

São Paulo, August 14, 2017. Rossi Residencial S.A. (BM&FBovespa: RSID3; OTC: RSRZY; Bloomberg: RSID3 BZ Equity) announces its results for the second quarter of 2017.

**RSID3: R\$ 7.13 per share**  
**OTC: RSRZY**  
**Total number of shares:**  
**17,153,337**  
**Market value: R\$122.3 MM**

**7.5 p.p. increase in LTM SoS (% Rossi)**

**47% drop in cancellations (% Rossi) vs. 2Q16**

**41% decrease in operating expenses vs. 2Q16**

**R\$14 million cash generation in the proportional view**

**Conference Call**

August 15, 2017  
In Portuguese with simultaneous translation  
10 a.m. (Brasília) / 9 a.m. (US ET)  
Phone: +1 (516) 300-1066  
Code: Rossi  
Replay (available until August 22, 2017):  
Access Code: (+55 11) 3127-4999  
Password: 67350611

**Investor Relations Team**

[ri@rossiresidencial.com.br](mailto:ri@rossiresidencial.com.br)

+55 (11) 4058-2502

**Contents**

|   |           |
|---|-----------|
| <b>Message from the CEO</b>                   | <b>3</b>  |
| <b>Operating and Financial Indicators</b>     | <b>4</b>  |
| <b>Operating Performance</b>                  | <b>5</b>  |
| Launches                                      | 5         |
| Contracted Sales and SoS                      | 5         |
| Sales Cancellation                            | 7         |
| Inventory at Market Value                     | 8         |
| Deliveries                                    | 10        |
| Costs to be Incurred                          | 11        |
| Land Bank                                     | 11        |
| <b>Financial Performance</b>                  | <b>13</b> |
| Net Revenue                                   | 13        |
| Gross Profit and Margin                       | 14        |
| Operating Expenses                            | 14        |
| Financial Result                              | 16        |
| Backlog Result                                | 17        |
| Accounts Receivable                           | 18        |
| Marketable Properties                         | 18        |
| <b>Debt</b>                                   | <b>19</b> |
| <b>Transfers</b>                              | <b>22</b> |
| <b>Relationship with Independent Auditors</b> | <b>23</b> |
| <b>Exhibit I – Indices</b>                    | <b>24</b> |
| <b>Exhibit II – IFRS Indices</b>              | <b>25</b> |
| <b>Exhibit III – Statements of Income</b>     | <b>26</b> |
| <b>Exhibit IV – Balance Sheet</b>             | <b>28</b> |
| <b>Exhibit V – Inventory 100%</b>             | <b>30</b> |
| <b>Glossary</b>                               | <b>31</b> |

**MESSAGE FROM THE CEO**

Rossi continued to report positive operating results in 2Q17. As an example, net sales increased by 132% when compared to the results in 2Q16. As for the year-to-date figures, our net sales is already 189% higher than the same period of last year.

This increase was basically determined by three factors: (i) the increase in SoS, which reached 58% in the last 12 months, compared to a SoS of 50% registered for previous 12-month period, (ii) a drop of 51% in cancellations during the second quarter, when compared to 2Q16, and a drop of 37% in 1H17, and (iii) the highly efficient reselling rate of completed units, which has already reached 65% of cancelled units in 2017, compared to 55% in the same period of 2016.

Still on the operational front, the cash reinforce by the sale of non-strategic assets, which brought in R\$8 million during the quarter and R\$51 million for the semester, the maintenance of transfer rates in line with the last quarter, the delivery of 2 projects, totalling 418 units for the semester, and the consequent reduction in production costs, reflected in a cash generation of R\$14 million in 2Q17 and R\$31 million in 1H17, in a proportional view.

We are also making continuous cost reduction efforts. Thus, for the quarter, we recorded a reduction of 41% in total administrative and commercial expenses when compared to 2Q16 and a reduction of 33% when comparing the first half of 2017 with the same period in 2016.

On the operational and financial restructuring front, another important step was taken in the Company's deleveraging process: on June 28, 2017, we announced the termination of the operations with RB Capital, whose purpose was the developing of real estate projects throughout the country. This termination, once completed, will immediately reduce Rossi's operating debt by R\$110 million through the transfer of completed units without effectively consuming cash.

Although the estimates for the main macroeconomic indicators indicate a trend towards a gradual recovery in economic activity, the construction sector still depends on the growth of the country's employment and income levels, as well as on improvements in credit access, which, in the short-term, have not yet demonstrated considerable advancements. Despite that, Rossi remains focused on improving its operational and financial performance and is also committed to the Company's restructuring plan, confident in the recovery of the sector's growth cycle.

João Paulo Franco Rossi Cuppoloni  
CEO

## OPERATING AND FINANCIAL INDICATORS

| R\$ MM                                  | 2Q17    | 2Q16    | Var.        | 1H17    | 1H16    | Var.        |
|---|---------|---------|-------------|---------|---------|-------------|
| <b>Operating Performance</b>            |         |         |             |         |         |             |
| Launches - 100%                         | -       | -       | -           | -       | -       | -           |
| Gross Sales - 100%                      | 209.4   | 310.1   | -32.5%      | 501.1   | 566.9   | -11.6%      |
| Rescissions - 100%                      | 136.2   | 278.5   | -51.1%      | 317.2   | 503.2   | -37.0%      |
| Net Sales - 100%                        | 73.2    | 31.6    | 131.6%      | 183.9   | 63.7    | 188.7%      |
| Launches - % Rossi                      | -       | -       | -           | -       | -       | -           |
| Gross Sales - % Rossi                   | 161.0   | 215.8   | -25.4%      | 390.7   | 398.8   | -2.0%       |
| Rescissions - % Rossi                   | 104.8   | 196.8   | -46.7%      | 229.1   | 362.5   | -36.8%      |
| Net Sales - % Rossi                     | 56.2    | 19.0    | 195.8%      | 161.6   | 36.3    | 345.2%      |
| <b>Financial Performance</b>            |         |         |             |         |         |             |
| Net Revenue                             | 68.3    | 120.8   | -43.4%      | 207.0   | 227.9   | -9.2%       |
| Gross Margin <sup>1</sup>               | -27.5%  | 6.0%    | -33.5 p.p.  | -10.2%  | 1.0%    | -11.2 p.p.  |
| Gross Margin (ex interest) <sup>2</sup> | -5.0%   | 31.4%   | -36.4 p.p.  | 5.0%    | 24.3%   | -19.3 p.p.  |
| Adjusted EBITDA <sup>3</sup>            | (90.6)  | (41.0)  | -121.0%     | (151.1) | (104.3) | -44.9%      |
| Adjusted EBITDA Margin <sup>3</sup>     | -132.5% | -33.9%  | -98.6 p.p.  | -73.0%  | -45.8%  | -27.2 p.p.  |
| Net Income                              | (161.8) | (125.0) | -29.5%      | (324.7) | (267.1) | -21.5%      |
| Net Margin                              | -236.7% | -103.5% | -133.3 p.p. | -156.9% | -117.2% | -39.6 p.p.  |
| Net Debt / Equity (%) - Rossi's share   | 577.5%  | 225.4%  | -352.2 p.p. | 577.5%  | 225.4%  | -352.2 p.p. |
| Cash Generation (Burn) - Rossi's share  | 14.3    | (74.5)  | 119.2%      | 31.1    | (141.5) | 122.0%      |

<sup>1</sup> Consolidated as per CPCs19 (R2) and 36 (R3), relating to the subsidiaries.

<sup>2</sup> Gross Margin excluding interest allocated to cost.

<sup>3</sup> EBITDA and EBITDA Margin adjusted for expenses that do not represent a cash outflow and for non-recurring items. Reconciliation with EBITDA as per CVM Instruction No.527/2012 is shown in the glossary at the end of this document.

## OPERATING PERFORMANCE

The operating metrics shown in this results release are calculated on the basis of proportional view. In addition to the proportional view, the results are also being presented divided into consolidated (IFRS) and non consolidated companies, as shown in Exhibit II. Details of the amounts taking 100% of operations into account, irrespective of the method of consolidation, are given in Exhibit I.

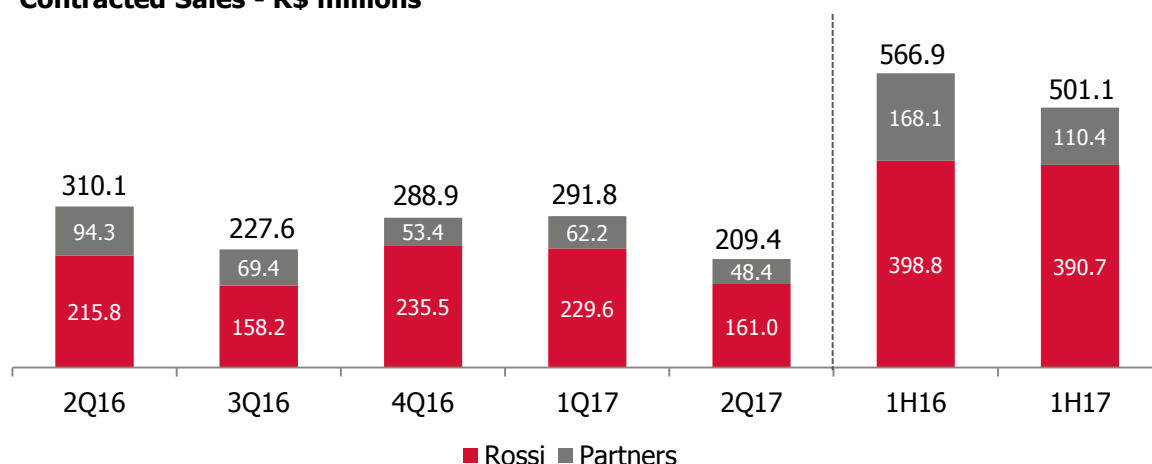
## LAUNCHES

The Company's position continues to be that no new projects will be launched until economic conditions allow returns to exceed the risks assumed in the real estate market.

## CONTRACTED SALES AND SALES SPEED (SoS)

Gross Contracted Sales in the quarter amounted to R\$209.4 million (R\$161.0 million – Rossi's share), a 32% drop when compared to 2Q16. In 1H17, the Company reported a drop of 12% in comparison to the same period of the previous year.

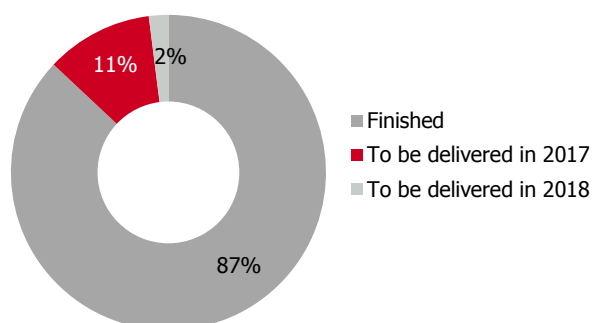
**Contracted Sales - R\$ millions**



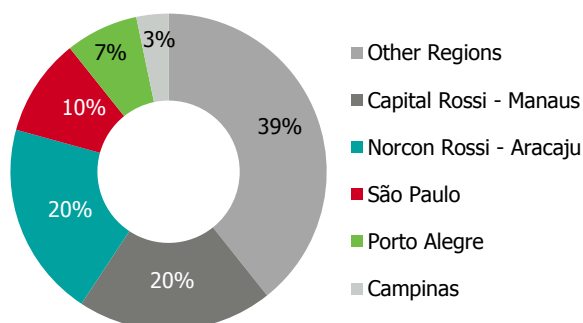
The following charts show gross sales (Rossi %) by stage of construction and region.

The highlights for this quarter are: (i) the share of completed units in total contracted sales (87%) and (ii) the substantial share of sales in regions not considered to be strategic to the business (39%), in line with the strategy to reduce inventory in these locations.

Gross Sales 2Q17 (% Rossi)



Gross Sales 2Q17 (% Rossi)



The following tables detail gross contracted sales, both Rossi's share and the total, broken down by metropolitan region and the stage of construction in 2Q17 and for 1H17:

| Gross Sales 2Q17 (100%)   R\$ MM | Finished     | 2017        | 2018       | Total        |
|----------------------------------|--------------|-------------|------------|--------------|
| Campinas                         | 2.3          | 3.1         | -          | 5.4          |
| Capital Rossi - Manaus           | 41.4         | 1.9         | -          | 43.3         |
| Norcon Rossi - Aracaju           | 40.5         | -           | 4.8        | 45.3         |
| Porto Alegre                     | 6.8          | 5.1         | -          | 11.8         |
| São Paulo                        | 16.6         | 7.3         | -          | 23.9         |
| Other regions                    | 71.3         | 8.4         | -          | 79.7         |
| <b>Total</b>                     | <b>178.9</b> | <b>25.8</b> | <b>4.8</b> | <b>209.4</b> |

| Gross Sales 1H17 (100%)   R\$ MM | Finished     | 2017        | 2018        | Total        |
|----------------------------------|--------------|-------------|-------------|--------------|
| Campinas                         | 6.3          | 10.5        | -           | 16.8         |
| Capital Rossi - Manaus           | 86.7         | 5.7         | -           | 92.4         |
| Norcon Rossi - Aracaju           | 135.5        | -           | 10.9        | 146.4        |
| Porto Alegre                     | 14.2         | 8.7         | -           | 22.8         |
| São Paulo                        | 47.6         | 11.7        | -           | 59.3         |
| Other regions                    | 150.1        | 13.2        | -           | 163.4        |
| <b>Total</b>                     | <b>440.4</b> | <b>49.8</b> | <b>10.9</b> | <b>501.1</b> |

| Gross Sales 2Q17 (% Rossi)   R\$ MM | Finished     | 2017        | 2018       | Total        |
|-------------------------------------|--------------|-------------|------------|--------------|
| Campinas                            | 2.1          | 3.1         | -          | 5.2          |
| Capital Rossi - Manaus              | 30.8         | 1.9         | -          | 32.7         |
| Norcon Rossi - Aracaju              | 29.3         | -           | 3.3        | 32.6         |
| Porto Alegre                        | 6.7          | 5.1         | -          | 11.8         |
| São Paulo                           | 12.9         | 3.5         | -          | 16.4         |
| Other regions                       | 57.8         | 4.5         | -          | 62.3         |
| <b>Total</b>                        | <b>139.6</b> | <b>18.1</b> | <b>3.3</b> | <b>161.0</b> |

| Gross Sales 1H17 (% Rossi)   R\$ MM | Finished     | 2017        | 2018       | Total        |
|-------------------------------------|--------------|-------------|------------|--------------|
| Campinas                            | 5.9          | 8.9         | -          | 14.8         |
| Capital Rossi - Manaus              | 57.1         | 3.8         | -          | 61.0         |
| Norcon Rossi - Aracaju              | 99.3         | -           | 7.6        | 106.9        |
| Porto Alegre                        | 14.1         | 8.7         | -          | 22.8         |
| São Paulo                           | 43.9         | 7.9         | -          | 51.8         |
| Other regions                       | 124.1        | 9.4         | -          | 133.4        |
| <b>Total</b>                        | <b>344.5</b> | <b>38.6</b> | <b>7.6</b> | <b>390.7</b> |

The following tables show sales speed ("SoS") for the quarter and the accumulated last 12 months, considering the amounts proportional to Rossi's share. SoS stood at 15% in the quarter and at 58% for the last 12 months.

| Quarterly SOS   % Rossi       | 2Q16           | 3Q16           | 4Q16           | 1Q17           | 2Q17           |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|
| Inventory - BOF               | 1,549.3        | 1,360.0        | 1,239.2        | 1,253.1        | 1,056.8        |
| Launches                      | -              | -              | -              | -              | -              |
| <b>Inventory + Launches</b>   | <b>1,549.3</b> | <b>1,360.0</b> | <b>1,239.2</b> | <b>1,253.1</b> | <b>1,056.8</b> |
| Gross Sales                   | (215.8)        | (158.2)        | (235.5)        | (229.6)        | (161.0)        |
| <b>Sales speech (SOS) (%)</b> | <b>13.9%</b>   | <b>11.6%</b>   | <b>19.0%</b>   | <b>18.3%</b>   | <b>15.2%</b>   |
| Sales cancellation            | 196.8          | 137.6          | 168.0          | 124.3          | 104.8          |
| Adjusts / Revalue             | (170.3)        | (100.2)        | 81.4           | (91.0)         | (157.8)        |
| <b>Inventory - EOF</b>        | <b>1,360.0</b> | <b>1,239.2</b> | <b>1,253.1</b> | <b>1,056.8</b> | <b>842.8</b>   |

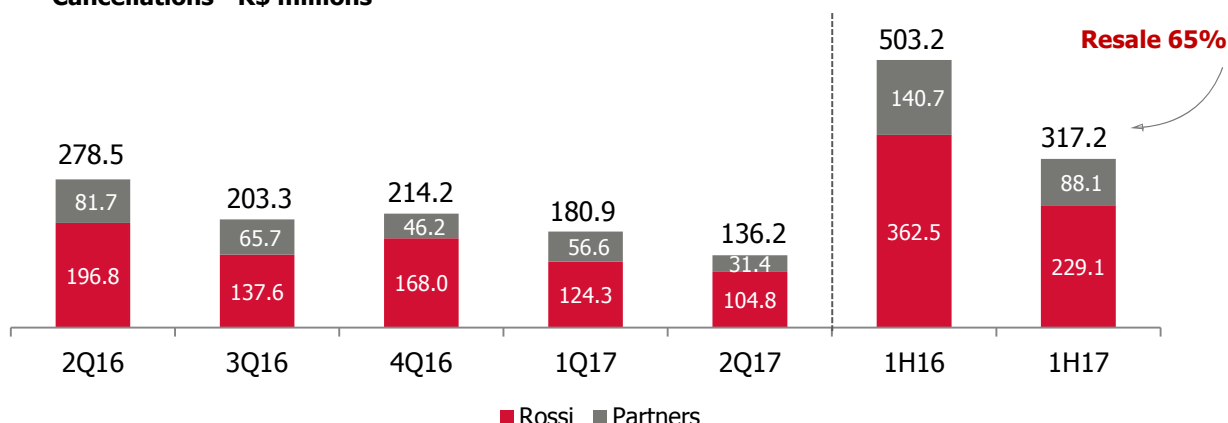
| LTM SOS   % Rossi             | 2Q16           | 3Q16           | 4Q16           | 1Q17           | 1Q17           |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|
| Inventory - BOF               | 2,118.6        | 1,995.2        | 1,626.4        | 1,549.3        | 1,360.0        |
| Launches                      | -              | -              | -              | -              | -              |
| <b>Inventory + Launches</b>   | <b>2,118.6</b> | <b>1,995.2</b> | <b>1,626.4</b> | <b>1,549.3</b> | <b>1,360.0</b> |
| Gross Sales                   | (1,063.1)      | (874.7)        | (803.1)        | (839.1)        | (784.3)        |
| <b>Sales speech (SOS) (%)</b> | <b>50.2%</b>   | <b>43.8%</b>   | <b>49.4%</b>   | <b>54.2%</b>   | <b>57.7%</b>   |
| Sales cancellation            | 704.3          | 649.3          | 668.1          | 626.7          | 534.7          |
| Adjusts / Revalue             | (399.8)        | (530.6)        | (238.3)        | (280.1)        | (267.6)        |
| <b>Inventory - EOF</b>        | <b>1,360.0</b> | <b>1,239.2</b> | <b>1,253.1</b> | <b>1,056.8</b> | <b>842.8</b>   |

## SALES CANCELLATION

In the second quarter of 2017, cancellations totaled R\$136.2 million (R\$104.8 million – Rossi's share), a 51% drop when compared to the second quarter of 2016 and down 25% versus the previous quarter. In 1H17, cancellations dropped by 37% when compared to the same period of the previous year.

It is worth mentioning that the Company maintains high reselling rates of cancelled units, which, at year-to-date stood at 65%.

## Cancellations - R\$ millions



The tables below give details of cancellations by stage of construction and metropolitan region, both for Rossi and for the 100% consolidation in the second quarter of 2017 and for 1H17:

| Sales Cancellation 2Q17 (100%)   R\$ MM | Finished     | 2017        | 2018       | Total        |
|---|--------------|-------------|------------|--------------|
| Campinas                                | 1.7          | 1.4         | -          | 3.1          |
| Capital Rossi - Manaus                  | 35.0         | 0.5         | -          | 35.5         |
| Norcon Rossi - Aracaju                  | 21.4         | -           | 5.3        | 26.7         |
| Porto Alegre                            | 6.0          | 1.0         | -          | 7.0          |
| São Paulo                               | 15.9         | 4.3         | -          | 20.2         |
| Other regions                           | 34.4         | 9.3         | -          | 43.7         |
| <b>Total</b>                            | <b>114.4</b> | <b>16.6</b> | <b>5.3</b> | <b>136.2</b> |

| Sales Cancellation 1H17 (100%)   R\$ MM | Finished     | 2017        | 2018       | Total        |
|---|--------------|-------------|------------|--------------|
| Campinas                                | 4.9          | 5.6         | -          | 10.6         |
| Capital Rossi - Manaus                  | 79.6         | 2.3         | -          | 81.9         |
| Norcon Rossi - Aracaju                  | 73.6         | -           | 7.2        | 80.8         |
| Porto Alegre                            | 15.2         | 4.3         | -          | 19.4         |
| São Paulo                               | 25.6         | 4.8         | -          | 30.4         |
| Other regions                           | 75.3         | 18.8        | -          | 94.1         |
| <b>Total</b>                            | <b>274.2</b> | <b>35.7</b> | <b>7.2</b> | <b>317.2</b> |

| Sales Cancellation 2Q17 (% Rossi)   R\$ MM | Finished    | 2017        | 2018       | Total        |
|--|-------------|-------------|------------|--------------|
| Campinas                                   | 1.7         | 1.4         | -          | 3.1          |
| Capital Rossi - Manaus                     | 26.9        | 0.5         | -          | 27.5         |
| Norcon Rossi - Aracaju                     | 17.0        | -           | 1.8        | 18.8         |
| Porto Alegre                               | 6.0         | 1.0         | -          | 6.9          |
| São Paulo                                  | 13.2        | 3.1         | -          | 16.4         |
| Other regions                              | 26.0        | 6.1         | -          | 32.1         |
| <b>Total</b>                               | <b>90.8</b> | <b>12.1</b> | <b>1.8</b> | <b>104.8</b> |



| Sales Cancellation 1H17 (% Rossi)   R\$ MM | Finished     | 2017        | 2018       | Total        |
|--|--------------|-------------|------------|--------------|
| Campinas                                   | 4.7          | 5.0         | -          | 9.8          |
| Capital Rossi - Manaus                     | 49.8         | 1.4         | -          | 51.2         |
| Norcon Rossi - Aracaju                     | 53.4         | -           | 3.2        | 56.6         |
| Porto Alegre                               | 15.0         | 4.3         | -          | 19.2         |
| São Paulo                                  | 20.5         | 3.6         | -          | 24.1         |
| Other regions                              | 56.1         | 12.1        | -          | 68.2         |
| <b>Total</b>                               | <b>199.5</b> | <b>26.4</b> | <b>3.2</b> | <b>229.1</b> |

### INVENTORY AT MARKET VALUE

Rossi's share of inventory at market value reached R\$842.8 million in the quarter due to the Company's decision to temporarily hold back sales for the second phase of the Britannia Park Offices development, in Manaus, thus reflecting a reduction of R\$77.5 million in Rossi's share of inventory. The following tables give details by product line, year of launch and year of estimated delivery.

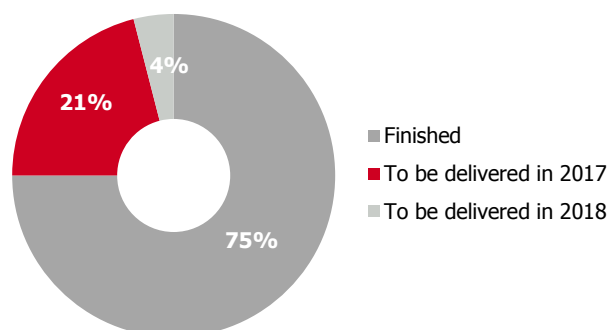
Exhibit V to this report shows the breakdown by city of 100% of the inventory.

| Inventory % Rossi | Year of launch ( R\$ MM) |              |              |              |              |              |
|-------------------|--------------------------|--------------|--------------|--------------|--------------|--------------|
|                   | 2010 e Ant.              | 2011         | 2012         | 2013         | 2014         | Total        |
| Commercial        | 20.5                     | 9.0          | 56.9         | 14.9         | -            | 101.3        |
| Conventional      | 24.1                     | 167.9        | 204.7        | 153.2        | 179.1        | 729.0        |
| Low Income        | 10.0                     | 1.0          | 1.4          | -            | -            | 12.5         |
| <b>Total</b>      | <b>54.7</b>              | <b>177.8</b> | <b>263.1</b> | <b>168.1</b> | <b>179.1</b> | <b>842.8</b> |

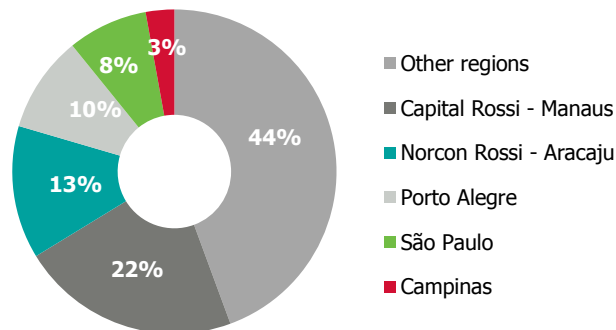
| Inventory % Rossi | Expected year of conclusion (R\$ MM) |              |             |              |
|-------------------|--------------------------------------|--------------|-------------|--------------|
|                   | Finished                             | 2017         | 2018        | Total        |
| Commercial        | 86.4                                 | 14.9         | -           | 101.3        |
| Conventional      | 533.9                                | 165.0        | 30.0        | 729.0        |
| Low Income        | 12.5                                 | -            | -           | 12.5         |
| <b>Total</b>      | <b>632.8</b>                         | <b>180.0</b> | <b>30.0</b> | <b>842.8</b> |

The following charts show Rossi's inventory by stage construction and metropolitan region. Completed units represented 75% of total inventory in the quarter.

Inventory 2Q17 (%Rossi)



Inventory 2Q17 (%Rossi)



The following tables give details by metropolitan region, year of launch and year of estimated delivery:

| Inventory % Rossi      | Year of launch ( R\$ MM) |              |              |              |              |              |
|------------------------|--------------------------|--------------|--------------|--------------|--------------|--------------|
|                        | 2010 e Ant.              | 2011         | 2012         | 2013         | 2014         | Total        |
| Campinas               | 2.1                      | 0.5          | 0.4          | 21.0         | -            | 24.0         |
| Capital Rossi - Manaus | 19.9                     | 12.6         | 126.3        | 25.7         | -            | 184.5        |
| Norcon Rossi - Aracaju | -                        | 11.4         | 33.6         | 30.1         | 36.7         | 111.8        |
| Porto Alegre           | 1.0                      | 1.5          | 14.8         | 13.3         | 50.7         | 81.2         |
| São Paulo              | 2.7                      | 2.0          | 4.5          | 3.6          | 54.4         | 67.3         |
| Other Regions          | 28.9                     | 149.8        | 83.6         | 74.3         | 37.4         | 374.0        |
| <b>Total</b>           | <b>54.7</b>              | <b>177.8</b> | <b>263.1</b> | <b>168.1</b> | <b>179.1</b> | <b>842.8</b> |

| Inventory % Rossi      | Expected year of conclusion (R\$ MM) |              |             |              |
|------------------------|--------------------------------------|--------------|-------------|--------------|
|                        | Finished                             | 2017         | 2018        | Total        |
| Campinas               | 8.8                                  | 15.3         | -           | 24.0         |
| Capital Rossi - Manaus | 169.6                                | 14.9         | -           | 184.5        |
| Norcon Rossi - Aracaju | 81.7                                 | -            | 30.0        | 111.8        |
| Porto Alegre           | 30.6                                 | 50.7         | -           | 81.2         |
| São Paulo              | 12.9                                 | 54.4         | -           | 67.3         |
| Other Regions          | 329.3                                | 44.8         | -           | 374.0        |
| <b>Total</b>           | <b>632.8</b>                         | <b>180.0</b> | <b>30.0</b> | <b>842.8</b> |

## DELIVERIES

In the second quarter of 2017, Rossi delivered 139 units, with at total PSV of R\$60.3 million. In 1H17, a total of 418 units were delivered, with a total PSV of R\$137.6 million considering the PSV on the launch date.

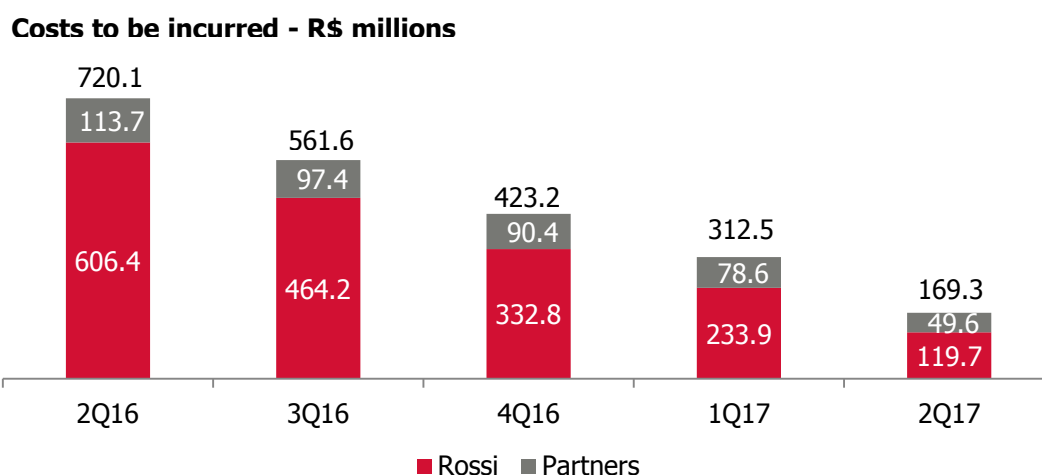
The following table shows deliveries using the occupation permit ("habite-se") as the criterion, by product:

| 2Q17         |            |                    |                     |
|--------------|------------|--------------------|---------------------|
| Segment      | Units      | PSV 100% ( R\$ MM) | PSV Rossi ( R\$ MM) |
| Conventional | 139        | 60.3               | 60.3                |
| <b>Total</b> | <b>139</b> | <b>60.3</b>        | <b>60.3</b>         |

| 1H17         |            |                    |                     |
|--------------|------------|--------------------|---------------------|
| Segment      | Units      | PSV 100% ( R\$ MM) | PSV Rossi ( R\$ MM) |
| Conventional | 418        | 137.6              | 137.6               |
| <b>Total</b> | <b>418</b> | <b>137.6</b>       | <b>137.6</b>        |

## COSTS TO BE INCURRED

The following chart shows how costs to be incurred (100%) have evolved historically. In 2Q17, costs to be incurred totaled R\$169.3 million (R\$119.7 million - Rossi's share), decreasing by 76% when compared to the same period in 2016. When compared to 1Q17, costs to be incurred fell by 46%, also impacted by the Company's decision to temporarily hold back sales for the second phase of the Britannia Park Offices development, in Manaus.



## LAND BANK

Rossi has a top quality land bank, and the values shown below are broken down according to the Company's strategy and the corresponding operating profile. There were no variations in land bank during 2Q17, with the exception of the increase caused by the decision to temporarily hold back sales for the second phase of the Britannia Park Offices development, in Manaus, which reflected in an increase of R\$77.5 million in land bank, proportional to Rossi's share, and should be relaunched as soon as the macroeconomic and real estate market conditions become more favorable.

| R\$ MM                        | PSV 100%       | PSV %Rossi     |
|-------------------------------|----------------|----------------|
| Potential launch until 2018   | 2,190.2        | 2,035.6        |
| Launches after 2018           | 4,581.8        | 3,220.7        |
| Decommissioning               | 1,389.9        | 1,263.0        |
| <b>Consolidated Land Bank</b> | <b>8,161.9</b> | <b>6,519.3</b> |

The Company is reviewing its launch strategy for the next few years, both in terms of location and of PSV offered per quarter. In 2Q17, the Company's land bank for construction and development of residential properties, with potential for launch by 2018, totaled R\$2.2 billion (R\$2.0 billion – Rossi's share). The potential amount for decommissioning, i.e. available for sale or cancellation of swap agreements, is R\$1.4 billion (R\$1.3 billion – Rossi's share). Residential land for long-term development is valued at R\$4.6 billion (R\$3.2 billion – Rossi's share).

The table below shows the land bank intended for residential development, with potential for launch by 2018, broken down by metropolitan region and type of product:

| Metro Region / Product | R\$ 200 to<br>R\$ 350 K | R\$ 350 to<br>R\$ 500 K | R\$ 500 to<br>R\$ 650 K | R\$ 650 to<br>R\$ 750 K | > R\$ 750 K  | Total          |
|------------------------|-------------------------|-------------------------|-------------------------|-------------------------|--------------|----------------|
| Campinas               | -                       | 140.0                   | -                       | 260.6                   | 331.3        | 731.9          |
| Capital Rossi          | 77.5                    | -                       | -                       | -                       | -            | 77.5           |
| Norcon Rossi           | 31.1                    | -                       | 58.2                    | 317.4                   | 72.6         | 479.5          |
| Porto Alegre           | 445.8                   | -                       | -                       | -                       | -            | 445.8          |
| São Paulo              | -                       | 130.8                   | -                       | -                       | 170.0        | 300.8          |
| <b>Total</b>           | <b>554.5</b>            | <b>270.8</b>            | <b>58.2</b>             | <b>578.1</b>            | <b>573.9</b> | <b>2,035.6</b> |

Additionally, Entreverdes Urbanismo's land bank is as follows:

| Location               | PSV 100%<br>(R\$ MM) | PSV Entreverdes<br>(R\$ MM) | # of Lots    |
|------------------------|----------------------|-----------------------------|--------------|
| São Paulo country side | 2,949.4              | 1,357.2                     | 6,816        |
| Rio Grande do Sul      | 456.6                | 125.9                       | 1,080        |
| <b>Total</b>           | <b>3,406.0</b>       | <b>1,483.1</b>              | <b>7,896</b> |

## FINANCIAL PERFORMANCE

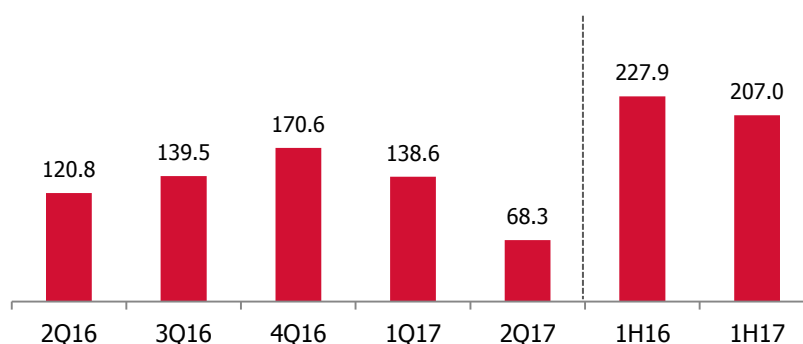
The financial information given in this results release has been prepared in accordance with the accounting practices generally accepted in Brazil, including CPCs 19 (R2) and 36 (R3), which deal with the consolidation of certain corporate interests. Thus, since 1Q13, Rossi has been consolidating all its interests in subsidiaries and affiliates according to these pronouncements.

### NET REVENUE

Net revenue from the sale of properties and service, recognized by percentage of completion ("Poc"), totaled R\$68.3 million in the quarter, a 43% drop when compared to the same period of the previous year. In 1H17, net revenue dropped by 9% versus 1H16, mainly due to: (i) the deflation in 2Q17 measured by the IGP-M index and its consequent impact on the monetary adjustments to Accounts Receivable of completed units and (ii) the mix of sales between consolidated (IFRS) and unconsolidated companies.

| R\$ MM                        | 2Q17        | 2Q16         | Var. (%)      | 1H17         | 1H16         | Var. (%)     |
|-------------------------------|-------------|--------------|---------------|--------------|--------------|--------------|
| Sale of property and services | 68.3        | 120.8        | -43.4%        | 207.0        | 227.9        | -9.2%        |
| <b>Net Operating Revenue</b>  | <b>68.3</b> | <b>120.8</b> | <b>-43.4%</b> | <b>207.0</b> | <b>227.9</b> | <b>-9.2%</b> |

Net Revenue - R\$ millions



### COST OF PROPERTIES AND SERVICES SOLD

The cost of properties and services was R\$87.1 million in 2Q17, down by 23% when compared to the same period of the previous year. A 1% increase was reported in 1H17 vs. 1H16.

| R\$ MM                                | 2Q17        | 2Q16         | Var. (%)      | 1H17         | 1H16         | Var. (%)    |
|---------------------------------------|-------------|--------------|---------------|--------------|--------------|-------------|
| Construction + Land                   | 71.8        | 82.9         | -13.4%        | 196.5        | 172.4        | 14.0%       |
| Financial charges                     | 15.4        | 30.7         | -49.9%        | 31.6         | 53.2         | -40.6%      |
| <b>Costs of Property and Services</b> | <b>87.1</b> | <b>113.6</b> | <b>-23.3%</b> | <b>228.1</b> | <b>225.6</b> | <b>1.1%</b> |

**GROSS PROFIT AND MARGIN**

Adjusted gross profit came in negative at R\$3.4 million with an adjusted gross margin of negative 5%. In 1H17 the adjusted gross profit totaled R\$10.4 million, with a positive adjusted gross margin of 5%.

| R\$ MM                             | 2Q17   | 2Q16  | Var. (%)   | 1H17   | 1H16  | Var. (%)   |
|------------------------------------|--------|-------|------------|--------|-------|------------|
| Gross Income                       | -18.8  | 7.2   | -361.0%    | -21.2  | 2.3   | -1040.3%   |
| Gross Margin (%)                   | -27.5% | 6.0%  | -33.5 p.p. | -10.2% | 1.0%  | -11.2 p.p. |
| Adjusted Gross Income <sup>1</sup> | -3.4   | 37.9  | -109.1%    | 10.4   | 55.5  | -81.2%     |
| Adjusted Gross Margin (%)          | -5.0%  | 31.4% | -36.4 p.p. | 5.0%   | 24.3% | -19.3 p.p. |

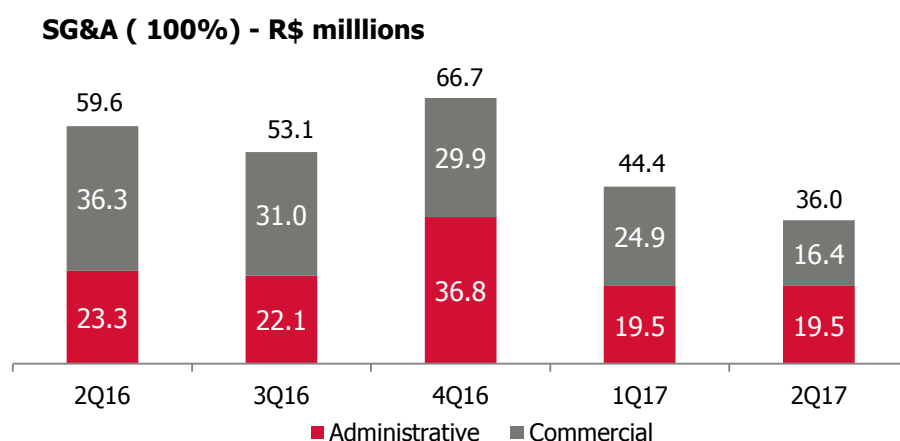
(<sup>1</sup>) Adjusted gross profit: excludes financial charges

**OPERATING EXPENSES**

As mentioned above, a substantial part of the operation is not consolidated, but the majority of expenses are centralized in the head office, which distorts the IFRS analysis. To ensure greater comparability and supplement the information previously disclosed, the following table shows the figures for 100% of the operation, and percentages relating to 100% of net revenues, irrespective of the method of consolidation.

| R\$ MM                         | 2Q17         | 2Q16         | Var. (%)        | 1H17         | 1H16         | Var. (%)         |
|--------------------------------|--------------|--------------|-----------------|--------------|--------------|------------------|
| Administrative (a)             | 19.5         | 23.3         | -16.0%          | 39.0         | 51.9         | -24.9%           |
| Selling (b)                    | 16.4         | 36.3         | -54.7%          | 41.4         | 65.0         | -36.4%           |
| Administrative / Net Revenue   | 16.3%        | 11.5%        | 4.7 p.p.        | 11.5%        | 11.1%        | 0.4 p.p.         |
| Selling / Net Revenue          | 13.7%        | 18.0%        | -4.3 p.p.       | 12.2%        | 13.8%        | -1.6 p.p.        |
| <b>(a) + (b)</b>               | <b>36.0</b>  | <b>59.6</b>  | <b>-39.6%</b>   | <b>80.4</b>  | <b>117.0</b> | <b>-31.3%</b>    |
| <b>(a) + (b) / Net Revenue</b> | <b>30.0%</b> | <b>29.6%</b> | <b>0.4 p.p.</b> | <b>23.7%</b> | <b>24.9%</b> | <b>-1.2 p.p.</b> |

The chart below shows changes in SG&A expenses for 100% of the operation:



In accordance with IFRS, administrative expenses totaled R\$16.2 million in the second quarter of 2017, a 16% drop when compared to the same period in 2016, in line with the Company's cost reduction strategy. In relation to commercial expenses, the Company recorded a cost reduction of 61% in the quarter, below the figures reported in recent quarters.

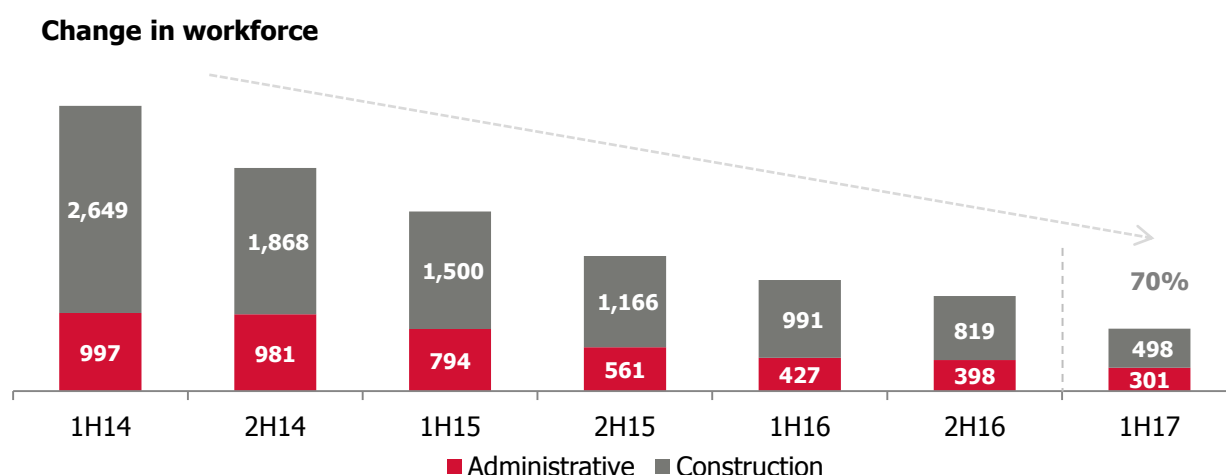
In relation to net revenue, operating expenses stood at 37%, an increase by 1.7 p.p. versus 2Q16, impacted by the reduction in net revenue.

| R\$ MM                         | IFRS         |              |                 |              |              |                  |
|--------------------------------|--------------|--------------|-----------------|--------------|--------------|------------------|
|                                | 2Q17         | 2Q16         | Var. (%)        | 1H17         | 1H16         | Var. (%)         |
| Administrative (a)             | 16.2         | 19.3         | -16.1%          | 32.3         | 44.5         | -27.5%           |
| Selling (b)                    | 9.2          | 23.5         | -60.9%          | 22.7         | 37.7         | -39.9%           |
| Administrative / Net Revenue   | 23.7%        | 16.0%        | 7.7 p.p.        | 15.6%        | 19.5%        | -3.9 p.p.        |
| Selling / Net Revenue          | 13.5%        | 19.5%        | -6.0 p.p.       | 11.0%        | 16.6%        | -5.6 p.p.        |
| <b>(a) + (b)</b>               | <b>25.4</b>  | <b>42.8</b>  | <b>-40.7%</b>   | <b>55.0</b>  | <b>82.3</b>  | <b>-33.2%</b>    |
| <b>(a) + (b) / Net Revenue</b> | <b>37.2%</b> | <b>35.4%</b> | <b>1.7 p.p.</b> | <b>26.6%</b> | <b>36.1%</b> | <b>-9.5 p.p.</b> |

It is important to highlight the efforts made by Rossi to improve its structure, especially since the second half of 2014 when the administrative staff headcount was reduced by 70%.

This restructuring has already led to a reduction of 25% in administrative expenses (100%) for 1H17 when compared to the same period in 2016. As the organic slowdown continues to occur, due to the lower launching volume and the conclusion of legacy inventories, there will be further opportunities for gains in efficiency.

The chart below shows the changes in administrative staff and construction site employees.



## OTHER NET OPERATING REVENUES/EXPENSES

Other net operating expenses totaled R\$49.8 million in 2Q17 versus R\$42.9 million for the same period in 2016, representing a 16% increase. For 1H17, other net operating expenses totaled R\$75.2 million, a 12% reduction from the R\$85.9 million reported in 1H16.

## EQUITY IN THE EARNINGS OF SUBSIDIARIES

The following table provides details of the results, divided between consolidated (IFRS) and unconsolidated companies. It is possible to note that the gross margin adjusted due to the exclusion of financial charges of the unconsolidated companies is higher in 2Q17, since they consist mainly of the joint ventures Norcon Rossi (Aracaju) and Capital Rossi (Manaus), leaders in the markets in which they operate.

## 2Q17

| R\$ MM                                | IFRS          | Non Consolidated | 100%           |
|---------------------------------------|---------------|------------------|----------------|
| <b>Net Revenue</b>                    | <b>68.3</b>   | <b>51.7</b>      | <b>120.0</b>   |
| <b>Costs of property and services</b> | <b>(87.1)</b> | <b>(42.2)</b>    | <b>(129.3)</b> |
| Construction + Land                   | (71.8)        | (34.3)           | (106.1)        |
| Financial Charges                     | (15.4)        | (7.9)            | (23.2)         |
| <b>Gross Income</b>                   | <b>(18.8)</b> | <b>9.5</b>       | <b>(9.3)</b>   |
| Gross Margin (%)                      | -27.5%        | 18.4%            | -7.8%          |
| <b>Gross Income ex interest</b>       | <b>-3.4</b>   | <b>17.4</b>      | <b>13.9</b>    |
| Gross Margin ex interest (%)          | -5.0%         | 33.6%            | 11.6%          |

## 1H17

| R\$ MM                                | IFRS           | Non Consolidated | 100%           |
|---------------------------------------|----------------|------------------|----------------|
| <b>Net Revenue</b>                    | <b>207.0</b>   | <b>132.2</b>     | <b>339.2</b>   |
| <b>Costs of property and services</b> | <b>(228.1)</b> | <b>(125.8)</b>   | <b>(353.9)</b> |
| Construction + Land                   | (196.5)        | (105.0)          | (301.5)        |
| Financial Charges                     | (31.6)         | (20.8)           | (52.4)         |
| <b>Gross Income</b>                   | <b>(21.2)</b>  | <b>6.4</b>       | <b>(14.8)</b>  |
| Gross Margin (%)                      | -10.2%         | 4.9%             | -4.4%          |
| <b>Gross Income ex interest</b>       | <b>10.4</b>    | <b>27.3</b>      | <b>37.7</b>    |
| Gross Margin ex interest (%)          | 5.0%           | 20.6%            | 11.1%          |

## EBITDA

Adjusted EBITDA was negative by R\$90.6 million in the quarter, with a negative margin of 133%. The main impact in EBITDA are illustrated in items gross profit and operating expenses.

| R\$ MM   | 2Q17           | 2Q16          | Var. (%)       | 1H17           | 1H16           | Var. (%)      |
|--|----------------|---------------|----------------|----------------|----------------|---------------|
| Net Income (Loss)                                    | (161.8)        | (125.0)       | -29.5%         | (324.7)        | (267.1)        | -21.5%        |
| (+/-) Financial Expenses (Revenues), Net             | 56.9           | 44.3          | 28.5%          | 134.4          | 94.0           | 43.0%         |
| (+) Provision for income tax and social contribution | (1.0)          | (1.0)         | -4.4%          | 2.4            | 2.9            | -18.0%        |
| (+) Depreciation and Amortization                    | 4.4            | 5.2           | -14.8%         | 10.2           | 10.5           | -3.0%         |
| (+/-) Minority                                       | (4.8)          | 4.7           | 203.3%         | (5.5)          | 0.1            | n.a           |
| <b>EBITDA</b>  | <b>(106.3)</b> | <b>(71.9)</b> | <b>-47.9%</b>  | <b>(183.2)</b> | <b>(159.6)</b> | <b>-14.8%</b> |
| (+) Capitalized interest                             | 15.4           | 30.7          | -49.9%         | 31.6           | 53.2           | -40.6%        |
| (+/-) Stock option                                   | 0.4            | 0.2           | 58.8%          | 0.5            | 2.2            | -76.7%        |
| <b>Adjusted EBITDA</b>                               | <b>(90.6)</b>  | <b>(41.0)</b> | <b>-121.0%</b> | <b>(151.1)</b> | <b>(104.3)</b> | <b>-44.9%</b> |
| Adjusted EBITDA Margin (%)                           | -132.5%        | -33.9%        | -98.6 p.p.     | -73.0%         | -45.8%         | -27.2 p.p.    |

<sup>1</sup> EBITDA as per CVM Instruction 527/2012.

<sup>2</sup> EBITDA Adjusted for expenses that do not represent cash disbursements and non-recurring items. For further information, see the glossary at the end of this document



**NET FINANCIAL RESULT**

Net financial result was an expense of R\$56.9 million in 2Q17, a negative variation of 28% when compared to the same period of the previous year. The main impact was the higher corporate debt and the consequent increase in financial expenses.

| R\$ MM                  | 2Q17          | 2Q16          | Var. (%)      | 1H17           | 1H16          | Var. (%)      |
|-------------------------|---------------|---------------|---------------|----------------|---------------|---------------|
| Financial Revenues      | 7.1           | 11.6          | -38.3%        | 12.5           | 23.0          | -45.7%        |
| Financial Expenses      | (64.0)        | (55.8)        | -14.6%        | (146.9)        | (117.0)       | -25.6%        |
| <b>Financial Result</b> | <b>(56.9)</b> | <b>(44.3)</b> | <b>-28.5%</b> | <b>(134.4)</b> | <b>(94.0)</b> | <b>-43.0%</b> |

**NET INCOME (LOSS)**

Rossi recorded net loss of R\$161.8 million in the second quarter of 2017, as detailed above. For 1H17, net losses accumulated to R\$324.7 million.

**BACKLOG RESULT**

The following table presents backlog results, excluding financial costs, taxes, provisions for guarantees and discounts granted:

| R\$ MM                       | 2Q17         | 1Q17         | Var. (%)         |
|------------------------------|--------------|--------------|------------------|
| Gross Revenue                | 92.6         | 125.9        | -26.5%           |
| Costs (w/ financial charges) | (65.7)       | (88.6)       | -25.9%           |
| <b>Backlog Result</b>        | <b>26.9</b>  | <b>37.3</b>  | <b>-27.8%</b>    |
| Backlog Margin (%)           | <b>29.1%</b> | <b>29.6%</b> | <b>-0.5 p.p.</b> |

The following table presents the schedule of revenues and costs to be recognized from units sold, segmented by consolidated and non-consolidated projects:

| R\$ MM                 | 2017          | 2018         | Total          |
|------------------------|---------------|--------------|----------------|
| Consolidated           | 88.1          | 4.5          | 92.6           |
| Non Consolidated       | 48.3          | 6.8          | 55.1           |
| <b>Backlog Revenue</b> | <b>136.4</b>  | <b>11.3</b>  | <b>147.7</b>   |
| Consolidated           | (62.7)        | (3.0)        | (65.7)         |
| Non Consolidated       | (35.7)        | (5.0)        | (40.7)         |
| <b>Backlog Costs</b>   | <b>(98.4)</b> | <b>(8.0)</b> | <b>(106.3)</b> |
| Consolidated           | 28.8%         | 33.9%        | 29.1%          |
| Non Consolidated       | 26.1%         | 26.8%        | 26.2%          |
| <b>Backlog Margin</b>  | <b>27.9%</b>  | <b>29.6%</b> | <b>28.0%</b>   |

**ACCOUNTS RECEIVABLE**

The balance of accounts receivable from clients, according to IFRS, plus the balance from real estate developments to be recognized pursuant to the PoC method (recognition of revenues and respective costs and expenses arising from real estate development transactions during the progress of the works) totaled R\$1.1 billion.

| R\$ MM  | 2Q17           | 1Q17           | Var. (%)      |
|---|----------------|----------------|---------------|
| <b>Short Term</b>   | <b>855.3</b>   | <b>920.6</b>   | <b>-7.1%</b>  |
| Units under construction  | 156.8          | 153.5          | 2.2%          |
| Finished units  | 673.5          | 735.4          | -8.4%         |
| Receivables from land sale  | 25.0           | 31.7           | -21.3%        |
| <b>Long Term</b>  | <b>112.7</b>   | <b>126.6</b>   | <b>-11.0%</b> |
| Units under construction  | 18.7           | 19.1           | -2.3%         |
| Finished units  | 86.8           | 100.3          | -13.4%        |
| Receivables from land sale  | 7.2            | 7.2            | 0.0%          |
| <b>Total</b>  | <b>968.0</b>   | <b>1,047.2</b> | <b>-7.6%</b>  |
| <b>Real Estate developments to be recognized under the POC method</b> |                |                |               |
| Short Term  | 89.4           | 128.7          | -30.5%        |
| Long Term   | 11.8           | 17.7           | -33.4%        |
| <b>Total</b>  | <b>101.2</b>   | <b>146.4</b>   | <b>-30.8%</b> |
| <b>Total Accounts Receivable</b>                                      | <b>1,069.2</b> | <b>1,193.6</b> | <b>-10.4%</b> |

**DECOMMISSIONING/SALE OF ASSETS**

Continuing with the Company's program of disposal of non-strategic areas, Rossi sold two plots of land during the quarter. These sales, added to the sales of lands in previous quarter, contributed to receivables of R\$8.3 million in 2Q17 and R\$51.4 million for 1H17.

**MARKETABLE PROPERTIES**

The following table details the marketable properties recognized in the balance sheet at their historical cost. The lower number of completed units and units under construction was impacted by positive net sales in 2Q17.

| R\$ MM                             | 2Q17           | 1Q17           | Var. (%)     |
|------------------------------------|----------------|----------------|--------------|
| Finished properties                | 362.9          | 204.7          | 77.3%        |
| Properties under construction      | 331.0          | 548.7          | -39.7%       |
| Land sites for future developments | 493.8          | 483.7          | 2.1%         |
| Consumables                        | 3.3            | 4.4            | -24.9%       |
| Advances to suppliers              | 2.3            | 1.7            | 38.1%        |
| Capitalized Interest               | 47.0           | 47.6           | -1.2%        |
| <b>Total</b>                       | <b>1,240.4</b> | <b>1,290.8</b> | <b>-3.9%</b> |

**DEBT**

Rossi ended the 2Q17 with a cash balance of R\$68.5 million and total debt of R\$2.1 billion. Cash burn totaled R\$23.3 million under the IFRS, while cash generated came to R\$14.3 million, in the proportional view.

Real estate credit transactions include loans for construction (SFH housing financing system) and Bank Credit Notes (CCB)<sup>1</sup> contracted for the construction and development of pre-determined housing projects.

CCB<sup>1</sup> - Bank Credit Notes

| R\$ MM                     | 2Q17           | 1Q17           | Var. (%)       |
|----------------------------|----------------|----------------|----------------|
| <b>Short Term</b>          | <b>908.0</b>   | <b>834.0</b>   | <b>8.9%</b>    |
| Construction Loans         | 642.8          | 797.2          | -19.4%         |
| SFH                        | 432.0          | 573.4          | -24.7%         |
| CCB <sup>1</sup>           | 210.8          | 223.8          | -5.8%          |
| Working Capital            | 253.2          | 23.0           | 1003.3%        |
| Receivables Securitization | 12.1           | 13.8           | -12.9%         |
| <b>Long Term</b>           | <b>1,166.5</b> | <b>1,268.5</b> | <b>-8.0%</b>   |
| Construction Loans         | 1,039.2        | 927.3          | 12.1%          |
| SFH                        | 286.1          | 208.7          | 37.1%          |
| CCB <sup>1</sup>           | 753.1          | 718.6          | 4.8%           |
| Working Capital            | 127.2          | 341.1          | -62.7%         |
| <b>Total Debt</b>          | <b>2,074.5</b> | <b>2,102.5</b> | <b>-1.3%</b>   |
| Cash and Cash Equivalents  | 68.5           | 119.7          | -42.8%         |
| <b>Net Debt</b>            | <b>2,006.0</b> | <b>1,982.7</b> | <b>1.2%</b>    |
| <b>Net Debt / Equity</b>   | <b>510.0%</b>  | <b>352.9%</b>  | <b>44.5%</b>   |
| <b>Cash Burn</b>           | <b>(23.3)</b>  | <b>(2.8)</b>   | <b>-729.2%</b> |

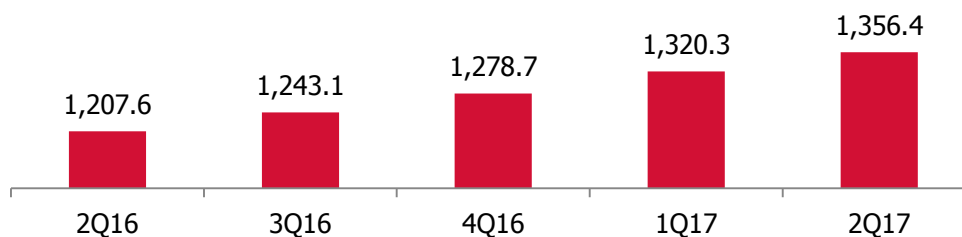
With the purpose of maintaining transparency of the data disclosed so that all economic agents can understand the current situation of Rossi's operations, the following tables present the Company's debt using two approaches that are complementary to IFRS: (i) 100% of companies, regardless of IFRS consolidation criteria; and (ii) Rossi's proportional share in the developments. We understand that some actions taken by us, particularly those regarding centralization of surplus cash from the SPEs in Rossi Residencial, have had an impact on the IFRS and proportional figures, which may hinder understanding of the operating cash generation itself. Operating cash generation will continue to be presented pursuant to these three approaches, as long as this is required for full understanding of the company's cash generation.

| R\$ MM                          | 100%           |                |                |                |                |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|
|                                 | 2Q16           | 3Q16           | 4Q16           | 1Q17           | 2Q17           |
| <b>Total Debt</b>               | <b>2,653.8</b> | <b>2,666.1</b> | <b>2,713.4</b> | <b>2,709.2</b> | <b>2,605.4</b> |
| Cash and Equivalents            | 197.1          | 158.2          | 144.7          | 162.8          | 104.3          |
| <b>Net Debt</b>                 | <b>2,456.7</b> | <b>2,507.9</b> | <b>2,568.6</b> | <b>2,546.3</b> | <b>2,501.1</b> |
| <b>Net Debt / Equity</b>        | <b>244.1%</b>  | <b>312.9%</b>  | <b>350.2%</b>  | <b>453.2%</b>  | <b>635.9%</b>  |
| <b>Cash Burn in the quarter</b> | <b>(56.0)</b>  | <b>(51.2)</b>  | <b>(60.7)</b>  | <b>22.3</b>    | <b>45.2</b>    |
| <b>Cash Burn LTM</b>            |                |                |                | <b>-</b>       | <b>(44.4)</b>  |

|                                 | Proportional   |                |                |                |                |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|
| R\$ MM                          | 2Q16           | 3Q16           | 4Q16           | 1Q17           | 2Q17           |
| <b>Total Debt</b>               | <b>2,317.8</b> | <b>2,348.7</b> | <b>2,387.7</b> | <b>2,410.6</b> | <b>2,340.5</b> |
| Cash and Equivalents            | 151.8          | 125.6          | 101.4          | 141.0          | 85.3           |
| <b>Net Debt</b>                 | <b>2,166.1</b> | <b>2,223.1</b> | <b>2,286.3</b> | <b>2,269.5</b> | <b>2,255.2</b> |
| <b>Net Debt / Equity</b>        | <b>225.4%</b>  | <b>267.4%</b>  | <b>319.9%</b>  | <b>411.2%</b>  | <b>577.5%</b>  |
| <b>Cash Burn in the quarter</b> | <b>(74.5)</b>  | <b>(57.0)</b>  | <b>(63.2)</b>  | <b>16.8</b>    | <b>14.3</b>    |
| <b>Cash Burn LTM</b>            |                |                |                | -              | (89.1)         |

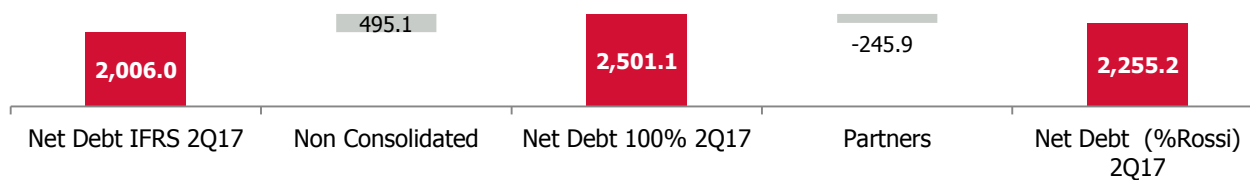
|                                 | IFRS           |                |                |                |                |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|
| R\$ MM                          | 2Q16           | 3Q16           | 4Q16           | 1Q17           | 2Q17           |
| <b>Total Debt</b>               | <b>2,013.6</b> | <b>2,026.3</b> | <b>2,042.4</b> | <b>2,102.5</b> | <b>2,074.5</b> |
| Cash and Equivalents            | 127.4          | 99.9           | 62.5           | 119.7          | 68.5           |
| <b>Net Debt</b>                 | <b>1,886.2</b> | <b>1,926.5</b> | <b>1,979.9</b> | <b>1,982.7</b> | <b>2,006.0</b> |
| <b>Net Debt / Equity</b>        | <b>187.4%</b>  | <b>240.4%</b>  | <b>269.9%</b>  | <b>352.9%</b>  | <b>510.0%</b>  |
| <b>Cash Burn in the quarter</b> | <b>(112.7)</b> | <b>(40.2)</b>  | <b>(53.5)</b>  | <b>(2.8)</b>   | <b>(23.3)</b>  |
| <b>Cash Burn LTM</b>            |                |                |                | -              | (119.8)        |

Evolution of Corporate Debt IFRS - R\$ million



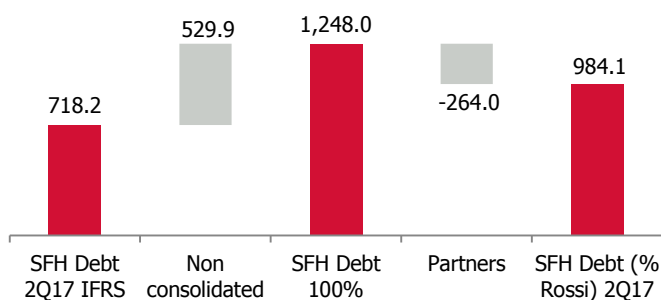
Net debt reconciliation is shown below pursuant to the 3 approaches:

**Reconciliation of Net Debt - R\$ MM**

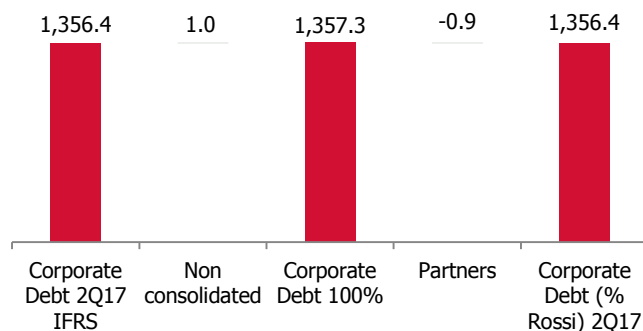


The following charts show reconciliation of gross debt and cash and cash equivalents using the 3 approaches:

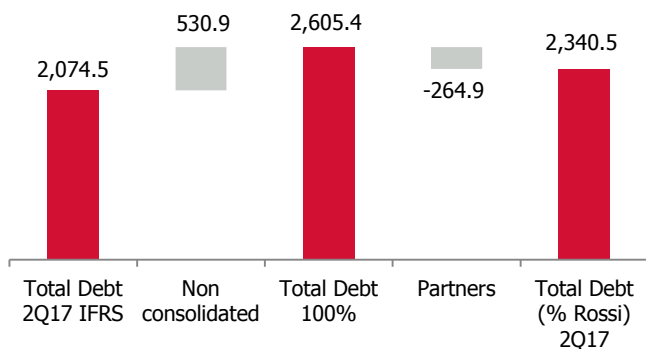
**SFH Reconciliation – R\$ MM**



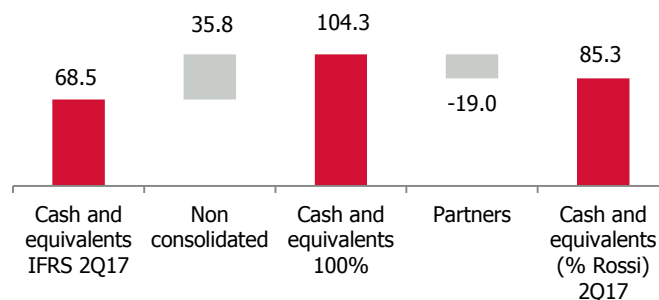
**Corporate Debt Reconciliation – R\$ MM**



**Total Debt – R\$ MM**



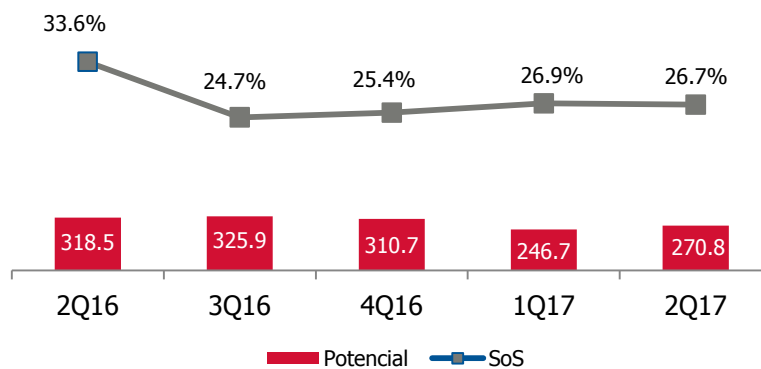
**Cash and Cash Equivalents – R\$ MM**



**TRANSFERS**

The chart below shows the quarterly index that measures transfer efficiency. The red bars indicate potential transfer amounts, that is, the sum of the outstanding balance of units legally registered. Sales Speed (SoS) is measured by the ratio of volume of transfers and settlements in the period to potential value. In 2Q17, SOS stood in line with the previous quarter, at 27%.

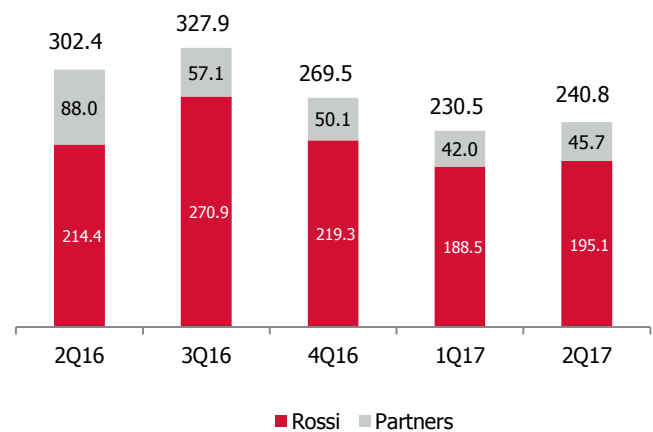
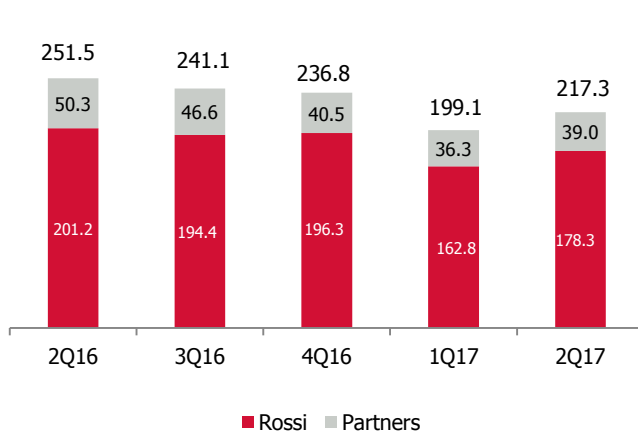
**Financial Transfer - SoS**



Cash inflows, which considers the volume of transfers and payments received from clients, reached R\$240.8 million in 2Q17 (R\$195.1 million – Rossi’s share), up by 5% versus the previous quarter. The charts below show the evolution of transfers and settlements, as well as cash inflow in recent quarters.

**Transfer (signature + settlement) - R\$ million**

**Cash Inflow- R\$ million**



**RELATIONSHIP WITH INDEPENDENT AUDITORS**

In compliance with CVM Instruction No. 381/03, we announce that Grant Thornton Auditores Independentes was engaged to provide the following services in 2017: audit of the financial statements pursuant to the accounting practices adopted in Brazil and in accordance with International Financial Reporting Standards (IFRS); and review of the interim financial information according to Brazilian and international standards on the review of interim financial information (NBC TR 2410 - Revisão de Informações Intermediárias Executadas pelo Auditor da Entidade and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). The Company did not engage the independent auditor for activities other than those connected with the audit of the financial statements.

The engagement of the independent auditor is based on principles that assure the independence of the auditor, which consist in that: (a) the auditor should not audit its own work; (b) the auditor should not have management duties; and (c) the auditor should not provide services that may be prohibited under the regulations in effect. Additionally, Management has obtained a declaration from the independent auditor stating that the specific services provided do not affect their professional independence.

The information contained in the performance report that is not clearly identified as a copy of the information contained in the financial statements did not undergo any audit or review.

**EXHIBIT I | 100% INDICES – R\$ MILLION**

| Quarter SOS   100%            | 2Q16           | 3Q16           | 4Q16           | 1Q17           | 2Q17           |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|
| Inventory - BOF               | 2,215.5        | 1,944.5        | 1,814.8        | 1,595.5        | 1,444.0        |
| Launches                      | -              | -              | -              | -              | -              |
| <b>Inventory + Launches</b>   | <b>2,215.5</b> | <b>1,944.5</b> | <b>1,814.8</b> | <b>1,595.5</b> | <b>1,444.0</b> |
| Gross Sales                   | (310.1)        | (227.6)        | (288.9)        | (291.8)        | (209.4)        |
| <b>Sales speech (SOS) (%)</b> | <b>14.0%</b>   | <b>11.7%</b>   | <b>15.9%</b>   | <b>18.3%</b>   | <b>14.5%</b>   |
| Sales cancellation            | 278.5          | 203.3          | 214.2          | 180.9          | 136.2          |
| Adjusts / Revalue             | (239.4)        | (105.4)        | (144.6)        | (40.6)         | (252.9)        |
| <b>Inventory - EOF</b>        | <b>1,944.5</b> | <b>1,814.8</b> | <b>1,595.5</b> | <b>1,444.0</b> | <b>1,118.0</b> |

| LTM SOS   100%                | 2Q16           | 3Q16           | 4Q16           | 1Q17           | 2Q17           |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|
| Inventory - BOF               | 2,934.5        | 2,819.7        | 2,313.7        | 2,215.5        | 1,944.5        |
| Launches                      | -              | -              | -              | -              | -              |
| <b>Inventory + Launches</b>   | <b>2,934.5</b> | <b>2,819.7</b> | <b>2,313.7</b> | <b>2,215.5</b> | <b>1,944.5</b> |
| Gross Sales                   | (1,417.3)      | (1,196.2)      | (1,083.3)      | (1,118.4)      | (1,017.7)      |
| <b>Sales speech (SOS) (%)</b> | <b>48.3%</b>   | <b>42.4%</b>   | <b>46.8%</b>   | <b>50.5%</b>   | <b>52.3%</b>   |
| Sales cancellation            | 981.4          | 917.1          | 920.8          | 876.9          | 734.6          |
| Adjusts / Revalue             | (554.0)        | (725.7)        | (555.7)        | (530.1)        | (543.5)        |
| <b>Inventory - EOF</b>        | <b>1,944.5</b> | <b>1,814.8</b> | <b>1,595.5</b> | <b>1,444.0</b> | <b>1,118.0</b> |



## EXHIBIT II | IFRS INDICES – R\$ MILLION

| Quarter SOS - IFRS Consolidated | 2Q16           | 3Q16           | 4Q16         | 1Q17         | 2Q17         |
|---------------------------------|----------------|----------------|--------------|--------------|--------------|
| Inventory - BOF                 | 1,269.5        | 1,021.0        | 976.7        | 848.9        | 623.9        |
| Launches                        | -              | -              | -            | -            | -            |
| <b>Inventory + Launches</b>     | <b>1,269.5</b> | <b>1,021.0</b> | <b>976.7</b> | <b>848.9</b> | <b>623.9</b> |
| Gross Sales                     | (171.9)        | (132.3)        | (145.3)      | (140.4)      | (112.7)      |
| <b>Sales speech (SOS) (%)</b>   | <b>13.5%</b>   | <b>13.0%</b>   | <b>14.9%</b> | <b>16.5%</b> | <b>18.1%</b> |
| Sales cancellation              | 142.6          | 87.7           | 73.4         | 83.8         | 70.7         |
| Adjusts / Revalue               | (219.2)        | 0.3            | (55.9)       | (168.4)      | (57.2)       |
| <b>Inventory - EOF</b>          | <b>1,021.0</b> | <b>976.7</b>   | <b>848.9</b> | <b>623.9</b> | <b>524.7</b> |

| Quarter SOS - Equity Result   | 2Q16         | 3Q16         | 4Q16         | 1Q17         | 2Q17         |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|
| Inventory - BOF               | 946.0        | 923.5        | 838.1        | 746.6        | 820.1        |
| Launches                      | -            | -            | -            | -            | -            |
| <b>Inventory + Launches</b>   | <b>946.0</b> | <b>923.5</b> | <b>838.1</b> | <b>746.6</b> | <b>820.1</b> |
| Gross Sales                   | (138.2)      | (95.3)       | (143.6)      | (151.4)      | (96.7)       |
| <b>Sales speech (SOS) (%)</b> | <b>14.6%</b> | <b>10.3%</b> | <b>17.1%</b> | <b>20.3%</b> | <b>11.8%</b> |
| Sales cancellation            | 135.9        | 115.6        | 140.8        | 97.1         | 65.5         |
| Adjusts / Revalue             | (20.2)       | (105.7)      | (88.7)       | 127.8        | (195.6)      |
| <b>Inventory - EOF</b>        | <b>923.5</b> | <b>838.1</b> | <b>746.6</b> | <b>820.1</b> | <b>593.3</b> |

## EXHIBIT III | STATEMENT OF INCOME

| Income Statement (R\$ '000)             | 2Q17             | 2Q16             | Var. (%)           |
|---|------------------|------------------|--------------------|
| <b>Gross Operating Revenue</b>          |                  |                  |                    |
| Property sales and services             | 70,309           | 124,111          | -43%               |
| Sales taxes                             | (1,968)          | (3,328)          | 41%                |
| <b>Net Operating Revenue</b>            | <b>68,341</b>    | <b>120,784</b>   | <b>-43%</b>        |
| <b>Cost of Property and Services</b>    | <b>(87,135)</b>  | <b>(113,582)</b> | <b>23%</b>         |
| Construction and Land                   | (71,784)         | (82,917)         | 13%                |
| Financial Charges                       | (15,350)         | (30,665)         | 50%                |
| <b>Gross Income</b>                     | <b>(18,794)</b>  | <b>7,202</b>     | <b>-361%</b>       |
| <b>Gross Margin</b>                     | <b>-27.5%</b>    | <b>6.0%</b>      | <b>-33.5 p.p.</b>  |
| <b>Gross Margin (ex interest)</b>       | <b>-5.0%</b>     | <b>31.4%</b>     | <b>-36.4 p.p.</b>  |
| <b>Operating Expenses</b>               | <b>(91,929)</b>  | <b>(84,282)</b>  | <b>-9%</b>         |
| Administrative                          | (16,193)         | (19,310)         | 16%                |
| Selling                                 | -9,188           | -23,506          | 61%                |
| Depreciation and Amortization           | (4,430)          | (5,063)          | 13%                |
| Equity Result                           | (12,359)         | 6,559            | -288%              |
| Other Operating Revenue (Expenses)      | (49,759)         | (42,962)         | -16%               |
| <b>Earnings before Financial Result</b> | <b>(110,723)</b> | <b>(77,080)</b>  | <b>-44%</b>        |
| <b>Financial Result</b>                 | <b>(56,853)</b>  | <b>(44,258)</b>  | <b>-28%</b>        |
| Financial Revenue                       | 7,136            | 11,566           | -38%               |
| Financial Expenses                      | (63,989)         | (55,824)         | -15%               |
| <b>Operating Income (Loss)</b>          | <b>(167,576)</b> | <b>(121,338)</b> | <b>-38%</b>        |
| <b>Operating Margin</b>                 | <b>-245.2%</b>   | <b>-100.5%</b>   | <b>-144.7 p.p.</b> |
| Provision for Taxes and Contributions   | (2,823)          | (3,237)          | 13%                |
| Deferred Income Tax and S. Contribution | 3,812            | 4,272            | -11%               |
| Minorities                              | 4,811            | (4,658)          | -203%              |
| <b>Net Income (Loss)</b>                | <b>(161,776)</b> | <b>(124,961)</b> | <b>-29%</b>        |
| <b>Net Margin</b>                       | <b>-236.7%</b>   | <b>-103.5%</b>   | <b>-133.3 p.p.</b> |

## EXHIBIT III | STATEMENT OF INCOME (Cont.)

| Income Statement (R\$ '000)             | 1H17             | 1H16             | Var. (%)          |
|---|------------------|------------------|-------------------|
| <b>Gross Operating Revenue</b>          |                  |                  |                   |
| Property sales and services             | 213,781          | 238,716          | -10%              |
| Sales taxes                             | (6,821)          | (10,864)         | 37%               |
| <b>Net Operating Revenue</b>            | <b>206,960</b>   | <b>227,853</b>   | <b>-9%</b>        |
| <b>Cost of Property and Services</b>    | <b>(228,150)</b> | <b>(225,599)</b> | <b>-1%</b>        |
| Construction and Land                   | (196,544)        | (172,398)        | -14%              |
| Financial Charges                       | (31,605)         | (53,201)         | 41%               |
| <b>Gross Income</b>                     | <b>(21,190)</b>  | <b>2,254</b>     | <b>-1040%</b>     |
| <b>Gross Margin</b>                     | <b>-10.2%</b>    | <b>1.0%</b>      | <b>-11.2 p.p.</b> |
| <b>Gross Margin (ex interest)</b>       | <b>5.0%</b>      | <b>24.3%</b>     | <b>-19.3 p.p.</b> |
| <b>Operating Expenses</b>               | <b>(172,190)</b> | <b>(172,377)</b> | <b>0%</b>         |
| Administrative                          | (32,302)         | (44,539)         | 27%               |
| Selling                                 | -22,693          | -37,747          | 40%               |
| Depreciation and Amortization           | (10,186)         | (10,352)         | 2%                |
| Equity Result                           | -31,825          | 6,138            | -618%             |
| Other Operating Revenue (Expenses)      | (75,184)         | (85,877)         | 12%               |
| <b>Earnings before Financial Result</b> | <b>(193,380)</b> | <b>(170,123)</b> | <b>-14%</b>       |
| <b>Financial Result</b>                 | <b>(134,402)</b> | <b>(93,960)</b>  | <b>-43%</b>       |
| Financial Revenue                       | 12,484           | 23,002           | -46%              |
| Financial Expenses                      | (146,886)        | (116,962)        | -26%              |
| <b>Operating Income (Loss)</b>          | <b>(327,782)</b> | <b>(264,083)</b> | <b>-24%</b>       |
| <b>Operating Margin</b>                 | <b>-157.2%</b>   | <b>-115.9%</b>   | <b>-41.3 p.p.</b> |
| Provision for Taxes and Contributions   | (6,294)          | (6,112)          | -3%               |
| Deferred Income Tax and S. Contribution | 3,913            | 3,210            | 22%               |
| Minorities                              | 5,504            | (137)            | n.a               |
| <b>Net Income (Loss)</b>                | <b>(324,659)</b> | <b>(267,122)</b> | <b>-22%</b>       |
| <b>Net Margin</b>                       | <b>-156.9%</b>   | <b>-117.2%</b>   | <b>-39.6 p.p.</b> |

## EXHIBIT IV | BALANCE SHEET

| Assets (R\$ '000)                | 2Q17             | 1Q17             | Var. (%)     |
|----------------------------------|------------------|------------------|--------------|
| <b>Current</b>                   |                  |                  |              |
| Cash and equivalents             | 56,356           | 103,716          | -45.7%       |
| Tradeable note                   | 12,134           | 16,026           | -24.3%       |
| Accounts receivable from clients | 855,265          | 920,596          | -7.1%        |
| Tradeable properties             | 746,576          | 807,019          | -7.5%        |
| Other assets                     | 117,710          | 134,094          | -12.2%       |
| <b>Total Current Assets</b>      | <b>1,788,041</b> | <b>1,981,451</b> | <b>-9.8%</b> |
| <b>Non Current</b>               |                  |                  |              |
| Accounts receivable from clients | 112,709          | 126,582          | -11.0%       |
| Tradeable properties             | 493,794          | 483,731          | 2.1%         |
| Judicial deposits                | 99,655           | 89,818           | 11.0%        |
| Related parties                  | 219,203          | 257,101          | -14.7%       |
| Advances to business partners    | 485,434          | 479,677          | 1.2%         |
| Investments                      | 1,144,539        | 1,164,664        | -1.7%        |
| Fixed                            | 19,273           | 20,355           | -5.3%        |
| Intangible                       | 55,389           | 58,776           | -5.8%        |
| <b>Total Non Current Assets</b>  | <b>2,629,996</b> | <b>2,680,704</b> | <b>-1.9%</b> |
| <b>Total Assets</b>              | <b>4,418,037</b> | <b>4,662,155</b> | <b>-5.2%</b> |

## EXHIBIT IV | BALANCE SHEET (Cont.)

| Liabilities and Shareholders Equity (R\$ '000)    | 2Q17             | 1Q17             | Var. (%)      |
|---|------------------|------------------|---------------|
| <b>Current</b>                                    |                  |                  |               |
| Construction Loans - real estate credit           | 908,049          | 833,995          | 8.9%          |
| Suppliers   | 48,578           | 43,808           | 10.9%         |
| Accounts payable to land site acquisition         | 121,341          | 145,533          | -16.6%        |
| Salaries and payroll charges                      | 9,053            | 8,096            | 11.8%         |
| Taxes and contributions payable                   | 30,231           | 25,985           | 16.3%         |
| Profit sharing payable                            | 1,798            | 2,087            | -13.8%        |
| Advances from clients                             | 200,158          | 218,711          | -8.5%         |
| Related parties                                   | 875,266          | 906,927          | -3.5%         |
| Deferred taxes and contributions                  | 39,286           | 41,940           | -6.3%         |
| Other accounts payable                            | 256,469          | 239,022          | 7.3%          |
| <b>Total Current</b>                              | <b>2,490,229</b> | <b>2,466,104</b> | <b>1.0%</b>   |
| <b>Non Current</b>                                |                  |                  |               |
| Construction Loans - real estate credit           | 1,166,465        | 1,268,470        | -8.0%         |
| Accounts payable to land site acquisition         | 757              | 873              | -13.3%        |
| Taxes and contributions payable                   | 25,554           | 25,554           | 0.0%          |
| Provision for risks                               | 89,439           | 83,476           | 7.1%          |
| Provision for guarantees                          | 17,109           | 18,384           | -6.9%         |
| Deferred taxes and contributions                  | 36,148           | 38,957           | -7.2%         |
| Provision for investment losses                   | 117,007          | 92,105           | 27.0%         |
| Other accounts payable                            | 81,993           | 106,406          | -22.9%        |
| <b>Total Non Current</b>                          | <b>1,534,472</b> | <b>1,634,225</b> | <b>-6.1%</b>  |
| <b>Shareholders' Equity</b>                       |                  |                  |               |
| Capital stock                                     | 2,611,390        | 2,611,390        | 0.0%          |
| Treasury stock                                    | -83,313          | -83,313          | 0.0%          |
| Capital reserve                                   | 69,638           | 69,247           | 0.6%          |
| Accrued earnings                                  | -2,207,235       | -2,045,459       | 7.9%          |
| <b>Total Shareholders' Equity</b>                 | <b>390,480</b>   | <b>551,865</b>   | <b>-29.2%</b> |
| Minority Interest                                 | 2,856            | 9,961            | -71.3%        |
| <b>Total Liabilities and Shareholders' Equity</b> | <b>4,418,037</b> | <b>4,662,155</b> | <b>-5.2%</b>  |

**EXHIBIT V – Inventory (100%)**

| PSV (R\$ million)       | Finished     | 2017         | 2018        | Total          |
|-------------------------|--------------|--------------|-------------|----------------|
| Manaus                  | 326.6        | 29.8         | -           | 356.5          |
| Aracaju                 | 128.4        | -            | 42.9        | 171.3          |
| Curitiba                | 94.5         | -            | -           | 94.5           |
| Porto Alegre            | 28.3         | 50.7         | -           | 78.9           |
| Ribeirão Preto          | 60.7         | -            | -           | 60.7           |
| Rio de Janeiro          | 13.5         | 34.0         | -           | 47.5           |
| Barueri                 | -            | 54.4         | -           | 54.4           |
| Brasília                | 52.5         | -            | -           | 52.5           |
| Duque de Caxias         | 39.3         | -            | -           | 39.3           |
| Belo Horizonte          | 20.9         | -            | -           | 20.9           |
| Itaboraí                | 17.7         | -            | -           | 17.7           |
| Jaboatão dos Guararapes | 24.3         | -            | -           | 24.3           |
| Paulínia                | 5.8          | 15.3         | -           | 21.0           |
| Belém                   | -            | 21.5         | -           | 21.5           |
| Londrina                | 12.2         | -            | -           | 12.2           |
| São Paulo               | 9.0          | -            | -           | 9.0            |
| Fortaleza               | 8.2          | -            | -           | 8.2            |
| Nova Iguaçu             | 4.9          | -            | -           | 4.9            |
| Santos                  | 2.5          | -            | -           | 2.5            |
| São José do Rio Preto   | 5.0          | -            | -           | 5.0            |
| Campinas                | 2.6          | -            | -           | 2.6            |
| Outras Regiões          | 3.5          | -            | -           | 3.5            |
| Xangri-Lá               | 2.1          | -            | -           | 2.1            |
| Ananindeua              | 1.6          | -            | -           | 1.6            |
| Recife                  | 1.4          | -            | -           | 1.4            |
| Parnamirim              | 1.1          | -            | -           | 1.1            |
| Cidade Ocidental        | 1.0          | -            | -           | 1.0            |
| Natal                   | 0.7          | -            | -           | 0.7            |
| Hortolândia             | 0.4          | -            | -           | 0.4            |
| Sumaré                  | 0.4          | -            | -           | 0.4            |
| Goiânia                 | 0.2          | -            | -           | 0.2            |
| Salvador                | 0.1          | -            | -           | 0.1            |
| <b>Total</b>            | <b>869.5</b> | <b>205.6</b> | <b>42.9</b> | <b>1,118.0</b> |

**GLOSSARY**

Cash Burn - Measured by the variation of net debt, adjusted by capital increase, dividends paid and non-recurring expenses.

CPC – Accounting Pronouncements Committee – Created by CFC Resolution No. 1055/05, its purpose is “to analyze, prepare and issue Technical Pronouncements on Accounting procedures, and disclose such information to enable the issue of standards by the Brazilian regulatory entity, aiming at centralizing and standardizing their production, taking into account the convergence of Brazilian Accounting with the international standards.”

EBITDA – Net income for the year adjusted to income and social contribution taxes on income; depreciation and amortization expenses; and financial charges allocated to the cost of property sold. The method used to calculate Rossi’s EBITDA is in line with the definition adopted by CIV, as provided for in CVM Instruction No. 527, of October 4, 2012.

Adjusted EBITDA – Ascertained based on net income adjusted to income and social contribution taxes on income; depreciation and amortization expenses; financial charges allocated to the cost of property sold; interest capitalized in CIV; share issue expenses; stock options plan expenses; and other non-operational expenses. Adjusted EBITDA is not a measure of financial performance according to the Accounting Practices Adopted in Brazil; thus, it should not be considered in isolation, or as an alternative to net income, as a measure of operating performance, an alternative to operational cash flows, or a liquidity index. There is not a standard definition for “Adjusted EBITDA,” and Rossi’s definition of Adjusted EBITDA may not be comparable with those used by other companies.

INCC – National Construction Cost Index, measured by the Getulio Vargas Foundation.

Land Bank – Land bank for future developments purchased in cash or through exchange.

Backlog Margin – Equivalent to “Backlog Results” divided by “Backlog Revenues” to be recognized in future periods.

PoC Method – Revenues, costs and expenses related to real estate developments are recognized according to the percentage of completion (“PoC”) method, by measuring the evolution of construction works to the actual costs incurred against total expenses budgeted for each phase of the project, according to technical standard OCPC 04 – Application of ICPC 02 Technical Interpretation to Brazilian Real Estate Developers.

Exchange – land purchase system through which landowners receive a certain number of units or a percentage of revenues from the development to be built in exchange for the land. The exchange method reduces the need for financial resources and, as a result, increases the returns.

Backlog revenues – Backlog revenues correspond to sales contracted whose revenues will be recognized in future periods, according to the evolution of works, rather than upon the signature of agreements. Accordingly, the balance of Backlog Revenues corresponds to revenues that will be recognized in future periods regarding past sales.

*Minha Casa Minha Vida* (MCMV) – Housing program launched in 2009 and comprising units worth up to R\$170 thousands/unit.

SFH Funds – These originate from the Fundo de Garantia por Tempo de Serviço (unemployment severance fund, FGTS) of savings accounts. Commercial banks must invest 65% of these deposits in the real estate sector for the acquisition of property by individuals or for developers at rates that are lower than those used in the common market.

CFC Resolution No. 963/03 and PoC Method (Percentage of Completion) – Revenues, as well as costs and expenses connected to development activities are recognized to income throughout the period of construction of the project, to the extent of the costs incurred, according to CFC Resolution No. 963/03.

Backlog Results – Due to the recognition of revenues and costs according to progress of the works (PoC method), rather than upon the signature of the agreements, we recognize development revenues and expenses from contracts signed in future periods. Accordingly, the balance of Backlog Results corresponds to revenues less costs to be recognized in future periods regarding past sales.

Contracted Sale – Each contract resulting from the sale of units throughout a given period of time, including the units being launched and the units in our inventory. Contracted sales are recognized in revenues according to the works in progress (PoC method).

PSV – Potential Sales Value.

Launched PSV – Potential Sales Value regarding the total amount to be potentially obtained by the company from the sale of all units launched from a given real estate development at a certain price.

Rossi PSV – Potential Sales Value obtained, or to be obtained, by Rossi from the sale of all units of a given real estate development, at a price estimated at the launch, proportionally to our participation in the project.

SoS – Sales Speed