(Convenience Translation into English from
the Original Previously Issued in Portuguese)

Even Construtora e Incorporadora S.A. and Subsidiaries

Individual and Consolidated Financial Statements
for the Year Ended December 31, 2016 and
Independent Auditor's Report

Deloitte Touche Tohmatsu Auditores Independentes

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INDEPENDENT AUDITOR'S REPORT

To the Management and Shareholders of
Even Construtora e Incorporadora S.A.

Opinion

We have audited the accompanying individual and consolidated financial statements of Even Construtora e Incorporadora S.A. ("Company"), identified as Parent and Consolidated, respectively, which comprise the balance sheet as at December 31, 2016 and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Opinion on the financial statements prepared in accordance with accounting practices adopted in Brazil

In our opinion, the individual and consolidated financial statements present fairly, in all material respects, the financial position of Even Construtora e Incorporadora S.A. as at December 31, 2016, and its financial performance and its cash flows for the year then ended, in accordance with accounting practices adopted in Brazil.

Opinion on the consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRSs"), applicable to real estate development entities in Brazil, as approved by the Accounting Pronouncements Committee ("CPC"), the Brazilian Securities and Exchange Commission ("CVM") and the Federal Accounting Council ("CFC")

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Even Construtora e Incorporadora S.A. as at December 31, 2016, and its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards ("IFRSs"), issued by the International Accounting Standards Board ("IASB") applicable to real estate development entities in Brazil, as approved by the CPC, the CVM and the CFC.

Basis for Opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Individual and Consolidated Financial Statements* section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical requirements in the Code of Ethics for Professional Accountants and the professional standards issued by the CFC, and we have fulfilled our other ethical responsibilities in accordance with these standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Emphasis of Matter

We draw attention to Note 2 to the individual and consolidated financial statements, which states that the individual and consolidated financial statements have been prepared in accordance with accounting practices adopted in Brazil. The consolidated financial statements prepared in accordance with the IFRSs applicable to real estate development entities in Brazil also consider OCPC 04 Application of Technical Interpretation ICPC 02 to Brazilian Real Estate Development Entities, issued by the CPC. OCPC 04 addresses the recognition of revenue by real estate development entities, including the matters related to the meaning and application of the concept of continuous transfer of risks, rewards and control on the sale of real estate units, as detailed in Note 2 to the financial statements. Our opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and, therefore, we do not provide a separate opinion on these matters. These matters are:

Recognition of profit and loss based on the percentage-of-completion (POC)

As disclosed in notes 2.17 and 3.1 to the financial statements, the recognition of revenue from real estate unit sales agreements is governed by OCPC 04, which regulated the application of ICPC 02 to Brazilian real estate development entities. The revenue recognition process applying the percentage-of-completion (POC) method involves significant estimates that may be realized or not, such as, for example, the projected costs to be incurred until the completion of construction works.

The key audit procedures are focused on testing, on a sampling basis, the adequacy of the budgeted costs of real estate projects, which involves understanding the controls implemented, the procedures and frequency of review of the costs budgeted by the Company's technical staff, the recalculation of the percentage-of-completion and the related controls to confirm the percentages calculated, the visit to the construction sites, the performance of substantive testes for costs incurred, sales agreements and terminations and checking the compliance with legal requirements for the launch of real estate projects.

Compliance with covenants in borrowings and financing

As disclosed in note 9 to the financial statements, certain borrowings and financing agreements contain accelerated maturity clauses for the noncompliance with financial and operating ratios. The key audit procedures applied were the identification of controls set by Management in relation to the preparation and review of calculation and specific tests to confirm the compliance with contractual ratios.

Realization of the balance of property inventories

As disclosed in note 7 to the financial statements, properties are stated at cost, which does not exceed their net realizable value. In light of the unfavorable legal and economic scenarios represented by the high volume of terminations and low volume of sales, the property inventory has increased. The matter involves material balance and the use of internal and market assumptions to define the sales price. The key audit procedures applied comprised understanding the controls set by Management in relation to the monitoring of the real estate project margins, the recalculation of the margin and the identification of inventory items of properties completed and under construction and land for future real estate development or sale that would require the recognition of an allowance for loss.

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Other Matters

Statements of value added

The individual and consolidated statements of value added ("DVA") for the year ended December 31, 2016, prepared under the responsibility of the Company's Management and disclosed as supplemental information for purposes of the IFRS, were subject to audit procedures performed together with the audit of the Company's financial statements. In forming our opinion, we assess whether these statements are reconciled with the other financial statements and the accounting records, as applicable, and whether their form and content are in accordance with the criteria set out in technical pronouncement CPC 09 - Statement of Value Added. In our opinion, these statements of value added have been prepared, in all material respects, in accordance with the criteria set out in such technical pronouncement and are consistent in relation to the individual and consolidated financial statements, taken as a whole.

Other Information Accompanying the Individual and Consolidated Financial Statements and the Independent Auditor's Report

Management is responsible for such other information. The other information comprises the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of audit conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether such report is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Individual and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process.

Auditor's Responsibilities for the Audit of the Individual and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and its subsidiaries' ability to continue as going concerns. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as going concerns.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The accompanying individual and consolidated financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, March 22, 2017

DELOITTE TOUCHE TOHMATSU Auditores Independentes	Ismar de Moura Engagement Partner

(Convenience Translation into English from the Original Previously Issued in Portuguese)

EVEN CONSTRUTORA E INCORPORADORA S.A. AND SUBSIDIARIES

BALANCE SHEETS AS AT DECEMBER 31, 2016 AND 2015
(In thousands of Brazilian reais - R$)

		Company		Consolidated	
ASSETS	Note	2016	2015	2016	2015
CURRENT ASSETS					
Cash and cash equivalents	4	48.760	99.390	71.387	120.059
Short-investments	4	30.120	20.507	515.082	562.403
Restricted cash	5	-	-	22.447	-
Trade receivables	6.a)	11.549	-	1.676.853	1.822.958
Properties for sale	7	14.823	24.584	1.687.091	1.067.522
Other receivables		10.151	5.191	36.130	34.567
Total current assets		115.403	149.672	4.008.990	3.607.509
NONCURRENT ASSETS					
Trade receivables	6.a)	-	-	101.768	239.915
Properties for sale	7	-	-	781.857	1.164.847
Advances for future investments		201.730	383.010	200	25.613
Other receivables	22.a)	51.205	39.484	69.726	45.191
Total long-term assets		252.935	422.494	953.551	1.475.566
Investments	8	2.701.709	2.549.007	24.370	20.510
Property, plant and equipment		13.652	17.291	24.691	23.904
Intangible assets		6.249	8.305	7.121	9.300
Total noncurrent assets		2.974.545	2.997.097	1.009.733	1.529.280
TOTAL ASSETS		3.089.948	3.146.769	5.018.723	5.136.789

		Company		Consolidated	
LIABILITIES AND EQUITY	Note	2016	2015	2016	2015
CURRENT LIABILITIES					
Trade payables		2.617	6.627	45.441	66.385
Payables for acquisition of properties	9	-	-	69.470	101.779
Borrowings and financing	10.a)	328.751	222.299	833.666	703.500
Debentures	10.b)	330	97.108	330	97.108
Taxes and contributions		14.123	15.820	73.931	76.777
Advances from customers	11	-	-	6.917	13.985
Allowance for losses on subsidiaries		5.939	17.028	-	-
Proposed dividends	14.4	-	24.074	-	24.074
Provisions	12	4.295	614	64.218	78.245
Other payables	22.a)	42.789	7.237	98.040	50.194
Total current liabilities		398.844	390.807	1.192.013	1.212.047
NONCURRENT LIABILITIES					
Payables for acquisition of properties	9	-	-	103.201	118.186
Provisions	12	56.226	43.277	90.383	62.901
Borrowings and financing	10.a)	400.899	493.414	1.054.911	1.156.547
Debentures	10.b)	98.063	50.000	98.063	50.000
Deferred income tax and social contribution	13	-	-	43.497	43.933
Other payables		8.978	9.820	17.526	27.013
Total noncurrent liabilities		564.166	596.511	1.407.581	1.458.580
EQUITY					
Capital	14	1.683.266	1.683.266	1.683.266	1.683.266
Restricted and treasury shares	14.2	(85.852)	(107.023)	(85.852)	(107.023)
Transaction costs		(15.775)	(15.775)	(15.775)	(15.775)
Stock option plan	14.3	31.717	31.717	31.717	31.717
Earnings reserves		513.582	567.266	513.582	567.266
		2.126.938	2.159.451	2.126.938	2.159.451
Noncontrolling interests		-	-	292.191	306.711
Total equity		2.126.938	2.159.451	2.419.129	2.466.162
TOTAL LIABILITIES AND EQUITY		3.089.948	3.146.769	5.018.723	5.136.789

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

EVEN CONSTRUTORA E INCORPORADORA S.A. AND SUBSIDIARIES

INCOME STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(In thousands of Brazilian reais - R$, except earnings per share)

	Note	Company 2016	Company 2015	Consolidated 2016	Consolidated 2015
OPERATIONS					
Revenue	15	60.210	62.671	1.743.088	2.205.111
Cost incurred on sales	16.a	(77.469)	(89.156)	(1.406.203)	(1.684.858)
GROSS PROFIT (LOSS)		(17.259)	(26.485)	336.885	520.253
OPERATING EXPENSES					
Selling	16.b	(4.325)	(8.225)	(156.733)	(173.690)
General and administrative	16.b	(107.727)	(133.498)	(138.603)	(161.858)
Management compensation	22.b	(6.035)	(11.245)	(6.035)	(11.245)
Provisions	12.e	(27.904)	(31.967)	(63.939)	(66.085)
Other operating expenses, net		(16.572)	(5.652)	(24.704)	(12.950)
		(162.563)	(190.587)	(390.014)	(425.828)
OPERATING INCOME (LOSS) BEFORE EQUITY INTERESTS AND FINANCE INCOME (COSTS)		(179.822)	(217.072)	(53.129)	94.425
EQUITY INTERESTS	8				
Share of profit (loss) of investees		279.163	446.010	26.381	(464)
Allowance for losses on subsidiaries		11.144	(13.361)	-	-
		290.307	432.649	26.381	(464)
FINANCE INCOME (COSTS)					
Finance costs		(119.601)	(122.401)	(31.891)	(41.872)
Finance income		10.984	8.190	140.013	144.412
	18	(108.617)	(114.211)	108.122	102.540
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		1.868	101.366	81.374	196.501
INCOME TAX AND SOCIAL CONTRIBUTION					
Current income tax and social contribution	19	-	-	(41.918)	(46.306)
Deferred income tax and social contribution	19	-	-	436	(993)
PROFIT FOR THE YEAR		1.868	101.366	39.892	149.202
PROFIT ATTRIBUTABLE TO					
Company's owners				1.868	101.366
Noncontrolling interests				38.024	47.836
				39.892	149.202
EARNINGS PER SHARE ATRIBUTABLE TO COMPANY'S OWNERS DURING THE PERIOD - R$					
Basic earnings per share	20	0,009	0,456		
Diluted earnings per share	20	0,009	0,456		

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

EVEN CONSTRUTORA E INCORPORADORA S.A. AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(In thousands of Brazilian reais)

	Company		Consolidated	
	2016	2015	2016	2015
PROFIT FOR THE YEAR	1.868	101.366	39.892	149.202
OTHER COMPREHENSIVE INCOME	-	-	-	-
COMPREHENSIVE INCOME FOR THE YEAR	1.868	101.366	39.892	149.202
COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO				
Company owners			1.868	101.366
Noncontrolling interest			38.024	47.836
			39.892	149.202

The accompanying notes are an integral part of these financial statements.

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EVEN CONSTRUTORA E INCORPORADORA S.A. AND SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(In thousands of Brazilian reais)

		Attributable to the Company owners										
			Restricted and treasury shares				Earnings reserves					
	Note	Capital	Restricted shares granted	Treasury shares	Transaction costs	Stock option	Legal	Earnings retention	Retained earnings	Total	Noncontrolling interests	Total equity
BALANCES AS AT DECEMBER 31, 2014		1.683.266	(18.124)	(43.316)	(15.775)	30.298	71.903	414.720	-	2.122.972	296.523	2.419.495
Transactions with noncontrolling shareholders:												
Capital increase		-	-	-	-	-	-	-	-	-	2.519	2.519
Profit distribution		-	-	-	-	-	-	-	-	-	(40.167)	(40.167)
Treasury shares:	14.2											-
Acquisition of treasury shares		-	-	(52.846)	-	-	-	-	-	(52.846)	-	(52.846)
Granting of treasury shares (ILP)		-	(16.901)	16.901	-	-	-	-	-	-	-	-
Granting of shares		-	-	7.263	-	-	-	-	-	7.263	-	7.263
Cancellation of restricted shares		-	13.217	(13.217)	-	-	-	-	-	-	-	-
Acquisition of interest		-	-	-	-	-	-	3.352	-	3.352	-	3.352
Stock option plan		-	-	-	-	1.419	-	-	-	1.419	-	1.419
Profit for the year		-	-	-	-	-	-	-	101.366	101.366	47.836	149.202
Allocation of profit:												
Legal reserve		-	-	-	-	-	5.068	-	(5.068)	-	-	-
Proposed dividendss - R$0.15 per share	14.4	-	-	-	-	-	-	-	(24.074)	(24.074)	-	(24.074)
Earnings retention reserve		-	-	-	-	-	-	72.224	(72.224)	-	-	-
BALANCES AS AT DECEMBER 31, 2015		1.683.266	(21.808)	(85.215)	(15.775)	31.717	76.971	490.295	-	2.159.451	306.711	2.466.162
Transactions with noncontrolling shareholders:												
Capital increase (decrease)		-	-	-	-	-	-	-	-	-	(24.342)	(24.342)
Profit distribution		-	-	-	-	-	-	-	-	-	(28.202)	(28.202)
Treasury shares:	14.2											
Acquisition of treasury shares		-	-	(21.342)	-	-	-	-	-	(21.342)	-	(21.342)
Granting of treasury shares (ILP)		-	(51.721)	51.721	-	-	-	-	-	-	-	-
Granting of shares		-	-	1.673	-	-	-	-	-	1.673	-	1.673
Granting of shares - release ILP		-	2.840	-	-	-	-	-	-	2.840	-	2.840
Cancellation of restricted shares		-	6.921	(6.921)	-	-	-	-	-	-	-	-
Cancellation of treasury shares		-	-	38.000	-	-	-	(38.000)	-	-	-	-
Acquisition of interest		-	-	-	-	-	-	(4.285)	-	(4.285)	-	(4.285)
Stock option plan		-	-	-	-	-	-	-	-	-	-	-
Additional dividends		-	-	-	-	-	-	(10.922)	-	(10.922)	-	(10.922)
Profit for the year		-	-	-	-	-	-	-	1.868	1.868	38.024	39.892
Allocation of profit:												-
Legal reserve		-	-	-	-	-	93	-	(93)	-	-	-
Interim dividends - R$0.01 per share	14.4	-	-	-	-	-	-	(570)	(1.775)	(2.345)	-	(2.345)
BALANCES AS AT DECEMBER 31, 2016		1.683.266	(63.768)	(22.084)	(15.775)	31.717	77.064	436.518	-	2.126.938	292.191	2.419.129

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

EVEN CONSTRUTORA E INCORPORADORA S.A. AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(In thousands of Brazilian reais)

	Company		Consolidated	
	2016	2015	2016	2015
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before income tax and social contribution	1.868	101.366	81.374	196.501
Adjustments to reconcile profit before income tax and social contribution to net cash used in operating activities:				
Write-offs of property, plant and equipment and intangible assets	557	637	969	1.969
Share of profit (loss) of investees	(279.163)	(446.010)	(26.381)	464
Depreciation and amortization	7.711	8.937	11.885	11.483
Stock option plan	-	1.419	-	1.419
Provisions	5.486	18.902	18.941	23.616
Interest accrued	114.637	93.235	243.025	178.715
Interest on short-term investments	(8.052)	(3.856)	(72.505)	(80.649)
Changes in current and noncurrent assets and liabilities:				
Trade receivables	-	3.647	305.590	(40.098)
Properties for sale	9.761	3.352	(236.579)	(321.026)
Taxes and contributions to offset	50	1.005	226	2.994
Current account with project partners,	932	-	(14.386)	-
Other receivables	(12.203)	41.767	(1.803)	73.406
Trade payables	(4.010)	4.471	(23.472)	1.955
Payables for property acquisition	-	-	(44.767)	94.463
Advance from customers	-	-	(7.068)	9.551
Taxes and contributions	(1.697)	-	(5.839)	-
Discount of trade receivables	-	-	3.110	-
Noncontrolling interests	-	-	(52.884)	(37.648)
Other liabilities	(2.209)	(12.913)	32.644	(8.813)
Cash provided by (used in) operating activities	(166.332)	(184.041)	212.080	108.302
Interest	(133.220)	(33.715)	(233.615)	(122.876)
Income tax and social contribution	-	-	(41.921)	(46.306)
Net cash used in operating activities	(299.552)	(217.756)	(63.456)	(60.880)
CASH FLOW FROM INVESTING ACTIVITIES				
Short-term investments	(1.560)	31.163	119.826	233.038
Acquisition of property, plant and equipment and intangible assets	(2.574)	(7.083)	(11.461)	(12.470)
Investments	(214.287)	78.863	-	(4.840)
Earnings received	336.465	574.072	18.237	6.813
Advance for future capital increase in investees	181.280	(76.293)	8.385	(11.808)
Net cash provided by investing activities	299.324	600.722	134.987	210.733
CASH FLOW FROM FINANCING ACTIVITIES				
Third parties:				
Restricted cash	-	-	(22.447)	-
inflow of new borrowings and financing	327.849	150.000	1.033.323	978.545
Payment of borrowings, financing and debentures	(344.044)	(312.702)	(1.062.918)	(897.501)
	(16.195)	(162.702)	(52.042)	81.044
Shareholders/related parties:				
Related parties, net	19.964	(18.695)	(14.309)	(15.133)
Acquisition of treasury shares, net of options exercised	(16.830)	(42.231)	(16.830)	(42.231)
Dividends paid	(37.341)	(59.948)	(37.341)	(59.948)
Net cash used in financing activities	(50.402)	(283.576)	(120.522)	(36.268)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, NET	(50.630)	99.390	(48.672)	113.585
CASH AND CASH EQUIVALENTS				
At the beginning of year	99.390	-	120.059	6.474
At the end of year	48.760	99.390	71.387	120.059
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, NET	(50.630)	99.390	(48.672)	113.585

The accompanying notes are an integral part of these financial statements.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

EVEN CONSTRUTORA E INCORPORADORA S.A. AND SUBSIDIARIES

STATEMENTS OF VALUE ADDED
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015
(In thousands of Brazilian reais - R$)

	Company		Consolidated	
	2016	2015	2016	2015
REVENUES				
Real estate development and resale and services	67.506	69.869	1.791.327	2.261.194
INPUTS ACQUIRED FROM THIRD PARTIES				
Cost	(14.158)	(15.084)	(1.342.894)	(1.610.789)
Materials, electric power, outside services and other operating expenses	(82.851)	(77.732)	(288.150)	(294.355)
	(97.009)	(92.816)	(1.631.044)	(1.905.144)
GROSS VALUE ADDED (CONSUMED)	(29.503)	(22.947)	160.283	356.050
RETENTIONS				
Depreciation and amortization	(7.711)	(8.537)	(11.885)	(11.483)
Amortization of goodwill in subsidiaries	-	(400)	-	-
	(7.711)	(8.937)	(11.885)	(11.483)
WEALTH CREATED (CONSUMED) BY THE COMPANY VALOR	(37.214)	(31.884)	148.398	344.567
WEALTH RECEIVED IN TRANSFER				
Share of profit (loss) of investees	279.163	446.010	26.381	(464)
Allowance for losses on subsidiaries	11.144	(13.361)	-	-
Finance income, including inflation adjustments	10.984	8.190	140.013	144.412
	301.291	440.839	166.394	143.948
WEALTH DISTRIBUTION	264.077	408.955	314.792	488.515
WEALTH DISTRIBUTED				
Payroll and related taxes	(107.294)	(130.238)	(125.272)	(145.770)
Profit sharing	(4.663)	-	(4.663)	-
Stock options plan	-	(1.419)	-	(1.419)
Long-term incentive plan (ILP)	(6.729)	(18.660)	(6.729)	(18.660)
Management compensation	(6.035)	(11.245)	(6.035)	(11.245)
Taxes, fees and contributions	(13.601)	(16.784)	(96.022)	(113.505)
Finance costs, including inflation adjustments	(119.601)	(122.401)	(31.893)	(41.872)
Rentals	(4.286)	(6.842)	(4.286)	(6.842)
Noncontrolling interests in profit or loss	-	-	(38.024)	(47.836)
Dividends	(2.345)	(24.074)	(2.345)	(24.074)
Retained earnings (accumulated losses)	477	(77.292)	477	(77.292)
	(264.077)	(408.955)	(314.792)	(488.515)

The accompanying notes are an integral part of these financial statements.

1. GENERAL INFORMATION

EVEN Construtora e Incorporadora S.A. ("Company") is a publicly-traded corporation headquartered in the City of São Paulo, State of São Paulo, whose shares are traded on the São Paulo Stock Exchange - BM&FBOVESPA - Novo Mercado - under ticker symbol EVEN3.

The Company and its subsidiaries ("Group") are engaged mainly in developing residential and commercial properties, land plotting and holding interests in other companies.

The Company is engaged in the development of real estate and land plotting projects through subsidiaries and associates specifically organized for that purpose, whether individually (wholly-owned subsidiary) or together with other partners. The subsidiaries share the Company's corporate, managerial and operating structures and costs.

The financial statements were approved by the Board of Directors at the meeting held on March 7, 2017.

Management asserts that all the relevant information reported in the financial statements is being disclosed and correspond to the information used by it in its management.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied to the preparation of these individual and consolidated financial statements are described below. These policies have been applied consistently over all reporting periods, except as otherwise indicated.

2.1. Basis of preparation of financial statements

The financial statements have been prepared based on the historical cost, except for certain financial assets (including financial instruments), which were measured at fair value through profit or loss for the year.

The preparation of financial statements requires the use of certain critical accounting estimates and the exercise of judgment by the Company's management in the process of application of the Group's accounting policies. The areas involving a higher degree of judgment and with higher complexity, as well as those where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 3.

a) Consolidated financial statements

The consolidated financial statements have been prepared in accordance with the accounting practices adopted in Brazil and also International Financial Reporting Standards ("IFRSs") applicable to real estate development entities in Brazil, as approved by the Accounting Pronouncements Committee (CPC), the Brazilian Securities and Exchange Commission (CVM), and the Federal Accounting Council (CFC), which also consider technical guideline *OCPC 04 Application of Technical Interpretation ICPC 02 to Brazilian Real Estate Development Entities* issued by the CPC, which addresses the recognition of revenue in this industry, as well as certain matters related to the meaning and application of the concept of continuous transfer of risks, rewards and control on the sale of real estate units by real estate developers in Brazil, as a basis for the recognition of revenue, as described in note 2.16. The subsidiaries included in the consolidation process are detailed in note 8, and the Group's exclusive short-term investment fund, also consolidated, is detailed in note 4.

b) Individual financial statements

The Company's individual financial statements have been prepared in accordance with the accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRSs) applicable to separate financial statements (IAS 27) and are disclosed together with the consolidated financial statements.

2.2. Consolidation

2.2.1. Consolidated financial statements

The accounting policies below are applied in the preparation of the consolidated financial statements.

a) Subsidiaries

Subsidiaries are consolidated. All intragroup transactions, balances and unrealized gains are eliminated upon consolidation. The subsidiaries' accounting policies are changed and their individual financial statements are adjusted, when necessary, to ensure consistency of the financial data to be consolidate with the Group's accounting policies.

b) Non-controlled entities

The Company holds interest in associates and entities where the contracts, bylaws or agreements provide for joint control together with other shareholders.

The Company presents in its consolidated financial statements its interests in non-controlled entities under the equity method.

Non-controlled entities are immaterial to the Company.

c) Transactions and noncontrolling interests

The Group treats transactions with noncontrolling interests as transactions with equity owners of the Group. For acquisitions of noncontrolling interests, the difference between any consideration paid and the acquired portion of the carrying amount of the subsidiary's net assets. Gains or losses on disposals to noncontrolling interests are recorded in equity.

2.2.2. Individual financial statements

Investments in subsidiaries and associates are accounted for under the equity method in the individual financial statements. The same adjustments are made both in the individual financial statements and in the consolidated financial statements to obtain the same profit or loss and equity attributable to the Company’s shareholders.

2.3. Segment reporting

The Company prepares reports in which its business activities are disclosed in several ways, which are used by the Executive Board and Board of Directors to assess the Company’s performance and make decisions.

The Company discloses the information by operating segment taking into consideration the geographic area, which has a manager responsible for directly reporting to the chief operating decision maker with whom the segment management maintains regular contact to discuss the operating activities, results of operations, estimates and segment plans.

2.4. Functional currency

The Group's companies operate in the same economic environment, using the Brazilian real (R$) as their functional currency, which is also the reporting currency of the financial statements.

2.5. Cash and cash equivalents

Include cash, bank deposits and high-liquid investments redeemable within up to 90 days readily convertible into a known cash amount, and which are subject to an insignificant risk of change in value.

2.6. Financial assets

2.6.1. Classification

The Company classifies its financial assets into the following categories: measured at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets upon initial recognition.

a) Financial assets measured at fair value through profit or loss

Financial assets are measured at fair value through profit or loss when they are held for trading. A financial asset is classified in this category if it is acquired principally for the purpose of selling it in the near term. Derivatives are also classified as held for trading, unless they are designated as hedge instruments. Assets in this category are classified as current assets (liabilities).

b) Loans and receivables

Loans and receivables are represented by non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included as current assets, except those with maturities exceeding 12 months after the end of the reporting period (which are classified as noncurrent assets). The Company’s loans and receivables comprise intragroup loans, trade and other receivables.

c) Derivative financial instruments and hedging activities

The changes in fair value of derivatives are recorded in the income statement. The portion corresponding to hedge activities is classified together with any change in the fair value of the hedged asset or liability attributable to the hedged risk. The Group only adopts the hedge accounting of fair value to hedge against the currency risk of borrowings (CCB). The gain or loss related to the effective portion of interest rate swap to hedge against foreign currency-denominated borrowings is recorded in the income statement as "Finance costs", in conjunction with the accrued charges on hedged financing.

2.6.2. Recognition and measurement

Regular way purchases and sales of financial assets are recognized on the trade date, i.e., on the date the Group undertakes to buy or sell the asset. Financial assets through profit or loss are initially recognized at fair value, and transaction costs are recorded in the income statement. Financial assets are written off when the rights to receive cash flows from investments have expired or been transferred; in the latter case, provided that the Group has significantly transferred all the risks and rewards of ownership. Financial assets measured at fair value through profit or loss are subsequently recognized at fair value. Loans and receivables are accounted for at amortized cost, using the effective interest method.

Gains or losses arising from changes in the fair value of financial assets measured at fair value through profit or loss are presented in the income statement in line item "Finance income (costs)" in the period when they occur.

2.6.3. Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a loss event) and such loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The amount of the loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the original effective interest rate of the financial assets. The carrying amount of the asset is reduced and the loss amount is recognized in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss is reversed and the reversal is recognized in the income statement.

2.7. Trade receivables

Units are sold mainly during the launch and construction phases of projects. In these cases, trade receivables are recognized by applying the percentage-of-completion (POC) on the revenue from units sold, adjusted according to the terms of the sales contracts; thus trade receivables are determined by the amount of accumulated revenue recognized less received installments. When the amount of received installments is higher than the recognized accumulated revenue, the balance is classified as "Advances from customers", in liabilities.

Trade receivables are initially recognized at fair value and subsequently measured at their amortized cost using the effective interest method less the allowance for impairment losses.

When the construction is completed, trade receivables are subject to interest and inflation adjustment, which are allocated to finance income when earned, on an accrual basis.

Based on the total portfolio of trade receivables of each project, the amount expected to be received within up to one year is estimated, and the balance of trade receivables, within the limit of this amount, is recorded in current assets. The portion of trade receivables that exceeds the amount expected to be received within up to one year is recorded in noncurrent assets.

Impairment of trade receivables – Provision for termination

Units are sold during the construction period, at the end of which the outstanding balance is settled by the buyer using the financing obtained from financial institutions or, under rare circumstances, the real estate is offered to collateralize the balance receivable, without any expectation of loss that would require the recognition of an allowance for doubtful debts. However, by virtue of the impairment of the asset by the buyers between the sales and financing dates, certain agreements have been terminated; accordingly, the Company has been recognizing an allowance to cover the agreements that indicate objective evidence of impairment. The allowance is recorded as a reduction of trade receivables, recovering properties for sale, as a contra entry to line item "Provisions", in the income statement. Any possible financial liability due on possible return of amounts received is recorded in line item "Provisions", in the balance sheet.

2.8. Properties for sale

Properties ready for sale are carried at construction cost, which does not exceed their net realizable value. In the case of properties under construction, the inventory portion represents the cost incurred in the unsold units.

Cost comprises the cost of land acquisition/barter, expenditures on project design and legalization, materials, labor (own or outsourced), and other construction-related costs, including the finance cost of the capital invested (finance charges on payables for the acquisition of land and financing, incurred during the construction period).

Net realizable value is the estimated selling price in the ordinary course of business, less estimated completion costs and estimated costs to sell.

Land is carried at cost, plus any finance charges generated by the related payables. In the case of the barter for units to be built, the cost corresponds to the estimated cash sales price of the units to be built and delivered. Land is only registered on the formalization of the title deed, and is not recognized in the financial statements during the negotiation process, regardless of the probability of success or progress of the negotiation.

2.9. Trade payables and payables for acquisition of real estate

Trade payables are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business. Payables for the acquisition of real estate are related to the acquisition of land for the real estate development projects. Trade payables and payables for the acquisition of real estate are classified as current liabilities if payment is due within one year or less. Otherwise, they are recorded as noncurrent liabilities.

They are initially recognized at fair value and subsequently measured at their amortized cost using the effective interest method. In practice, they are usually recognized at the related invoice/contract amount, plus contractual charges.

2.10. Borrowings, financing and debentures

Borrowings are initially recognized at fair value, less transaction costs incurred, and subsequently stated at amortized cost. Any difference between the amounts raised (less transaction costs) and the settlement amount is recognized in the period borrowings remain outstanding, using the effective interest method, as a supplementary portion of the project cost (qualifying asset under construction), or in the income statement.

Borrowings are classified as current liabilities, unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Debentures are nonconvertible and are recognized similarly to borrowings and financing.

2.11. Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of funds will be required to settle the obligation, and the amount can be reliably estimated.

When there is a number of similar obligations, the likelihood that they will be settled is determined by taking into consideration the class of obligations as a whole.

Provisions for the expenditures expected to be required to settle the obligation using a pretax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the obligation arising from the passage of time is recognized as finance costs.

2.12. Income tax and social contribution

Income tax and social contribution expenses include current and deferred taxes, both recognized in the income statement.

Current and deferred income tax and social contribution expenses are calculated as prescribed by tax laws enacted at the end of the reporting period.

The Company and its subsidiaries elected to adopt the taxable income or deemed income regime or Special Tax Regime (RET).

Additionally, also as permitted by the tax law (Law 10931/04), a significant portion of subsidiaries has made the permanent option for the Special Tax Regime (RET), adopting the earmarked assets system, based on which income tax and social contribution are calculated at the rate of 1.92% on gross revenue (4% also considering taxes on revenues (PIS and COFINS)), as from enactment of Provisional Act 601.

Deferred income tax and social contribution are recognized under the liability method on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. One of the main differences is the calculation criterion for revenues under the tax (cash basis) and corporate (POC) regime.

2.13. Employee benefits

a) Pension obligations

The Group grants a defined contribution pension plan, managed by private entities, which is a VGBL (cash value life insurance) plan, to employees and officers who meet the eligibility criteria. The Group has no further payment obligation once the contributions have been paid. The contributions are recognized as employee benefit expenses, when due. Contributions made in advance are recognized as an asset to the extent that a cash reimbursement, or reduction of future payments, is available.

b) Share-based payment

The Company offers a share-based compensation plan, to be settled using the Company's shares, under which the Company receives services in exchange for stock options. The fair value of options granted is recognized as an expense over the vesting period (during which certain vesting terms and conditions must be met), as a balancing item to equity, on a prospective basis.

At the end of the reporting period, the Company reviews the estimated number of options which will be acquired based on the plan terms and conditions. The Company recognizes the impact of the review of the initial estimates in the income statement, as a balancing item to equity.

c) Profit sharing

The Group recognizes a profit sharing liability and expense in the income statement based on a formula that takes into consideration a plan for the attainment of financial and operational targets. The Group recognizes a provision during the year, as the indicators of the targets to be achieved show that it is probable that profit sharing bonuses will be paid and their amounts can be reliably estimated.

2.14. Capital

Exclusively represented by common shares classified as equity. Incremental costs directly attributable to the issuance of new shares or stock options are stated in equity as a deduction from the proceeds.

2.15. Treasury shares

Refer to own equity instruments that are bought back, recognized at cost and deducted from equity. No gain or loss is recognized in the income statement on the purchase, sale, issuance or cancellation of the Company's own equity instruments.

2.16. Revenue recognition

Revenue consists of the fair value of the consideration received or receivable from the sale of products and services in the normal course of the Group's business. Revenue is presented net of taxes, terminations, rebates and discounts, as well as after the elimination of intragroup sales.

The Group recognizes revenue at the fair value of sales contracts when specific criteria are met, as disclosed below:

a) Revenue from sale of properties

For the sales of units of launched projects, which are no longer subject to the effects of the related termination clause contained in the development deed, the Group observes the procedures and standards established by CPC 30 related to the recognition of revenue from the sale of properties with a continuous transfer of the most significant risks and rewards incidental to ownership. The classification of the sales agreements of the projects, for the purposes of applying said standard, is based on OCPC 04, which addresses the application of technical interpretation (ICPC 02) to Brazilian real estate development companies.

Based on said standards and taking into consideration the applicable accounting procedures established by OCPC 01 (R1), the following procedures are adopted for the recognition of revenue from sales of units under construction:

- The costs incurred on units sold (including land) are fully allocated to profit or loss.

- The percentage of costs incurred on units sold (including land) in relation to total budgeted costs (POC) is determined, and this percentage is applied to the fair value of the revenue from the units sold (including the fair value of barters for land), adjusted according to the terms of the sales contracts, thereby determining the amount of revenue to be recognized. The amount of sales revenue calculated, including inflation adjustment of trade receivables based on the National Civil Construction Index (INCC) variance, net of installments already received (including the fair value of barters for land), is accounted for as trade receivables or advances from customers, where applicable.

- The fair value of revenue from units sold is calculated at present value based on the interest rate of government bonds indexed to the Extended Consumer Price Index (IPCA), from the date the agreement is signed to the date scheduled for the delivery of the completed unit to the committed buyer (from that date on, the receivables will be subject to interest of 12% per annum plus inflation adjustment). Subsequently, over time, interest is incorporated into the new fair value for the calculation of the revenue to be allocated, on which the POC applied.

Charges related to sales commissions are the responsibility of the property buyer and are not included in the sales price.

If circumstances arise that may change the original revenue estimates, costs or extent of completion period, initial estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in profit or loss for the year in which the Management became aware of the circumstances that originated the revision.

The amounts received from sales of uncompleted units of launched projects, which are no longer subject to the effects of the termination clause contained in the development deed are classified as advances from customers.

After obtaining the occupancy permit, issued by the municipal authorities, the inflation adjustment of trade receivables is calculated based on the Extended Consumer Price Index (IPCA), subject to annual interest of 12%, recorded on a pro rata basis. In this phase, for direct financing sales, the inflation adjustment and interest are recorded as finance income using the effective interest method and are no longer part of the basis for the calculation of sales revenue.

b) Service revenue

The parent company sells construction management services to certain subsidiaries, joint ventures and associates. The remaining revenue in the consolidated financial statements corresponds to the services provided to joint ventures and associates.

The service revenue is recognized in the period when services are provided, under contractual terms.

c) Finance income

Finance income is recognized according to the period elapsed, under the effective interest method.

From the time the unit is completed, trade receivables are subject to inflation adjustment plus interest, which are allocated, over time, to finance income.

2.17. Distribution of dividends

The distribution of dividends to the Company’s shareholders is recognized as liability in the financial statements at the balance sheet date, according to its bylaws. Any amounts in excess of the mandatory minimum dividend can only be accrued on the date they are approved by the shareholders at a General Meeting.

2.18. Earnings reserves

The legal reserve is calculated as 5% of profit for the year, as prescribed by Law 6404/76.

The earnings reserve refers to the remaining balance of retained earnings, maintained to fund the Company's investment plan, pursuant to the capital budget proposed by the Company's management to meet its assumed commitments (note 21), for approval at the Annual Shareholders’ Meeting.

2.19. Basic and diluted earnings per share

Basic and diluted earnings per share are calculated based on profit or loss for the year attributable to owners of the Company and the weighted average number of common shares outstanding in the relevant year, considering, when applicable, share split adjustments.

2.20. Statement of value added (DVA)

This statement is intended to disclose the wealth created by the Company and its distribution during a certain period and is presented by the Company, as required by Brazilian corporate law, as part of its individual financial statements and as supplemental information to the consolidated financial statements, since it is neither provided for nor mandatory under IFRSs.

The DVA has been prepared using information obtained in the same accounting records used to prepare the financial statements.

2.21. Reclassifications – Balance sheet and income statement as at December 31, 2015

For purposes of providing better comparability between years, the Company reclassified certain balance sheet balances and income statement balances, without, however, affecting the total amounts reported in the corresponding account groups.

2.22. New and revised standards and interpretations in 2016

There was no significant impact from the adoption of the new standards in the preparation of the financial statements.

2.23. New and revised standards and interpretations issued but not yet adopted

Although the advanced adoption is permitted, the Company and its subsidiaries did not adopt the following new IFRSs:

IFRS	CPC	Subject	Effective period
IFRS 9	CPC 48	Financial instruments	January 1, 2018
IFRS 15	CPC 47	Revenue from Contracts with Customers	January 1, 2018
IFRS 16	Not issued	Leases	January 1, 2019
IFRS 19	Not issued	Provisions	January 1, 2018
Amendments to IFRS 2	Not issued	Share-based Payments	To be determined
Amendments to IFRS 10 and IAS 28	Not issued	Associate or Joint Venture	To be determined
Amendments to IAS 7	Not issued	Disclosure Initiative	To be determined
Amendments to IAS 12	Not issued	Deferred Taxes	January 1, 2017
IFRIC 22	Not issued	Foreign Currency Transactions and Advance Consideration	January 1, 2018
Annual improvements	Not issued	2014–2016 IFRSs Cycle	January 1, 2017 and 2018

(*) The Company will adopt these standards on a retrospective basis in the event of changes in revenue recognition upon the adoption of CPC 47, as detailed below.

The Accounting Pronouncements Committee ("CPC") established the working group – WG so as to assess the CPC 47 impact on the revenue recognition criteria adopted by the real estate sector, drawing on the involvement of the Federal Accounting Council ("CFC"), the academy (FIPECAFI), the Brazilian Institute of Independent Auditors ("IBRACON"), the Association of Publicly Traded Companies ("ABRASCA"), the Association of Real Estate Development Companies ("ABRAINC") and the Brazilian Securities and Exchange Commission ("CVM").

In the segment of real estate development, the main impact will occur in the application of these concepts in the different contractual arrangements, which may cause, for some of these contracts, the need to change the moment at which a certain revenue is accounted for. In other words, IFRS 15 criteria may determine that certain sales should be recognized at a given time and not continuously during construction, as currently applied.

The Company's Management monitors the meetings of the WG and will evaluate the potential impact of these standards at the moment of consolidation of the concepts.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

Accounting estimates and judgments are continuously assessed and are based on past experience and other factors, including expected future events, that are deemed reasonable in the circumstances.

3.1. Critical accounting estimates and assumptions

Based on assumptions, the Company makes forward-looking estimates. By definition, the resulting accounting estimates may differ from actual results. The estimates and assumptions that represent a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are related to the recognition of revenue.

The Group uses the Percentage-of-Completion (POC) method to account for its contracts for the sale of units of the real estate project and provision of services. Use of the POC method requires the Company to estimate the costs to be incurred up to the completion of the construction and delivery of the completed real estate units in each real estate development project, to calculate the ratio to costs already incurred.

3.2. Critical judgment in applying the Group’s accounting policies

As referred to in note 2.16 (a), the buyer of the property bears the charge related to sales commission, which is not part of the agreed sales price or the related revenue recognized by the Company. The Company’s management is monitoring, in conjunction with its legal counsel, the opinions from both the Public Prosecution Office and the Superior Court of Justice (STJ), which differ about the responsibility for the payment of the brokerage fee by the buyer of the real estate.

The Public Prosecution Office had entered into the Policy Adjustment Agreement (TAC) with one of the brokers to determine the probable impacts on its operations and related effects on the financial statements; however, on August 24, 2016, the STJ Second Panel decided on the validity of the contractual clause that requires the buyer to pay the sales commission on the real estate acquired from the developers.

In addition, the subsidiaries and associates are subject to income tax and the following contributions: (i) social contribution on profit; (ii) taxes on revenue (PIS and COFINS), based on the tax base of revenues, as set forth in the applicable tax legislation. In some cases, significant judgement is required to determine the taxable income, as such income is not equivalent to the income recognized in accordance with the accounting policies. The Company’s management makes judgements, when applicable, based on the opinion of its legal counsel.

The Company’s management participates in WG’s meetings and will assess the potential impact arising from these standards upon the consolidation of concepts.

3.3. Continuity as a going concern

The financial statements have been prepared considering that the Company will continue as a going concern, as the Company has shown over the past years the balance of its net working capital, compliance with covenants in its loan and financing agreements and positive gross margin. In addition, the Company expects to generate sufficient cash to settle its liabilities for the 12 months.

4. CASH, CASH EQUIVALENTS, AND SHORT-TERM INVESTMENTS

Cash and cash equivalents

	Company		Consolidated	
	2016	2015	2016	2015
Banks and short-term investments	48,760	99,390	71,387	120,059

Short-term investments

Short-term investments consist basically of exclusive investment fund assets and are broken down as follows:

	Company		Consolidated	
	2016	2015	2016	2015
Exclusive fund (Stone Fund)	30,120	20,507	-	-
Bank Certificates of Deposit (CDBs) (i)	-	-	217,083	226,699
Debentures of financial groups	-	-	-	13,218
Financial Bills (ii)	-	-	42,887	126,398
Financial Treasury Bills (LFTs) (iii)	-	-	255,112	196,088
	30,120	20,507	515,082	562,403

(i) Short-term investments in CDBs yield on average 99.85% of CDI.

(ii) Financial bills from private institutions yield average interest of 106.70% of CDI.

(iii) Investment in National Treasury Bonds, indexed to the SELIC rate.

The Company and its subsidiaries invest a significant portion their funds in an exclusive fund managed by the Company (Stone Fund), which is also disclosed in the consolidated financial statements. The management of the fund takes into consideration the cash flow from the Group's activities to select the investments, which are not intended to be redeemed within less than 90 days; accordingly, these activities were not classified in "Cash and cash equivalents", in addition to the considerations for each note. Accordingly, these activities are recorded in line item "Investing activities", in the statement of cash flows as part of the changes in working capital.

Short-term investments are classified as financial assets at fair value through profit or loss, and the changes in the fair values are recorded in line item "Finance income" in profit or loss (note 18) and in the income statement.

The fair value of all private debentures, LFTs and LTNs is based on their current purchase prices, considering an active market.

5. RESTRICTED CASH

Refers to the securitization of trade receivables, upon assignment of related receivables, which will be released for use by the Company within up to 18 months, according to the percentage of completion of the construction, counted from September 2016.

6. RECEIVABLES AND ASSIGNMENT OF RECEIVABLES

a) Trade receivables

	Parent	Consolidated	
	2016	2016	2015
Completed projects	-	771,474	769,202
Projects under construction:	-		
Recognized revenue	-	2,371,403	2,742,999
Present value adjustment	-	(41,379)	(52,124)
Installments received	-	(890,281)	(996,303)
Barter for land	-	(461,149)	(408,276)
	-	978,594	1,286,296
Allowance for doubtful debts	-	(1,876)	(1,716)
Receivables from the sale of properties	-	1,748,192	2,053,782
Sale of land	-	30,429	9,091

	Parent	Consolidated	
	2016	2016	2015
Recognized receivables	11,549	1,778,621	2,062,873
Current	11,549	1,676,853	1,822,958
Noncurrent	-	101,768	239,915

It is estimated that trade receivables from completed projects and recognized trade receivables from projects under construction, discounted to present value, approximate their fair values.

Receivables from units sold and not yet completed are not fully reflected in the financial statements, to the extent that only the portion of revenue that has been recognized (pursuant to the criteria described in note 2.16.a)), net of the installments already received, is recorded.

The aging list of the total installments receivable from sale agreements for completed and uncompleted units, without considering the effects of present value adjustment (note 2.16.a)), is as follows:

	Parent	Consolidated	
	2016	2016	2015
Past due	-	38,257	51,598
Current:			
2016	-	-	1,916,188
2017	11,549	1,503,244	1,024,422
2018	-	911,564	563,309
2019	-	474,850	164,812
2020 onwards	-	210,089	29,304
	11,549	3,138,004	3,749,633
Recognized receivables	11,549	1,780,497	2,064,589
Unrecognized receivables	-	1,357,507	1,685,044

The balance of trade receivables recorded in current assets corresponds to the portion expected to be received in the next year; the remaining portion of accrued revenue is classified in noncurrent assets.

The amounts related to "Accrued revenue" and "Installments received", as previously reported, consider the land bartered for real estate units, broken down as follows:

	Consolidated	
	2016	2015
Land for barter	461,149	408,276
Recognized revenue	(257,393)	(256,404)
Unrecognized revenue	203,756	151,872

As at December 31, 2016, the balance of trade receivables is decreased by R$172,477 (R$87,772 as at December 31, 2015) arising from the provision for termination, as described in note 2.7.

The aging list of the past-due balance of trade receivables is as follows:

Consolidated

	2016	2015
Past due		
Up to three months	10,192	22,147
3 to 6 months	8,745	4,985
Completed properties	18,937	27,132
Past due		
Up to three months	15,268	20,538
3 to 6 months	4,052	3,928
Properties under construction	19,320	24,466
	38,257	51,598

b) Assignment of receivables

It refers to the assignment of receivables from the completed projects, in relation to which all risks and benefits from the corresponding trade receivables were not transferred. The assignment of receivables comprise the balance of line item "Other payables" in liabilities (current and noncurrent), discounted at the annual rates between 10% and 12%, plus IGP-M or IPCA, as follows:

	Consolidated	
	2016	2015
Current stated in current as other payables	4,111	1,163
Noncurrent stated in current as other payables	1,804	1,642
	5,915	2,805

The receivables assignment transactions are collateralized by the factored receivables and the commitment to pay any default on receivables.

c) Credit quality of financial assets

The credit quality of financial assets may be assessed by reference to the respective collaterals.

	Consolidated	
	2016	2015
Delivered units:		
Collateralized	768,834	766,793
Not collateralized	764	693
Units under construction:		
Collateralized	978,594	1,286,296
	1,748,192	2,053,782

7. PROPERTIES FOR SALE

Represented by land for future developments and costs incurred on real estate units for sale (completed and under construction), as shown below:

	Company		Consolidated	
	2016	2015	2016	2015
Advances for purchase of land	261	261	3,554	18,265
Land	12,513	22,274	693,718	654,459

	Company		Consolidated	
	2016	2015	2016	2015
Properties under construction	-	-	1,032,458	1,132,055
Advances to suppliers	-	-	8,524	12,264
Completed properties	2,049	2,049	735,779	420,411
	14,823	24,584	2,474,033	2,237,454
Provision for adjustment to market value		-	(5,085)	(5,085)
	14,823	24,584	2,468,948	2,232,369
Current	14,823	24,584	1,687,091	1,067,522
Noncurrent	-	-	781,857	1,164,847

The noncurrent portion corresponds to land for development and projects in progress scheduled to be launched/sold within more than 12 months.

As at December 31, 2016, the balances of properties under construction and completed properties include the estimated amount of the units to be subject to contractual termination (note 2.7), in the total amount of R$27,018 and R$118,334, respectively (R$13,609 and R$70,505 as at December 31, 2015). These units will solely be available for sale when sales are effectively cancelled.

Real estate for sale pledged as collateral is mentioned in note 10.

Variations in finance charges incurred as a result of land purchased in installments and financing transactions and allocated to cost over the construction period (referred to in notes 2.9 and 2.10) are as follows:

	Consolidated	
	2016	2015
Balance of inventories at the beginning of year	141,313	106,904
Finance charges incurred in the year (*)	240,378	213,131
Allocation of finance charges to cost of sales	(196,602)	(178,722)
Balance of inventories at the end of year	185,089	141,313

(*) Charges on bank loans obtained for this specific purpose, mortgage loan, and debentures.

8. INVESTMENTS

	Company		Consolidated	
	2016	2015	2016	2015
Subsidiaries	2,677,338	2,528,497	-	-
Non-controlled entities	24,359	20,499	24,359	20,499
Tax and other incentives	11	11	11	11
	2,701,709	2,549,007	24,370	20,510

a) Main information on the equity interests held in subsidiaries

Company	Equity interest - % 2016	Equity interest - % 2015	Equity 2016	Equity 2015	Profit (loss) 2016	Profit (loss) 2015	Investments 2016	Investments 2015
Agarpone Empreendimentos Imobiliários Ltda.	100	100	35,986	16,723	14,240	2,157	35,986	16,723
Aigle Empreendimentos Imobiliários Ltda.	100	100	31,563	27,678	-	(1)	31,563	27,678
Áquila Even Empreendimentos Imobiliários Ltda.	100	100	23,400	29,440	(1,761)	2,546	23,400	29,440
Áquila Even Rio Empreendimentos Imobiliários Ltda.	100	100	86,690	78,069	7,082	1,540	86,690	78,069
Arizona 668 Empreendimentos Imobiliários Ltda.	100	100	30,353	26,209	11,336	3,155	30,353	26,209
Barbel Even Empreendimentos Imobiliários Ltda.	100	100	11,915	23,812	2,064	2,076	11,915	23,812
Batataes 586 Empreendimentos Imobiliários Ltda.	100	100	28,592	28,576	12,031	3,324	28,592	28,576
Bavete Even Empreendimentos Imobiliários Ltda.	100	100	75,754	63,094	13,581	15,316	75,754	63,094
Bela Cintra 561 Empreendimentos Imobiliários Ltda.	100	100	11,595	20,012	4,331	6,942	11,595	20,012
Cajuru 74 Empreendimentos Imobiliários Ltda.	100	100	29,177	18,984	8,631	8,481	29,177	18,984
Calopsita Empreendimentos Imobiliários Ltda.	100	100	15,032	13,402	-	(1)	15,032	13,402
Campineiros 684 Empreendimentos Imobiliários Ltda.	100	100	16,473	14,341	(87)	4,481	16,473	14,341
Canjerana Empreendimentos Imobiliários Ltda.	100	100	16,708	16,353	(1)	(1)	16,708	16,353
Claraiba Empreendimentos Imobiliários Ltda.	100	100	38,757	29,495	9,404	1,585	38,757	29,495
Correia Dias 136 Empreendimentos Imobiliários Ltda.	100	100	77,967	67,657	26,367	7,274	77,967	67,657
Delphinus Even Empreendimentos Imobiliários Ltda.	100	100	4,696	23,973	205	2,527	4,696	23,973
Disa Catisa Empreendimentos Imobiliários	50	50	18,282	25,433	3,742	2,409	9,141	12,717
Dracena 1081 Empreendimentos Imobiliários Ltda.	100	100	30,086	29,408	(2,051)	6,120	30,086	29,408
ERJ 108/13 Empreendimentos Imobiliários Ltda.	100	100	160	20,326	(391)	(3)	160	20,326
ESP 88/12 Empreendimentos Imobiliários Ltda.	100	100	43,538	46,524	(1,842)	(39)	43,538	46,524
ESP 91/13 Empreendimentos Imobiliários Ltda.	100	100	42,484	44,369	8,144	12,566	42,484	44,369
ESP 95/13 Empreendimentos Imobiliários Ltda.	100	100	28,631	24,632	1,291	1,542	28,631	24,632
EVEN - RJ 15/12 Empreendimentos Imobiliários Ltda.	100	100	11,150	9,368	(1)	(1)	11,150	9,368
Even - SP 11/10 Empreendimentos Imobiliários Ltda.	100	100	4,606	10,170	(2,517)	(91)	4,606	10,170
Even - SP 14/10 Empreendimentos Imobiliários Ltda.	100	100	2,910	9,575	375	1,936	2,910	9,575
Even - SP 25/10 Empreendimentos Imobiliários Ltda.	100	100	3,460	11,464	133	4,799	3,460	11,464
Even - SP 26/10 Empreendimentos Imobiliários Ltda.	100	100	17,835	40,285	(6,418)	17,619	17,835	40,285
Even - SP 29/10 Empreendimentos Imobiliários Ltda.	100	100	6,390	10,416	(1,729)	757	6,390	10,416
Even - SP 32/10 Empreendimentos Imobiliários Ltda.	100	100	5,736	13,784	(3,100)	5,605	5,736	13,784
Even - SP 41/10 Empreendimentos Imobiliários Ltda.	100	100	17,433	28,109	1,406	10,717	17,433	28,109
EVEN - SP 46/10 Empreendimentos Imobiliários Ltda.	100	100	26,858	20,549	853	6,716	26,858	20,549
EVEN - SP 48/10 Empreendimentos Imobiliários Ltda.	100	100	9,526	21,772	6,096	6,121	9,526	21,772

Company	Equity interest - %		Equity		Profit (loss)		Investments	
	2016	2015	2016	2015	2016	2015	2016	2015
EVEN - SP 50/10 Empreendimentos Imobiliários Ltda.	100	100	13,314	17,284	(1,505)	4,825	13,314	17,284
EVEN - SP 55/11 Empreendimentos Imobiliários Ltda.	100	100	4,124	18,748	4,050	6,636	4,124	18,748
EVEN - SP 56/11 Empreendimentos Imobiliários Ltda.	100	100	3,001	10,919	445	8,358	3,001	10,919
EVEN - SP 59/11 Empreendimentos Imobiliários Ltda.	100	100	11,225	11,023	(3,596)	11,217	11,225	11,023
EVEN - SP 60/11 Empreendimentos Imobiliários Ltda.	100	100	24,467	62,084	14,143	26,083	24,467	62,084
EVEN - SP 63/11 Empreendimentos Imobiliários Ltda.	100	100	2,173	21,468	422	14,100	2,173	21,468
Even - SP 66/11 Empreendimentos Imobiliários Ltda.	100	100	49,486	47,819	(3,471)	20,342	49,486	47,819
Even Brisa Omicron Empreendimentos Imobiliários Ltda.	100	100	16,590	16,667	(20)	(68)	16,590	16,667
Even Brisa Zeta Empreendimentos Imobiliários Ltda.	100	100	10,470	12,735	1,077	1,556	10,470	12,735
Goian Empreendimentos Imobiliários Ltda.	100	100	10,400	20,202	(1,676)	3,694	10,400	20,202
Hevea Empreendimentos Imobiliários Ltda.	100	100	50,154	40,773	2,833	-	50,154	40,773
Kappa Even Rio Empreendimentos Imobiliários Ltda.	100	100	127,733	42,266	37,034	8,467	127,733	42,266
Koala Even Empreendimentos Imobiliários Ltda.	100	100	4,119	16,649	84	1,953	4,119	16,649
Lambda Even Rio Empreendimentos Imobiliários Ltda.	100	100	18,204	17,244	1,759	(330)	18,204	17,244
Lapin Rio Empreendimentos Imobiliários Ltda.	100	100	15,588	15,641	(861)	-	15,588	15,641
Lizard Even Empreendimentos Imobiliários Ltda.	100	100	3,503	14,484	(142)	5,763	3,503	14,484
Luis Migliano I Empreendimentos Imobiliários Ltda.	100	100	90,618	62,271	314	(178)	90,618	62,271
Macaúva Empreendimentos Imobiliários Ltda.	100	100	44,735	39,587	(633)	(1,311)	44,735	39,587
Maria Daffre 235 Empreendimentos Imobiliários Ltda.	100	100	26,709	26,656	6,985	10,396	26,709	26,656
Melnick Desenvolvimento Imobiliário S.A.	80	80	392,170	315,911	54,133	103,508	313, 368	252,729
Melnick Even Incorporações e Construções S.A.	50	50	48,776	52,606	4,106	4,401	24,388	26,303
Mofarrej 1215 Empreendimentos Imobiliários Ltda.	100	100	38,969	31,120	(1)	(2)	38,969	31,120
Moineau Empreendimentos Imobiliários Ltda.	100	100	27,405	23,283	1,783	(1)	27,405	23,283
Natingui Empreendimentos Imobiliários Ltda.	100	100	13,707	19,551	642	4,349	13,707	19,551
Neibenfluss Empreendimentos Ltda.	50	50	128,688	111,073	24,630	18,819	64,344	55,534
Omicron Even Rio Empreendimentos Imobiliários Ltda.	100	100	1,463	34,266	(293)	1,405	1,463	34,266
Oratório 5198 Empreendimentos Imobiliários Ltda.	100	100	40,114	38,296	905	6,972	40,114	38,296
Pacari Empreendimentos Imobiliários Ltda.	100	100	32,662	26,394	9,424	3,693	32,662	26,394
Peacock Even Empreendimentos Imobiliários Ltda.	100	100	29,878	25,771	(5,753)	18,215	29,878	25,771
Phi Even Rio Empreendimentos Imobiliários Ltda.	100	100	114,917	61,291	4,232	6,888	114,917	61,291
Quadcity Maria Curupaiti Empreendimentos Imobiliários Ltda.	50	50	11,212	26,055	1,528	11,094	5,606	13,027
Quadicity Zacaria de Goes Empreendimentos Imobiliários Ltda.	50	50	30,462	34,044	(3,544)	4,722	15,231	17,022

Company	Equity interest - %		Equity		Profit (loss)		Investments	
	2016	2015	2016	2015	2016	2015	2016	2015
Rabbit Even Empreendimentos Imobiliários Ltda.	100	100	7,739	9,434	292	660	7,739	9,434
Raimundo 817 Empreendimentos Imobiliários Ltda.	100	100	27,499	17,064	9,851	19,552	27,499	17,064
Raimundo IV Empreendimentos Imobiliários Ltda.	77.25	50	98,949	72,967	(1,184)	11,059	76,438	36,483
Ricardo Jafet 858 Empreendimentos Imobiliários Ltda.	100	100	15,180	20,762	6,902	3,178	15,180	20,762
Sigma Even Rio Empreendimentos Imobiliários Ltda.	100	100	5,822	10,224	1,214	1,372	5,822	10,224
Tenente Gelas 252 Empreendimentos Imobiliários Ltda.	-	100	-	17,784	-	(7)	-	17,784
Tentilhão Even Empreendimentos Imobiliários Ltda.	100	100	51,575	48,697	10,541	1,419	51,575	48,697
Tingui Empreendimentos Imobiliários Ltda.	100	100	9,593	21,233	3,618	844	9,593	21,233
Tortue Empreendimentos Imobiliários Ltda.	100	100	22,137	17,128	2,298	(1,127)	22,137	17,128
Tricity Empreendimento e Participações Ltda.	50	50	20,208	25,294	4,458	2,627	10,104	12,647
Villosa Empreendimentos Imobiliários Ltda.	100	100	32,147	21,377	3,360	(1)	32,147	21,377
Volans Even Empreendimentos Imobiliários Ltda.	100	100	35,399	38,992	8,232	5,869	35,399	38,992
Voluntários da Pátria 774 Empreendimento Imobiliários Ltda.	100	100	5,307	13,231	4,489	8,092	5,307	13,231
Even Rio 02 Empreendimentos Imobiliários Ltda.	100	100	27,306	409	(68)	-	27,306	409
ESP 108/13 Empreendimentos Imobiliários Ltda.	100	0	20,103	-	(1)	-	20,103	-
Omicron Even Empreendimentos Imobiliários Ltda.	100	100	19,558	(85)	(1,708)	-	19,558	(85)
Other investees (*)			299,235	295,614	(25,177)	6,861	268,164	250,709
							2,677,338	2,528,497

(*) Investees whose individual balance of each investment accounts for less than 0.77% (0.36% as at December 31. 2015) of total balance. For those companies with negative equity, whose total amount in the Parent is R$5,939 (R$17,028 as at December 31. 2015) they are recorded in line item
"Allowance for losses in subsidiaries", with a gain of R$11,144.

b) Main information on the indirect equity interests held

Company	Equity interest - % 2016	Equity interest - % 2015	Equity 2016	Equity 2015	Profit (loss) 2016	Profit (loss) 2015
Melnick Even Quartzo Empreendimento Imobiliário Ltda. (ii)	50.00	50.00	13	12	-	1
Melnick Even Negócios Imobiliários Ltda. (ii)	50.00	50.00	598	888	(291)	69
Melnick Even Ametista Empreendimento Imobiliário Ltda. (ii)	50.00	50.00	-	(24)	(10)	(218)
Melnick Even Honoré Empreendimento Imobiliário Ltda. (ii)	50.00	50.00	5	5	-	(10)
Melnick Even Jade Empreendimento Imobiliário Ltda. (ii)	50.00	50.00	62	108	(46)	(42)
Melnick Even Turmalina Empreendimento Imobiliário Ltda. (ii)	50.00	50.00	10,325	8,890	(1,945)	2,149
Melnick Even Citrino Empreendimento Imobiliário Ltda. (ii)	50.00	50.00	2,270	1,904	366	268
Melnick Even Ágata Empreendimento Imobiliário Ltda. (ii)	50.00	50.00	2,045	411	3,384	(183)
Melnick Even Cristal Empreendimento Imobiliário Ltda. (ii)	50.00	50.00	2,720	5,437	1,883	454
Melnick Even Lima E Silva Empreendimentos Imobiliários Ltda. (ii)	50.00	50.00	(89)	(62)	(76)	(79)
Ponta Da Figueira Empreendimentos Imobiliários S.A. (ii)	13.00	13.00	14,068	15,364	(1,296)	(1,261)
Melnick Even Turquesa Empreendimento Imobiliário Ltda. (ii)	50.00	50.00	2,425	3,463	262	(998)
Melnick Even Granada Empreendimento Imobiliário Ltda. (ii)	50.00	50.00	3,670	4,677	492	1,300
Melnick Even Basalto Empreendimento Imobiliário Ltda. (ii)	50.00	50.00	14,824	1,663	2,311	15
Eixo M Engenharia Ltda. (ii)	50.00	50.00	101	92	139	166
GRGS Empreendimentos Imobiliários Ltda. (ii)	13.00	13.00	3,068	3,068	-	-
Melnick Even Diamante Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	1,678	1,663	15	15
Melnick Even Opala Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	61,884	48,059	23,689	38,616
Melnick Even Santa Fé Canoas Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	36,062	36,502	(3,533)	11,118
Melnick Even Brita Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	32,663	41,772	925	10,579
Melnick Even Hematita Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	19,988	27,606	118	8,047
Melnick Even Pérola Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	3,347	6,192	2,163	982
Melnick Even Brilhante Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	1,057	313	(756)	19
Melnick Even Safira Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	15,005	9,627	3,781	7,421
Melnick Even Berilo Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	13,105	20,551	-4,627	4,836
Melnick Even Madrepérola Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	7,228	4,858	2,370	9
Melnick Even Água Marinha Empreendimento Imobiliário Ltda. (iii)	68.00	68.00	1,669	978	11	(4)
Melnick Even Topázio Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	953	1,006	445	1,456
Melnick Even Peridoto Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	33,982	16,785	10,602	10,097
Melnick Even Rubi Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	7,100	16,041	1,246	4,367
Melnick Even Âmbar Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	6,279	707	996	696
Melnick Even Jaspe Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	6,883	13,206	-67	5,471
Melnick Even Granito Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	1,051	975	69	59
Melnick Even Mármore Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	13,024	8,719	3,052	1,479
Melnick Even Oliveira Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	6,098	11,634	(1,381)	5,081
Melnick Even Palmeira Empreendimento Imobiliário Ltda. (iii)	40.00	40.00	4,216	3,868	3	26
Melnick Even Jacarandá Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	7,044	2,526	3,284	908
Melnick Even Figueira Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	8,519	7,208	2,013	(2)
Melnick Even Castanheira Empreendimento Imobiliário Ltda. (iii)	68.00	68.00	1,266	1,209	22	9
Melnick Even Cerejeira Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	4,782	284	3,558	(78)
Melnick Even Acácia Empreendimento Imobiliário Ltda. (iii)	68.00	68.00	20,372	11,404	5,993	9,414
Melnick Even Imbuia Empreendimento Imobiliário Ltda. (iii)	68.00	68.00	547	520	27	20
Melnick Even Ipê Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	22,499	-	8,167	-
Melnick Even Macieira Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	2,931	1,983	235	112
Melnick Even Melnick Urbanizadora Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	15,588	(2,189)	4,881	(2,189)
Melnick Even Mangueira Empreendimento Imobiliário Ltda. (iii)	68.00	68.00	6,081	4,059	21	(41)
Melnick Even Pinus Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	3,155	-	3,327	-
Melnick Even Parreira Empreendimento Imobiliário Ltda. (iii)	68.00	68.00	6,413	(194)	4,536	(194)
Melnick Even Araçá Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	3,615	(73)	732	(74)
Melnick Even Ingá Empreendimento Imobiliário Ltda. (iii)	68.00	68.00	5,980	(438)	4,214	(837)
Melnick Even Plantano Empreendimento Imobiliário Ltda. (iii)	68.00	68.00	319	-	7	-
Melnick Even Carvalho Empreendimento Imobiliário Ltda. (iii)	68.00	68.00	253	-	(199)	-
Melnick Even Cedro Empreendimento Imobiliário Ltda. (iii)	68.00	68.00	8,266	-	6,210	-
Melnick Even Urucum Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	1	-	1	-
Melnick Even Biribá Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	1	-	1	-
Melnick Even Andiroba Empreendimento Imobiliário Ltda. (iii)	80.00	80.00	1	-	1	-
Melnick Even Carnaúba Empreendimento Imobiliário Ltda. (iv)	48.00	-	7,560	(427)	2,593	(427)
Melnick Even Mogno Empreendimento Imobiliário Ltda. (iv)	48.00	-	10,134	(759)	7,379	(759)
Melnick Even Camélia Empreendimento Imobiliário Ltda.(iv)	48.00	-	(590)	-	(590)	-
Melnick Even Fuchsia Empreendimento Imobiliário Ltda. (iv)	48.00	-	7	-	6	-
Melnick Even Peônia Empreendimento Imobiliário Ltda. (iv)	48.00	-	3	-	2	-
Melnick Even Frizzo Empreendimento Imobiliário Ltda. (iv)	48.00	-	1,223	-	1,223	-
Reserva Da Mata (v)	24.00	-	(64)	-	(64)	-
Reserva Do Lago (v)	24.00	-	1,288	-	1,288	-
Other investees (i)			20,208	43,772	4,458	2,692
			486,779	408,710	107,620	205,228

(i) Investees of direct subsidiaries Tricity and Jamestown.

(ii) Investees of direct subsidiary Melnick Even Incorporação.

(iii) Investees of direct subsidiary Melnick Even Desenvolvimento.

(iv) Investees of direct subsidiary Melnick Even Urbanizadora.

(v) Investees of direct subsidiary Melnick Even Frizzo.

c) Main information on the equity interests held in non-controlled companies

Company	Equity interest - % 2016	Equity interest - % 2015	Equity 2016	Equity 2015	Investment 2016	Investment 2015
Aliko Investimento Imobiliário Ltda.	50.00	50.00	622	(362)	311	(181)
Dog Even Empreendimentos Imobiliários Ltda.	15.00	15.00	427	2,247	64	335
Even - SP 31/10 Empreendimentos Imobiliários Ltda.	50.00	50.00	4,346	10	2,173	5
Even - SP 80/10 Empreendimentos Imobiliários Ltda.	50.00	50.00	36,848	52	18,424	26
Jardim Goiás Empreendimentos Imobiliários Ltda.	50.00	50.00	438	1,608	219	804
Nova Suíça Empreendimentos Imobiliários Ltda.	50.00	50.00	1,140	1,764	570	882
Partifib Projetos Imobiliários Ltda	-	50.00	-	34,956	-	17,478
Residencial Ernesto Igel SPE Ltda.	35.00	30.00	2,151	1,194	753	418
Residencial Guarulhos SPE Ltda.	50.00	50.00	908	1,464	454	732
Sociedade Albatroz Vargem Pequena	45.00	45.00	3,091	(1,618)	1,391	0
					24,359	20,499

d) Variations in investments for the year

	At beginning of the year	subscription (decrease)	Dividends received	Share of profit (loss) of investees	Other (*)	At end of the year
Subsidiaries	2,528,497	214,287	(335,571)	252,782	17,343	2,677,338
Non-controlled entities	20,510	-	(1,146)	26,381	(21,375)	24,370
Year ended December 31, 2016	2,549,007	214,287	(336,717)	279,163	(4,032)	2,701,708
Year ended December 31, 2015	2,755,922	(81,906)	(574,072)	446,009	3,043	2,548,996

(*) In the year ended December 31, 2016, the Company increased its ownership interest from 50% to 77.25% in Raimundo IV Empreendimentos Imobiliários Ltda. using the shares of Partifib Projetos Imobiliários Ltda.; the Company already held the shareholding control of such company. In addition, the Company sold the total shares of Tenente Gelas 252 Empreendimentos Imobiliários Ltda. for R$12,796, thus leading to a loss of R$5,672, recorded as "Other operating expenses, net".

In the years ended December 31, 2016 and 2015, funds were transferred from the subsidiaries to the Company by means of distribution of dividends.

e) Advances for future capital increase

The advances for future capital increase made and not yet capitalized involve the following controlled companies:

	Asset - Company 2016	Asset - Company 2015	Asset - Consolidated 2016	Asset - Consolidated 2015
Controlled companies	201.530	357.397	-	-
Non-controlled companies	200	25.613	200	25.613
	201.730	383.010	200	25.613

No terms have been established for the conversion of advances for future capital increase into shares based on a fixed advance amount for a fixed number of shares; accordingly, the balances are classified as financial assets in noncurrent assets.

9. PAYABLES FOR ACQUISITION OF PROPERTIES

	Consolidated	
	2016	2015
Payables, subject to:		
INCC variance	141,663	168,148
CDI variance	11,822	24,011
Other acquisitions	19,186	27,806
	172,671	219,965
Current	69,470	101,779
Noncurrent	103,201	118,186

The maturity of the noncurrent liabilities portion per year is as follows:

	Consolidated	
	2016	2015
2017	-	26,515
2018	53,053	57,932
2019	50,148	33,738
	103,201	118,186

10. BORROWINGS, FINANCING AND DEBENTURES

a) Borrowings and financing

	Company		Consolidated	
	2016	2015	2016	2015
Real estate financing (i)	-	-	1,186,811	1,144,335
Bank Credit Note (CCB) (ii)	409,123	377,909	409,123	377,909
Certificates of Real Estate Receivables (CRIs) (iii)	320,527	278,894	292,643	278,893
Resolution 4131 - swap to Brazilian reais (ii)	-	58,774	-	58,774
Other	-	136	-	136
	729,650	715,713	1,888,577	1,860,047
Current	328,751	222,299	833,666	703,500
Noncurrent	400,899	493,414	1,054,911	1,156,547

All borrowings and financing are denominated in local currency and have the following features:

(i) Mortgage loan transactions are subject to the TR (a managed prime rate) fluctuation plus 8.6% to 12% per year.

(ii) The Bank Credit Note (CCB) transaction is subject from 114% to 127% of the CDI rate fluctuation per month. CCB of R$50,000 is subject to the US dollar fluctuation plus interest of 3.68%, interest and principal falling due on October 13, 2016. The Company carried out the Fixed x DI swap transaction, in which the Company holds the long position at the annual rate of 3.68% plus US dollar fluctuation and the short position at the annual rate of CDI + 1.5%.

(iii) The CRI transaction is subject to the Interbank Deposit (DI) rate plus 0.35% to 2.4% per year.

The Company may have the opportunity to renegotiate the amount of R$150,000 in debts falling due in May 2017 to 2020.

The carrying amounts of these borrowings approximate their fair values.

The following assets were pledged as collateral for the financing:

	2016	2015
Inventories (cost incurred on unsold units of the projects)	1,324,652	1,168,312

The noncurrent portion matures as follows:

	Company		Consolidated	
	2016	2015	2016	2015
2016	-	222,299	-	703,500
2017	328,751	320,914	833,666	731,338
2018	290,675	172,500	696,600	425,209
2019	110,224	-	208,987	-
2020 onwards	-	-	149,324	-
	729,650	715,713	1,888,577	1,860,047

The long-term mortgage loan agreements include acceleration clauses in case of nonperformance of obligations assumed, such as investment of the funds in the related project, mortgage on the real estate project, compliance with the construction calendar, and other obligations assumed thereunder. The Company has been complying with the obligations assumed in accordance with the contractual terms.

b) Debentures

	Company and Consolidated	
	2016	2015
Fifth issue	-	41,667
Sixth issue	-	100,000
Eighth issue	100,000	-
Principal	100,000	141,667
Unallocated transaction costs	(1,937)	(169)
Interest payable	330	5,610
	98,393	147,108
Current	330	97,108
Noncurrent	98,063	50,000

Features of debentures

	Fifth issue	Sixth issue	Eighth issue
Registration date	03/10/2011	10/03/2012	12/06/2016
Convertible into shares	No	No	No
Maturity date	2nd series - 03/10/2016 (33.33%)	10/03/2016 (33.33%) 10/03/2017 (33.33%)	12/06/2019 (100%)
Interest (annual rates)	2nd series - CDI + 2.20% spread	CDI + 1.6%	130%CDI
Collateral	Subordinated	Subordinated	Subordinated
Par value	10	1,000	10
Number of shares issued	12,500 - 2nd series	150	10,000
Amount issued	125,000 (2nd series)	150,000	100,000

There are restrictive covenants, as defined in the final prospectuses for the public offering of debentures issued by the Company dated March 10, 2011, October 3, 2012 and, December 6, 2016, related mainly to corporate restructuring and business management aspects. The Company has been complying with the covenants under the prospectuses, in accordance with the terms set forth therein. Additionally, the debentures contain certain covenants that are periodically monitored by Management and are being complied with.

c) Variation

Borrowings, financing and debentures are broken down as follows:

	Company		Consolidated	
	2016	2015	2016	2015
Opening balance	862,821	966,002	2,007,155	1,870,272
Borrowings	327,849	150,000	1,033,323	978,545
Interest	114,637	93,235	243,025	178,715
Principal repayment	(344,044)	(312,702)	(1,062,918)	(897,501)
Interest payment	(133,220)	(33,715)	(233,615)	(122,876)
Closing balance	828,043	862,820	1,986,970	2,007,155

11. ADVANCES FROM CUSTOMERS

	Consolidated	
	2016	2015
Amounts received from sales of projects yet to be developed and other advances	3,268	11,291
Units sold in projects under construction (*):		
Recognized revenue	(15,305)	(15,351)
Installments received in cash	18,954	18,045
	3,648	2,694
Balance at the end of year	6,917	13,985

(*) When installments received exceed revenue recognized, the difference is recorded as advance from customers.

12. PROVISIONS

	Consolidated				
	Collaterals	Profit sharing	Labor and civil risks	Provision for termination	Total
	(a)	(b)	(c)	(d)	
Balances as at December 31, 2014	53,397	22,500	32,554	-	108,451
Recognized provision	4,713	3,500	18,173	28,809	55,195
Reversal of the provision	-	(2,771)	-	-	(2,771)
Payments made	-	(19,729)	-	-	(19,729)
Balances as at December 31, 2015	58,110	3,500	50,727	28,809	141,146
Recognized provision, net	1,714	3,380	13,848		18,942
Reversal of payables, net	-	-	-	(1,987)	(1,987)
Payments made	-	(3,500)	-	-	(3,500)
Balances as at December 31, 2016	59,824	3,380	64,575	26,822	154,601
Current					64,128
Noncurrent					90,383

(a) Collaterals

The Group provides collateral for the real estate in accordance with the law for a period of five years. A provision is recognized at the present value of the estimated costs to be incurred in the settlement of any possible claims.

The provision for warranty is recognized in the subsidiaries over project construction as part of the total construction cost, and after its delivery the Group initiates the reversal of the provision pursuant to the curve of the historical costs defined by the Engineering area. Technical support services are provided by the parent company and, on the date the services are provided, is recognized in profit or loss, in line item "Other operating expenses, net".

(b) Profit sharing

The profit sharing program was approved in May 2010 and is based on individual and Group-wide goals. The charge is presented in note 16.b).

(c) Labor and civil risks

Certain subsidiaries are defendants, whether directly or indirectly, to labor lawsuits amounting to R$98,291 (R$76,174 in 2015), of which the Company's management, as supported by its legal counsel, classifies R$30,521 (R$23,291 in 2015) as a probable loss, R$56,544 (R$43,461 in 2015) as a possible loss, and R$11,226 (R$9,422 in 2015) as a remote loss, in the defenses filed by the Company. As reported by the legal counsel in charge, the probable future cash outflows resulting from lawsuits classified as a probable loss amount to R$22,073 as at December 31, 2016 (R$23,456 in 2015).

Civil lawsuits to which the subsidiaries are defendants amount to R$207,060 (R$233,214 in 2015), mainly related to: (i) review of the contractual clause on adjustment and interest on installments being collected; and (ii) delays in the delivery of real estate units. As reported by the legal counsel in charge, unfavorable court decisions are expected to be rendered for some of these lawsuits, in the amount of R$42,503 as at December 31, 2016 (R$27,271 in 2015).

The provision for civil and labor risks as at December 31, 2016 totaled R$64,575 (R$50,727 in 2015).

(d) Provision for termination

The Company recorded a provision for termination for those customers that show significant evidences of cancellation of contracts, both for delivered projects and those in progress.

The estimated portion to be returned to customers, as a result of contractual terminations as at December 31, 2016, amounted to R$21,480 (R$28,809 in 2015).

Impacts from the provision for terminations are as follows:

	Consolidated	
	2016	2015
Reversal of trade receivables	(172,477)	(87,772)
Addition to properties for sale	145,352	184,114
Recognition of trade payables /provision	(26,822)	(28,809)
Accumulated effect on profit or loss	53,947	32,467

(e) Impact on profit or loss

	Company		Consolidated	
	2016	2015	2016	2015
Provision for termination	-	-	21,480	32,467
Labor and civil contingencies				
Accrued	12,949	16,952	13,706	18,175
Effective	803	911	20,833	1,371
Warranties	14,152	14,104	7,920	8,987
Impairment	-	-	-	5,085
	27,904	31,967	63,939	66,085

13. DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION

The Group has the following tax liabilities:

a) Taxable income

Against the backdrop of the Parent's current operations, which substantially comprise investments in other companies, no tax assets were recorded on: (i) the total accumulated balance of tax loss carryforwards; (ii) the balance of temporarily nondeductible expenses in determining taxable income; and (iii) the unamortized goodwill. As a result of the merger, deferred income tax on such credits was recognized within the limit of liabilities related to the taxable portions on the difference between the profit from real estate operated taxed on a cash basis and the amount recognized on an accrual basis, thus cancelling its effect on asset and liability accounts.

b) Deemed income and RET

Represented by the income tax and social contribution on the difference between the real estate development revenue recognized on an accrual basis and revenue taxed on a cash basis of the companies taxed based on the deemed cost or the RET (note 2.12), whose changes are as follows:

	Consolidated	
	2016	2015
At the beginning of the year	43,933	42,940
Expenses in profit or loss	(457)	993
At the end of the year	43,476	43,933

The taxation of the difference between income recognized on a cash basis and income recognized on the accrual basis is made according to the expected realization of trade receivables, as shown below:

	2016	2015
In the following year	41,065	38,908
In subsequent years	2,411	5,025
	43,476	43,933

14. SHARE CAPITAL AND RESERVES

Capital is represented by 225,000,000 registered common shares (233,293,408 registered common shares in 2015), without par value, fully paid in, totaling R$1,683,266.

Pursuant to the Company's bylaws, the Board of Directors is authorized to approve a capital increase of up to R$2,500,000 through the issue of registered common shares, without par value.

14.1. Variations in the number of shares

The Extraordinary General Meeting held on April 22, 2016 cancelled 8,293,408 treasury shares, without changing the amount of capital, as approved at the meeting of the Company's Board of Directors held on March 18, 2016.

14.2. Restricted and treasury shares

The purpose of the “Share Buyback Program” is to generate value to the Company’s shareholders based on the price of the Company’s shares traded on the BM&FBOVESPA S.A. - Bolsa de Valores, Mercadorias e Futuros, and the use within the context of the Company’s stock option plan.

The Board of Directors’ meeting held on August 15, 2013 approved the purchase of the Company’s shares to be delivered to the employees under the variable compensation plan.

Variations in the balance of treasury shares:

	Treasury shares	Grant of restricted shares	Balance in shares (R$)
As at December 31, 2014	8,110,120	18,124	43,316
Acquisitions	13,544,381	-	52,846
Long-term Incentive Plan (ILP)	(3,781,053)	16,901	(16,901)
Cancellation of restricted shares for dismissal	2,414,353	(13,217)	13,217
Share grant agreement	(1,921,423)	-	(7,263)
As at December 31, 2015	18,366,378	21,808	85,215
Acquisitions	5,235,677	-	21, 342
Long-term Incentive Plan	(13,615,442)	51,721	(51,721)
Cancellation of restricted shares for dismissal	1,284,235	(6,921)	6,921
Cancellation of treasury shares (14.1)	(8,293,408)	-	(38,000)
Release of ILP tranche	-	(2840)	-
Share grant agreement	(410,212)	-	(1,673)
As at December 31, 2016	2,567,228	63,768	22,084

On April 29, 2014, the first grant was made under the Long-term Incentive Plan (ILP) through the granting of the Company's shares to eligible employees - statutory and non-statutory officers and managers. The benefit was granted annually, beginning 2014. The ILP does not provide for cash payments, it being fully paid in shares, subject to trading restriction.

The beneficiary must not transfer the shares acquired upon exercise of the option within a period of up to two years after the option contract execution. After this period, the transfer restriction will be subject to the following vesting period:

(i) 1/3 of the acquired shares will be free from the transfer restriction as from the 2nd anniversary of the contract execution date;

(ii) additional 1/3 of the acquired shares will be free from the transfer restriction as from the 3rd anniversary of the contract execution date; and

(iii) remaining 1/3 of the acquired shares will be free from the transfer restriction as from the 4th anniversary of the contract execution date.

The exercise price for each share is equivalent to the value of the average price of the Company's shares during the period of 60 days immediately before the grant of the Company's stock options to the beneficiaries.

In the event of dismissal of the beneficiary, the options not exercised will be automatically cancelled. In the event of termination of employment or dismissal by the Company, the beneficiary will be required to sell to the Company, under applicable law, all (but not less than all) the shares acquired by the beneficiary which are still subject to the transfer restriction on the date of the beneficiary's dismissal.

For the 2016 plan, the beneficiary must not transfer the shares acquired upon exercise of the option within a period of up to five years after the option contract execution.

The total ILP is recorded as "Restricted and treasury shares", and related amounts are accrued on a monthly basis through the maturity date of the plan, recorded in profit or loss in line item "Administrative expenses".

14.3. Stock options

The meeting of the Board of Directors held on March 28, 2011, approved the new rules of the Company's Stock Options Plan, which covers the Company's employees, service providers and officers, who are appointed and approved by the Board of Directors.

On this date, the Company granted stock options to the Company's employees, service providers and officers; the vesting period of the last tranche ended on June 30, 2015, and they should be exercised up to March 31, 2016.

The plan was terminated on March 31, 2016, and no option was exercised in the year ended December 31, 2016. The total accumulated charges related to said plans amount to R$31,717, fully recognized as a contra entry item to equity.

14.4. Dividends

Pursuant to the Company's bylaws, after the offset of losses and the recognition of legal reserve, 25% of profit for the year is allocated to the payment of the mandatory annual dividend.

The calculation of dividends is as follows:

	2016	2015
Profit for the year	1,868	101,366
Recognition of legal reserve	(93)	(5,068)
Calculation base	1,775	96,298
Minimum statutory dividend - %	25	25
Dividend proposed by Management	444	24,074

The total mandatory minimum dividend relating to profit as at December 31, 2016 is lower than the interim dividend payment approved at the meeting of the Board of Directors held on May 5, 2016, in the amount of R$2,345. Accordingly, there is no proposed dividends as at December 31, 2016.

Interim dividends will be ratified at the Company's Annual Shareholders' Meeting to be held on April 26, 2017.

14.5. Earnings reserves

a) Legal

The legal reserve is calculated as 5% of profit for the year after the offset of accumulated losses, as prescribed by Law 6404/76.

b) Earnings retention

As indicated in note 24, as at December 31, 2016, the commitments related to the budgeted cost to be incurred on units sold amount to R$875,414 (R$1,039,326 in 2015) and on units for sale amount to R$762,384 (R$895,870 in 2015), totaling R$1,637,798 (R$1,935,196 in 2015) in costs to be incurred related to launched projects. In 2015, R$72,223 was allocated to the earnings retention reserve to cover the abovementioned commitments.

15. REVENUE

The reconciliation of gross sales and services with net revenue is as follows:

	Company		Consolidated	
	2016	2015	2016	2015
Gross operating revenue:				
Development and resale of properties	198	132	1,751,745	2,220,869
Services provided	67,308	69,737	39,582	40,325
Deductions from gross revenue	(7,296)	(7,198)	(48, 239)	(56,083)
Net operating revenue	60,210	62,671	1,743,088	2,205,111

16. COSTS AND EXPENSES BY NATURE

a) Costs

	Company		Consolidated	
	2016	2015	2016	2015
Land	-	-	336,440	327,313
Works	-	194	717,056	961,791
Development	-	-	79,019	107,984
Maintenance under warranty	-	-	11,494	15,956
Construction management	77,469	88,962	65,650	93,092
Finance costs allocated to cost	-	-	196,556	178,722
	77,469	89,156	1,406,215	1,684,858

b) Selling, general and administrative expenses, and management compensation

	Company		Consolidated	
	2016	2015	2016	2015
Employee and management benefits (note 17)	56,570	77,007	74,667	92,522
Travel and commuting	1,325	1,399	1,846	1,915
Long-term Incentive Plan (ILP)	6,729	18,660	6,729	18,660
Advisory services	23,801	25,916	30,727	32,196
Depreciation and amortization	7,711	8,937	11,885	11,483
Sundry consumptions	12,963	15,595	12,839	15,903
Bonuses (note 12)	4,663	(2,771)	5,945	424
Selling expenses	3,169	4,739	80,366	106,437
Expenses on sales stands	-	-	35,514	36,126
Other selling expenses	1,156	3,486	40,853	31,127
	118,087	152,968	301,371	346,793
Classified as:				
Selling expenses	4,325	8,225	156,733	173,690
General and administrative expenses	107,727	133,498	138,603	161,858
Management compensation	6,035	11,245	6,035	11,245
	118,087	152,968	301,371	346,793

17. EXPENSES ON EMPLOYEE BENEFITS

	Company 2016	Company 2015	Consolidated 2016	Consolidated 2015
Wages	32,798	47,509	45,551	61,119
Charges	17,784	22,519	21,048	22,519
Training	319	344	400	421
Other benefits	5,669	6,635	7,668	8,463
	56,570	77,007	74,667	92,522

18. FINANCE INCOME (COSTS)

	Company 2016	Company 2015	Consolidated 2016	Consolidated 2015
Finance costs:				
Interest	(107,793)	(113,157)	(1,458)	(14,073)
Losses - interest rate swap	(6,938)	(4,555)	(6,946)	(4,562)
Withholding income tax not offset		-	(10,994)	(13,769)
Bank expenses, commission and collateral	(3,142)	(4,597)	(8,262)	(8,004)
Other	(1,728)	(92)	(4,231)	(1,464)
	(119,601)	(122,401)	(31,891)	(41,872)
Finance income:				
Interest on short-term investments	7,365	3,856	71,818	80,649
Accrued interest	4	-	7,295	6,592
Charges on trade receivables	-	-	53,934	51,694
Interest on loans	3,161	2,710	3,160	2,710
Other	454	1,624	3,805	2,767
	10,984	8,190	140,013	144,412
Finance income (costs)	(108,617)	(114,211)	108,122	102,540

19. INCOME TAX AND SOCIAL CONTRIBUTION EXPENSES

Reconciliation of income tax and social contribution at their statutory rates and their effective tax rates is as follows:

	Consolidated 2016	Consolidated 2015
Revenues from direct and indirect subsidiaries taxed under the deemed income and earmarked assets regime - cash basis	1,751,940	2,220,737
Effect of income tax and social contribution for the year (a)	(41,482)	(47,299)

	Company	
	2016	2015
Income before income tax and social contribution	1,868	101,366
Tax rate - 34% (b)	(635)	(34,465)
Effects on deductions (share of profit (loss) of investees)	94,915	151,643
Unrecognized tax credit	94,280	117,178

(a) The application of income tax and social contribution rates under the deemed income regime and the earmarked assets regime result in an average rate of 3.08% and 1.98%, respectively, on taxable income.

(b) The Company adopts the taxable income regime and does not record tax credits, since the generation of future taxable income is not probable.

20. EARNINGS PER SHARE

a) Basic

Basic earnings per share are calculated by dividing the profit attributable to the Company's owners by the weighted average number of common shares outstanding during the year.

	2016	2015
Profit attributable to the Company's owners	1,868	101,366
Weighted average number of common shares issued and held by the shareholders (thousands)	218,620	222,247
Basic earnings per share	0.09	0.46

b) Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of outstanding common shares to assume the conversion of all potential diluted common shares. The number of shares calculated as described above is compared to the number of shares issued, assuming the exercise of stock options.

	2016	2015
Profit attributable to the Company's owners	1,868	101,366
Weighted average number of common shares held by the shareholders during the year	218,620	222,247
Average market price of the common shares during the year	4,19	3,95
Weighted average number of shares subject to option during the year	-	-
Exercise price of shares subject to option during the year - R$	-	-
Weighted average number of shares that would have been issued at average market price	-	-
Diluted earnings per share - R$	0.09	0.46

21. COMMITMENTS

a) Property development commitments

According to the Real Estate Development Law, the Group has the legal commitment to complete real estate development projects that have been approved and are no longer subject to a termination clause under which the Group would be able to cancel the project and return to the clients the amounts received.

No project under construction is under a termination clause. The costs currently estimated to be incurred by the completion of the aforementioned projects are as follows:

The main information related to the other projects under construction, arising from units sold, can be shown as follows:

	Consolidated	
	2016	2015
Unearned gross sales revenue	1,116,020	1,483,813
Unearned land barter	203,756	151,872
Unearned sales revenue	1,319,776	1,635,685
Sales taxes	(23,662)	(31,772)
Unearned sales revenue (a)	1,296,114	1,603,913
Budgeted cost (b) to be incurred on units sold	(875,414)	(1,039,326)
Unallocated gain	420,700	564,587

(a) Subject to the effects of adjustment to present value when allocated.

The costs incurred and to be incurred of units of projects under construction held in inventory can be shown as follows:

	Consolidated	
	2016	2015
Cost incurred on units in inventory	1.973,219	1,549,891
Budgeted cost to be incurred on units in inventory (b)	762,384	895,870
Total incurred and unincurred budgeted cost of units in inventory	2,735,603	2,445,761

(b) The total cost to be incurred on units sold and in inventory totals R$1,637,798 (R$1,935,196 in 2015).

b) Land purchase commitments

The Company has assumed commitments to purchase land, which have not yet been recorded due to pending matters to be resolved by the sellers in order for the final deed to be executed and the respective transfer of ownership to the Company or its subsidiaries or partners to be consummated. These commitments total R$982,828 (R$832,776 in 2015), of which R$637,448 (R$491,436 in 2015) refer to barters for real estate units to be built, and R$345,379 (R$341,430 in 2015) refer to the share in the income from sales of the respective projects.

c) Operating lease commitments - Group’s company as lessee

The Company leases the offices where the head office and the branches are located. The lease terms are four years and most of the lease agreements is renewable at market value at the end of the lease term.

The Company must prior notice to terminate these agreements; the total minimum lease payments, pursuant to these cancellable operating leases, amount to R$3,242 as at December 31, 2016 (R$6,491 in 2015).

22. RELATED-PARTY TRANSACTIONS

a) Intragroup loans

	Company				Consolidated	
	Asset		Liability		Asset	
	2016	2015	2016	2015	2016	2015
Wholly-owned subsidiaries	10,202	7,249	12,075	296		-
Parqueven Empreendimentos Ltda.	154	154	-	-	154	154
Fazenda Roseira Delta Emp. Imob. CPE S.A.	-		2,689	-	-	-
Fazenda Roseira Kappa Emp. Imob. CPE S.A.	-		974	-	-	-
Fazenda Roseira Zeta Emp. Imob. CPE S.A.	-		2,247	-	-	-
Fazenda Roseira Beta Emp. Imob. CPE S.A.	-		874	-	-	-
Fazenda Roseira Alpha Emp. Imob. CPE S.A.	-		693	-	-	-
Fazenda Roseira Epsilon Emp. Imob. CPE S/A	-		3,517	-	-	-
Ricardo Jafet 858 Emp. Imob Ltda.			10,075	-	-	-
Even SP 50/10 Emp. Imob Ltda.	-		7,044	-	-	-
Cygnus Even Empreendimentos Ltda.	20	21	-	-	-	-
Subsidiaries with third-party interests	174	175	28,113	-	154	154
Aliko Investimentos Imobiliários Ltda.	37	37	-	-	37	37
Nova Suíça Empreendimentos Imobiliários Ltda.	-	-	-	3,000		-
Associates	211	37	-	3,000	37	37
	385	212	40,188	3,296	191	37
Other related parties:						
Melnick Participações Ltda.	28,960	15,382	-	-	28,960	15,382
ABC T&K Participações S.A.		7	-	-	958	631
Other	-	(404)	-	-		(403)
	28,960	14,985	-	-	29,918	15,609
	39,373	22,446	40,188	3,296	30,109	15,800
Balances presented in current as other payables		-	40,188	3,296		-
Balances presented in noncurrent as other payables	39,373	22,446		-	30,109	15,800

The variation in related-party balance for the years ended December 31, 2016 and 2015 is as follows:

Balances as at December 31, 2014	34,209
Borrowings	11,808
Amortization	(33,182)
Finance charges	2,965
Balances as at December 31, 2015	15,800
Borrowings	12,566
Amortization	(1,556)
Finance charges	3,299
Balances as at December 31, 2016	30,109

The loan entered into with related party Melnick Participações Ltda. (Melnick Participações) is set forth in the Investment Agreement entered into on March 4, 2008, whereby a business partnership was established to operate in the real estate market in the State of Rio Grande do Sul, through Melnick Even Incorporações e Construções S.A. ("Melnick Even"). The business partner Melnick Participações became a related party on November 9, 2015, when its controlling shareholder become a member of the Company's Board of Directors. Since the agreement was executed, the model then defined to finance the real estate construction and development projects conducted through such business partnership was not changed, which terms and conditions are set forth in the abovementioned investment agreement entered into at the beginning of the partnership. The loan is subject to 100% of the CDI rate variation, plus interest of 4% per year, which maturity follows the average term of development and completion of the respective real estate projects.

The balances with other related parties are free from finance charges and have no predetermined maturities.

The Company is also the guarantor of partner Melnick Participações in connection with a Bank Credit Note (CCB), issued on May 7, 2015, falling due within three years, at the CDI rate + 3% p.a. The CCB balance as at December 31, 2016 is R$30,725.

The amounts payable and receivable on intragroup loans are recorded in line item "Other receivables" and "Other payables", respectively.

b) Management compensation

Key Management personnel includes directors and officers. Compensation paid, including bonuses, is as follows:

	2016	2015
Board of Directors	897	740
Executive Board:		
Payroll and related taxes	4,734	10,166
Contributions to the cash value life insurance plan (VGBL)	99	44
Other benefits	305	295
	6,035	11,245
Accrued management bonus (note 12 - management portion)	4,506	-
ILP recognized (note 14.2)	4,374	8,217
Stock granting agreement	422	5,574
Stock options (note 14.3)	-	745
	15,803	25,781

The Annual General Meeting held on April 22, 2016 approved the overall amount of up to R$16,900 for management compensation.

c) Purchase of land

On August 10, 2016, the Board of Directors approved the transaction between the following related parties: Melnick Even Angelim Empreendimento Imobiliário Ltda. ("ME Angelim") – company controlled by Even; and Pursa FO Investimentos Ltda. ("Pursa Fo") – company controlled by a member of the Company's Board of Directors.

As set forth in the Real Estate Purchase and Sale Agreement and Other Covenants ("PCV") entered into with Pursa Fo, the acquisition by ME Angelim of the land owned by PCV was approved upon payment of the price corresponding to the 22% interest in the VGV.

As at December 31, 2016, no accounting entries were recorded by the Company relating to this transaction since there are conditions precedent to be fulfilled.

d) Establishment of SCP

On December 19, 2016, the Board of Directors approved the transaction between the following related parties: Corbeau Empreendimento Imobiliário Ltda. ("Corbeau") – company controlled by Even; and UV Gestora de Ativos Financeiros Ltda. ("UV Gestora"), Veneza Negócios e Participações S.A. ("Pursa Fo") and Puras FO Investimentos Ltda. ("Veneza") – companies controlled by members of the Risk Committee, Board of Directors and parties related to the Company's controlling shareholder.

Pursuant to the shareholders' agreement entered into Corbeau, UV Gestora, Venza and Pursa Fo, the establishment of a SCP was approved for purposes of acquisition by Corbeau of a land located in São Paulo intended for future development.

As at December 31, 2016, the amount of R$1,667 is recorded as "Other payables" relating to such transaction.

23. FINANCIAL RISK MANAGEMENT

23.1. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including interest rate on mortgage loans, cash flow interest rate risk and price risk of certain assets measured at fair value), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Except for the contracted swap, described in note 10, the Group does not use derivative financial instruments to hedge against risk exposures.

Risk management is carried out by the Group's central treasury department, which identifies, assesses and hedges against financial risks in cooperation with the subsidiaries.

a) Market risk

(i) Currency risk

This risk is assessed as practically nil, as the Group does not have assets and liabilities subject to currency fluctuation, nor it depends significantly on imported material in its production chain. Additionally, the Group does not index its sales to foreign currencies.

(ii) Risk of volatility in the price of debentures

The Group is exposed to the risk of changes in the price of debentures as a result of the investments held by the Group and classified in the consolidated balance sheet as measured at fair value through profit or loss. The Group's investments in debentures are basically in financial groups.

(iii) Cash flow risk

The Group analyzes its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group defines a reasonable shift in interest rate and calculates the impact on profit and loss, as detailed in note 23.1.(d).

The liabilities subject to floating interest rates are: (i) real estate financing, which is subject to the variation of the TR interest rate, the volatility risk of which is assessed as low by Management; (ii) debentures and borrowings and financing, which are partially subject to the CDI fluctuation, for which short-term investments provide a natural hedge, mitigating the impacts related to volatility risks; and (iii) payables for acquisition of properties, which are subject to the INCC variance, for which trade receivables from units under construction provide a natural hedge.

b) Credit risk

The credit risk is managed on a group-wide basis. Credit risk arises from trade receivables, deposits in banks and financial assets at fair value through profit or loss. The credit quality of trade receivables is detailed in note 6(c).

c) Liquidity risk

Cash flows are forecast in the operating entities of the Group and aggregated by the Finance Department, which monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational requirements. It also keeps sufficient funds in its credit facilities available at any time so that the Group is able to comply with the loan limits and clauses (when applicable) with respect to any of its credit lines. Such forecasting takes into consideration the Group's debt financing plans and compliance with contractual terms.

Surplus cash held by the operating entities above the balance required for working capital management is transferred to an exclusive fund to be invested by the Group in interest-earning current accounts, time deposits, money market deposits and marketable securities, choosing instruments with appropriate maturities or enough liquidity to provide sufficient margin as determined by the abovementioned forecasts.

The table below analyzes the Group's non-derivative financial liabilities by maturity based on the remaining year from the balance sheet date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the carrying amounts at the dates indicated.

	Consolidated			
	Up to December 31, 2016	Between January 1 and December 31, 2017	Between January 1 and December 31, 2018	Beginning January 1, 2019
As at December 31, 2016:				
Loans - mortgage loans	-	9,821	525,749	611,808
CRI	-	171,033	161,043	-
Working capital - CCB	-	101,517	170,491	137,115
Payables for acquisition of properties	-	71,997	53,053	50,148
Debentures	-	330	98,063	-
As at December 31, 2015:				
Loans - mortgage loans	481,200	410,009	253,126	-
Interbank Deposit Note - CRI	129,402	149,492	-	-
Working capital - CCB	33,988	171,838	172,083	-
Lease	136	-	-	-
Swap	58,774	-	-	-
Payables for acquisition of properties	101,779	26,515	91,671	-
Debentures	97,108	-	50,000	-

d) Sensitivity analysis of variation in interest rates and other asset and liability indices

	2016		2015		2016		
Consolidated data	Asset	Liability	Asset	Liability	Probable	25%	50%
Trade receivables (note 6.(a))	1,778,621	-	2,062,803	-			
IGP-M/IPCA	109,690	-	234,904	-	4,031	3,023	2,015
INCC	1,668,931	-	1,827,899	-	115,906	86,929	57,953
Assignment of receivables (note 6.(b))		5,915	-	2,805			
IGP-M/IPCA		5,915	-	2,805	(217)	(272)	(326)
Borrowings (note 10.(a))		1,888,577	-	1,860,047			
CDI		729,650	-	715,712	(75,242)	(94,052)	(112,862)
TR		1,158,927		1,144,335	(9,920)	(12,401)	(14,881)
Debentures (note 10.(b))		98,393	-	141,667			
CDI		98,393	-	141,667	(10,146)	(12,683)	(15,219)
Related parties (note 22.a)	28,960		15,382	-			
CDI	28,960		15,382	-	2,986	2,240	1,120
Land payables (note 8)		175,198	-	219,965			
CDI		11,822	-	24,011	(1,219)	(1,524)	(1,829)
INCC		144,191	-	168,148	(10,014)	(12,517)	(15,021)
IGP-M		19,186	-	27,806	(705)	(881)	(1,058)

In the sensitivity analysis for the next 12 months, the Company classified as probable the variations in the CDI, TR, INCC, IGP-M and IPCA rates accumulated as at December 31, 2016. The additional scenarios consider, in the case of financial assets, a 25% and 50% stress of the percentage variations. For financial liabilities, the sensitivity analysis considers a 25% and 50% stress of the indexed amounts.

The Company seeks to avoid any mismatches in terms of currencies and interest rates. The liabilities are mostly indexed to inflation, CDI or TR. There are no assets or liabilities denominated in foreign currencies or a significant dependence on imported materials in the production chain. The Company seeks to reach a balance between asset and liability indices, keeping loans receivable and cash invested in CDI to balance financial obligations, and receivables indexed to INCC in assets to balance the construction cost to be incurred.

23.2. Capital management

The Group's purposes in managing capital are to safeguard its ability to continue as a going concern, in order to provide returns to shareholders and benefits for other stakeholders, while maintaining an optimal capital structure to reduce this cost.

In order to maintain or adjust the capital structure, the Group may adjust the dividend payment policy, return capital to shareholders or, also, issue new shares or sell assets to reduce, for example, indebtedness.

Consistent with other companies in the industry, the Group monitors capital based on the gearing ratio, calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and noncurrent borrowings and debentures, as shown in the consolidated balance sheet) less cash and cash equivalents, financial assets at fair value through profit or loss and restricted accounts. Total capital is calculated as equity as shown in the consolidated balance sheet plus net debt.

In 2016, the Company's strategy, which was unchanged since 2015, was to maintain the gearing ratio between 30% and 40%. Gearing ratios as at December 31, 2016 and 2015, in accordance with the consolidated financial statements, can be summarized as follows:

	Consolidated	
	2016	2015
Total borrowings and debentures (notes 10(a) and 10(b))	1,986,970	2,007,155
Assignment of trade receivables (note 6(b))	5,915	2,805
Cash and cash equivalents	(71,387)	(120,059)
Short-term investments	(515,082)	(562,403)
Restricted cash	22,447	-
Net debt	1,428,863	1,327,498
Total equity	2,419,129	2,466,162
Total own and third-party capital	3,848,992	3,793,660
Gearing ratio (%)	37.1	35.0

23.3. Fair value estimate

It is estimated that the carrying amounts of trade receivables and trade payables and for acquisition of properties, less impairment loss, approximate their fair values. The same assumption is valid for financial liabilities.

The Group adopts the technical pronouncement for financial instruments that are measured in the balance sheet at fair value, which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Prices quoted (unadjusted) in active markets for identical assets or liabilities (Level 1).
- In addition to the quoted prices, included in Level 1, inputs used by the market for assets or liabilities, whether directly (i.e., prices) or indirectly (i.e., those derived from prices) (Level 2).
- Inputs for assets or liabilities that are not based on the data adopted by the market (i.e., unobservable inputs) (Level 3)

The following table presents the Group's assets that were measured at fair value through profit or loss (there are no liabilities of this type), which are substantially represented by the assets of the exclusive funds for investments of financial resources by the Group (note 4).

	Consolidated		
	Level 1	Level 2	Total balance
As at December 31, 2016:			
Repurchase agreements			
CDBs	155,812	-	155,812
Fixed-income securities:	-	-	-
LFTs	-	269,294	269,294
CDBs	-	44,705	44,705
Debentures of financial groups	-	-	-
Financial bills	-	45,270	45,271
Total assets as at December 31, 2016	155,812	359,269	515,082

	Consolidated		
	Level 1	Level 2	Total balance
As at December 31, 2015:			
Repurchase agreements			
CDBs	165,740	-	165,740
Fixed-income securities:			
LFTs	-	196,089	196,089
CDBs	-	60,959	60,959
Debentures of financial groups	-	13,217	13,217
Financial bills	-	126,398	126,398
Total assets as at December 31, 2015	165,740	396,663	562,403

The Group does not have financial assets measured at Level 3.

The fair value of the financial instruments traded in active markets (such as trading and available-for-sale securities) is based on market prices at the end of the reporting period. A market is considered active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's-length basis. These instruments are included in Level 1.

The fair value of financial instruments not traded in active markets (e.g., over-the-counter derivatives) is determined using valuation techniques. These techniques make maximum use of market inputs, where available, and rely as little as possible on entity-specific inputs. If all relevant inputs required for the fair value of an instrument are adopted by the market, the instrument will be included in Level 2.

If one or more relevant inputs are not based on data adopted by the market, the instrument will be included in Level 3.

Specific valuation techniques used to measure financial instruments include:

- Quoted market prices or quotations of financial institutions or brokers for similar instruments.
- The fair value of interest rate swaps is measured at the present value of future cash flows estimated based on the yield curves adopted by the market.

23.4. Credit quality of the financial assets

As at December 31, 2016, the consolidated balances of financial assets backed by private securities are classified by rating:

	Rating Fitch	Balance
CDBs	AAA	149,165
	AA	12,405
	AA-	9,213
	AA+	29,734
		200,517

	Rating Fitch	Balance
Financial bills	AAA	41,444
	AA+	3,827
		45,271
Public bonds		269,293
		515,081

The Company's and its subsidiaries' funds are invested so that they meet the investment limits per risk rating, as established by in the financial policy approved by the Board of Directors.

24. INSURANCE

The Company and its subsidiaries have, as at December 31, 2016, the following insurance agreements:

a) Engineering risk – civil construction works, covers all risks involved in the construction of a real estate project, such as fire, theft and defects, among others. This type of insurance policy offers additional coverage based on the construction work-inherent risk, including general and cross civil liability, extraordinary expenses, riots, employer’s civil liability and pain and suffering.

b) Corporate insurance – covers sales stands and model apartments against damages caused by fire, theft, lightning, explosion and others.

c) Sundry risk insurance – electronic equipment – covers theft or electric damages.

d) D&O general civil liability insurance.

25. BUSINESS SEGMENT REPORTING

The Executive Board segments the reports used to analyze business by region. Geographically, the Company mainly operates in the States of São Paulo, Minas Gerais, Rio de Janeiro, and Rio Grande do Sul.

The reportable operating segments derive their revenue primarily from the sale of real estate properties.

The performance of the real estate development operating segments, based on the measurement of gross profit adjusted for selling expenses, is summarized below:

Year Ended December 31, 2016	SP	RS	RJ	Other	Total
Gross operating revenue	1,042,231	514,105	234,197	794	1,791,327
Deductions from gross revenue	(32,665)	(9,881)	(5,595)	(98)	(48,239)
Net operating revenue	1,009,566	504,224	228,602	696	1,743,088
Cost of sales	(846,543)	(386,188)	(169,527)	(3,945)	(1,406,203)
Gross profit	163,023	118,036	59,075	(3,249)	336,885
Selling expenses	(97,788)	(35,720)	(25,109)	(3,116)	(156,733)
Gross profit net of selling expenses	75,235	82,316	33,966	(5,224)	180,152

Year Ended December 31, 2015	SP	RS	RJ	Other	Total
Gross operating revenue	1,435,840	618,423	204,965	1,966,	2,261,194
Deductions from gross revenue	(38,495)	(12,500)	(4,880)	(208)	(56,083)
Net operating revenue	1,397,345	605,923	200,085	1,758	2,205,111
Cost of sales	(1,074,855)	(442,637)	(161,297)	(6,069)	(1,684,858)
Gross profit	322,490	163,286	38,788	(4,311)	520,253
Selling expenses	(106,391)	(29,589)	(30,131)	(7,579)	(173,690)
Gross profit net of selling expenses	216,099	133,697	8,657	(11,890)	346,563

The reconciliation of the gross profit from real estate development activities adjusted by selling expenses with profit for the years ended December 31, 2016 and 2015 is as follows:

	Consolidated	
	2016	2015
Gross profit net of selling expenses	186,766	346,563
Administrative expenses (include Management compensation)	(144,638)	(173,103)
Finance costs, net	107,730	102,540
Provisions and other expenses, net	(68,484)	(79,499)
Income tax and social contribution	(41,482)	(47,299)
Profit for the year	39,892	149,202

The assets corresponding to the reported segments are reconciled with the total assets and liabilities, as follows:

	2016	2015
SP segment	2,757,879	3,090,974
RS segment	898,692	835,029
RJ segment	1,054,167	828,791
Other	72,161	84,109
	4,782,899	4,838,903
Corporate	235,824	297,886
Total assets according to the balance sheet	5,018,680	5,136,789

	2016	2015
SP segment	846,832	1,078,082
RS segment	403,593	429,460
RJ segment	447,270	379,190
Other	12,870	35,514
	1,707,565	1,922,245
Corporate	889,026	748,382
Total liabilities according to the balance sheet	2,599,591	2,670,627

Even discloses 4Q16 results

São Paulo, March 22, 2016 – Even Construtora e Incorporadora S.A. – EVEN (BM&FBOVESPA: EVEN3), with operations in São Paulo, Rio de Janeiro, Rio Grande do Sul and Minas Gerais and a focus on residential developments with a unit value above R$ 250 thousand, announces its results for the fourth quarter of 2016 (4Q16). Except where stated otherwise, the consolidated financial and operating information herein is presented in Brazilian Reais (R$).

IR CONTACT

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Co-CEO

Vinicius Mastrorosa
Strategy and IR Director

Talles Oliveira
IR Analyst

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Stock price
Closed on: 03/21/2017
Price per share: R$ 4.53

Number of shares:
225,000,000

Number of shares (ex-treasury):
222,432,772 (on 12/31/2016)
222,432,772 (on 02/28/2017)

Market Cap:
R$ 1,007 million (on 03/21/2017)
(shares in treasury disregarded)

HIGHLIGHTS

- **Gross sales of R$ 1.64 billion**;
- **Launches PSV** of R$ 1.1 billion (Even's share) in 2016, with **41% already sold by the end of the year**.
- **27 projects delivered** in 2016 totaling **R$ 2.3 billion of PSV, Even's share** (considering PSV from launches period);
- **Solid cash position of R$ 609 million,** by the end of 2016.

CONFERENCE CALL - RESULTS FOR THE QUARTER ENDED ON DECEMBER 31, 2016

Date: March 23, 2016

Portuguese
03 p.m. (Brasília time)
02 p.m. (New York time)
06 p.m. (London time)
Dial-in: +55 (11) 3127-4971 or (11) 3728-5971
Replay: +55 (11) 3127-4999
Code: 24351597

English (simultaneous interpreting)
03 p.m. (Brasília time)
02 p.m. (New York time)
06 p.m. (London time)
Dial-in: +1 (516) 300-1066
Replay: +55 (11) 3127-4999
Code: 60751800

The information, figures and data included in this performance report, which do not correspond to the accounting balances and information contained in the Quarterly Information (ITR), such as: Potential Sales Value (PSV), Total Sales, Even's Sales, Usable Area, Units, Inventories at Market Value, Launches, Expected Delivery Year, Backlog Gross Margin and other items, were not audited by the independent auditors. Except when stated otherwise, the comparisons in this quarter report refer to the numbers verified in the fourth quarter of 2016 (4Q16).

CONTENT

MESSAGE FROM MANAGEMENT[1]

The year of 2016 was full of challenges. The country continued to face political and economic turmoil and the negative impact on the real estate market has extended, promoting as main effect an increase in the already high number of cancellations.

Even began the year focused on achieving efficiency gains, maximize the value of its assets and resume launches that we understood to be suitable for the current market. Strategy that at the end of the year resulted in nominal SG&A reduction, increased inventory gross sales speed in the year (starting from an already healthy level of 2015), and R$1.1 billion releases, which are already more than 40% sold.

Yet the cancellations had a strong impact on our results. There were R$618 million of cancellations in the year with an average of 42,4% gross margin, reducing in more than R$260 million our gross profit. For 2017, without considering any changes in legislation, the high volume of deliveries should still bring heavy volume of cancellations, although probably below 2016 since the percentage of customers who purchased the unit before the crisis has been decreasing (being those most likely to cancel the contract given the large difference in value and the scenario between the time of purchase and delivery). It is worth mentioning that when we look at 2018, we see a much smaller volume of deliveries (R$900 million) and receivables almost entirely composed of clients who have already acquired their properties at prices in line with the current market.

About new legislation covering cancellations, we are hopeful that we will have good news in the short term, bringing more balance to the purchase and sale agreement. The sector is united in seeking a solution and the responsible government bodies are already sensitized with the problem.

Despite the cancellations, we are optimistic about the future. The market already shows some signs of recovery, such as increase in visits to our stands, the 2016 launches that continue to sell, and good sales speed on the project we launched in Campo Belo last weekend, the first launch of the year, where we have sold 31 apartments of more than R$1 million each, out of a total of 106 units.

Another important factor, the macroeconomic environment began to improve, and especially the variables that influence our sector: confidence indicators in recovery, generation of new jobs in February, and mostly the quick drop in interest rate already pointing to single digit in the second half, a drop of more than 5 percentage points (assuming 9% at the end of the year). It is worth noting that due to the high leverage and long-term real estate loans, the impact of interest rate is very relevant, for example, a drop of 1 percentage point can bring down by more than 6% the customer monthly instalment.

Lastly, it is important to mention that we expect to generate a significant amount of cash this year, thus reducing the company’s leverage.

We remain confident on the country's real estate market, especially in the cities where we operate. We expect to increase the volume of launches this year (compared to 2016), but only if we maintain a good sales performance on both the inventory (especially concluded units) and the new launches. We are aware that our decisions to increase the company's ROE will still not affect the balance sheet in 2017, but we remain focused with our main objective being to generate value for our shareholders.

[1] This document contains certain forward-looking statements and information relating to Even, which reflect the Company’s current views and/or expectations in respect to its performance, businesses and future events. Any statements bearing predictions, expectations or estimates of future results, performance or objectives, as well as such terms as “we believe”, “we estimate”, among others with a similar meaning should not be construed as guidance. Such statements are subject to risks, uncertainties and future events.

MAIN INDICATORS

Consolidated Financial Data	4Q15	1Q16	2Q16	3Q16	4Q16	Chg. (%)	2015	2016	Chg. (%)
Net revenue	661,178	513,266	472,970	362,697	394,155	9%	2,205,111	1,743,088	-21%
Gross profit	139,116	98,776	79,639	74,029	84,441	14%	520,253	336,885	-35%
Adjusted gross margin[1]	29.2%	29.6%	27.1%	31.7%	35.1%	3.4 p,p,	31.7%	30.6%	-1.1 p,p,
Adjusted EBITDA[1]	45,144	72,004	51,112	30,100	28,522	-5,.%	284,167	181,738	-36.0%
Adjusted EBITDA margin[1]	6.8%	14.0%	10.8%	8.3%	7.2%	-1.1 p,p,	12.9%	10.4%	-2.5 p,p,
Net income	(10,484)	24,690	15,747	(12,505)	(26,065)	108%	101,366	1,867	-98%
Net margin before minority interest	0.1%	7.1%	4.2%	0.1%	-4.2%	-4.4 p,p,	6.8%	2.3%	-4.5 p,p,
Earnings per share (ex-treasury)	(0.05)	0.12	0.07	(0.06)	(0.12)	109%	0.47	0.01	-98%
ROE (annualized)	N/A	4.6%	2.9%	N/A	N/A	-	N/A	N/A	-
ROE (last 12 months)	4.7%	4.4%	2.9%	0.8%	0.1%	-0.7 p,p,	4.7%	0.1%	-4.6 p,p,
Revenue to be recognized[2]	1,603,913	1,515,179	1,409,597	1,313,013	1,296,114	-1%	1,603,913	1,296,114	-19%
Unearned income[2]	564,587	518,133	470,066	439,284	420,700	-4%	564,587	420,700	-25%
Unearned income margin[2]	35.2%	34.2%	33.3%	33.5%	32.5%	-1.0 p,p,	35.2%	32.5%	-2.7 p,p,
Net debt[3]	1,324,693	1,336,328	1,404,309	1,380,282	1,378,054	0%	1,324,693	1,378,054	4%
Net debt[3] (excluding SFH)	180,359	232,233	246,528	153,577	219,127	43%	180,359	219,127	21%
Shareholders' equity	2,466,162	2,480,708	2,450,250	2,434,775	2,419,129	-1%	2,466,162	2,419,129	-2%
Net debt[3] / Shareholders' equity	53.7%	53.9%	57.3%	56.7%	57,0%	0.3 p,p,	53.7%	57.0%	3.3 p,p,
Total assets	5,136,789	5,133,777	5,090,446	4,966,150	5,018,723	1%	5,136,789	5,018,723	-2%
Cash Burn[4] (for the period)	3,341	(5,440)	28,695	(26,308)	(2,228)	-92%	62,810	(5,281)	-108%

Launches	4Q15	1Q16	2Q16	3Q16	4Q16	Chg. (%)	2015	2016	Chg. (%)
Launched projects	5	3	6	3	7	133%	9	19	111%
Potential launch PSV[5] (100%)	514,362	128,351	277,729	400,185	510,071	27%	900,254	1,316,335	46%
Potential launch PSV[5] (% Even)	456,976	96,764	235,995	385,883	413,105	7%	802,536	1,131,747	41%
Number of units launched	1,162	674	789	615	1,392	126%	2,243	3,470	55%
Usable area of launched units (m²)	69,777	330,125	159,378	48,967	146,914	200%	124,588	685,384	450%
Average launch price[6] (R$/m²)	8,194	6,719	9,833	8,874	9,630	9%	7,606	9,310	22%
Average price of launched units (R$/unit)	443	190	352	651	366	-44%	401	379	-5%

Sales	4Q15	1Q16	2Q16	3Q16	4Q16	Chg. (%)	2015	2016	Chg. (%)
Contracted sales[7] (100%)	535,178	343,533	318,354	212,089	275,502	30%	1,428,933	1,149,479	-20%
Contracted sales[7] (% Even)	465,430	314,692	266,936	205,884	238,092	16%	1,260,251	1,025,603	-19%
Number of units sold	1,181	955	757	398	623	57%	3,124	2,733	-13%
Usable area of units sold (m²)	81,831	285,071	134,912	44,627	67,716	52%	213,993	532,326	149%
Average sales price[6] (R$/m²)	6,884	7,820	4,895	8,370	7,043	-16%	7,029	6,585	-6%
Average price of unit sold (R$/unit)	453	360	421	533	442	-17%	457	421	-8%
Consolidated VSO (% Even)	16.0%	13.3%	11.7%	8.6%	9.1%	0.4 p,p,	33.2%	30.2%	-3.0 p,p,
Launch SOS (% Even)	41.5%	75.5%	38.6%	27.8%	25.2%	-2.5 p,p,	52.6%	41.1%	-11.6 p,p,
Inventory SOS (% Even)	11.2%	10.6%	8.6%	4.9%	6.1%	1.1 p,p,	28.0%	24.7%	-3.3 p,p,

Deliveries	4Q15	1Q16	2Q16	3Q16	4Q16	Chg. (%)	2015	2016	Chg. (%)
Delivered PSV[8] (100%)	677,095	530,045	664,616	593,211	659,571	11%	2,376,842	2,447,442	3%
Delivered PSV[8] (% Even)	651,370	519,730	650,344	593,211	546,576	-8%	2,063,837	2,309,860	12%
Number of projects delivered	7	7	8	6	6	0%	27	27	0%
Number of units delivered	1,456	1,269	1,822	1,301	1,041	-20%	4,680	5,433	16%

Land	4Q15	1Q16	2Q16	3Q16	4Q16	Chg. (%)	2015	2016	Chg. (%)
Land Bank (100%)	6,584,549	6,740,382	5,954,922	6,007,303	5,965,189	-1%	6,584,549	5,965,189	-9%
Land Bank (% Even)	5,803,216	5,905,288	5,276,125	5,328,316	5,170,174	-3%	5,803,216	5,170,174	-11%

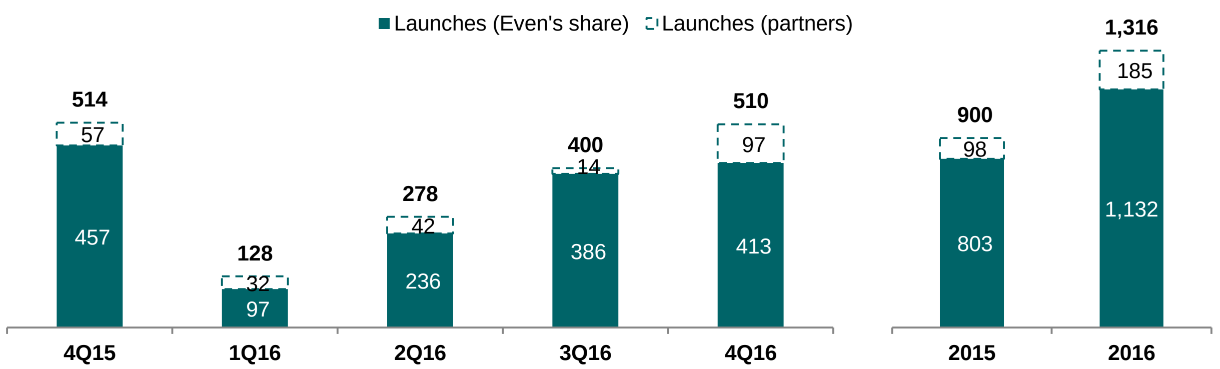
[1] Excluding only the effects of the financial charges recognized under costs (corporate debt and financing for lot acquisitions and production).
[2] Includes deduction of the effective rate of PIS and COFINS tax for each project in the respective periods, and excludes effects from adjustment to present value.
[3] Divergent from Note 23.2 due to the exclusion of "Assignment of Receivables", therefore consisting of the sum of liabilities related to loans, financings and debentures, net of cash and cash equivalents.
[4] Cash burn less dividends and repurchase of shares.
[5] PSV: "Potential Sales Value", i.e. the result or potential result from the sale of all units of a real estate development, based on the list price at the time of launch.
[6] Amount not considering lot development.
[7] Value of the contracts signed with clients involving sales of finished units or units for future delivery from a specific project (net of sales commissions).
[8] Amount considering sales price at the time of launch.

OPERATING PERFORMANCE

LAUNCHES

The following table lists 2016 launches by quarter:

Project	Region	Total PSV (R$ '000)	Even's PSV (R$ '000)	Usable area (sqm)	Units	Average unit value (R$ '000)	Segment
1st quarter		**128,351**	**96,765**	**330,125**	**674**	**190**	
Blue Xangrilá	RS	63,083	50,466	195,212	351	180	Lot Development
Central Park (1st phase)	RS	15,966	12,773	127,189	229	70	Lot Development
Supreme Central Parque	RS	49,302	33,525	7,724	94	524	Middle
2nd quarter		**277,729**	**235,995**	**159,378**	**789**	**352**	
Candido 58	RS	60,818	41,357	5,791	52	1,170	High
Central Park (2nd phase)	RS	15,148	12,118	127,189	212	71	Lot Development
DOC Santana	RS	32,206	25,764	3,739	67	481	Commercial
Boulevard Vila Maria	SP	105,547	105,547	16,701	310	340	Emerging
Maxplaza (2nd phase)	RS	39,637	31,710	3,536	140	283	Hotel
Belavistta	RS	24,373	19,499	2,422	8	3,047	High
3rd quarter		**400,185**	**385,883**	**48,967**	**615**	**651**	
Supreme Higienopolis	RS	71,512	57,209	12,358	137	522	Emerging
E Vila Madalena	SP	155,835	155,835	12,695	85	1,833	High
Praça Butantã	SP	172,838	172,838	23,914	393	440	Emerging
4th quarter		**510,071**	**413,105**	**146,914**	**1,392**	**366**	
Mirada Tatuapé	SP	96,466	96,466	13,772	251	384	Emerging
You Botafogo	RJ	172,766	172,766	11,564	127	1,360	High
Vida Viva Horizonte	RS	60,892	48,713	8,862	117	520	Mixed Use
Gran Park Lindoia	RS	113,155	76,946	14,547	325	348	Middle
Reserva Bela Vista	RS	30,326	9,462	61,354	376	81	Lot Development
Reserva do Lago	RS	22,777	5,466	22,177	127	179	Lot Development
Reserva da Mata	RS	13,688	3,285	14,638	69	198	Lot Development
Total accrued in 2016		**1,316,335**	**1,131,747**	**685,384**	**3,470**	**379**	



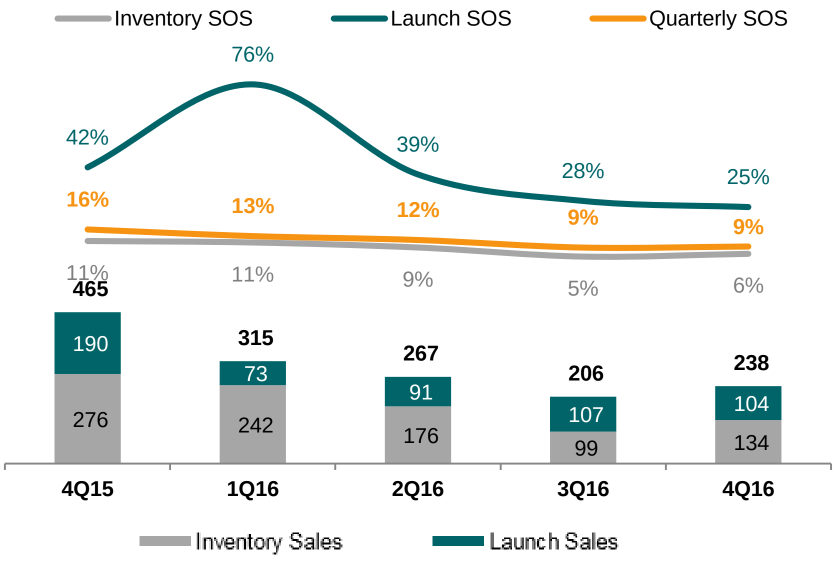
In 2016 launches again exceeded the mark of R$ 1 billion, totalling R$ 1.13 billion. The good sales speed of 2016 launches (which until today are already more than 40% sold) confirms that the company has launched only projects with good market acceptance.

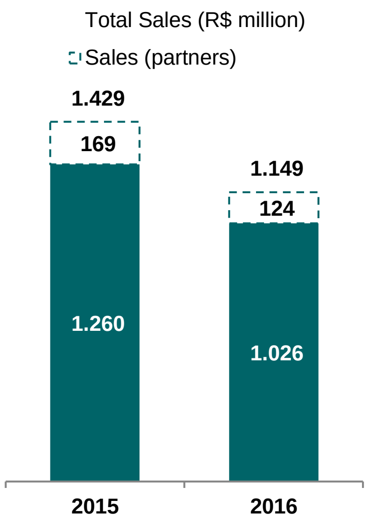
NET SALES

Contracted sales totaled R$ 275.5 million in the fourth quarter (R$ 238.1 million, Even's share).

The sales speed (SOS – sales over supply ratio) of the launches came to 25.2% and the SOS of the remaining units (inventory) was 6.1%. The quarter's combined SOS came to 9.1%

In 2016, net sales totaled R$ 1.026 billion and gross sales R$ 1.64 billion, both in the Even's share, showing that despite the 2016 market situation, our inventory remains liquid and demanded.





The table below shows the breakdown of sale by business unit:

Business unit	Total sales (R$ '000)		Even Sales (R$ '000)		Usable area (sqm)		Units	
	4Q16	2016	4Q16	2016	4Q16	2016	4Q16	2016
São Paulo	143,769	640,183	137,445	636,944	19,921	86,418	309	1,361
Rio de Janeiro	47,835	98,256	47,246	93,475	4,555	12,106	42	158
Rio Grande do Sul	68,215	319,277	48,327	228,556	14,484	73,184	115	511
Minas Gerais	(551)	4,710	(251)	4,649	(148)	588	4	12
Lot development	16,233	87,052	5,324	61,979	28,903	360,031	153	691
Total	**275,502**	**1,149,479**	**238,092**	**1,025,603**	**67,716**	**532,326**	**623**	**2,733**

The table below gives a breakdown of sale by launch year:

Year of launch	Total sales (R$ '000)		Even Sales (R$ '000)		Usable area (sqm)		Units	
	4Q16	2016	4Q16	2016	4Q16	2016	4Q16	2016
Up to 2012	32,049	144,546	21,026	117,341	4,415	23,346	28	158
2013	7,468	118,085	13,267	129,145	2,932	17,847	49	302
2014	38,506	198,743	38,627	195,351	4,072	22,665	62	334
2015	11,210	133,145	10,222	118,757	1,001	18,279	21	276
2016	186,268	554,959	154,949	465,010	55,296	450,190	463	1,663
Total	**275,502**	**1,149,479**	**238,092**	**1,025,603**	**67,716**	**532,326**	**623**	**2,733**

Finally, the table below gives a breakdown of sale by launch segment:

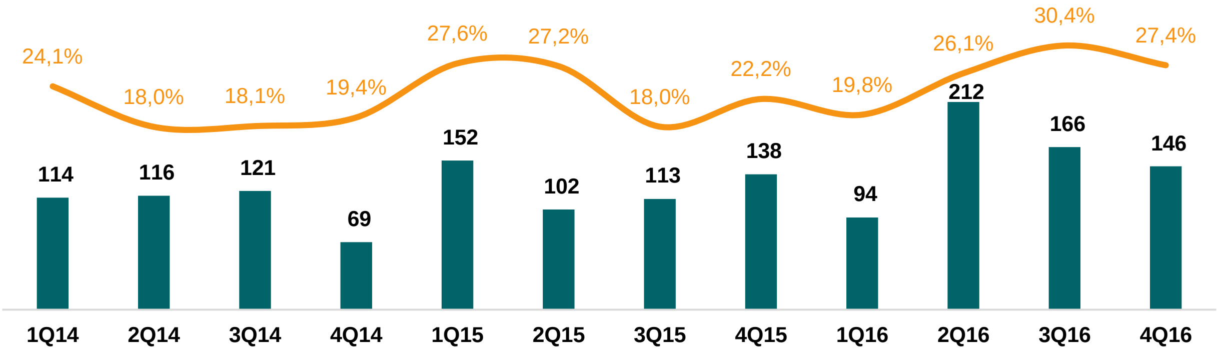
Segment	Total sales (R$ '000)		Even Sales (R$ '000)		Usable area (sqm)		Units	
	4T16	2016	4T16	2016	4T16	2016	4T16	2016
Affordable housing	12,454	45,106	12,608	44,434	1,990	6,973	43	166
Emerging	187,983	454,907	168,350	431,524	23,992	68,935	411	1,207
Middle	9,711	61,532	8,939	44,415	1,252	9,819	22	99
Upper-middle	3,255	110,645	3,723	102,022	1,379	15,031	4	169
High	17,553	129,967	15,684	103,778	1,559	13,993	10	89
Luxury	25,151	168,590	19,465	160,220	2,641	14,948	11	81
Mixed use	(2,935)	8,879	(1,505)	12,696	(231)	2,926	(6)	9
Hotel	1,926	37,367	1,765	29,988	113	3,418	4	137
Lot development	16,466	91,175	5,365	62,701	29,001	363,163	154	697
Office	3,938	41,310	3,698	33,824	6,019	33,120	(30)	79
Total	**275,502**	**1,149,479**	**238,092**	**1,025,603**	**67,716**	**532,326**	**623**	**2,733**

CANCELLATIONS

Even understands that the analysis of cancellations should not be based on the ratio between cancellations and gross sales in current quarters, as we believe cancellations in a given quarter have no relation with sales in the same period. Given that the majority of cancellations occur close to the delivery of projects, our analysis considers the ratio between cancellations and volume delivered in the last six months. Considering a period longer than one quarter is a way to minimize distortions.

It is worth highlighting that current cancellations are caused mainly because of the difference between purchase prices (in which contracts are readjusted by the INCC index since the purchase date) and current market prices of the unit. The Company sees as property prices have been rising at inflation levels since the end of 2015, and the number of clients who purchased units at new adjusted prices, already impacted by the economic crises and in line with current market conditions, are an increasingly representative amount of the Company's total receivables. These factors contribute to the expectation that the volume of cancellations will drop in 2017.

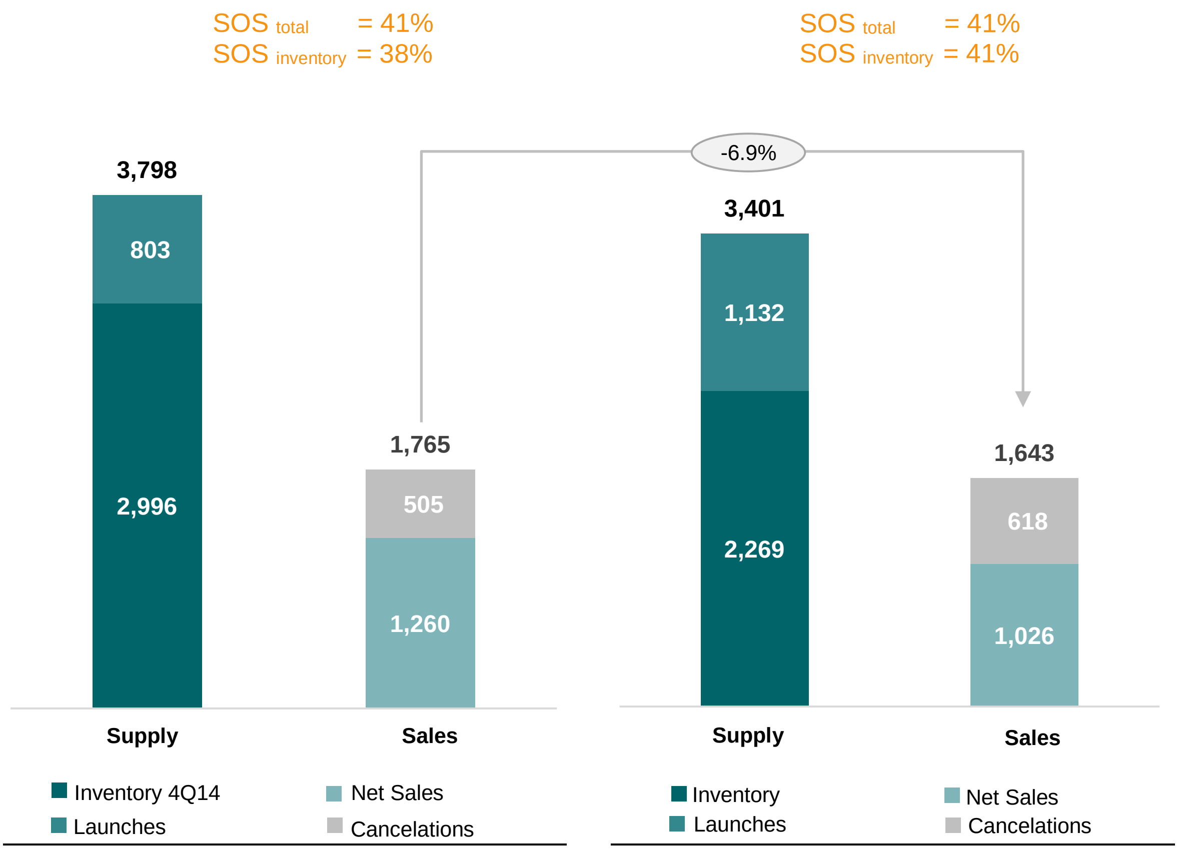
(Even's share)	2014				2015				2016			
(R$ million)	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16
Deliveries	367	913	398	582	217	716	479	651	520	650	593	547
Gross Sales	455	494	391	577	406	364	392	603	409	479	372	384
Total Cancellations	(114)	(116)	(121)	(69)	(152)	(102)	(113)	(138)	(94)	(212)	(166)	(146)
Net Sales	341	378	270	508	254	262	279	465	315	267	206	238
Cancellations/Deliveries (2 quarters)	**24.1%**	**18.0%**	**18.1%**	**19.4%**	**27.6%**	**27.2%**	**18.0%**	**22.2%**	**19.8%**	**26.1%**	**30.4%**	**27.4%**



GROSS SALES

In 2016, gross sales totaled R$1.64 billion with SOS of 41%.

The good gross sales volume performance for 2016 and the 3p.p. increase in inventory SOS, when compared to 2015, shows that the Company has quality products at price levels that customers are willing to pay.



Inventory & Gross Sales 2015
(Even's share – R$ million)

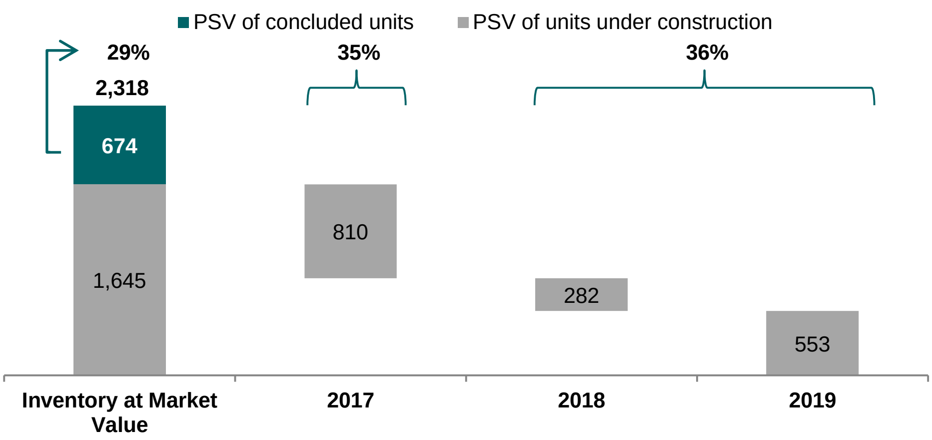
Inventory & Gross Sales 2016
(Even's share – R$ million)

INVENTORY

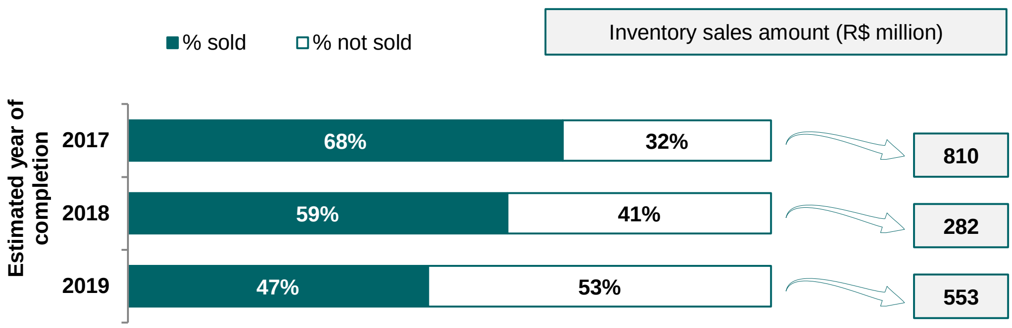
The inventory ended the 2016 totalling R$ 2.318 billion in potential sales value (Even's share), equivalent to 16.9 months of sales, based on the pace of gross sales in the last 12 months.

Estimated year of completion	Inventory at market value (R$ '000)	% Value	Projects	Units	% Units
Completed units	673,779	29%	94	1,740	33%
2017	809,872	35%	27	1,624	31%
2018	281,573	12%	15	1,047	20%
2019	553,139	24%	10	902	17%
Total	**2,318,362**	**100%**	**146**	**5,313**	**100%**

Inventory of completed units is above the level that the Company considers to be ideal. It is important emphasize that this inventory has been highly impacted by cancellations during the year (which occur mostly close to the delivery of the projects). The Company is always searching for the ideal balance between SOS and the NPV generated from this inventory, always taking into consideration the country's high capital costs rates. However, due to our strong delivery volume and the currently elevated percentages of cancellations, we do not expect a decrease in inventory of completed units over the upcoming quarters.



The graph below shows the percentage of projects sold by expected year of completion:



The units for sale indicate a potential gross margin of 21.5%, assuming the total cost of units in inventory. When calculating the gross margin, we first deducted the PIS and COFINS taxes for each project, as well as commissions paid to real estate brokers.

The table below gives a breakdown of inventory PSV by year of launch:

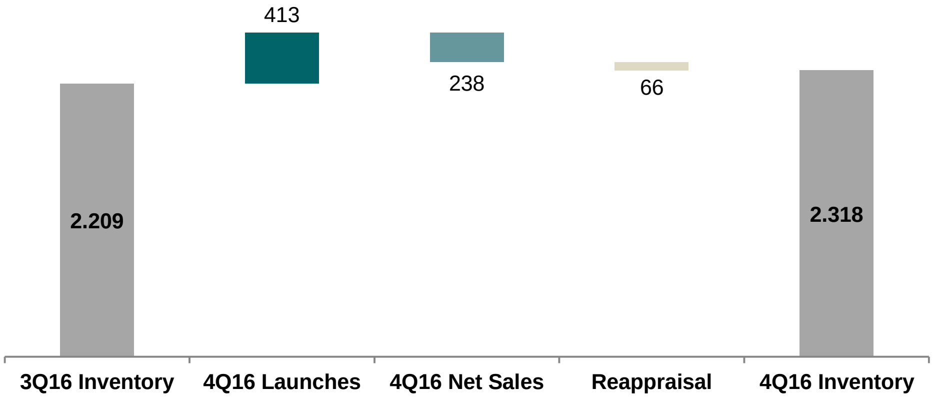
Launch	Total PSV (R$ '000)	Even's PSV (R$ '000)	Projects	Units	% Units
Up to 2011	154,110	101,511	46	300	6%
2012	204,078	182,932	24	502	9%
2013	602,510	476,627	26	961	18%
2014	651,779	627,975	21	1,174	22%
2015	312,844	285,142	9	631	12%
2016	728,991	644,175	20	1,745	33%
Total	**2,654,312**	**2,318,362**	**146**	**5,313**	**100%**

The following table shows our inventory by business unit:

Business unit	Total PSV	Even's PSV	Completed inventory		Inventory under construction	
	(R$ '000)	(R$ '000)	Projects	Units	Projects	Units
São Paulo	1,453,486	1,324,760	57	985	16	1,645
Rio de Janeiro	508,950	508,137	13	349	9	637
Rio Grande do Sul	605,510	431,040	17	315	21	618
Minas Gerais	20,172	19,903	7	91	-	-
Lot development	66,194	34,523	-	-	6	673
Total	**2,654,312**	**2,318,362**	**94**	**1,740**	**52**	**3,573**

It is worth noting that the company is constantly reappraising its inventory in order to reflect the best expected sales price, given the current state of the market.

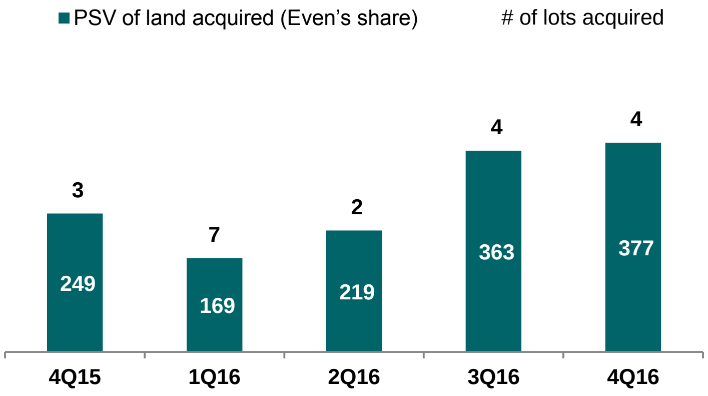
Inventory – quarterly variation
(PSV - Even's share in R$ million)

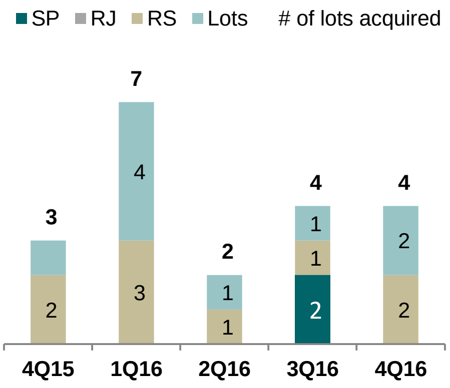


The reappraising of our inventory this quarter (negative in R$ 66 million) is due to the return of cancelled units to the inventory, which has its current market price is below the price practiced at the time of sale and to the revaluation of our inventory in Rio de Janeiro.

LAND BANK

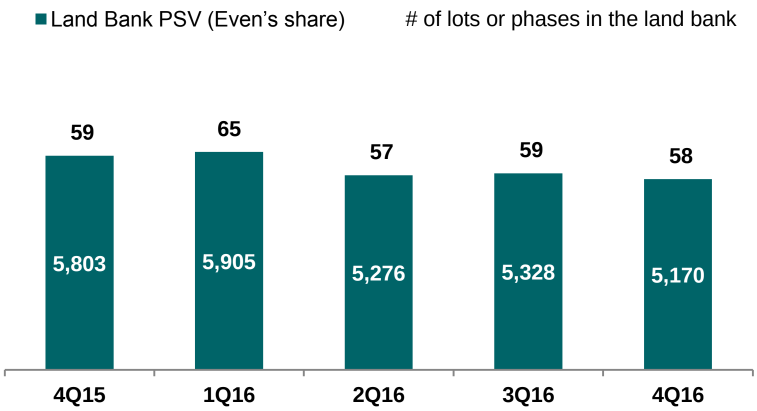
In the fourth quarter, we acquired 4 new sites mainly through swaps, totaling a potential sales value of R$ 377 million (Even's share). In 2016, 17 new sites were acquired with a total PSV of R$1.13 billion (Even's share).





As a result, our land bank closed 4Q16 with PSV of R$ 6.0 billion (R$ 5.2 billion Even's share) spread through 58 different projects or phases with an average PSV of R$ 102.8 million, in line with our diversification strategy of not concentrating a large amount of PSV in any single undertaking.

Land Bank Evolution



The table below gives a breakdown of our land bank by product segment:

Segment	# of launches	Area (sqm)		Units	Expected PSV (R$ '000)		%
		Lot	Usable		Total	Even	
Affordable Housing	1	5,014	8,644	137	24,282	24,282	0.4%
Emerging	12	144,363	195,042	3,132	1,198,530	1,154,024	20%
Middle	10	86,648	160,250	3,117	1,057,883	882,924	18%
Upper-middle	15	241,472	266,962	3,121	1,984,911	1,902,662	33%
High	3	10,415	28,415	147	242,101	214,516	4%
Luxury	1	4,861	10,461	56	146,556	146,556	2%
Mixed use	6	122,681	110,008	1,845	825,823	538,466	14%
Lot development	9	1,541,319	735,989	2,298	309,073	187,045	5%
Office	1	32,085	20,896	400	176,030	119,701	3%
Total	**58**	**2,188,857**	**1,536,666**	**14,251**	**5,965,189**	**5,170,174**	**100%**

The table below gives a breakdown of our land bank by location:

Region	# of launches	Area (sqm)		Units	Expected PSV (R$ '000)		%
		Lot	Usable		Total	Even	
São Paulo	17	197,024	329,063	4,182	2,249,091	2,208,691	38%
Rio de Janeiro	8	83,304	137,275	1,911	922,188	922,188	15%
Rio Grande do Sul	31	1,890,791	1,033,160	7,773	2,489,620	1,735,005	42%
Minas Gerais	2	17,739	37,168	386	304,290	304,290	5%
Total	**58**	**2,188,857**	**1,536,666**	**14,251**	**5,965,189**	**5,170,174**	**100%**

COMMITMENT BY LAND ACQUISITION

In accordance with the prevailing accounting regulations, sites are recognized only when the final deed is obtained, irrespective of the progress of the negotiations.

The position of land inventory (Even's share) and the balance of net debt from land (launched and not launched), based on the sites already acquired, as well as advances made and commitments assumed by the company on December 31, 2016, are shown below:

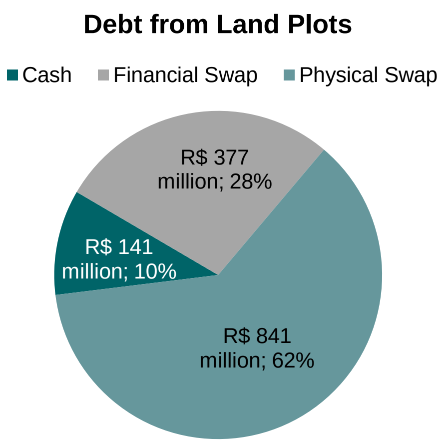
	Lots not launched	
	On balance	Off balance
Advances for land acquisition[1]	3,554	N/A
Land inventory[2]	691,207	N/A
Lots without deed (off balance) [3]	N/A	982,828
Total land (at cost)	**1,677,589**	

[1] Note 7 - lots of projects not yet launched without deed (installments paid are recognized in the accounting books).
[2] Note 7 - lots of projects not yet launched with deed (recognized in the accounting books).
[3] Note 21 (b) - lots of projects not launched (off-balance).

	Lots not launched		Lots launched	Total land debt
	On balance	Off balance	On balance	
Land debt	**(40,918)[1]**	**(982,828)**	**(335,509)**	**(1,359,254)**
Cash	*(16,981)*	*(38,706)*	*(85,411)* [3]	*(141,099)*
Financial swap	*(23,936)*	*(306,673)*	*(46,341)* [3]	*(376,951)*
Physical swap	-	*(637,448)*	*(203,756)* [4]	*(841,204)*
Total land debt	**(1,023,745)**		**(335,509)**	**(1,359,254)**

[1] Note 9 - debt of lots for which the project has not yet been launched and which have a title deed (included under liabilities, which also reflects the debt from lots whose projects have already been launched).
[2] Note 21 (b) - lots of projects not launched yet (commitment not reflected in the accounts and complements the amount paid under the item Land Bank).
[3] Note 9 - debt of lots for which the project has not yet been launched and which have a title deed.
[4] Note 6 (a) - physical swap unearned amount.

The graph below shows our land payment cash commitments:



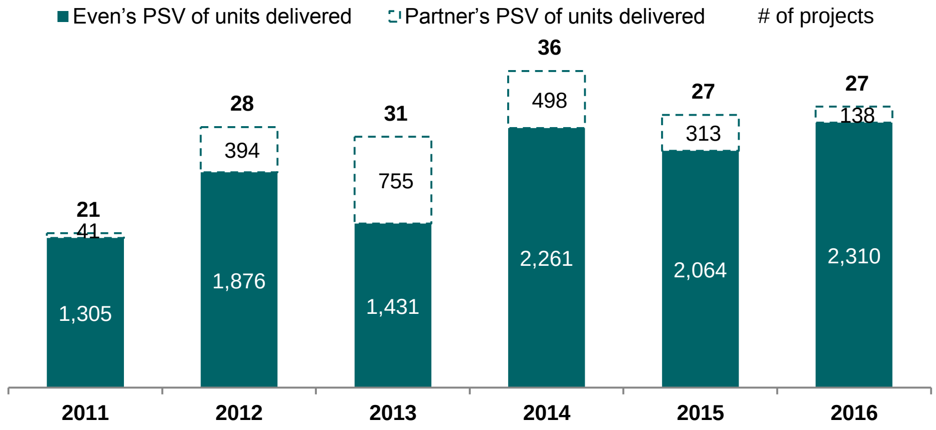
DELIVERY AND EXECUTION OF PROJECTS

The table below shows certain details of Even's operating capacity:

	2011	2012	2013	2014	2015	2016
Active construction sites	72	76	70	61	50	43
Projects delivered	21	28	31	36	27	27
Units delivered	2,932	6,425	6,673	7,057	4,680	5,433
Total PSV of units delivered (R$ million)[1]	1,346	2,270	2,186	2,758	2,377	2,447
Even's PSV of units delivered (R$ million)[1]	1,305	1,876	1,431	2,261	2,064	2,310

[1] Amount considering sale price at the time of launch.

Delivery of Projects[1]
(Launched PSV in R$ million)

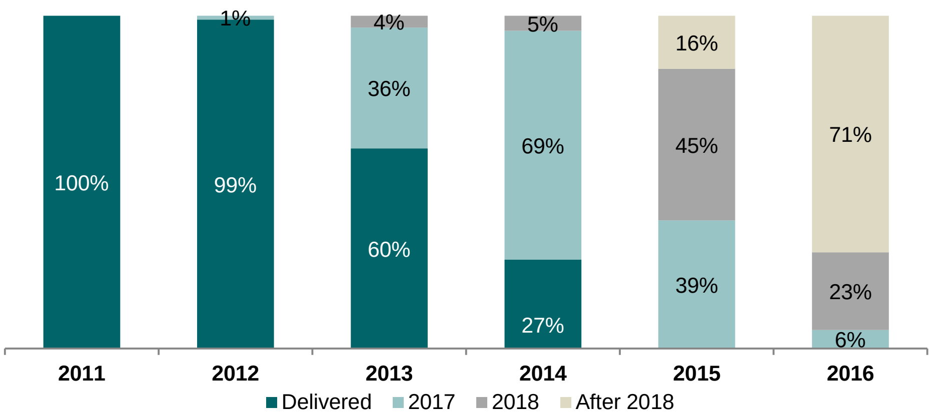


[1] Amount considering sale price at the time of launch.

We delivered 6 projects in 4Q16 comprising PSV[1] of R$ 547 million Even's share and 1,041 units.
In 2016 the volume of deliveries was record, reaching R$ 2.3 billion in PSV[1] Even's share and totaling 5,433 units. In 2017 it is expected the PSV[1] of R$ 2.6 billion Even's share of deliveries.

The graph below gives a breakdown of deliveries by launch year.

Deliveries by Launch Year



(in R$ '000)	2011	2012	2013	2014	2015	2016
Launched PSV (Even's share)	2,070,453	2,516,821	2,422,902	2,079,465	802,536	1,131,747

[1] Value considering sales prices at launch time.

TRANSFERS AND RECEIPT

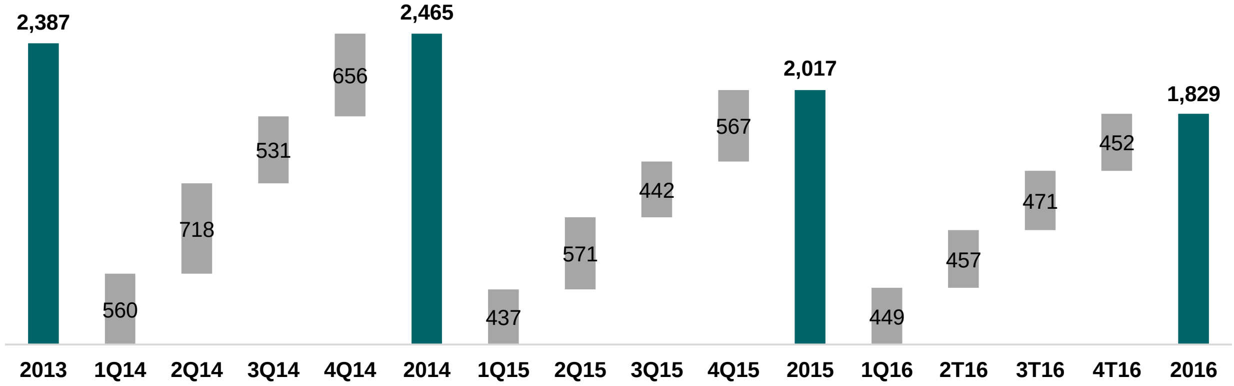
The transfer process (bank loans to clients) has suffered the impact of current adverse market conditions and, therefore, there was a worsening than historically observed. It is worth mentioning that the process remains as a priority for the company given its relevance to the cash flow.

The information provided below only take into account the units that are eligible for transfer at delivery date.

Percentage of transfers concluded after delivery (per number of units eligible for transfer at delivery date)				
	30 days	60 days	90 days	On Mar 20, 2016
1Q14	31%	71%	85%	**100%**
2Q14	39%	67%	84%	**100%**
3Q14	38%	73%	87%	**99%**
4Q14	36%	67%	84%	**99%**
1Q15	29%	86%	86%	**100%**
2Q15	50%	72%	83%	**83%**
3Q15	45%	65%	81%	**89%**
4Q15	22%	49%	69%	**92%**
1Q16	27%	43%	53%	**78%**
2Q16	24%	35%	48%	**72%**
3Q16	18%	31%	34%	**64%**
4Q16	14%	N/A	N/A	**62%**

As the following table shows, our total receivables from clients (units under construction and completed) came to R$ 1.826 million (R$ 448.9 million in 4Q16).

Receipt per period (R$ '000)									
	2012	2013	2014	2015	1Q16	2Q16	3Q16	4Q16	2016
Units under construction	712,406	1,082,562	849,151	662,221	129,147	124,126	103,497	116,997	473,768
Completed units	1,241,414	1,304,886	1,615,947	1,355,243	319,720	333,332	367,485	335,168	1,355,705
Total	**1,953,820**	**2,387,449**	**2,465,098**	**2,017,465**	**448,868**	**457,458**	**470,983**	**452,165**	**1,829,474**

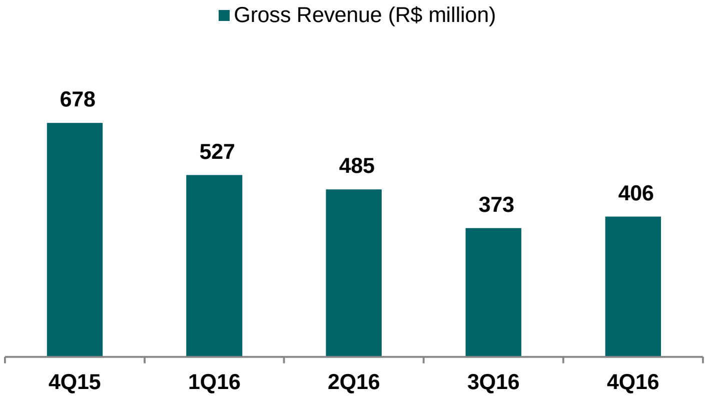


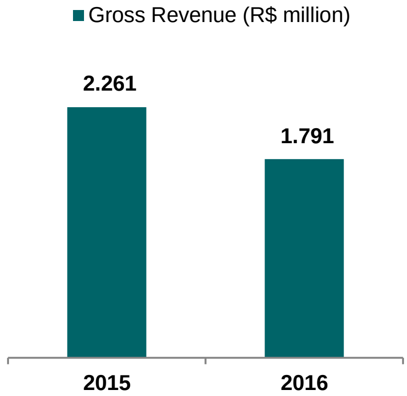
In 2016, the pace of collection at the delivery moment was slower, mainly due to the longer time for the client to make a decision of transferring.

ECONOMIC-FINANCIAL PERFORMANCE

REVENUE

Fourth quarter gross operating revenue from sales and services totaled R$ 406.4 million. In 2016, gross operating revenue came to R$ 1.791 billion. It is worth to remember that the higher volume of cancellations in the year / quarter had negatively influenced the revenue.





The table below shows a breakdown of revenue delivering only from sales of real estate properties:

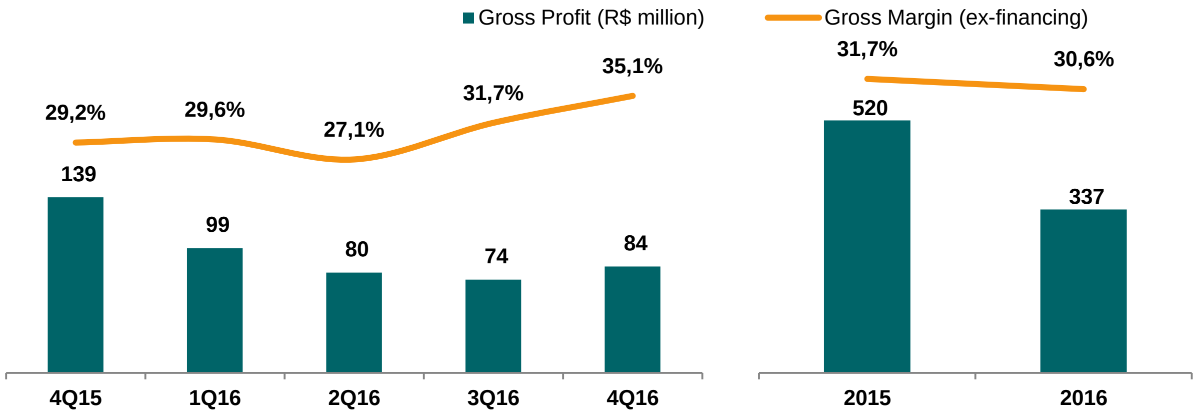
Year of launch	Recognized Gross Revenue (Development)									
	4Q15		1Q16		2Q16		3Q16		4Q16	
	R$ ‘000	%	R$ ‘000	%	R$ ‘000	%	R$ ‘000	%	R$ ‘000	%
Up to 2011	53,373	8%	12,767	2%	26,790	6%	3,735	1%	2,659	1%
2012	171,415	26%	86,351	17%	24,072	5%	-1,417	0%	16,054	4%
2013	202,619	31%	211,956	41%	189,117	40%	94,720	26%	68,013	17%
2014	131,963	20%	111,246	22%	125,685	26%	144,281	40%	138,526	35%
2015	102,125	15%	35,585	7%	51,539	11%	52,573	15%	55,052	14%
2016	-	-	57,873	11%	58,053	12%	68,030	19%	118,487	30%
Total	**663,496**	**100%**	**515,777**	**100%**	**475,256**	**100%**	**361,922**	**100%**	**398,791**	**100%**

Net operating revenue after taxes totaled R$ 394.1 million in 4Q16. In 2016, net operational revenue totalled R$ 1.743 billion.

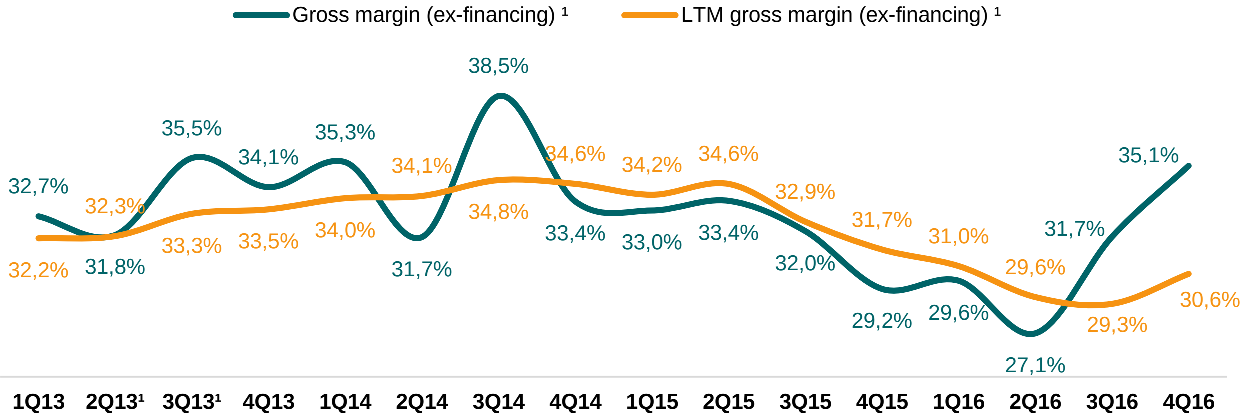
GROSS PROFIT AND GROSS MARGIN

Gross profit came to R$ 84.4 million in 4Q16, 14% higher than in 3Q16 (R$ 74.0 million). Annual gross profit R$ 336.9 million, 35% down on that the same period in 2015.

Fourth quarter gross margin stood at 35.1%, excluding the effects of financial charges appropriated to cost (corporate debt and production financing). According to the same criteria, 2016 gross margin came to 30.6%, 1.1 p.p. down on 2015.



The table below shows figures since 1Q13 (16 quarters).



[1] 2Q13 and 3Q13 figures are not adjusted to the new accounting practices.

The table below presents the (i) booked gross margin, (ii) the backlog margin (REF) and (iii) the inventory gross margin (including the effects of financial charges apportioned to costs).

4th quarter of 2016 (R$ million)	Gross Margin	Backlog Margin [1]	Inventory Gross Margin [2, 3]
Net revenue	**394.2**	**1.296.1**	**2.595.4**
Cost of goods sold	**(309.7)**	**(875.4)**	**(2.222.5)**
Construction and lot	(255.7)	(875.4)	(2.037.4)
Production financing	(27.3)	-	(65.5)
Corporate debt	(26.7)	-	(119.6)
Gross profit	**84.4**	**420.7**	**372.9**
Gross margin (%)	*21.4%*	*32.5%*	*14.4%*
Gross margin (%) excluding financing (production and corporate)	**35.1%**	**32.5%**	**21.5%**

[1] When realized, backlog and inventory margins will benefit from service revenue and the indexation of the portfolio to the INCC.
[2] Excluding the cost of unlaunched phased project units amounting to R$ 644.0 million.
[3] Costs incurred and to be incurred.

It is important to note that Even updates the budgeted cost of projects every month not only based on the period variation in the INCC, but also considering the actual budgeted cost effectively updated by the technical department. Thus, our budgeted cost reflects the real impact on labor, raw materials and equipment, as well as possible changes made by the technical department during the course of the project. This systematic calculation results in a lower fluctuation of the margins reported, regardless of market changes and constant cost pressures in the industry.

The table below shows annual costs to be incurred from all projects under construction, including units sold and units in inventory.

Year	Costs to be incurred (4Q16)		
	Units sold (R$ million)	Inventory units (R$ million)	Total [1] (R$ million)
2017	482.5	320.0	802.5
2018	271.4	269.6	541.0
2019	88.4	117.6	205.9
2020	27.4	47.2	74.7
2021	4.1	7.4	11.4
Total	**873.8**	**761.8**	**1,635.6**

[1] Including the total cost in phased projects (R$ 271.1 million).

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

In 2016, operational expenses totalled R$ 390.0 million, R$ 35.8 million down compared to 2015 (-8%). The breakdown is as follows:

	4Q15	1Q16	2Q16	3Q16	4Q16	2016	2015
Selling expenses	61,131	28,332	37,464	38,262	52,675	156,733	173,690
General and administrative	33,047	36,914	39,178	32,569	29,943	138,604	161,858
Management compensation	5,681	1,177	1,137	1,432	2,289	6,035	11,245
Other operating (income) expenses	51,009	16,122	21,534	16,198	34,789	88,643	79,035
Operating expenses	**150,868**	**82,545**	**99,313**	**88,461**	**119,696**	**390,015**	**425,828**
% of Net Revenue	22.8%	16.1%	21.0%	24.4%	30,4%	17,7%	19.3%

Selling expenses
The increase in commercial expenses in 4Q16 compared to the previous quarters of the year was due to the higher volume of launches in the quarter. It is worth mentioning that commercial expenses fell 10.0% in 2016 (in relation to 2015) even with the volume of launches 41.0% higher.

General and administrative expenses and management compensation
The general and administrative caption added to management compensation decreased nominally by 16.5% in 2016 when compared to 2015. The adjustment in expenses is a result of management's strong work to seek efficiency gains in the company's operations.

Other operating expenses (revenues)
In 4Q16, the main expenses that comprised this item were R$ 12 million of contingencies and legal agreements, R$ 10 million of new cancellations provisions, R$ 6 million related to the sale of land and R$ 2 million with guarantee expenses.

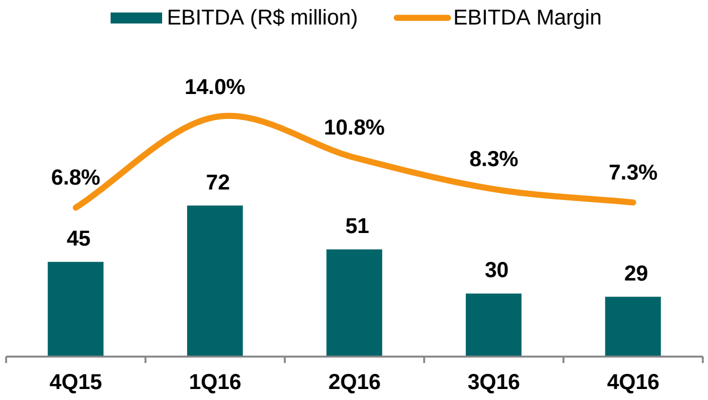
FINANCIAL RESULT

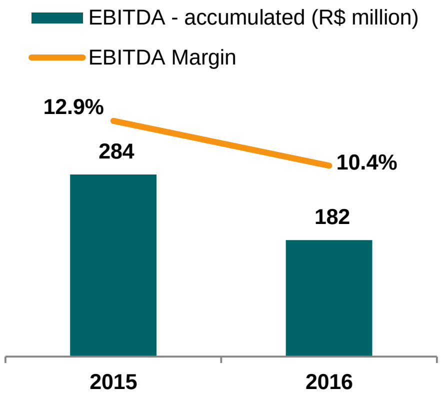
In the fourth quarter, the financial result was positive by R$ 23.7 million, flat when compared to the R$ 23.5 million posted in 3Q16.

In 2016, the net financial result was a gain of R$ 108.1 million, versus a gain of R$ 102.5 million in 2015 (5% higher).

EBITDA

The graphs below show EBITDA trends:



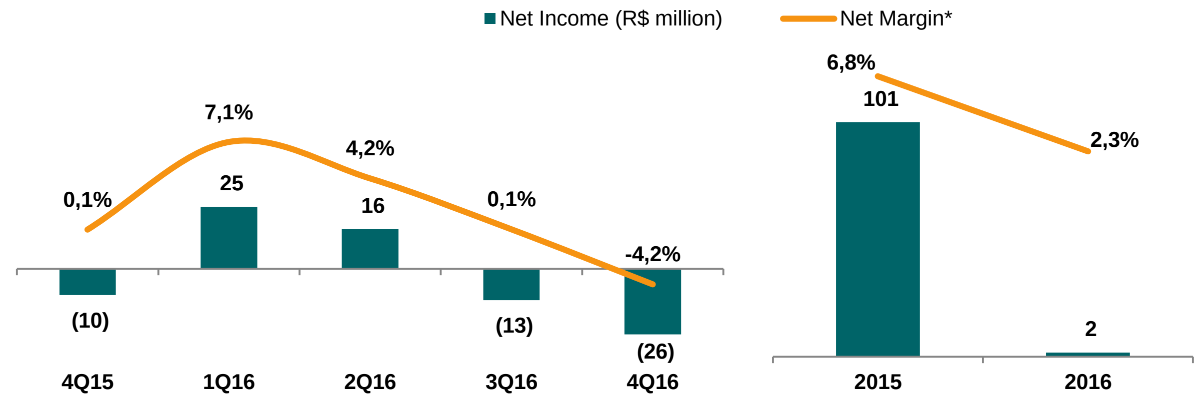


EBITDA reconciliation [1]	4Q15	1Q16	2Q16	3Q16	4Q16	2016	2015
Earnings before income taxes and social contribution	**14,754**	**47,278**	**29,964**	**9,096**	**(4,966)**	**81,373**	**196,501**
(+) Financial result	(26,476)	(31,008)	(29,879)	(23,520)	(23,715)	(108,122)	(102,540)
(+) Depreciation and amortization	2,838	2,561	2,614	3,523	3,187	11,885	11,483
(+) Expenses apportioned to cost	54,028	53,172	48,413	41,001	54,017	196,603	178,723
EBITDA	**45,144**	**72,004**	**51,112**	**30,100**	**28,522**	**181,738**	**284,167**
EBITDA margin (%)	**6.8%**	**14.0%**	**10.8%**	**8.3%**	**7.2%**	**10.4%**	**12.9%**
LTM EBITDA	**284,167**	**284,473**	**255,600**	**198,360**	**181,738**	**181,738**	**284,167**
LTM EBITDA margin (%)	**12.9%**	**12.6%**	**11.5%**	**9.9%**	**10.4%**	**10.4%**	**12.9%**

[1] EBITDA: earnings before taxes, interest, financial charges recognized to cost, depreciation and amortization.

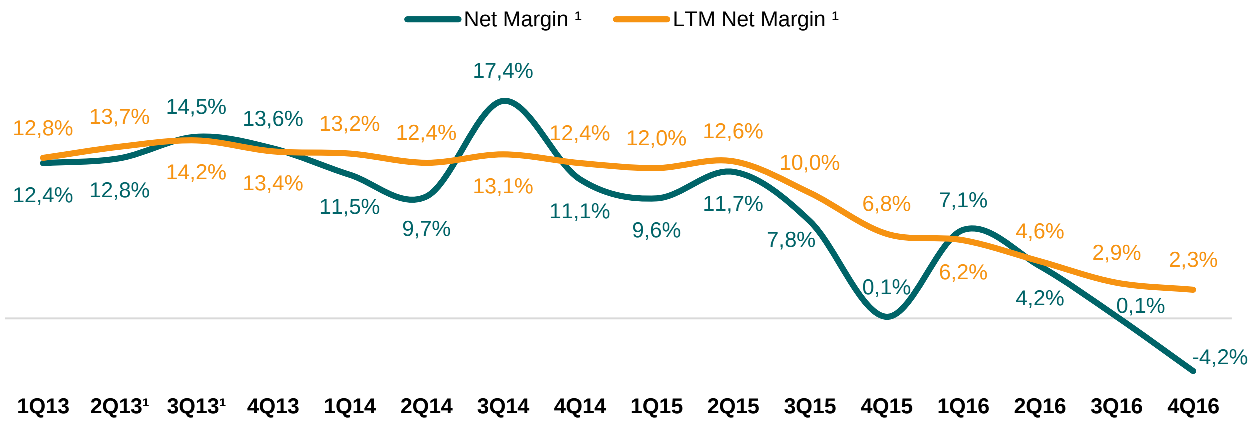
NET INCOME AND NET MARGIN

In 2016, net income totaled R$ 1.9 million, as already mentioned, heavily impacted by the cancellations of the year. The net margin (before minority interest) was 2.3%, 4.5 p.p. down in comparison with 2015.



* Since net revenues considers minority interest, the net margin is also related to the net income before minority interest.

The table below presents the net margin history as of 1Q13 (16 quarters).



[1] Net Margin: based on net income before minority interest.
[2] 2Q13 and 3Q13 figures are not adjusted to the new accounting practices.

FINANCIAL STRUCTURE

On December 31, 2016, cash and cash equivalents totaled R$ 608.9 million (including R$ 22.4 of restrict cash), 16% higher when compared to September 30, 2016.

Loans, production financing and debentures came to R$ 1.987 billion (4% higher than the R$ 1.904 billion posted on September 30, 2016), of which R$ 1.159 billion referred to production financing debt (Housing Finance System - SFH), which is fully guaranteed by the project's own receivables, and the remaining R$ 828.0 million corresponding to land, debentures, CRI debt and swaps.

The table below shows our capital structure, leverage and receivables from completed units on December 31, 2016:

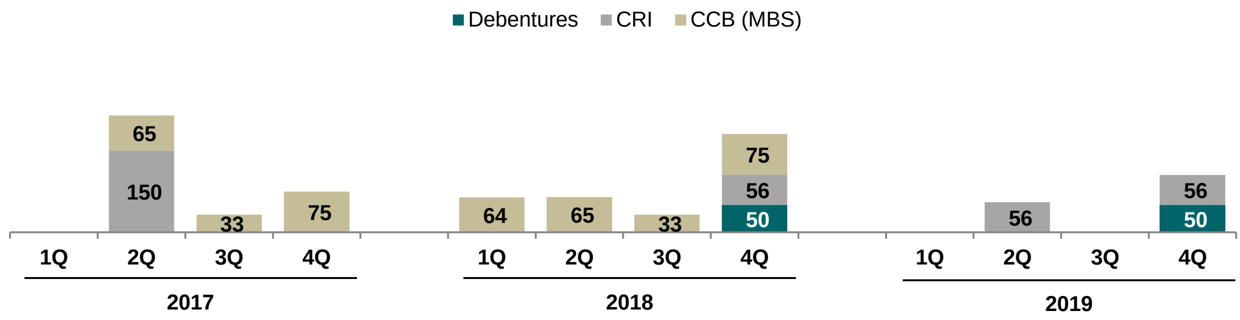
On 12/31/2016	(R$ million)	
Financing to production	1,158.9	58%
CCB Mortgage Backed Security	409.1	21%
Debentures	98.4	5%
CRI	320.5	16%
Gross Debt	**1,987.0**	**100%**
Cash	(608.9)	
Net Corporate Debt *	**219.1**	
Net Debt	**1.378.1**	
Shareholders' Equity	**2.419.6**	
Net Corporate Debt * /Shareholders' equity	**9.1%**	
Net debt /Shareholders' equity	**57.0%**	

Receivables from completed units on 12/31/2016
R$ 771.5 million

* Ex Financing to production

Below it is possible to see the flow of amortization of our debts:

Amortization of Debentures, CRI, Bank Credit Certificates (CCB) and Swaps' Principal (R$ million)



Year	2017	2018	2019
% of total	39%	41%	20%
% accrued	39%	80%	100%

In the fourth quarter it was paid R$ 150.0 million of corporate debt principal and R$ 54.3 million of interest. In 2016, it was paid R$ 477.3 million between corporate debt principal and interest, and raised R$ 364 million in new debts. All the raised debts occurred in 4Q16.

CASH GENERATION / CASH BURN

Cash generation in 4Q16, excluding dividends and share buyback, was R$ 2.2 million. In 2016 cash generation, excluding dividends and share buyback, came to R$ 5.3 million, as shown in the table below:

Cash Burn (R$ million)	1Q16	2Q16	3Q16	4Q16	2016
Initial net debt	1,324.7	1,336.3	1,404.3	1,380.3	1,324.7
Final net debt	1,336.3	1,404.3	1,380.3	1,378.1	1,378.1
Cash Burn	**11.6**	**68.0**	**(24.0)**	**(2.2)**	**53.4**
Dividends	-	(37.3)	-	-	(37.3)
Share buyback	(17.1)	(1.9)	(2.3)	-	(21.3)
Cash Burn (ex-dividends and buyback)	**(5.4)**	**28.7**	**(26.3)**	**(2.2)**	**(5.3)**

In December, 2015, the company approved its 3rd share buyback program totaling up to 11,524,212 common shares (or 5% of the free float on the date when the program was approved), of which 6,706,277 shares were acquired.

On February 28, 2017, the company had 2,567,228 treasury shares, equivalent to 1.14% of all Even's shares.

ACCOUNTS RECEIVABLE FROM CLIENTS

We ended 4Q16 with receivables from completed units of R$ 771.5 million. These amounts are mostly in the process of being transferred to the banks (client financing).

Accounts to receive recognized (R$ 1.78 billion) remained stable over the previous quarter (-6.4%). The balance of accounts receivable from units sold and not yet completed is not fully reflected under assets in the financial statements, since the balance is recognized as construction progresses.

According to the schedule below, out of total receivables of R$ 3.108 billion (accounts to receive recognized + accounts to receive to be recognized in the balance sheet) R$ 300 million will be received during the construction period, i.e., receivables from unfinished units. The remaining R$ 2.8 billion has the following receivable schedule, considering full receipt within 120 days as of the project delivery date:

Receivables expected	Earned and unearned accounts receivable		Total accounts receivable (R$ million)
	During construction	After construction	
Year	(R$ million)	(R$ million)	
2017	198.0	1,318.1	1,516.1
2018	81.3	825.5	906.8
2019	20.3	454.2	474.6
2020	0.0	210.1	210.1
Total	**299.6**	**2,808.0**	**3,107.6**

The balance of accounts receivable is adjusted by the variation in the INCC until the delivery of the keys and subsequently by the variation in the price index adopted (IPCA or IGPM), plus annual interest of 12%, recognized on a pro rata *temporis* basis. The balance of accounts receivable is net of swaps.

It is worth noting that these amounts may be settled by the client, transferred to the banks (client financing) or securitized.

COMMITTEE

In order to improve corporate governance, the company set up throughout 2016 four Board committees: Audit Committee, Finance and Risk Committee, Personnel Committee and Related Parties Committee.

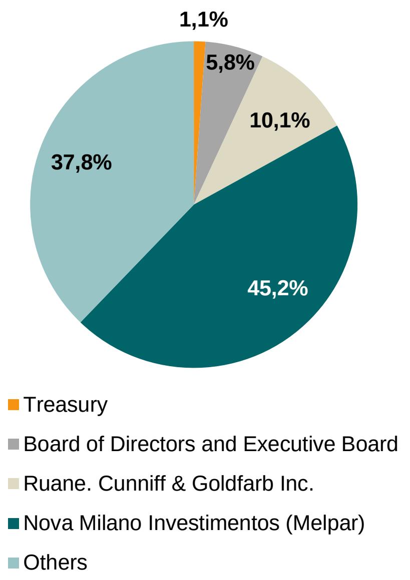
Each committee consists of at least one director and a non-executive specialist company. The duties of the committees are designated in their specific regulations. The committees report quarterly to the Council.

More details on the committees can be found on our IR website: www.even.com.br/ri

OWNERSHIP STRUCTURE

Ownership Structure

(On February 28, 2016, as per CVM 358 form
+ Shareholder information with more than 10% on 03/09/2016 - source BM&FBOVESPA)



(Total shares: 225,000,000)

OTHER INFORMATION

SUSTAINABILITY

Even's sustainability strategy is sustained by six pillars: (i) transparency; (ii) efficient customer service; (iii) valuing of the workforce; (iv) corporate social responsibility; (v) sustainable products; and (vi) sustainable cities. In order to ensure that its sustainability proposition is complied with, each pillar has clear objectives to be achieved.

The Sustainable Even platform (www.even.com.br/sustentavel) is now the main channel for disseminating Even's sustainability strategy to our internal and external stakeholders.

ATTACHMENTS

ATTACHMENT 1 – Income Statement

Consolidated Income Statement (in thousands of reais)

INCOME STATEMENT	1Q16	2Q16	3Q16	4Q16	4Q16	3Q16
Gross revenue from sales and/or services	**526,785**	**485,320**	**372,839**	**406,383**	**1,791,327**	**2,261,194**
Net revenue from sales and/or services	**513,266**	**472,970**	**362,697**	**394,155**	**1,743,088**	**2,205,111**
Development and resale of properties	515,777	475,256	361,921	398,791	1,751,745	2,220,869
Service rendering	11,008	10,064	10,918	7,592	39,582	40,325
Gross revenue deductions	(13,519)	(12,350)	(10,142)	(12,228)	(48,239)	(56,083)
Incurred cost of goods sold	**(414,490)**	**(393,331)**	**(288,668)**	**(309,714)**	**(1,406,203)**	**(1,684,858)**
Gross profit	**98,776**	**79,639**	**74,029**	**84,441**	**336,885**	**520,253**
Gross Margin	*19.2%*	*16.8%*	*20.4%*	*21.4%*	*19.3%*	*23.6%*
Gross Margin (ex-financing)	*29.6%*	*27.1%*	*31.7%*	*35.1%*	*30.6%*	*31.7%*
Operating Income (Expenses)	**(82,545)**	**(99,313)**	**(88,461)**	**(119,696)**	**(390,015)**	**(425,828)**
Selling	(28,332)	(37,464)	(38,262)	(52,675)	(156,733)	(173,690)
General and Administrative	(36,914)	(39,178)	(32,569)	(29,943)	(138,604)	(161,858)
Management Fees	(1,177)	(1,137)	(1,432)	(2,289)	(6,035)	(11,245)
Other operating income (expenses), net	(16,122)	(21,534)	(16,198)	(34,789)	(88,643)	(79,035)
Operating income (loss) before profit of subsidiaries, financial result	**16,231**	**(19,674)**	**(14,432)**	**(35,255)**	**(53,130)**	**94,425**
Share of profits of subsidiaries	**40**	**19,759**	**8**	**6,574**	**26,381**	**(464)**
Financial Result	**31,008**	**29,879**	**23,520**	**23,715**	**108,122**	**102,540**
Financial Expenses	(6,348)	(8,349)	(7,825)	(9,369)	(31,891)	(41,872)
Financial Income	37,356	38,228	31,345	33,084	140,013	144,412
Income before Income Tax and Social Contribution	**47,279**	**29,964**	**9,096**	**(4,966)**	**81,373**	**196,501**
Income Tax and Social Contribution	**(10,981)**	**(10,195)**	**(8,600)**	**(11,706)**	**(41,482)**	**(47,299)**
Current	(10,139)	(10,233)	(11,045)	(10,504)	(41,921)	(46,306)
Deferred	(842)	38	2,445	(1,202)	439	(993)
Net Income before Minority Interest	**36,298**	**19,769**	**496**	**(16,672)**	**39,891**	**149,202**
Minority Interest	(11,608)	(4,022)	(13,001)	(9,393)	(38,024)	(47,836)
Net income for the period	**24,690**	**15,747**	**(12,505)**	**(26,065)**	**1,867**	**101,366**
Net Margin	*4.8%*	*3.3%*	*-3.4%*	*-6.6%*	*0.1%*	*4.6%*
Net Margin (without minority interest)	*7.1%*	*4.2%*	*0.1%*	*-4.2%*	*2.3%*	*6.8%*

ATTACHMENT 2 – Balance Sheet

Consolidated Balance Sheet (in thousands of reais)

ASSETS	12/31/2015	03/31/2016	06/30/2016	09/30/2016	12/31/2016
Cash and cash equivalents	682,462	594,098	578,363	496,695	586,469
Restrict cash	-	-	-	25,628	22,447
Accounts receivable	1,818,879	1,823,186	1,745,487	1,548,276	1,676,853
Properties for sale	1,067,522	1,118,744	1,264,306	1,574,502	1,687,091
Taxes and contributions receivable	5,971	7,026	7,665	7,804	-
Other accounts receivable	32,675	44,278	31,155	49,194	36,130
Current assets	**3,607,509**	**3,587,332**	**3,626,976**	**3,702,099**	**4,008,990**
Restrict cash	-	-	-	1,554	-
Accounts receivable	234,903	253,467	291,623	352,303	101,768
Properties for sale	1,164,847	1,135,174	1,044,332	767,617	781,857
Current accounts with partners at the developments	5,632	8,441	17,260	20,173	-
Advances for future capital increase	25,613	11,109	11,054	12,555	200
Related parties	15,800	19,475	20,414	27,342	-
Other accounts receivable	28,771	27,007	26,552	31,104	69,726
Investments	20,510	35,105	21,185	20,102	24,370
Property, plant and equipment	23,904	22,279	21,821	23,541	24,691
Intangible assets	9,300	8,888	9,229	7,760	7,121
Non-current assets	**1,529,280**	**1,520,945**	**1,463,470**	**1,264,051**	**1,009,733**
Total Assets	**5,136,789**	**5,108,277**	**5,090,446**	**4,996,150**	**5,018,723**

LIABILITIES AND EQUITY	12/31/2015	03/31/2016	06/30/2016	09/30/2016	12/31/2016
Suppliers	66,385	73,184	78,287	59,634	45,441
Payables for land acquisition	101,779	99,874	99,013	76,415	69,470
Loans and financing	703,500	718,014	864,080	647,149	833,666
Assignment of receivables	1,163	842	607	1,744	-
Debentures	97,108	57,375	53,654	107,688	330
Taxes and contributions payable	34,526	30,759	33,230	35,772	73,931
Taxes payable	42,251	42,728	41,662	37,428	-
Advances from clients	13,985	13,122	10,393	9,199	6,917
Current accounts with partners at the developments	5	5	5	-	-
Proposed dividends	24,074	24,074	-	-	-
Provisions	78,245	60,464	60,217	57,265	64,218
Other accounts payable	49,026	71,134	81,953	86,759	98,039
Current liabilities	**1,212,047**	**1,191,575**	**1,323,101**	**1,119,053**	**1,192,012**
Payables for land acquisition	118,186	125,378	100,189	108,908	103,201
Provisions	62,901	84,889	86,545	91,179	90,383
Taxes payable	5,457	5,940	6,960	8,517	-
Loans and financing	1,156,547	1,105,037	1,014,938	1,149,322	1,054,911
Assignment of receivables	1,642	1,688	1,830	-	-
Debentures	50,000	50,000	50,000	-	98,063
Deferred income tax and social contribution	43,933	44,775	44,737	42,292	43,497
Other accounts payable	19,914	18,287	11,896	12,104	17,526
Long-term liabilities	**1,458,580**	**1,435,994**	**1,317,095**	**1,412,322**	**1,407,581**
Capital Stock attributed to controlling shareholders	1,683,266	1,683,266	1,683,266	1,683,266	1,683,266
Treasury shares	(107,023)	(84,447)	(83,554)	(85,846)	(85,852)
Transaction cost	(15,775)	(15,775)	(15,775)	(15,775)	(15,775)
Stock Options Plan	31,717	31,717	31,717	31,717	31,717
Profit reserve	567,266	553,956	552,149	539,644	513,583
	2,159,451	**2,168,717**	**2,167,803**	**2,153,006**	**2,126,939**
Minority interest	306,711	311,991	282,447	281,769	292,191
Shareholder's Equity	**2,466,162**	**2,480,708**	**2,450,250**	**2,434,775**	**2,419,130**
Total liabilities and shareholders' equity	**5,136,789**	**5,108,277**	**5,090,446**	**4,966,150**	**5,018,723**

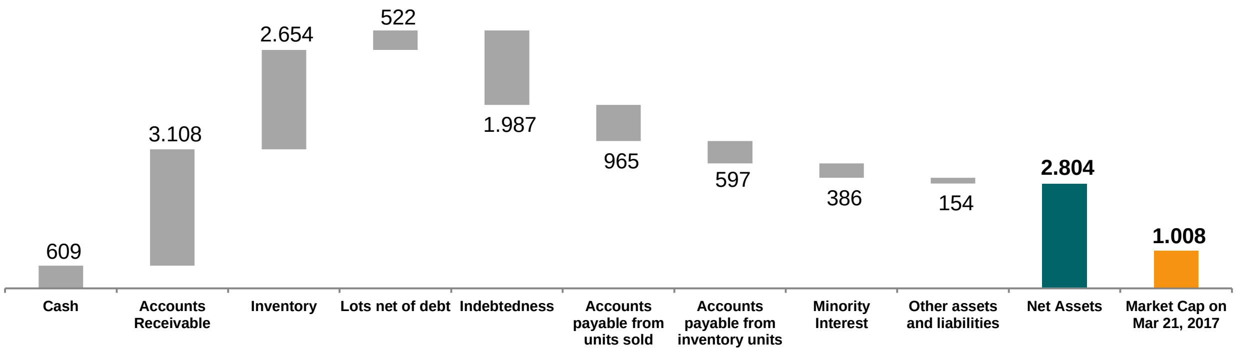
ATTACHMENT 3 – Cash Flow Statement

Cash Flow Statement (in thousands of reais)

CASH FLOW	1Q16	2Q16	3Q16	4Q16	2016	2015
Income before income tax and social contribution	**47,279**	**29,964**	**9,096**	**(4,646)**	**81,693**	**196.501**
Adjustments to reconcile profit to cash generated from operating activities						
Equity accounting	(40)	(19,759)	(8)	(6,574)	(26,381)	464
Depreciation and amortization	2,561	2,614	3,523	3,187	11,885	11.483
Write-off of property, plant and equipment and intangible assets	315	5	125	524	969	1.969
Stock option plan	-	-	-	-	-	1.419
Profit sharing	2,450	2,427	318	13,746	18,941	729
Provisions	4,767	220	6,425	231,613	243,025	22.887
Accrued interest rates	88,823	86,608	(66,379)	(181,557)	(72,505)	178.716
Interest from financial investments	(20,898)	(18,647)	(17,943)	57,488	-	(80.649)
Change in current and noncurrent assets and liabilities						
Accounts receivable	(22,871)	39,543	136,531	152,387	305,590	(40,098)
Properties for sale	(21,549)	(54,720)	(33,481)	(126,829)	(236,579)	(321,026)
Current accounts with partners at the developments	(2,809)	753	(12,490)	160	(14,386)	22,932
Taxes and contributions payable	(1,055)	(639)	(139)	2,059	226	2,994
Other assets	(275)	(12,894)	(5,730)	17,096	(1,803)	(1,621)
Suppliers	(9,839)	21,741	(18,653)	(16,721)	(23,472)	52,095
Payables for property acquisition	6,799	(27,562)	(13,879)	(10,125)	(44,767)	1,955
Advances from clients	5,287	(8,879)	(1,194)	(2,282)	(7,068)	94,463
Taxes and contributions payable	(863)	481	(135)	(5,322)	(5,839)	9,551
Discount of receivables	(2,807)	2,439	(693)	4,171	3,110	(7,683)
Other liabilities	18,512	9,963	(7,862)	12,031	32,644	(1,131)
Changes in non-controlling shareholders	(6,328)	(33,566)	(13,680)	690	(52,884)	(37,648)
Cash (used in) generated by operating activities	**87,459**	**20,092**	**(63,431)**	**168,278**	**212,399**	**108,302**
Interest paid	(50,640)	(56,990)	(49,368)	(76,617)	(233,615)	(122,876)
Income tax and social contribution paid	(10,139)	(10,233)	(11,045)	(10,504)	(41,921)	(46,306)
Cash flows from operating activities	**26,680**	**(47,131)**	**(123,843)**	**81,157**	**(63,137)**	**(60,880)**
Decrease (increase) in financial investments	80,650	(18,496)	130,315	(72,643)	119,826	233,038
Acquisition of property, plant and equipment and intangible assets	(838)	(2,503)	(3,900)	(4,220)	(11,461)	(12,470)
Increase in investments	(51)	31,357	(1,488)	(29,818)	-	(4,840)
Profit received	-	1,901	(1,901)	18,237	18,237	6,813
Advance for future capital increase	-	-	3,502	4,883	8,385	(11,808)
Cash flow from investing activities	**79,760**	**12,259**	**126,529**	**(83,561)**	**134,987**	**210,733**
From third-parties:						
Escrow accounts	-	-	(27,182)	4,735	(22,447)	-
Inflow of new loans and financing	103,653	174,896	390,809	363,965	1,033,323	978,545
Payment of loans, financing and debentures	(219,607)	(151,227)	(353,572)	(338,512)	(1,062,918)	(897,501)
From shareholders/related parties:						
(Payment) inflow of related parties, net	(3.675)	(939)	(6,928)	(2,767)	(14,309)	(15,133)
Acquisition of treasury shares	(15.424)	(16,661)	10,978	4,277	(16,830)	(42,231)
Dividends paid, net of unclaimed dividends	-	(24,074)	(13,270)	3	(37,341)	(59,948)
Cash flow from financing activities	**(135.053)**	**(18,006)**	**28,017**	**4,519**	**(120,522)**	**(36,268)**
Increase (decrease) in cash and cash equivalents	**(28,612)**	**(52,878)**	**30,703**	**2,115**	**(48,672)**	**113,585**
Cash at the beginning of the period	120,059	91,447	38,569	69,272	120,059	6,474
Cash at the end of the period	91,447	38,569	69,272	71,387	71,387	120,059

ATTACHMENT 4 – Net Asset

Net Assets	12/31/2016
Cash and cash equivalents and financial investments	608,916
Loans, financing and debentures payable	(1,986,970)
Net debt	**(1,378,054)**
On-balance accounts receivable from clients	1,778,621
Off-balance accounts receivable from clients	1,328,953
Advances from clients	(6,914)
Reversal of adjustment to present value	41,379
Taxes on accounts receivable from clients	(125,682)
Liabilities from construction of properties sold	(873,812)
Partners from business receivable (payable)	-
Accounts receivable from clients, net	**2,142,545**
Inventory units at market value	2,654,312
Taxes on sale of inventory units	(106,172)
Budgeted cost to be incurred from inventory properties	(761,815)
Adjustment of cost to be incurred of phased accounted as launched	271,112
Net inventory	**2,057,437**
On-balance land inventory	694,761
Off-balance land inventory	982,828
On-balance land debt	(40,918)
Off-balance land debt	(982,828)
Debt of lots already launched	(131,753)
Land, net	**522,090**
On-balance minority interest	(292,191)
Off-balance minority interest	(93,853)
Minority interest	**(386,044)**
On balance projects consolidated by equity accounting	24,370
Off-balance projects consolidated by equity accounting	-
Projects consolidated by equity accounting	**24,370**
Other assets	137,668
Other liabilities	(315,608)
Other assets (liabilities)	**(177,940)**
Net assets	**2,804,404**
Number of ex-treasury shares (RS '000) on Feb 28, 2017	222,433
Net asset per share on February 28, 2017	**12,61**



ATTACHMENT 5 – Land Bank

The table shows the plots of land acquired by the company, per undertaking, on December 31, 2016:

Lot	Location	Purchase date	Areas (sqm)		Units	Expected PSV	
			Lot	Usable		Total	Even
EPO Paranasa . DUO	Minas Gerais	Jul-07	8,228	17,074	208	157.023	157.023
Monterosso . Maxime	Minas Gerais	May-07	9,511	20,094	178	147.268	147.268
Atlantida F1	Rio Grande do Sul	May-10	32,530	3,925	88	69.099	55.279
Atlantida F2	Rio Grande do Sul	May-10	33,506	3,925	88	71.174	56.939
Atlantida F3	Rio Grande do Sul	May-10	32,472	3,797	86	68.977	55.182
Terreno I	São Paulo	Oct-07	5,014	8,644	137	24.282	24.282
Terreno II	Rio de Janeiro	May-10	8,410	15,704	186	115.484	115.484
Terreno III	Rio Grande do Sul	May-10	1,008	181	389	205.063	164.050
Terreno IV	Rio Grande do Sul	May-10	603	108	243	122.672	98.137
Terreno V	Rio Grande do Sul	May-10	603	108	243	122.672	98.137
Terreno VI	Rio Grande do Sul	Sep-10	12,896	8,971	172	64.847	48.227
Terreno VII	São Paulo	Jul-10	19,685	21,290	327	120.970	120.970
Terreno VIII	São Paulo	Jul-10	19,685	21,290	327	120.970	120.970
Terreno IX	São Paulo	Jul-10	19,685	21,290	327	120.970	120.970
Terreno X	Rio de Janeiro	Jun-11	8,410	15,704	186	115.484	115.484
Terreno XI	Rio Grande do Sul	Aug-11	6,348	3,824	72	18.670	14.936
Terreno XII	São Paulo	Dec-11	20,273	47,509	188	177.581	137.181
Terreno XIII	Rio de Janeiro	Jul-12	7,062	16,883	192	127.443	127.443
Terreno XIV	Rio de Janeiro	Jul-12	7,062	17,455	197	130.767	130.767
Terreno XV	Rio Grande do Sul	Jul-12	1,523	2,611	12	22.933	18.346
Terreno XVI	São Paulo	Nov-13	6,903	13,596	258	87.923	87.923
Terreno XVII	São Paulo	Jun-13	4,861	10,461	56	146.556	146.556
Terreno XVIII	São Paulo	Jan-13	6,229	7,660	84	66.190	66.190
Terreno XIX	São Paulo	Jan-13	19,145	23,544	336	203.443	203.443
Terreno XX	São Paulo	Jan-13	26,531	32,628	276	281.937	281.937
Terreno XXI	São Paulo	Dec-13	2,067	13,273	234	98.356	98.356
Terreno XXII	São Paulo	Jan-14	3,868	12,743	70	147.298	147.298
Terreno XXIII	Rio de Janeiro	Jan-14	4,103	10,518	168	71.152	71.152
Terreno XXIV	Rio de Janeiro	Mar-14	17,287	22,397	376	131.375	131.375
Terreno XXV	Rio de Janeiro	Mar-14	14,608	18,926	318	110.758	110.758
Terreno XXVI	Rio de Janeiro	May-14	16,363	19,688	288	119.725	119.725
Terreno XXVII	São Paulo	Jan-14	6,050	11,411	211	78.711	78.711
Terreno XXVIII	Rio Grande do Sul	May-14	127,189	55,932	234	17.911	14.329
Terreno XXIX	São Paulo	Jun-14	3,920	16,989	302	214.835	214.835
Terreno XXX	Rio Grande do Sul	Mar-14	32,085	20,896	400	176.030	119.701
Terreno XXXI	São Paulo	Sep-14	3,109	14,156	204	27.042	27.042
Terreno XXXII	Rio Grande do Sul	Sep-14	44,145	22,541	352	135.755	92.313
Terreno XXXIII	Rio Grande do Sul	Sep-14	15,475	7,273	194	47.588	32.360
Terreno XXXIV	Rio Grande do Sul	Sep-14	40,206	22,447	288	123.642	84.076
Terreno XXXV	Rio Grande do Sul	Sep-14	3,834	11,646	462	82.477	32.991
Terreno XXXVI	Rio Grande do Sul	Dec-14	5,024	13,061	65	71.870	48.872
Terreno XXXVII	Rio Grande do Sul	Oct-15	17,466	66,136	147	57.962	46.370
Terreno XXXVIII	Rio Grande do Sul	Feb-16	113,603	69,946	388	25.142	20.113
Terreno XXXIX	Rio Grande do Sul	Mar-16	9,736	12,193	198	83.107	56.513
Terreno XL	Rio Grande do Sul	Mar-16	5,807	7,362	110	44.304	30.127
Terreno XLI	Rio Grande do Sul	Jun-16	366,875	118,677	144	25.672	16.430
Terreno XLII	Rio Grande do Sul	Jun-16	25,299	50,468	703	90.315	61.414
Terreno XLIII	Rio Grande do Sul	Jun-16	25,299	50,468	703	90.315	61.414
Terreno XLIV	Rio Grande do Sul	Jul-16	173,544	75,928	98	14.108	9.029
Terreno XLV	Rio Grande do Sul	Aug-16	2,052	5,266	58	32.675	22.219
Terreno XLVI	São Paulo	Sep-16	20,000	25,573	399	159.418	159.418
Terreno XLVII	São Paulo	Sep-16	10,000	27,008	446	172.608	172.608
Terreno XLVIII	Rio Grande do Sul	Nov-16	7,898	16,716	98	126.352	85.919
Terreno XLIX	Rio Grande do Sul	Nov-16	11,123	29,386	451	310.009	210.806
Terreno L	Rio Grande do Sul	Nov-16	187,884	96,558	350	63.729	30.590
Terreno LI	Rio Grande do Sul	Nov-16	187,884	36,994	146	13.688	6.570
Terreno LII	Rio Grande do Sul	Nov-16	183,438	137,132	393	33.677	16.165
Terreno LIII	Rio Grande do Sul	Nov-16	183,438	78,686	398	57.184	27.448
58 terrenos ou fases			**2,188,857**	**1,536,666**	**14,251**	**5,965,189**	**5,170,174**

ATTACHMENT 6 – Trade evolution and cost financial evolution

The table below presents the evolution of sales and the percentage of completion of the costs of our projects on December 31, 2016 in comparison to September 30, 2016 and June 30, 2016:

Project	Launch	% Even	% Sold			PoC		
			12/31/2016	9/30/2016	6/30/2016	12/31/2016	9/30/2016	6/30/2016
Icon (São Paulo)	2Q03	50%	100%	100%	100%	100%	100%	100%
Azuli	3Q03	50%	100%	100%	100%	100%	100%	100%
Horizons	4Q03	50%	100%	100%	100%	100%	100%	100%
Personale	2Q04	50%	100%	100%	100%	100%	100%	100%
Reserva Granja Julieta	3Q04	15%	100%	100%	100%	100%	100%	100%
Window	4Q04	100%	100%	100%	100%	100%	100%	100%
The View	1Q05	45%	100%	100%	100%	100%	100%	100%
Terra Vitris	3Q05	100%	100%	100%	100%	100%	100%	100%
Breeze Alto da Lapa	4Q05	100%	100%	100%	100%	100%	100%	100%
Club Park Santana	4Q05	100%	100%	100%	100%	100%	100%	100%
Duo	4Q05	25%	100%	100%	100%	100%	100%	100%
EcoLife Cidade Universitária	4Q05	40%	100%	100%	100%	100%	100%	100%
Vitá Alto da Lapa	4Q05	100%	100%	100%	100%	100%	100%	100%
Reserva do Bosque	2Q06	100%	100%	100%	100%	100%	100%	100%
Campo Belíssimo	3Q06	100%	100%	100%	100%	100%	100%	100%
Wingfield	3Q06	100%	100%	100%	100%	100%	100%	100%
Boulevard São Francisco	4Q06	100%	100%	100%	100%	100%	100%	100%
Iluminatto	4Q06	100%	100%	100%	100%	100%	100%	100%
Inspiratto	4Q06	100%	100%	100%	100%	100%	100%	100%
Particolare	4Q06	15%	100%	100%	100%	100%	100%	100%
Plaza Mayor Vila Leopoldina	4Q06	75%	100%	100%	100%	100%	100%	100%
Vida Viva Mooca	4Q06	100%	100%	100%	100%	100%	100%	100%
Vida Viva Tatuapé	4Q06	100%	100%	100%	100%	100%	100%	100%
Especiale	1Q07	100%	100%	100%	100%	100%	100%	100%
Le Parc	1Q07	50%	98%	98%	98%	100%	100%	100%
Tendence	1Q07	50%	94%	94%	94%	100%	100%	100%
Verte	1Q07	100%	100%	100%	100%	100%	100%	100%
Vida Viva Santa Cruz	1Q07	100%	99%	99%	99%	100%	100%	100%
Concetto	2Q07	100%	100%	100%	100%	100%	100%	100%
In Cittá	2Q07	100%	100%	100%	100%	100%	100%	100%
The Gift	2Q07	50%	100%	100%	100%	100%	100%	100%
Vida Viva Freguesia do Ó	2Q07	100%	100%	100%	100%	100%	100%	100%
Vida Viva Vila Maria	2Q07	100%	100%	100%	100%	100%	100%	100%
Arts ibirapuera	3Q07	100%	100%	100%	100%	100%	100%	100%
Breeze Santana	3Q07	100%	100%	100%	100%	100%	100%	100%
Gabrielle	3Q07	100%	100%	100%	100%	100%	100%	100%
L'essence	3Q07	100%	100%	100%	100%	100%	100%	100%
Spazio Dell´Acqua	3Q07	100%	99%	99%	99%	100%	100%	100%
Vitá Araguaia	3Q07	100%	100%	100%	100%	100%	100%	100%
Du Champ	4Q07	100%	100%	100%	100%	100%	100%	100%
Grand Club Vila Ema	4Q07	100%	100%	100%	100%	100%	100%	100%
Villagio Monteciello	4Q07	100%	98%	99%	99%	100%	100%	100%
Terrazza Mooca	4Q07	100%	100%	100%	100%	100%	100%	100%
Veranda Mooca	4Q07	100%	100%	100%	100%	100%	100%	100%
Nouveaux	4Q07	100%	99%	99%	99%	100%	100%	100%
Signature	4Q07	100%	100%	100%	100%	100%	100%	100%
Up Life	4Q07	100%	100%	100%	100%	100%	100%	100%
Vida Viva Butantã	4Q07	100%	100%	100%	100%	100%	100%	100%
Vida Viva São Bernardo	4Q07	100%	100%	100%	100%	100%	100%	100%
Vivre Alto da Boa Vista	4Q07	100%	100%	100%	100%	100%	100%	100%
Vida Viva Parque Santana	4Q07	100%	100%	100%	100%	100%	100%	100%
Sophistic	1Q08	100%	100%	100%	100%	100%	100%	100%
Weekend	1Q08	100%	100%	100%	100%	100%	100%	100%
Club Park Butantã	2Q08	100%	99%	99%	99%	100%	100%	100%
Double	2Q08	100%	100%	100%	100%	100%	100%	100%
Icon (Belo Horizonte)	2Q08	85%	97%	97%	97%	100%	100%	100%
Open Jardim das Orquídeas	2Q08	100%	100%	100%	100%	80%	80%	80%
Open Jardim das Orquídeas (unit not launched)	2Q08	100%	0%	0%	0%	0%	0%	0%
Magnifique	2Q08	100%	100%	100%	100%	100%	100%	100%
GRU Central Office/ Everyday Resid. Club	2Q08	50%	100%	100%	100%	100%	100%	100%
Paulistano	2Q08	30%	100%	100%	100%	95%	95%	95%
Plaza Mayor Ipiranga	2Q08	100%	100%	100%	100%	100%	100%	100%

Continued in the next page.

Project	Launch	% Even	% Sold			PoC		
			12/31/2016	9/30/2016	6/30/2016	12/31/2016	9/30/2016	6/30/2016
Vida Viva Golf Club	2Q08	100%	100%	100%	100%	100%	100%	100%
Cinecittá (1st phase)	3Q08	85%	100%	100%	99%	100%	100%	100%
Incontro	3Q08	100%	100%	100%	100%	100%	100%	100%
Montemagno	3Q08	100%	100%	100%	100%	100%	100%	100%
Pleno Santa Cruz	3Q08	100%	100%	100%	100%	100%	100%	100%
Timing	3Q08	100%	100%	100%	100%	100%	100%	100%
Vida Viva Jardim Itália	3Q08	100%	100%	100%	100%	100%	100%	100%
Vida Viva Vila Guilherme	3Q08	100%	100%	100%	100%	100%	100%	100%
Arte Luxury Home Resort	4Q08	50%	100%	100%	100%	100%	100%	100%
E-Office Design Berrini	4Q08	50%	99%	99%	99%	100%	100%	100%
Montemagno (2nd phase)	4Q08	100%	100%	100%	100%	100%	100%	100%
Plaza Mayor Ipiranga (2nd phase)	4Q08	100%	100%	100%	100%	100%	100%	100%
Honoré Bela Vista	1Q09	50%	100%	100%	100%	100%	100%	100%
Spot Cidade Baixa	1Q09	50%	100%	100%	100%	100%	100%	100%
Terra Nature – Ipê	1Q09	46%	100%	100%	100%	100%	100%	100%
Shop Club Guarulhos (1st phase)	1Q09	100%	100%	100%	99%	100%	100%	100%
Cinecittá (2nd phase)	2Q09	85%	100%	100%	100%	100%	100%	100%
Shop Club Guarulhos (2nd phase)	2Q09	100%	100%	99%	98%	100%	100%	100%
Terra Nature – Jatobá	2Q09	46%	88%	88%	88%	100%	100%	100%
Terra Nature – Cerejeiras	2Q09	46%	99%	100%	100%	100%	100%	100%
Spazio Vittá Vila Ema	2Q09	100%	100%	100%	100%	100%	100%	100%
Shop Club Vila Guilherme	2Q09	100%	100%	100%	100%	100%	100%	100%
Atual Santana	2Q09	100%	100%	100%	100%	100%	100%	100%
Spazio Vittá Vila Ema (2nd phase)	3Q09	100%	99%	99%	99%	100%	100%	100%
Oscar Freire Office	3Q09	100%	100%	100%	100%	100%	100%	100%
Terra Nature - Nogueira	3Q09	46%	100%	100%	100%	100%	100%	100%
Terra Nature Pau-Brasil	3Q09	46%	94%	94%	94%	100%	100%	100%
Duo Alto da Lapa	3Q09	100%	100%	100%	100%	100%	100%	100%
Altto Pinheiros	3Q09	100%	100%	100%	100%	100%	100%	100%
Allegro Jd Avelino	3Q09	100%	100%	100%	100%	100%	100%	100%
The One	4Q09	100%	100%	100%	100%	100%	100%	100%
Alegria	4Q09	100%	99%	99%	98%	100%	100%	100%
Ideal	4Q09	100%	100%	100%	100%	100%	100%	100%
Near	4Q09	100%	100%	100%	100%	100%	100%	100%
Praça Jardim	4Q09	100%	100%	100%	100%	100%	100%	100%
Novitá Butantã	4Q09	100%	100%	100%	100%	100%	100%	100%
VV Clube Iguatemi (Granada)	4Q09	50%	98%	98%	98%	100%	100%	100%
Casa do Sol (Jade)	4Q09	50%	100%	100%	100%	100%	100%	100%
Novitá Butantã (2nd phase)	1Q10	100%	99%	99%	99%	100%	100%	100%
Code	1Q10	100%	100%	100%	100%	100%	100%	100%
Soho Nova Leopoldina	1Q10	50%	98%	98%	98%	100%	100%	100%
Tribeca Nova Leopoldina	1Q10	50%	100%	100%	100%	100%	100%	100%
Montemgano (3rd phase)	1Q10	100%	100%	100%	100%	100%	100%	100%
Passeio	1Q10	35%	100%	100%	100%	100%	100%	100%
Nouveau Vila da Serra	2Q10	43%	99%	100%	100%	100%	100%	100%
VV Clube Moinho	2Q10	50%	100%	98%	100%	100%	100%	100%
Passione	2Q10	100%	100%	100%	99%	100%	100%	100%
Bela Cintra	2Q10	50%	100%	100%	100%	100%	100%	100%
Code Berrini	2Q10	80%	100%	100%	100%	100%	100%	100%
Concept	2Q10	100%	100%	100%	100%	100%	100%	100%
Caminhos da Barra	2Q10	100%	100%	100%	100%	100%	100%	100%
Dream	2Q10	50%	95%	95%	95%	100%	100%	100%
Sena Madureira	3Q10	100%	100%	100%	100%	100%	100%	100%
Royal Blue	3Q10	50%	99%	99%	99%	100%	100%	100%
Ideal Brooklin	3Q10	67%	100%	100%	100%	100%	100%	100%
Passione Duo	3Q10	100%	100%	100%	100%	100%	100%	100%
Fascinio Vila Mariana	3Q10	100%	100%	100%	100%	100%	100%	100%
Cube	3Q10	100%	100%	100%	100%	100%	100%	100%
Park Club Bairro Jardim	3Q10	50%	100%	100%	100%	100%	100%	100%
True	3Q10	100%	100%	100%	100%	100%	100%	100%
Ponta da Figueira	3Q10	18%	84%	84%	83%	100%	100%	100%
Arte Bela Vista	4Q10	50%	92%	91%	91%	100%	100%	100%
Vivace Castelo	4Q10	100%	96%	95%	95%	100%	100%	100%
Moratta Vila Ema	4Q10	100%	100%	100%	100%	100%	100%	100%
Giardino	4Q10	100%	100%	100%	100%	100%	100%	100%
Diseño Campo Belo	4Q10	100%	100%	100%	100%	100%	100%	100%
Hom	4Q10	50%	95%	95%	95%	100%	100%	100%
L'Essence (2nd phase)	4Q10	100%	100%	100%	100%	100%	100%	100%

Continued in the next page.

Project	Launch	% Even	% Sold			PoC		
			12/31/2016	9/30/2016	6/30/2016	12/31/2016	9/30/2016	6/30/2016
Royal Blue (Disa Catisa) (2nd phase)	4Q10	50%	100%	100%	100%	100%	100%	100%
Arizona 701	1Q11	80%	100%	100%	100%	100%	100%	100%
Design Campo Belo	1Q11	70%	100%	100%	100%	100%	100%	100%
Airport Office	1Q11	100%	85%	85%	84%	100%	100%	100%
Reserva da Praia	1Q11	45%	99%	99%	99%	100%	100%	100%
Bravo Saturnino II	1Q11	50%	94%	94%	95%	100%	100%	100%
Level Alto da Lapa	2Q11	100%	100%	100%	100%	100%	100%	100%
Campo Grande Office & Mall	2Q11	100%	98%	98%	99%	100%	100%	100%
Panorama Vila Mariana	2Q11	100%	98%	98%	100%	100%	100%	100%
Praças da Lapa	2Q11	100%	100%	100%	99%	100%	100%	100%
E-Office Vila da Serra	2Q11	85%	78%	77%	76%	100%	100%	100%
Art Pompeia	2Q11	90%	100%	100%	100%	100%	100%	100%
New Age	2Q11	100%	100%	100%	100%	100%	100%	100%
Ideale Offices	2Q11	100%	100%	100%	100%	100%	100%	100%
Ária	2Q11	50%	100%	100%	94%	100%	100%	100%
Grand Park Eucaliptos	3Q11	80%	94%	94%	95%	100%	100%	100%
Caminhos da Barra Mais	3Q11	50%	100%	100%	100%	100%	100%	100%
Arq Escritórios Moema	3Q11	100%	85%	85%	84%	100%	100%	100%
Vitrine Offices Pompéia	3Q11	100%	99%	99%	99%	100%	100%	100%
Vivaz Vila Prudente	3Q11	100%	98%	95%	93%	100%	100%	100%
NY SP	3Q11	100%	100%	100%	100%	100%	100%	100%
Vida Viva Club Canoas - Brita	4Q11	80%	97%	95%	91%	100%	99%	97%
Baltimore	4Q11	80%	98%	98%	97%	100%	100%	100%
Spot Office Moema	4Q11	100%	97%	97%	96%	100%	100%	100%
Cenário da Vila	4Q11	100%	100%	100%	100%	100%	100%	100%
Window Belém	4Q11	100%	99%	99%	99%	100%	100%	100%
Prime Design	4Q11	100%	99%	100%	100%	100%	100%	100%
Feel Cidade Universitária	4Q11	100%	98%	98%	99%	100%	100%	100%
Pateo Pompéia	4Q11	88%	100%	100%	100%	100%	100%	100%
Edifício Red Tatuapé	4Q11	100%	100%	100%	100%	100%	100%	100%
Viverde Residencial	4Q11	85%	87%	86%	87%	100%	100%	100%
Villaggio Nova Carrão	4Q11	100%	100%	98%	99%	100%	100%	100%
Cobal - Rubi	4Q11	80%	97%	97%	97%	100%	100%	100%
Altto Campo Belo	1Q12	50%	85%	75%	75%	100%	100%	100%
Vista Mariana	1Q12	100%	100%	100%	100%	100%	100%	100%
Estilo Bom Retiro	1Q12	100%	99%	99%	100%	100%	100%	100%
Vida Viva Club Canoas (2nd phase)	1Q12	80%	88%	89%	92%	100%	99%	97%
Supreme	1Q12	80%	100%	100%	100%	100%	100%	100%
Alameda Santos	1Q12	100%	100%	95%	87%	100%	100%	100%
Mosaico Vila Guilherme	1Q12	100%	96%	95%	94%	100%	100%	100%
Vitalis	1Q12	100%	100%	100%	100%	100%	100%	100%
Paulista Tower	1Q12	100%	92%	90%	90%	100%	100%	100%
Viverde Residencial (2nd phase)	1Q12	85%	91%	90%	92%	100%	100%	100%
Haddock Businness	2Q12	50%	84%	83%	83%	100%	100%	100%
Boreal Santana	2Q12	100%	100%	98%	100%	100%	100%	100%
Plenna Vila Prudente	2Q12	100%	99%	97%	98%	100%	100%	100%
Air Campo Belo	3Q12	100%	100%	100%	100%	100%	100%	100%
Acervo Pinheiros	3Q12	100%	98%	96%	90%	100%	100%	100%
Arcos 123	3Q12	100%	71%	85%	88%	100%	100%	100%
Verano Clube Aricanduva	3Q12	100%	98%	96%	96%	100%	100%	100%
Braz Leme Offices	3Q12	50%	100%	100%	98%	100%	100%	100%
Bella Anhaia Mello	3Q12	100%	86%	84%	84%	100%	100%	100%
Somma Brooklin	3Q12	100%	100%	100%	99%	100%	100%	100%
Design Offece Center	3Q12	80%	97%	97%	97%	100%	100%	100%
Roseira	3Q12	46%	88%	88%	88%	100%	100%	100%
Essência Brooklin	4Q12	100%	100%	100%	100%	100%	100%	100%
Torre Pinheiros	4Q12	100%	90%	86%	84%	100%	100%	100%
Anália Franco Offices	4Q12	100%	98%	99%	100%	100%	100%	100%
Haddock Offices	4Q12	100%	87%	86%	88%	100%	100%	100%
Quatro Brooklin	4Q12	100%	100%	99%	95%	100%	100%	100%
London SP	4Q12	100%	82%	85%	91%	100%	100%	97%
Club Park Remédios	4Q12	100%	97%	98%	96%	100%	100%	100%
Riachuelo 366 Corporate	4Q12	100%	59%	60%	62%	100%	100%	100%
Vida Viva Club Canoas - Brita (3rd phase)	4Q12	80%	88%	89%	92%	100%	99%	97%
Clube Centro	4Q12	80%	77%	75%	74%	100%	100%	100%
Quartier Cabral	4Q12	50%	96%	96%	97%	98%	96%	94%
Hom Lindóia	4Q12	80%	80%	79%	83%	100%	100%	100%
Nine	4Q12	80%	90%	88%	93%	100%	100%	100%

Continued in the next page.

Project	Launch	% Even	% Sold			PoC		
			12/31/2016	9/30/2016	6/30/2016	12/31/2016	9/30/2016	6/30/2016
Wish Moema	1Q13	100%	99%	100%	93%	100%	100%	100%
Bosques da Lapa	1Q13	100%	83%	77%	85%	100%	100%	100%
Matriz Freguesia	1Q13	100%	88%	88%	93%	100%	100%	100%
Icon	1Q13	80%	88%	91%	92%	91%	87%	81%
Verdi Spazio	2Q13	100%	75%	71%	71%	100%	100%	100%
Parques da Lapa	2Q13	100%	97%	97%	94%	100%	100%	100%
Residencial Pontal	2Q13	100%	82%	80%	80%	72%	68%	65%
Linea Perdizes	2Q13	100%	95%	100%	100%	100%	100%	100%
Icon RS (2nd phase)	2Q13	80%	83%	84%	88%	91%	87%	81%
Diseno Alto de Pinheiros	3Q13	100%	93%	88%	78%	100%	100%	100%
Estações Mooca	3Q13	100%	84%	79%	77%	100%	100%	100%
Story Jaguaré	3Q13	100%	83%	81%	76%	100%	100%	100%
Autêntico Mooca	3Q13	100%	84%	80%	85%	100%	100%	99%
Residencial Pontal (2nd phase)	3Q13	100%	55%	49%	45%	72%	68%	65%
Blue Note	4Q13	100%	69%	69%	73%	91%	83%	72%
Design Arte	4Q13	100%	71%	71%	60%	100%	96%	91%
Vero	4Q13	100%	82%	78%	71%	100%	100%	100%
BC Bela Cintra	4Q13	100%	77%	80%	82%	100%	100%	95%
Verte Belém	4Q13	100%	79%	76%	79%	100%	100%	91%
Wise	4Q13	100%	83%	83%	92%	100%	100%	100%
RG Personal Residences	4Q13	100%	37%	37%	36%	74%	71%	65%
Urbanity Residencial/Salas comerciais	4Q13	50%	67%	68%	65%	82%	76%	64%
Urbanity Corporativo	4Q13	50%	5%	5%	8%	82%	76%	64%
Terrara	4Q13	100%	72%	73%	81%	81%	76%	71%
Window RS	4Q13	100%	77%	77%	77%	79%	73%	65%
Anita Garibaldi	4Q13	100%	93%	96%	97%	96%	90%	85%
Assembleia One	1Q14	100%	81%	79%	79%	77%	70%	66%
SP Sumare Perdizes	1Q14	100%	91%	87%	81%	100%	100%	90%
Icon RS (3rd phase)	2Q14	80%	83%	87%	94%	91%	87%	81%
Story Jaguaré (2nd phase)	2Q14	100%	83%	81%	76%	100%	100%	100%
Vida Viva Club Canoas - Brita (4th phase)	2Q14	80%	88%	90%	90%	100%	99%	97%
Quintas da Lapa	2Q14	50%	37%	35%	33%	70%	65%	62%
Clube Jardim Vila Maria	2Q14	100%	67%	64%	63%	100%	100%	93%
Parque Jardim Vila Guilherme	2Q14	100%	60%	52%	51%	100%	100%	100%
Mariz Vila Mariana	2Q14	100%	93%	86%	77%	99%	96%	90%
Vila Jardim Casa Verde	2Q14	100%	71%	68%	62%	100%	100%	100%
Bio Tatuapé	3Q14	100%	83%	81%	72%	83%	73%	63%
Clube Centro (2nd phase)	3Q14	80%	63%	71%	79%	100%	100%	100%
Vernissage Pinheiros	4Q14	100%	94%	88%	78%	85%	76%	69%
RG Personal Residences (2nd phase)	4Q14	100%	49%	56%	49%	74%	71%	65%
Portal Centro	4Q14	100%	59%	56%	49%	75%	60%	50%
Ato	4Q14	80%	70%	70%	70%	59%	56%	53%
Hotel Ibis*	4Q14	100%	46%	45%	45%	98%	92%	84%
Martese Alto da Lapa	4Q14	100%	56%	55%	55%	76%	65%	56%
UP Barra	4Q14	100%	81%	81%	82%	80%	70%	58%
Vida Viva Boulevard	4Q14	80%	87%	88%	92%	53%	50%	47%
UP Barra Mais (2nd phase)	2Q15	100%	63%	63%	62%	61%	48%	37%
Clube Jaçanã	2Q15	100%	71%	71%	73%	78%	65%	47%
Vila Nova Ipiranga	3Q15	100%	55%	52%	47%	63%	49%	40%
Hom Nilo	3Q15	68%	91%	91%	91%	49%	46%	43%
Up Barra Mais (3rd phase)	4Q15	100%	63%	63%	62%	61%	48%	37%
MaxPlaza (1st phase)	4Q15	80%	88%	88%	85%	37%	33%	31%
Quadra Vila Mascote	4Q15	100%	60%	59%	53%	32%	30%	30%
Up Norte	4Q15	100%	36%	33%	31%	36%	31%	28%
ID Residences	4Q15	60%	62%	58%	55%	55%	49%	42%
Blue Xangrilá	1Q16	80%	75%	75%	74%	58%	51%	47%
Central Park (1st phase)	1Q16	80%	85%	95%	87%	67%	62%	57%
Supreme Central Parque	1Q16	80%	96%	96%	89%	40%	34%	30%
Candido 58	2Q16	68%	68%	68%	60%	51%	47%	46%
Central Park (2nd phase)	2Q16	80%	63%	60%	49%	67%	62%	57%
DOC Santana	2Q16	80%	98%	78%	66%	47%	42%	40%
Boulevard Vila Maria	2Q16	100%	42%	40%	27%	39%	38%	38%
MaxPlaza (2nd phase)	2Q16	80%	96%	94%	78%	37%	33%	31%
Belavistta	2Q16	80%	29%	29%	29%	42%	41%	41%
Supreme Higienopolis	3Q16	80%	62%	54%	N/A	37%	36%	N/A
E Vila Madalena	3Q16	100%	25%	18%	N/A	47%	47%	N/A
Praça Butantã	3Q16	100%	49%	31%	N/A	27%	27%	N/A
Mirada Tatuapé	4Q16	100%	22%	N/A	N/A	41%	N/A	N/A

* The percentage presented regards ideal fraction. Considering only the units (and not the parking spaces).

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Project	Launch	% Even	% Sold			PoC		
			12/31/2016	9/30/2016	6/30/2016	12/31/2016	9/30/2016	6/30/2016
You Botafogo	4Q16	100%	24%	N/A	N/A	41%	N/A	N/A
Reserva Bela Vista	4Q16	48%	23%	N/A	N/A	49%	N/A	N/A
Reserva do Lago	4Q16	24%	43%	N/A	N/A	7%	N/A	N/A
Reserva da Mata	4Q16	24%	13%	N/A	N/A	49%	N/A	N/A
Vida Viva Horizonte - 1° fase	4Q16	80%	0%	N/A	N/A	40%	N/A	N/A
Vida Viva Horizonte - 2° fase	4Q16	80%	23%	N/A	N/A	37%	N/A	N/A
Grand Park Lindóia - 1° fase	4Q16	68%	42%	N/A	N/A	37%	N/A	N/A

About the Company

Even has been working in the real estate sector for more than 40 years and is one of the largest builders and developers in the metropolitan region of São Paulo. It is present, primarily and strategically, in the cities of São Paulo, Rio de Janeiro and Porto Alegre. The company is vertically oriented, executing all development stages of its projects, from lot prospecting, property development and brokerage activities to the project's construction. Even owns two sales companies: Even Vendas and Even More, both of which operating in 100% of the Company's projects to sell units and providing exclusive services to Even. The Company follows sustainability principles in all of its business segments. Even believes that employing sustainability practices leads to less construction debris, increases the energy efficiency of its products and improves its ima! ge before clients and neighboring communities. Its shares are traded on the Novo Mercado Special Corporate Governance segment of the BM&FBOVESPA - Securities, Commodities and Futures Exchange, under the ticker EVEN3.

Disclaimer

The declarations contained in this release referring to business perspectives, operating and financial result estimates, and the growth perspectives affecting EVEN activities, as well as any other declarations related to the Company business future, constitute future estimates and declarations involving risks and uncertainties and, therefore, are not guarantees of future results, Such considerations depend substantially on the changes to market conditions, governmental rules, competition pressures, sector performance and Brazilian economy, among other factors and are, therefore, subject to change without prior notice.

Relationship with Independent Auditors

In compliance with CVM Instruction No. 381/03 we hereby inform that the independent auditors of Deloitte Touche Tohmatsu Auditores Independentes did not provide during 2016 other services than those related to external auditing. The company's policy on hiring independent auditors ensures that there is no conflict of interest, loss of independence or objectivity.

Opinion of the Statutory Audit Board or Equivalent Body

The Company's By Laws establishes a non-permanent Fiscal Council, elected only by the Company's shareholders at the Annual General Meeting. For the fiscal year ended on December 31, 2016 the Fiscal Council has not been installed.

São Paulo, March 22 of 2017

Dany Muszkat
Co-CEO and Investor Relations Officer

Officers' Statement on the Financial Statements

Pursuant to the provisions of items V and VI of article 25 of CVM Instruction 480, we have reviewed, held discussions about and agreed that the Financial Statements of Even Construtora e Incorporadora S.A., for the year ended December 31, 2016, fairly reflect the Company's financial position in the period presented.

São Paulo, March 22 of 2017

Dany Muszkat
Co-CEO and Investor Relations Officer

Officers' Statement on the Independent Auditor's Report

Pursuant to the provisions of items V and VI of article 25 of CVM Instruction 480, we have reviewed, held discussions about and agreed with the opinions expressed in the report of Deloitte Auditores Independentes on the financial statements of Even Construtora e Incorporadora S.A, for the year ended December 31, 2016.

São Paulo, March 22 of 2017

Dany Muszkat
Co-CEO and Investor Relations Officer

EVEN CONSTRUTORA E INCORPORADORA S.A.

Publicly Held Company
National Register of Legal Entities CNPJ No. 43.470.988/0001-65
Commercial Registry Number NIRE 35.300.329.520

CAPITAL BUDGET PROPOSAL FOR 2017

The Management of Even Construtora e Incorporadora S.A., as established in art. 196 of Law 6,404/76, proposes to the Company's Annual Shareholders' Meeting the approval of the following capital budget proposal:

- On December 31, 2016, the Company has Total budgeted cost to be incurred on developments launched up between 2017 and 2019 the amount of R$ 1,637,798, with an average of 30% requiring its own capital, resulting in cash disbursement of R$ 491,519.

- The Company, according to its Statements of Cash Flow, did not have operating cash generation in the last two years.

Accordingly, the Company's Management proposes to maintain its Profit Retention Reserves in the amount of R $ 436,519.