at 15%, an increase of de 18 p.p. vs 2Q12 and 2.6 p.p. vs 1Q13.**

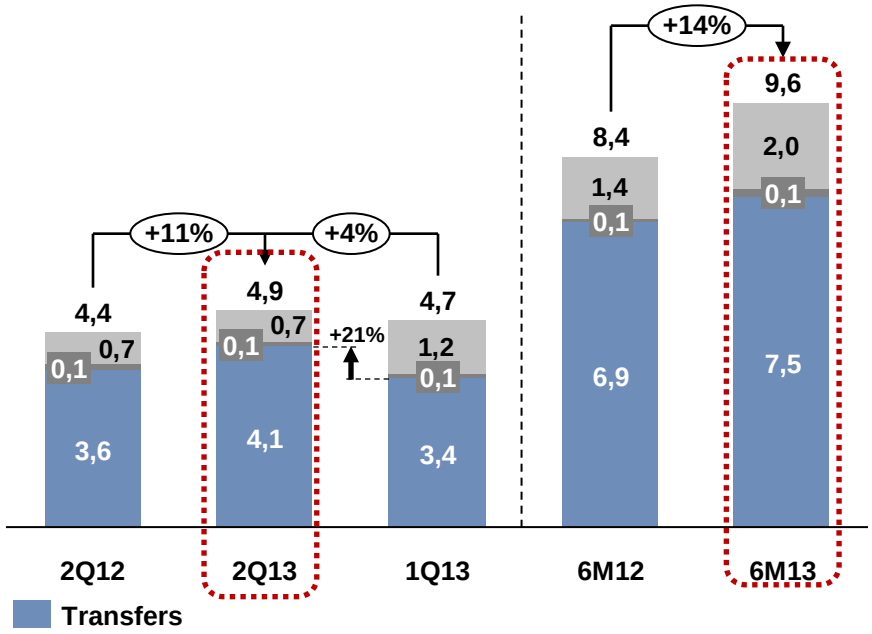
*ROE: Net income LTM / Average Equity 2Q13-2Q12, excluding minorities

Transfers, Pay offs, Trust Deed

Volume (R$ Million)



Units (thd)



Pay offs | Trust deeds | Transfers

Quarter:

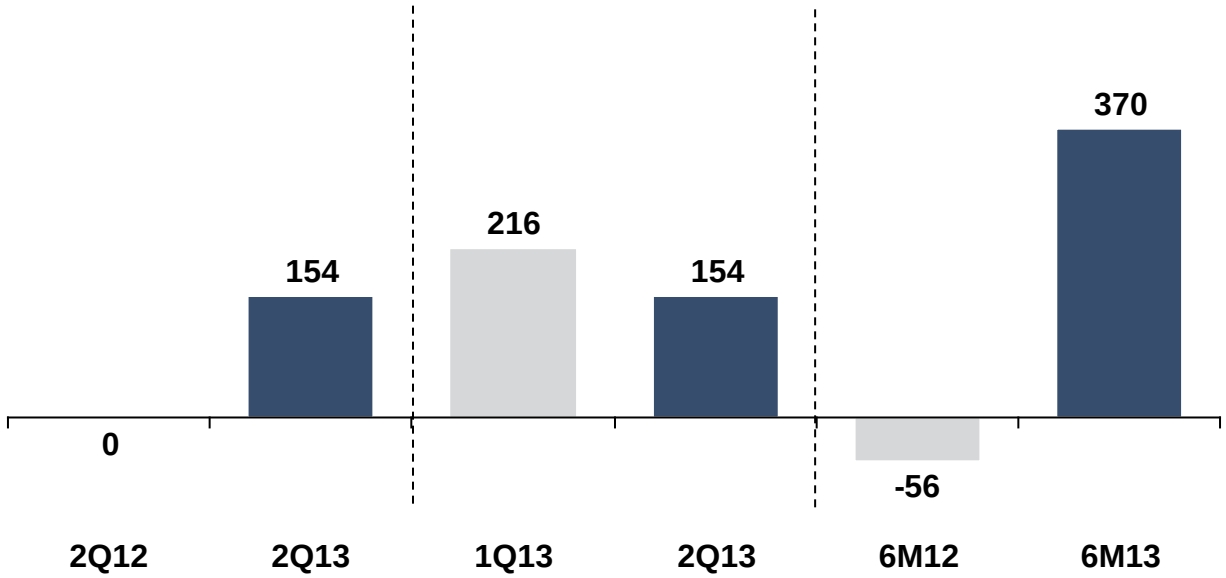
- **Reduction of 13% in the volume of financial solution in 1Q13 x 1Q12, face the lower amount of pay offs.**
- **However, the Company had a relevant increase of 6% in the volume and 21% in the units transfered when compared to 1Q13.**
- **Average ticket reduction from R$ 192 thd in 1Q13 to R$ 172 thd in 2Q13, as a consequence of a higher stake of economic products in the total amount (from 42% in 1Q13 vs 53% in 2Q13).**

Semester:

- **Increase of 40% in the volume received in 6M13 when compared to 6M12.**
- **Increase of 14% in the amount of units of financial solution in 6M13 x 6M12.**

Cash Generation / Burn*

(R$ million)



- **Cash generation of R$ 154 million in 2Q13 vs a cash burn of R$ 0.1 million in 2Q12 and a cash generation of R$ 216 million in 1Q13;**

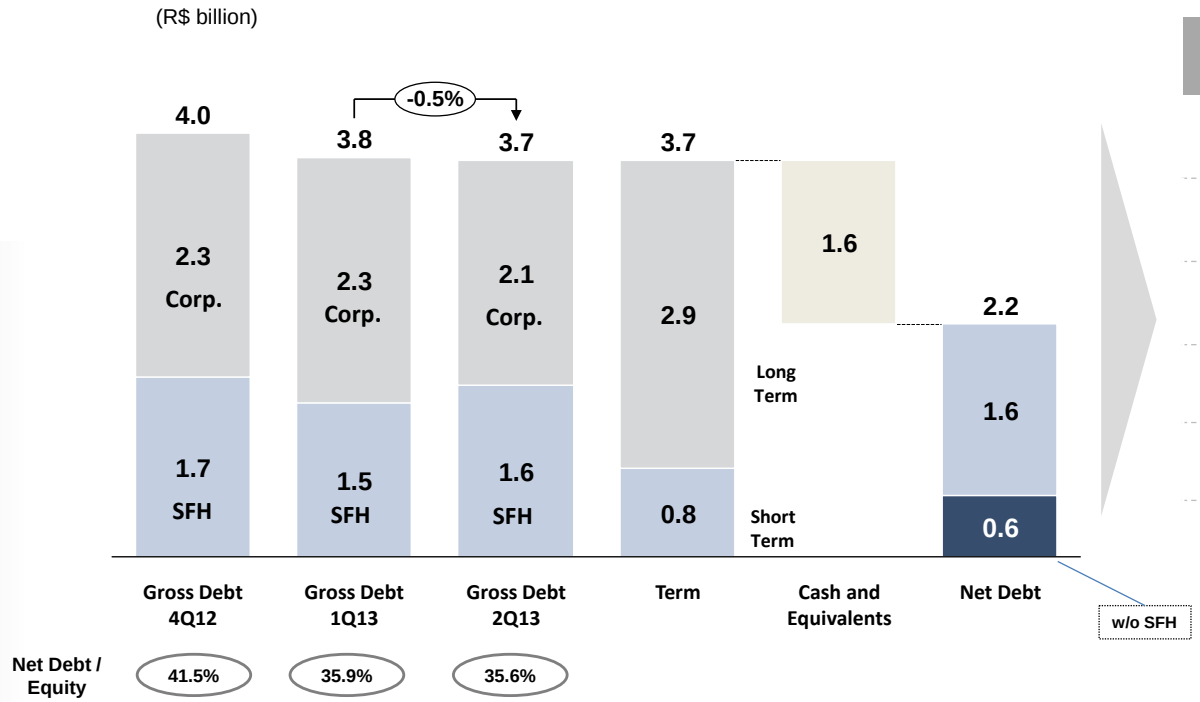
- **Among the reasons for the cash generation is the high level of pay offs and transfers realized in the quarter – 32% higher than 2Q12.**

• Ex dividend payment, buyback program and stake acquisition.

Liquidity and Debt

- **Net debt / Equity remained at levels of 35%;**

Debt



Indicators	Total Debt	Debt ex-SFH
Net Debt / EBITDA 12M	1,93x	0,49x
Net Debt / Equity	35.6%	
Average Cost	w/o SFH: 110.8% CDI SFH: TR + 9,60% p.y.	
Duration	1,8 year	2,1 years
Short Term	22%	14%
Long Term	78%	86%

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