

ROSSI

A photograph of a modern, multi-story apartment building at dusk. The building features a mix of dark grey and light grey panels. Many windows are illuminated from within, and some balconies have glass railings and are also lit. The sky is a deep blue with some light clouds. The building is the central focus of the image.

3Q18 and 9M18 Results

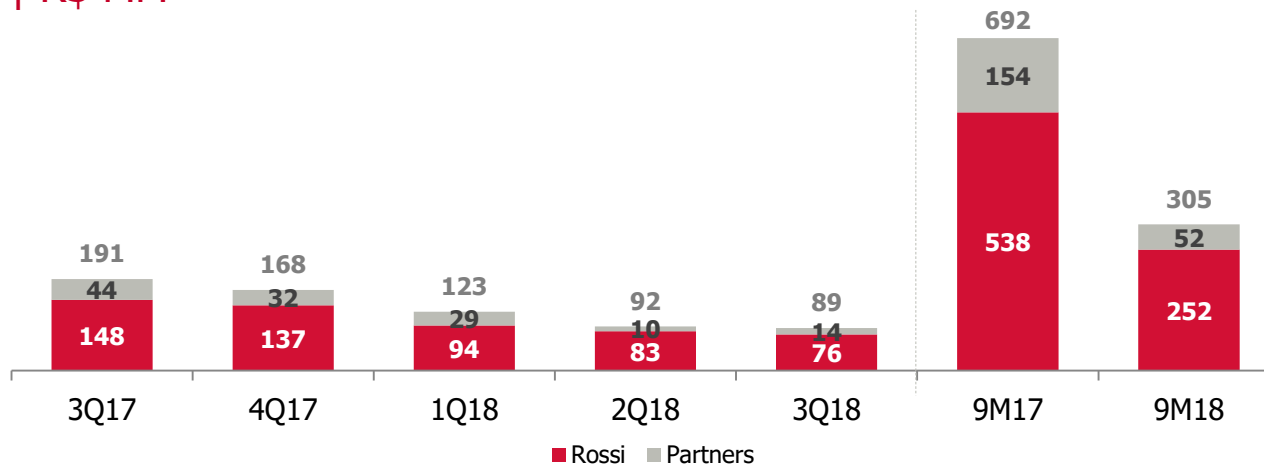
November 14, 2018

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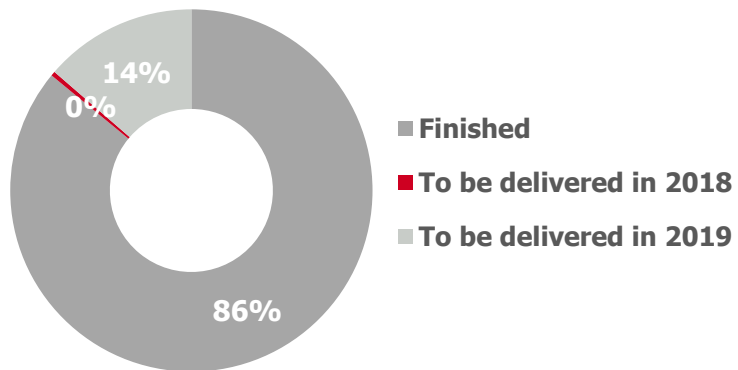
Operating Results



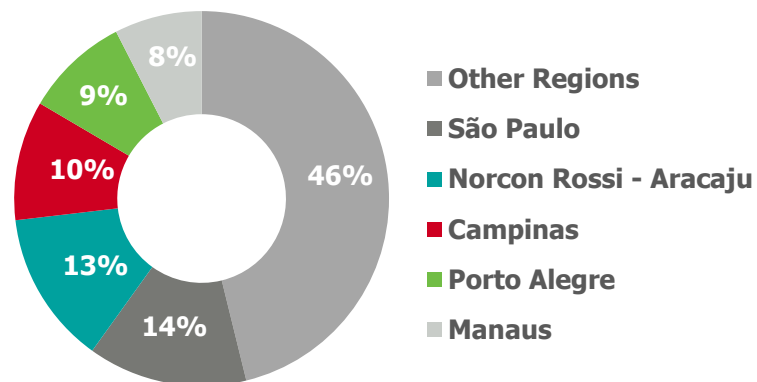
Gross Sales | R\$ MM



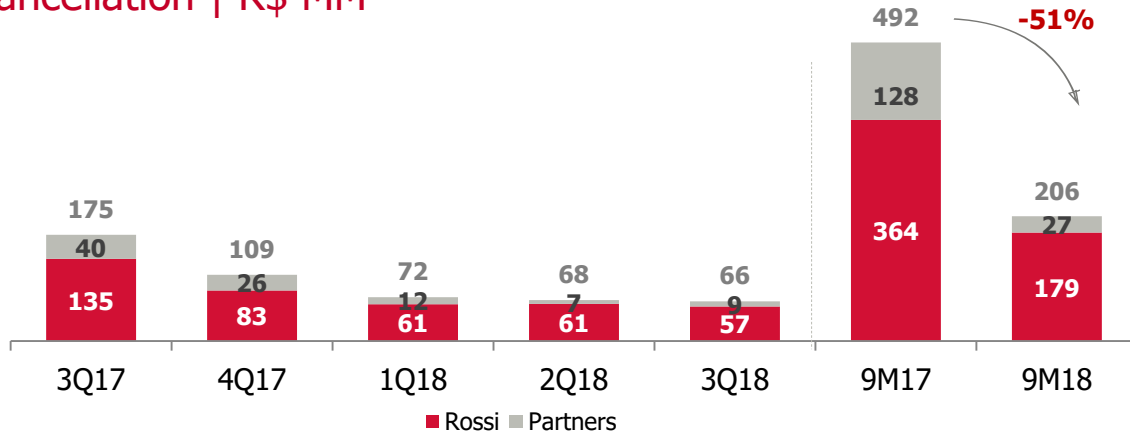
Gross Sales 3Q18 | Construction Stage (% Rossi)



Gross Sales 3Q18 | Region (% Rossi)

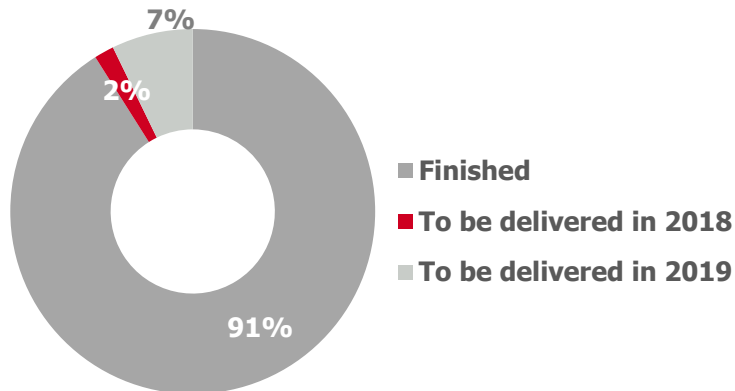


Cancellation | R\$ MM

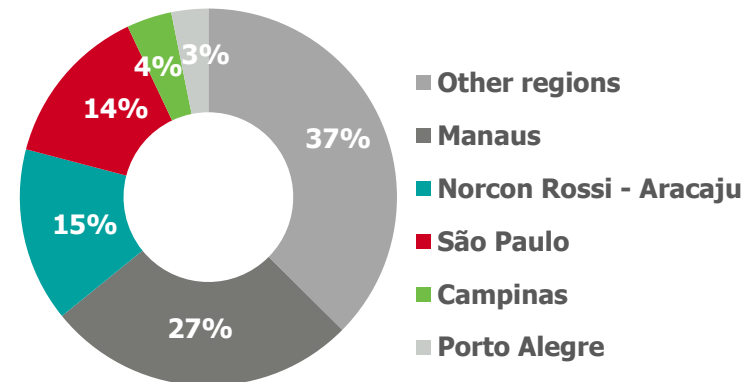


- **63%** of cancelled units in the 9M18 were already resold.
- Reduction of **58%** in cancellation in the 3Q18 vs. 3Q17;
- Reduction of **51%** in cancellation in the 9M18 vs. 9M17.

Cancellation 3Q18 | Construction Stage (% Rossi)

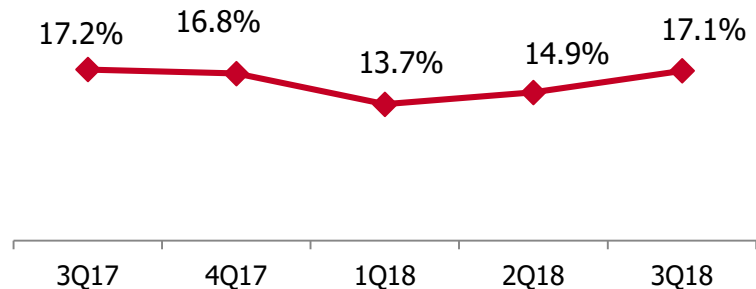


Cancellation 3Q18 | Region (% Rossi)

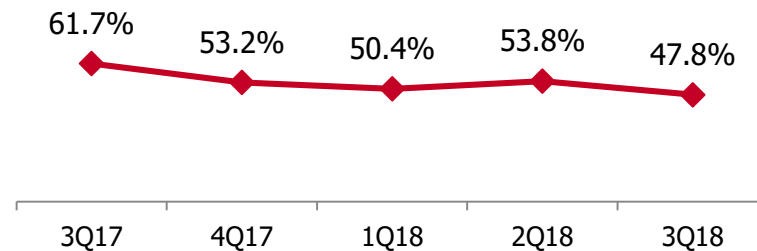


Operating Indicators

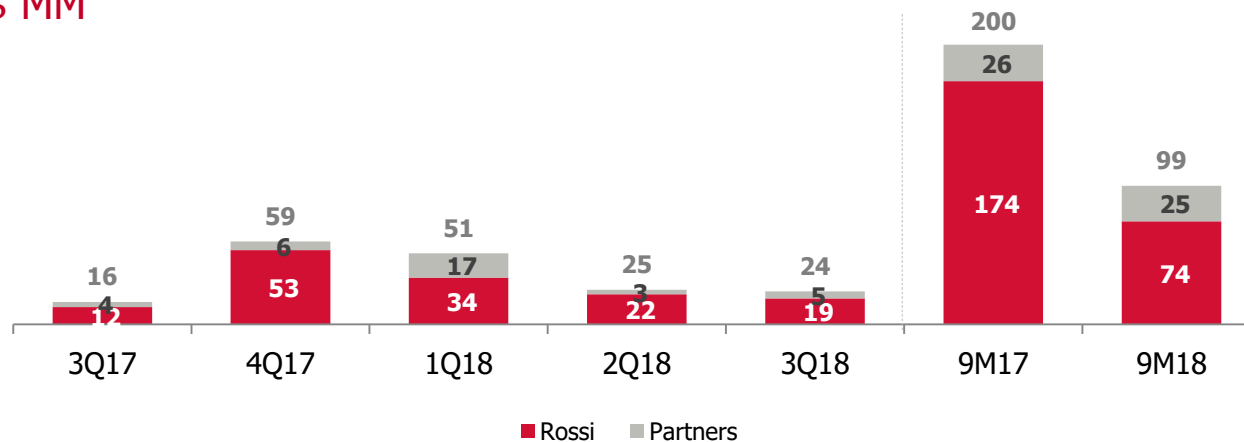
Quarterly SoS (% Rossi)



LTM SoS (% Rossi)



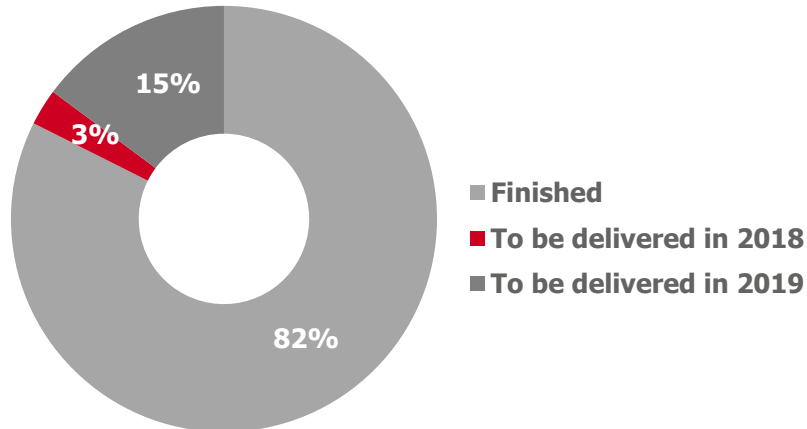
Net Sales | R\$ MM



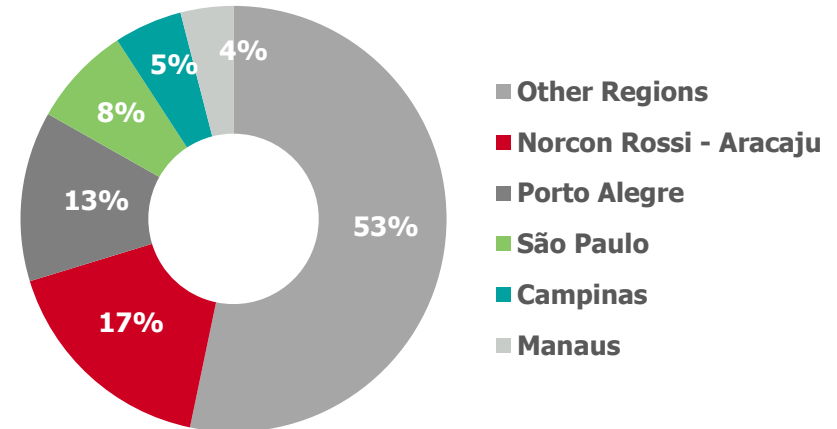
Total PSV of R\$ 317 million (R\$ 282 million % Rossi)

- Reduction of 36% in inventories vs. 2Q18 explained by units transferred to the banks in the context of Company's debt restructuring and payment;

Inventory 3Q18 | Construction Stage (% Rossi)



Inventory 3Q18 | Region (% Rossi)



Potential PSV:

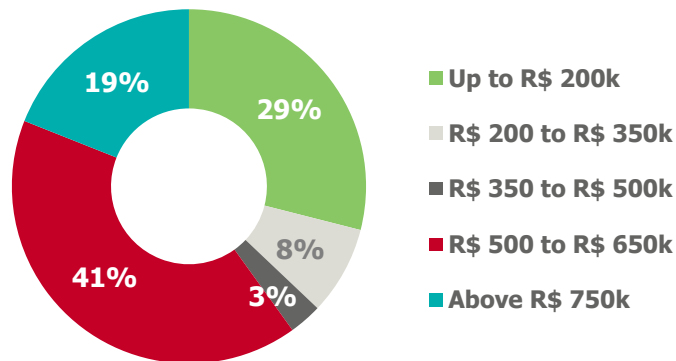
- **Residential:** R\$ 5.7 bi (R\$ 4.8 bi % Rossi)
 - **Until 2019 :** R\$ 1.5 bi (R\$ 1.4 bi % Rossi)
 - **After 2019 :** R\$ 3.5 bi (R\$ 2.7 bi % Rossi)
 - **Decomissioning :** R\$ 0.7 bi (R\$ 0.6 bi % Rossi)

- **Allotments :** R\$ 3.4 bi (R\$ 1.5 bi % Rossi)

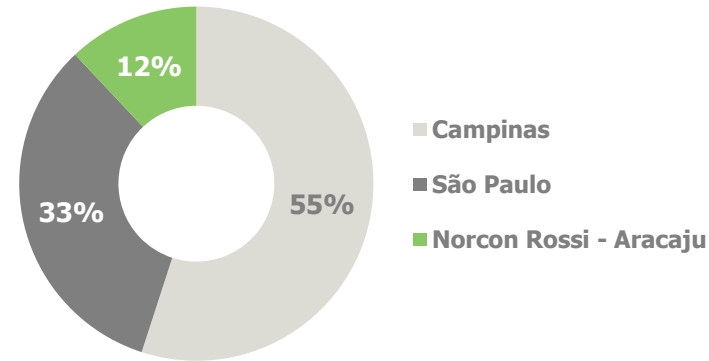
↑ **After 2019: Acquisition of two áreas aligned to Low Income segment with a potential PSV of R\$ 261.8 millions;**

↓ **Decomissioning:** Reduction of 74% due to the corporate debt payment;

Launches until 2019 | Segment (% Rossi)



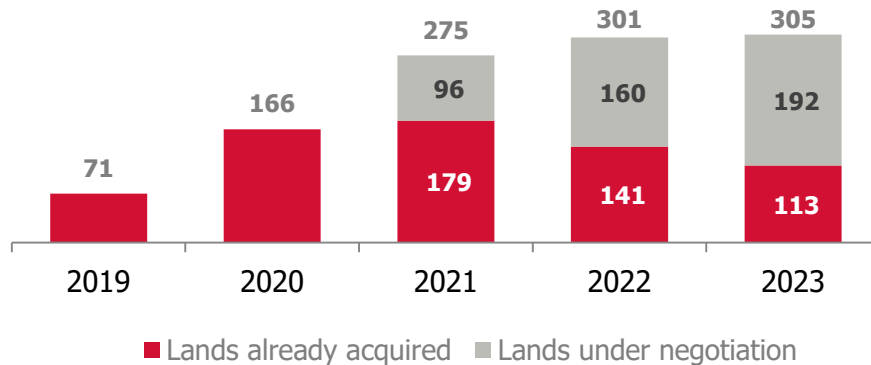
Launches until 2019 | Region (% Rossi)



RCV Potential PSV in the next 5 years: R\$ 1.1 billion (100% Rossi)

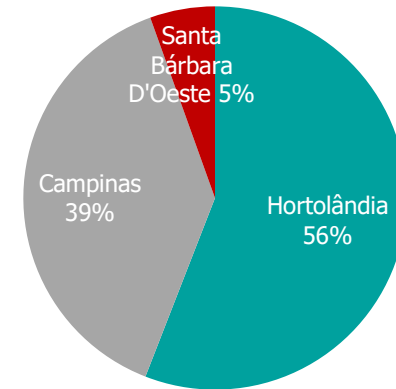
- Business unit focused in low income projects (MCMV);
- Focus in São Paulo countryside;
- The land plots acquired will be mainly paid through swap agreements, without significant cash disbursement.

Potential Launches Schedule | R\$ MM



➤ **60%**
Acquired
lands (R\$ 670
million)

Acquired Lands by Region (%)



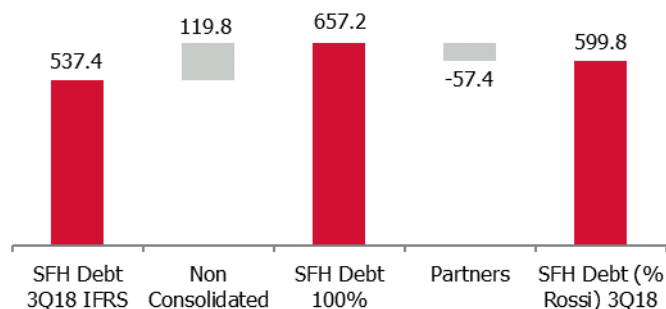
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Financial Result

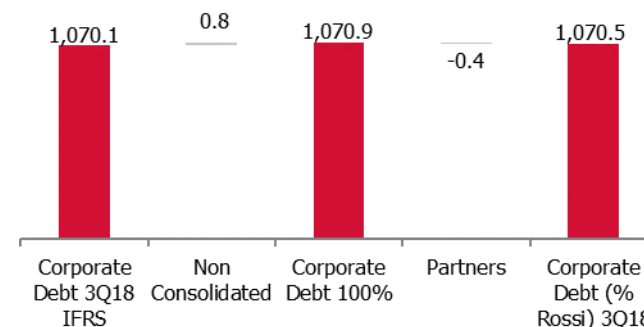


Reconciliation of gross debt and cash and cash equivalents

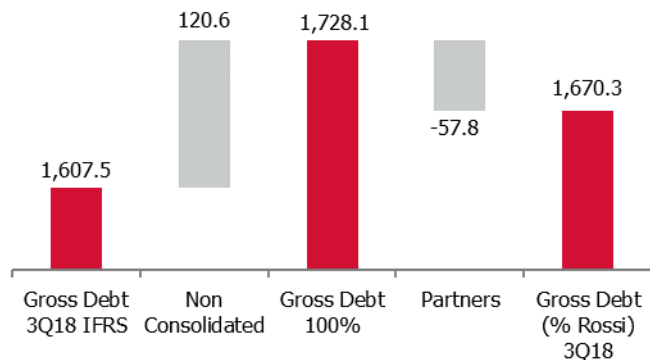
SFH Reconciliation – R\$ MM



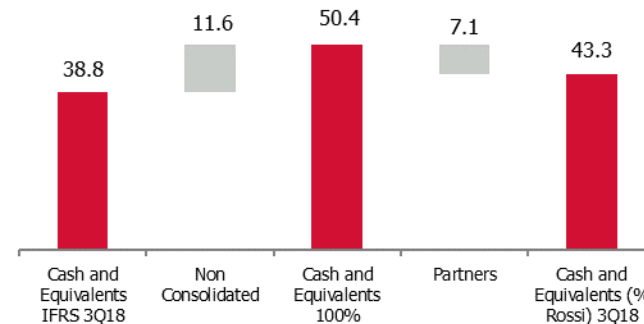
Corporate Debt Reconciliation – R\$ MM



Total Debt – R\$ MM



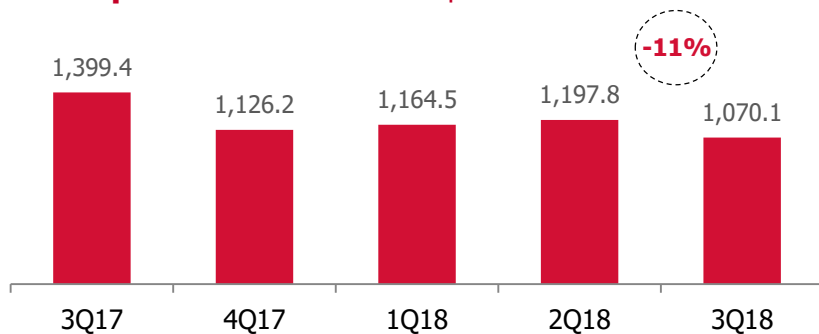
Cash and Cash Equivalents – R\$ MM



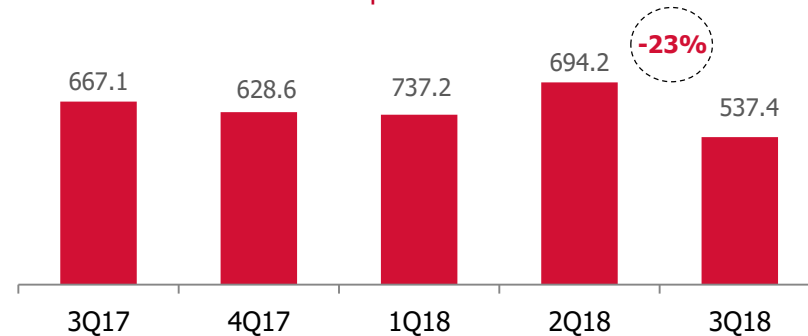
Company financial restructuring:

- Portion of corporate and SFH debt paid through transferred properties;
- Consolidated gross debt decreased by 22% in the 3Q18, vs. 3Q17;
- Reduction of 11% in the corporate debt and 23% in SFH debt compared to 2Q18;

Corporate debt IFRS - R\$ million

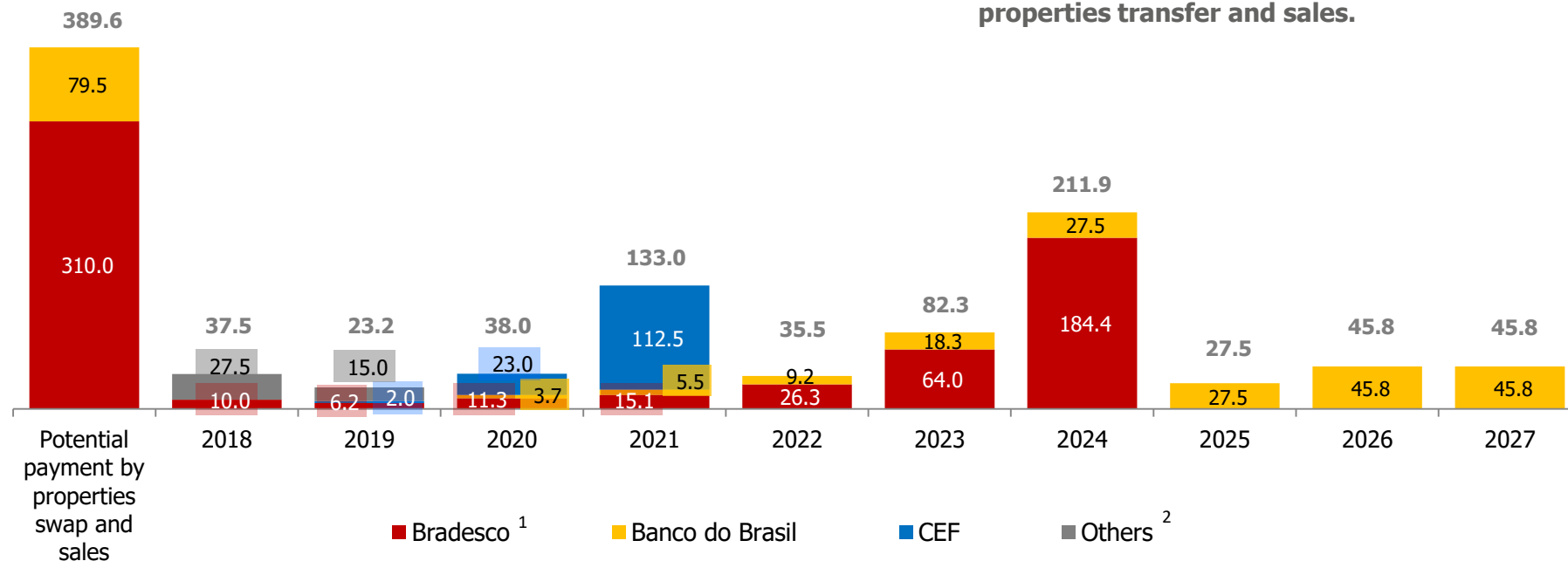


SFH debt IFRS - R\$ million



Maturity Date – Corporate Debt

Corporate debt IFRS - R\$ millions



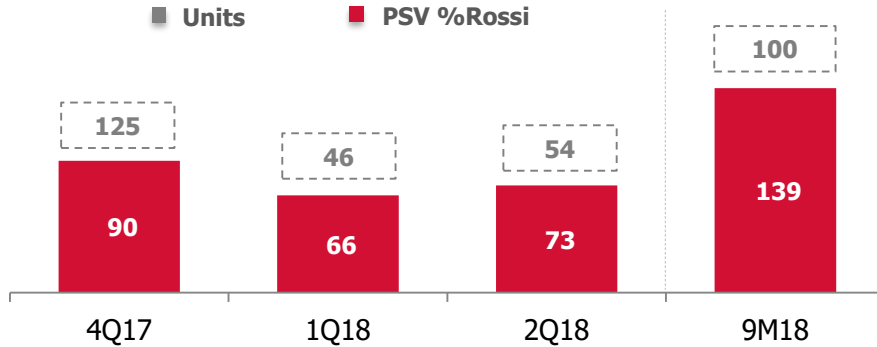
- Corporate debt of R\$ 1.1 bi.
- **Potential additional** reduction of the company's corporate debt **by 36%** through properties transfer and sales.

¹ **Bradesco due date in 2018:** Guaranteed account already renegotiated extending maturity by more 6 months in the 4Q18.

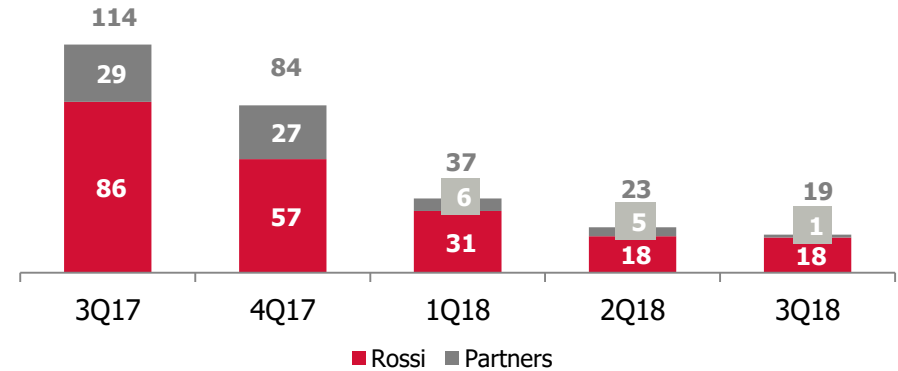
² **Others:** Composed mainly by credits assignment.

Cash Flow Drivers

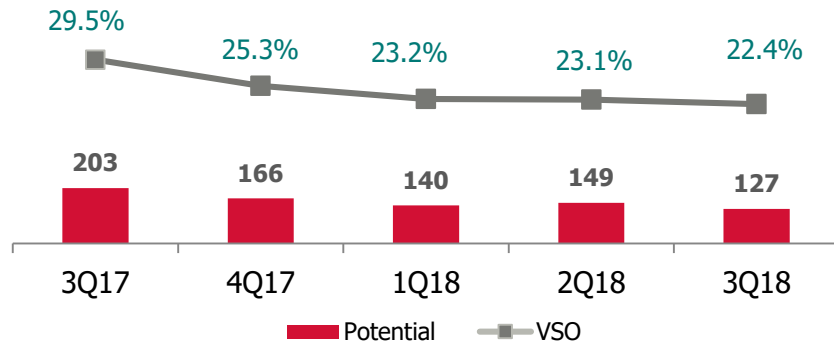
Deliveries | PSV Rossi and Units



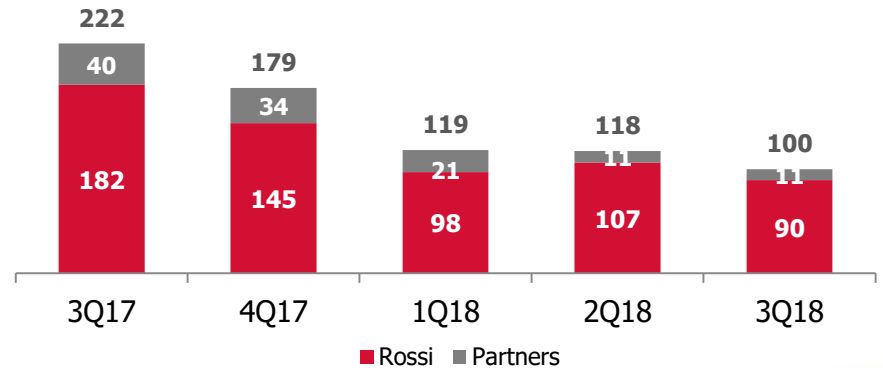
Costs to be Incurred | R\$ MM



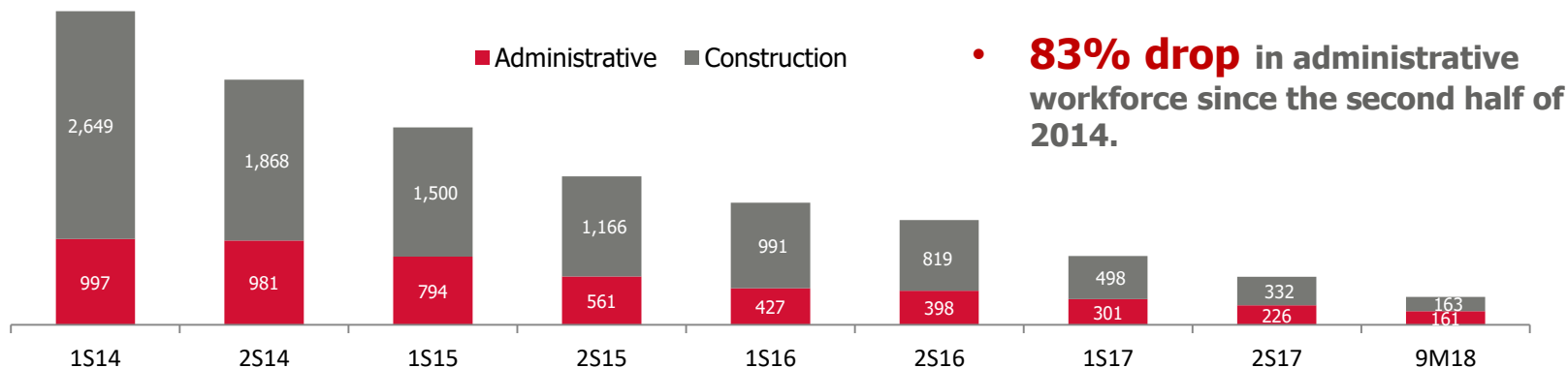
Transfer Speed | SoS



Cash Inflow | R\$ MM

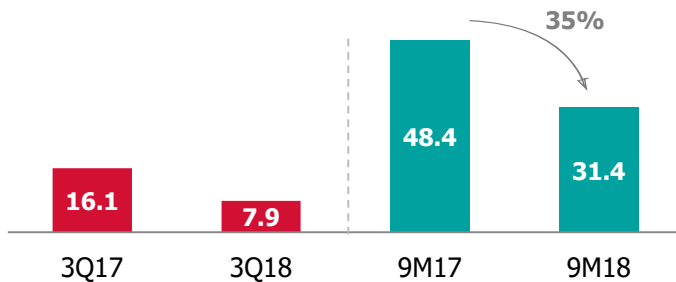


Changes in workforce



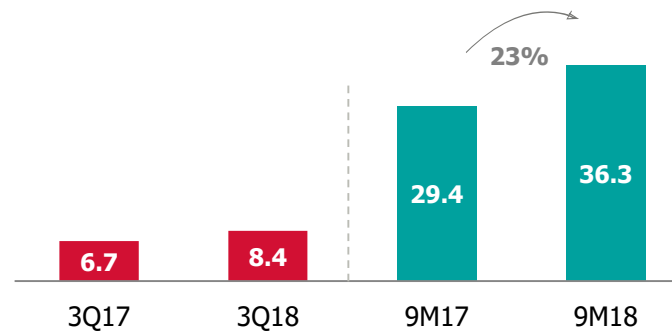
G&A (IFRS) - R\$ MM

- Reduction of 35% in G&A Expenses in the 9M18;



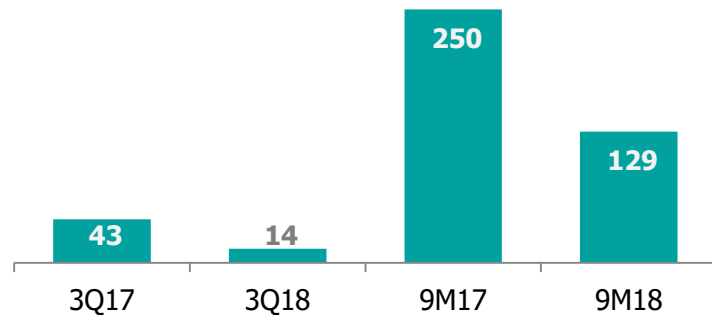
Selling (IFRS) - R\$ MM

- **Commercial** expenses impacted by the end of JV Capital Rossi;

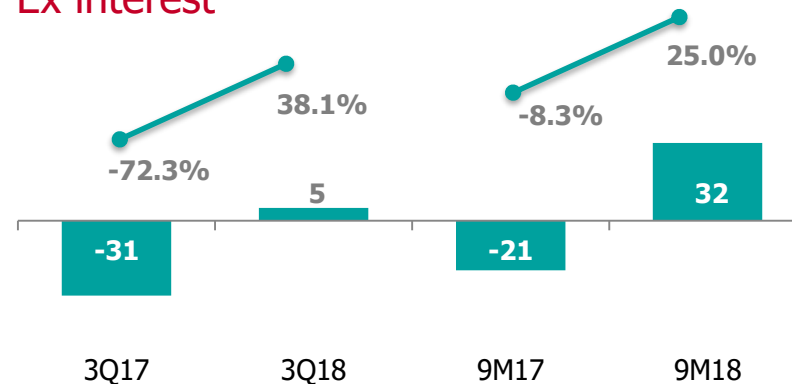


Financial Highlights

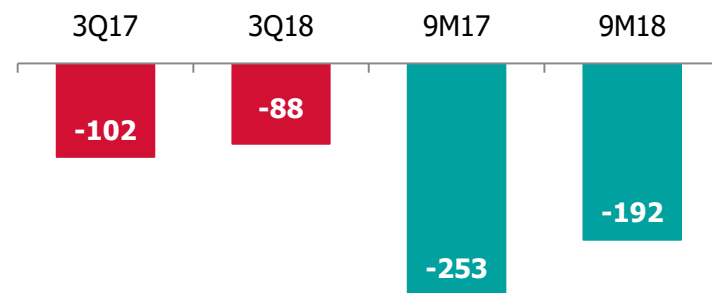
Net Revenue | R\$ MM



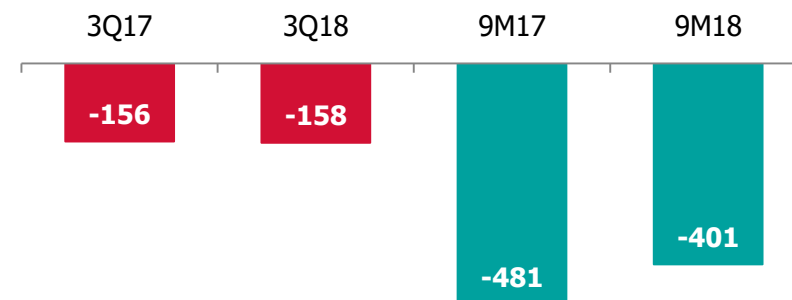
Gross Income | R\$ MM and Gross Margin %² Ex interest



Adjusted EBITDA¹ | R\$ MM



Net Income (Loss) | R\$ MM



¹ Ebitda ajustado pelas despesas que não representam desembolso efetivo de caixa

² Margem bruta ajustada: exclui os encargos financeiros

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