São Paulo, August 13, 2018. Rossi Residencial S.A. (B3: RSID3; Bloomberg: RSID3 BZ Equity), announces its results for the second quarter and six months of 2018.

RSID3: R$ 4.30 per share

Total Shares: 17.153.337

Market Value: R$73.8 MM

65% of cancelled units in 2018 YTD were resold

24% drop in Administrative Expenses vs. 2Q17

15% drop in Net Debt (% Rossi) vs. 2Q17

Cash generation of R$10 million (% Rossi)

Land in the low income segment acquired with PSV of R$95 million

Conference Call

August 14, 2018
In Portuguese with simultaneous translation
11:30 a.m. (Brasília) / 10:30 a.m. (US ET)
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MESSAGE FROM THE CEO

We reached the end of the first half of 2018 and our team remains focused on improving the Company's operating performance and continues working hard on the restructuring plan that will allow Rossi to resume its launches in a progressive yet controlled manner.

Some of our actions and operational achievements for this year already deserve to be highlighted, such as:

(i) The delivery of two of the last five developments that were launched until the end of 2014, with a total delivered PSV of R$139 million (Rossi's share) for the year. We also lowered costs to be incurred to R$18 million verus the balance of R$120 million that we still needed to spend at the end of 2Q17;

(ii) Our efforts to restructure and simplify the Company's corporate structure continues strong and allowed us to further reduce our administrative expenses, which in this first half dropped by 27% versus the first half of 2017. Initiatives such as the cancellation of the Capital Rossi Joint Venture, already highlighted in 1Q18, will help the Company to focus all its attention to the regions where Rossi's new developments will be launched;

(iii) The maintenance of a high resale efficiency rate for cancelled units, reaching a 65% level, year-to-date, and in line with the resale rate of 2017; and

(iv) The gradual and persistent reduction of the Company's debt, especially debt associated with work production (SFH), which totaled R$984 million in 2Q17 (Rossi's share) and was reduced by 21% over the last twelve months, now totaling R$773 million.

As part of the Company's corporate debt restructuring errfforts with its main creditors, Rossi concluded ,in June 2018, the renegotiation of approximately R$256 million with Banco do Brasil and another R$130 million with Caixa Econômica Federal. We extended the maturity schedule for our outstanding debt with Banco do Brasil to 10 years, with a 2-year grace period for the payment of principal and interest amounts, and significantly reduced (roughly 60%) of the financial charges with CEF, in addition to extending maturity.

And last, but not least, we continue to actively seek and analyze acquisitions for additional land, always aligned with the Low Income Segment profile. During the second quarter, we acquired a new land in the Campinas region, with a PSV of R$95 million, to further strengthen our land bank.

All of these actions and achievements reinforce our confidence that, over the next few quarters, the Company will begin a new operational phase and resume its launching of developments. By respecting metrics and efficiency indicators and carefully analyzing all risks involved in the real estate market, these new launches will be the foundation for us to resume our activities. And thus, in this new phase, we will be better prepared to enjoy a new growth cycle of the economy and our sector.

João Paulo Franco Rossi Cuppoloni
CEO

OPERATING AND FINANCIAL INDICATORS

R$ MM	2Q18	2Q17	Var.	1H18	1H17	Var.
Operating Performance						
Launches - 100%	-	-	-	-	-	-
Gross Sales - 100%	92.3	209.4	-55.9%	215.5	501.1	-57.0%
Cancellations - 100%	67.6	136.2	-50.4%	140.0	317.2	-55.9%
Net Sales - 100%	24.7	73.2	-66.3%	75.5	183.9	-58.9%
Launches - % Rossi	-	-	-	-	-	-
Gross Sales - % Rossi	82.6	161.0	-48.7%	176.8	390.7	-54.7%
Cancellations - % Rossi	61.1	104.8	-41.7%	121.8	229.1	-46.8%
Net Sales - % Rossi	21.5	56.2	-61.7%	55.0	161.6	-66.0%
Financial Performance						
Net Revenue	55.4	68.3	-18.9%	115.3	207.0	-44.3%
Gross Margin[1]	-5.8%	-27.5%	21.7 p.p.	-13.0%	-10.2%	-2.7 p.p.
Gross Margin (ex interest)[2]	29.1%	-5.0%	34.2 p.p.	23.4%	5.0%	18.4 p.p.
Adjusted EBITDA[3]	-37.8	-90.6	58.2%	-104.6	-151.1	30.8%
Adjusted EBITDA Margin[3]	-68.2%	-132.5%	64.3 p.p.	-90.7%	-73.0%	-17.7 p.p.
Net Income	-99.7	-161.8	38.4%	-242.5	-324.7	25.3%
Net Margin	-179.8%	-236.7%	56.9 p.p.	-210.3%	-156.9%	-53.4 p.p.
Net Debt / Equity (%) - Rossi's share	1425.8%	577.5%	848.3 p.p.	1425.8%	577.5%	848.3 p.p.
Cash Generation (Burn) - Rossi's share	9.9	14.3	31.1%	22.3	31.1	28.3%

[1] Consolidated as per CPCs19 (R2) and 36 (R3), relating to the subsidiaries.

[2] Gross Margin excluding interest allocated to cost.

[3] 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.

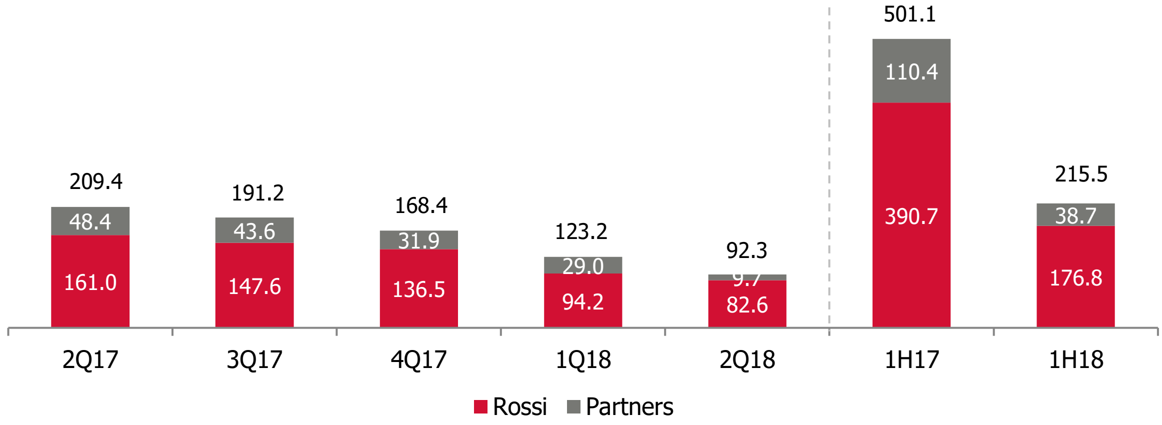
LAUNCHES

We did not launch any new projects in 2018.

CONTRACTED SALES AND SALES SPEED (SoS)

Gross Contracted Sales in the quarter amounted to R$92.3 million (R$82.6 million – Rossi's share), a 49% drop in Rossi's share when compared to the second quarter of 2017 and a 12% drop versus the previous quarter. In 1H18, Gross Contracted Sales fell by 55% when compared to the same period of the previous year.

Gross Sales - R$ million

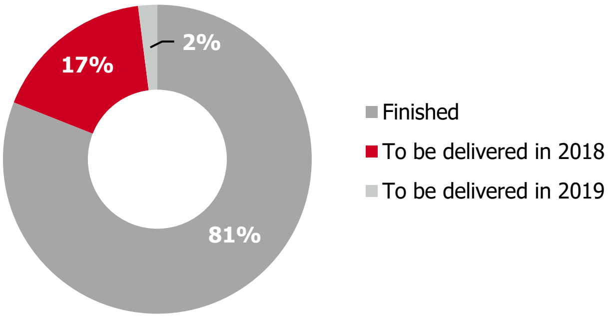


A portion of the decrease in Gross Contracted Sales, in this quarter versus 2Q17 (R$8.0 million) and year-to-date versus 1H17 (R$19.2 million), is due to the sale of our stakes in certain projects in Manaus, which were transferred to Construtora Capital in reference to the end of the Capital Rossi Joint Venture.

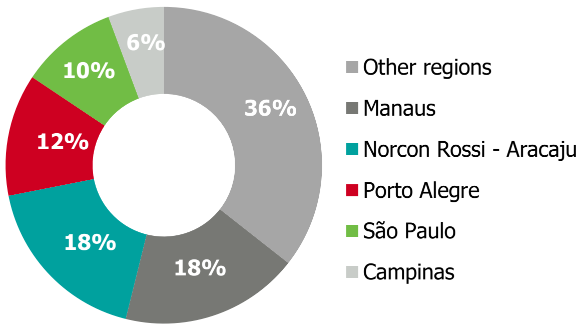
The remaining refers to the natural reduction in inventory as the Company concludes the projects launched until the end of 2014 and maintains a conservative positioning for new launches. The sales speed ("SoS"), for example, remained stable at 15% when comparing 2Q17 and 2Q18.

The following charts illustrate gross sales (% Rossi) by stage of construction and metropolitan region. This quarter, the share of completed units in total contracted sales reached 81%. The share of sales in regions not considered to be strategic to the business amounted to 36%, in line with the strategy to reduce inventory in these locations.

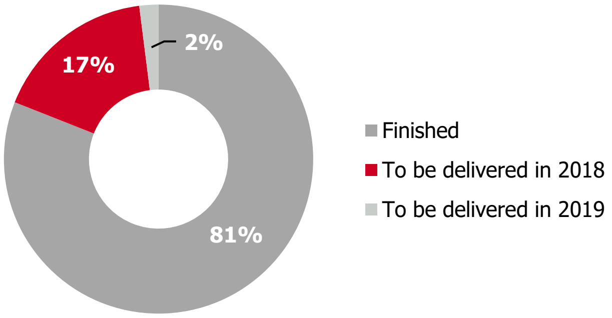
Gross sales 2Q18 (% Rossi) - Stage of construction



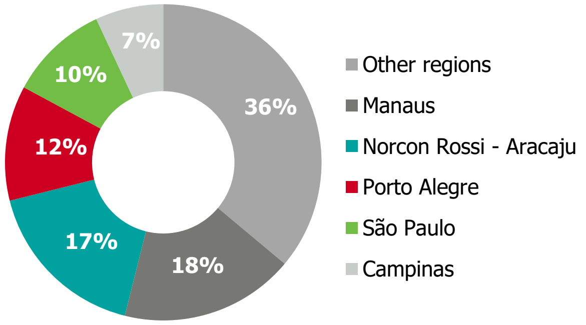
Gross sales 2Q18 (% Rossi) - Region



Gross sales 2018 (% Rossi) - Stage of construction



Gross sales 2018 (% Rossi) - Region



The tables below detail the gross sales contracted, both based on Rossi's share in the projects and on the 100% view, segmented by metropolitan region and stage of construction during the quarter and the first half of the year:

Gross Sales 2Q18 (100%) | R$ MM	Finished	2018	2019	Total
Campinas	3.4	-	2.7	6.1
Manaus	15.1	-	-	15.1
Norcon Rossi - Aracaju	18.8	-	-	18.8
Porto Alegre	3.4	6.9	-	10.3
São Paulo	2.3	5.9	-	8.2
Other regions	32.4	1.5	-	33.9
Total	**75.3**	**14.3**	**2.7**	**92.3**

Gross Sales 2Q18 (Rossi's share) | R$ MM	Finished	2018	2019	Total
Campinas	3.4	-	1.3	4.7
Manaus	15.1	-	-	15.1
Norcon Rossi - Aracaju	14.9	-	-	14.9
Porto Alegre	3.4	6.9	-	10.3
São Paulo	2.3	5.9	-	8.2
Other regions	27.9	1.5	-	29.4
Total	**67.0**	**14.3**	**1.3**	**82.6**

Gross Sales 1H18 (100%) | R$ MM	Finished	2018	2019	Total
Campinas	10.0	-	7.8	17.8
Manaus	31.5	-	-	31.5
Norcon Rossi - Aracaju	41.0	-	-	41.0
Porto Alegre	10.3	10.5	-	20.8
São Paulo	3.7	14.5	-	18.2
Other regions	80.1	6.0	-	86.2
Total	**176.6**	**31.1**	**7.8**	**215.5**

Gross Sales 1H18 (Rossi's share) | R$ MM	Finished	2018	2019	Total
Campinas	9.3	-	2.9	12.3
Manaus	31.5	-	-	31.5
Norcon Rossi - Aracaju	30.4	-	-	30.4
Porto Alegre	10.3	10.5	-	20.8
São Paulo	3.5	14.5	-	18.0
Other regions	57.9	5.9	-	63.8
Total	**143.0**	**30.9**	**2.9**	**176.8**

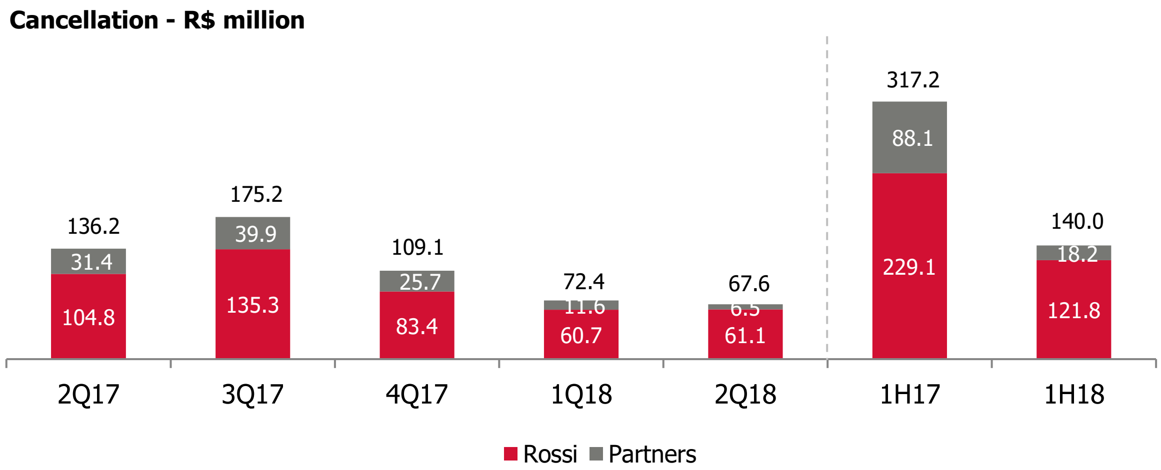
The following tables illustrate sales speed (“SoS”) for the quarter and the accumulated last 12 months, considering the amounts proportional to Rossi’s share. For this quarter, SoS stood at 15%, while the accumulated SoS for the last 12 months was 54%.

Quarterly SOS | % Rossi	2Q17	3Q17	4Q17	1Q18	2Q18
Inventory - BOF	1,056.8	842.8	813.6	686.9	554.7
Launches	-	14.3	-	-	-
Inventory + Launches	**1,056.8**	**857.0**	**813.6**	**686.9**	**554.7**
Gross Sales	(161.0)	(147.6)	(136.5)	(94.2)	(82.6)
Sales speech (SOS) (%)	**15.2%**	**17.2%**	**16.8%**	**13.7%**	**14.9%**
Sales cancellation	104.8	135.3	83.4	60.7	61.1
Adjusts / Revalue	(157.8)	(31.1)	(73.6)	(98.6)	(90.9)
Inventory - EOF	**842.8**	**813.6**	**686.9**	**554.7**	**442.3**

LTM SOS | % Rossi	2Q17	3Q17	4Q17	1Q18	2Q18
Inventory - BOF	1,360.0	1,239.2	1,253.1	1,056.8	842.8
Launches	-	14.3	14.3	14.3	14.3
Inventory + Launches	**1,360.0**	**1,253.5**	**1,267.3**	**1,071.1**	**857.1**
Gross Sales	(784.3)	(773.7)	(674.8)	(539.3)	(460.9)
Sales speech (SOS) (%)	**57.7%**	**61.7%**	**53.2%**	**50.4%**	**53.8%**
Sales cancellation	534.7	532.4	447.6	384.2	340.5
Adjusts / Revalue	(267.6)	(198.6)	(353.3)	(361.2)	(294.3)
Inventory - EOF	**842.8**	**813.6**	**686.9**	**554.7**	**442.3**

SALES CANCELLATION

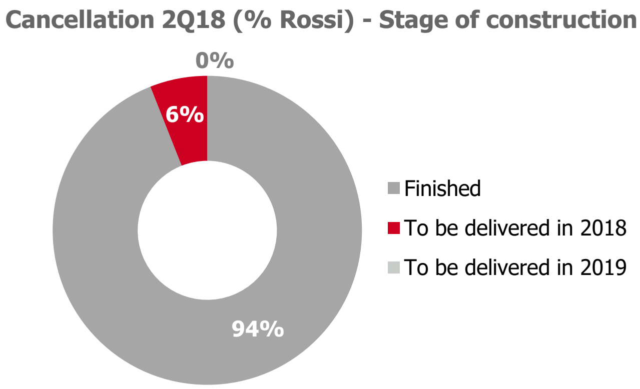
In the second quarter of 2018, cancellations totaled R$67.6 million (R$61.1 million – Rossi's share), a 42% drop in Rossi's share when compared to the same period of the previous year and in line with the first quarter. In 1H18, cancellations fell by 47% versus the same period of 2017.

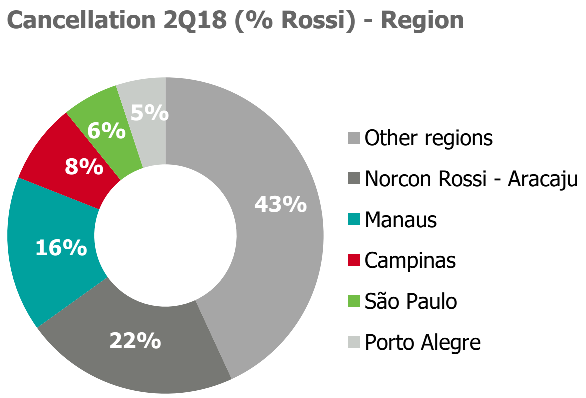


As in the case of Gross Contracted Sales, a portion of Sales Cancellation drop versus 2Q17 (R$11.3 million) and 1H17 (R$24.2 million), is also due to the sale of our stakes in certain projects in Manaus, which were transferred to Construtora Capital in reference to the end of the Capital Rossi Joint Venture.

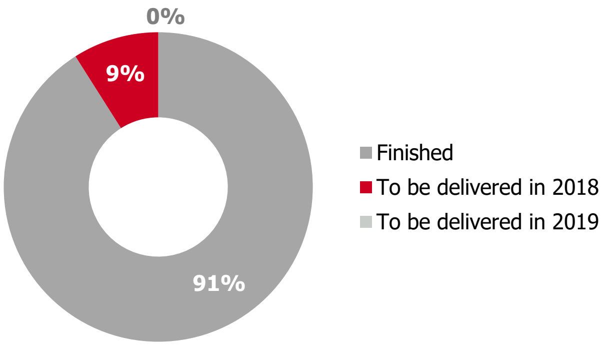
Out of the total sales cancellations in 2018, 65% of units were already resold, contributing to the maintaince of high resale indicators of recent quarters.

The following charts illustrate cancellations (% Rossi) by stage of construction and metropolitan region.

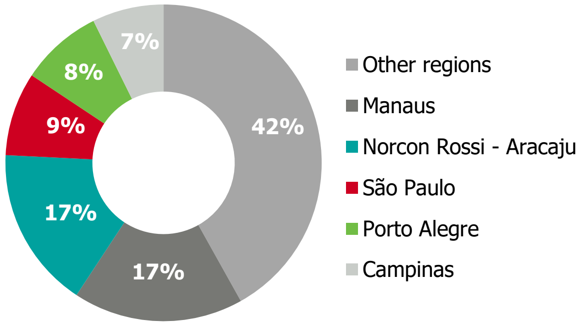




Cancellation 2018 (% Rossi) - Stage of construction



Cancellation 2018 (% Rossi) - Region



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 2018 and for 1H18:

Sales Cancellation 2Q18 (100 %) | R$ MM	Finished	2018	2019	Total
Campinas	5.0	-	0.2	5.1
Manaus	9.7	-	-	9.7
Norcon Rossi - Aracaju	16.3	-	-	16.3
Porto Alegre	3.1	-	-	3.1
São Paulo	1.1	2.4	-	3.5
Other regions	28.4	1.4	-	29.8
Total	**63.6**	**3.8**	**0.2**	**67.6**

Sales Cancellation 2Q18 (Rossi's share) | R$ MM	Finished	2018	2019	Total
Campinas	5.0	-	0.1	5.0
Manaus	9.7	-	-	9.7
Norcon Rossi - Aracaju	13.4	-	-	13.4
Porto Alegre	3.1	-	-	3.1
São Paulo	1.1	2.4	-	3.5
Other regions	24.9	1.4	-	26.3
Total	**57.2**	**3.8**	**0.1**	**61.1**

Sales Cancellation 2018 (100%) | R$ MM	Finished	2018	2019	Total
Campinas	9.0	-	0.2	9.2
Manaus	21.2	-	-	21.2
Norcon Rossi - Aracaju	25.9	-	-	25.9
Porto Alegre	9.2	1.0	-	10.2
São Paulo	5.1	5.3	-	10.4
Other regions	58.3	4.8	-	63.1
Total	**128.8**	**11.1**	**0.2**	**140.0**

Sales Cancellation 2018 (Rossi's share) | R$ MM	Finished	2018	2019	Total
Campinas	8.8	-	0.1	8.9
Manaus	21.2	-	-	21.2
Norcon Rossi - Aracaju	20.1	-	-	20.1
Porto Alegre	9.2	1.0	-	10.2
São Paulo	5.1	5.3	-	10.4
Other regions	46.4	4.5	-	51.0
Total	**110.9**	**10.9**	**0.1**	**121.8**

INVENTORY AT MARKET VALUE

Rossi’s share of inventory at market value reached R$442.3 million in the quarter.

The following tables provide details by product line, year of launch and expected year of conclusion.

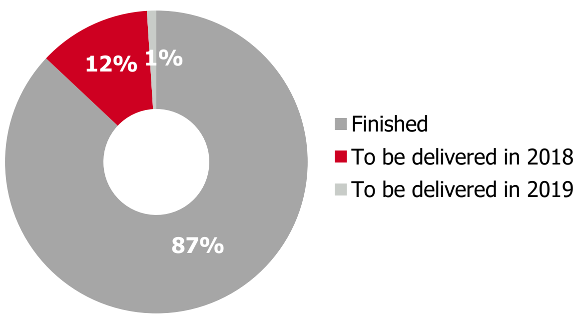
Exhibit V to this report shows the breakdown, by city, for 100% of the inventory.

Inventory % Rossi	Year of launch (R$ MM)						
Product Line	**2010 and Before**	**2011**	**2012**	**2013**	**2014**	**2017**	**Total**
Commercial	11.8	0.8	39.5	-	-	-	52.1
Conventional	16.9	64.3	136.5	64.5	75.5	5.2	363.0
Low Income	15.0	1.5	0.3	10.4	-	-	27.2
Total	**43.7**	**66.7**	**176.3**	**74.9**	**75.5**	**5.2**	**442.3**

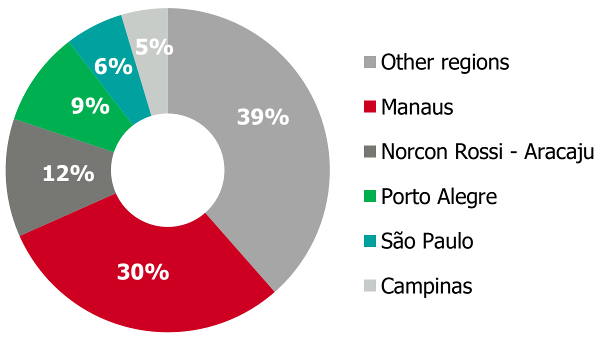
Inventory % Rossi	Expected year of conclusion (R$ MM)			
Product Line	**Finished**	**2018**	**2019**	**Total**
Commercial	52.1	-	-	52.1
Conventional	305.4	52.4	5.2	363.0
Low Income	27.2	-	-	27.2
Total	**384.7**	**52.4**	**5.2**	**442.3**

The following charts show Rossi’s inventory by stage of construction and metropolitan region. In 2Q18, completed units represented 87% of total inventory. Inventory in non strategic regions accounted for 39% of total inventory.

Inventory 2Q18 (%Rossi) - Stage of Construction



Inventory 2Q18 (%Rossi) - Region



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

Inventory % Rossi	Year of launch (R$ MM)						
Metro Region	2010 and Before	2011	2012	2013	2014	2017	Total
Campinas	1.5	-	0.3	13.5	-	5.2	20.5
Manaus	15.3	3.4	109.4	3.8	-	-	131.9
Norcon Rossi - Aracaju	-	0.8	14.2	16.5	20.6	-	52.1
Porto Alegre	0.4	-	3.7	10.7	26.9	-	41.7
São Paulo	2.8	1.3	3.9	-	17.7	-	25.7
Other Regions	23.8	61.2	44.8	30.4	10.3	-	170.4
Total	**43.7**	**66.7**	**176.3**	**74.9**	**75.5**	**5.2**	**442.3**

Inventory % Rossi	Expected year of conclusion (R$ MM)			
Metro Region	Finished	2018	2019	Total
Campinas	15.3	-	5.2	20.5
Manaus	131.9	-	-	131.9
Norcon Rossi - Aracaju	52.1	-	-	52.1
Porto Alegre	14.8	26.9	-	41.7
São Paulo	8.0	17.7	-	25.7
Other Regions	162.7	7.7	-	170.4
Total	**384.7**	**52.4**	**5.2**	**442.3**

DELIVERIES

In 2Q18, 1 (one) project was delivered, located in the city of Rio de Janeiro, with 54 units and a total PSV of R$72.9 million (PSV 100% Rossi).

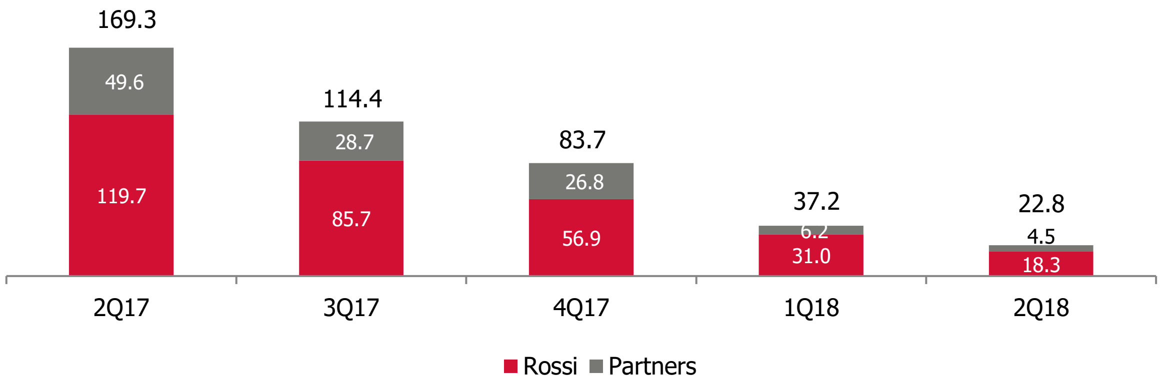
	2Q18		
Segment	Units	PSV 100% (R$ MM)	PSV Rossi (R$ MM)
Conventional	54	72.9	72.9
Total	**54**	**72.9**	**72.9**

	1H18		
Segment	Units	PSV 100% (R$ MM)	PSV Rossi (R$ MM)
Conventional	100	167.5	139.2
Total	**100**	**167.5**	**139.2**

COSTS TO BE INCURRED

The following chart shows how costs to be incurred (100%) have evolved historically. In 2Q18, costs to be incurred totaled R$22.8 million (R$18.3 million – Rossi's share) a 85% drop in Rossi's share when compared to the same period in 2017. When compared to 1Q18, costs to be incurred fell by 41%, due to the natural progress of constructions that are yet to be delivered during the year.

Costs to be incurred- R$ million



LAND BANK

Rossi's land bank is broken down according to the Company's strategy and the corresponding operating profile. In 2Q18, the Company purchased a land for a launch in the *Minha Casa Minha Vida* (MCMV) segment in the region of Campinas, with PSV of R$95.2 million.

R$ MM	PSV 100%	PSV %Rossi
Potential launch until 2019	1,509.5	1,392.0
Launches after 2019	3,257.2	2,478.3
Decommissioning	2,513.4	2,082.7
Consolidated Land Bank	**7,280.0**	**5,953.0**

In 2Q18, landbank for construction and incorporation of residential real estate with launch potential by 2019 amounted to R$1.5 billion (R$1.4 billion – Rossi's share). The potential amount of decommissioning, sale or cancellation of swap agreements and that will be used to settle part of the Company's recently negotiated corporate debt is R$2.5 billion (R$2.1 billion – Rossi's share). Land for residential developments in the long-term totals R$3.3 billion (R$2.5 billion – Rossi's share).

The table below shows the land bank intended for residential development, with potential launch by 2019, broken down by metropolitan region and type of product:

Metro Region / Product	Until 200 K	R$ 200 to R$ 350 K	R$ 350 to R$ 500 K	R$ 500 to R$ 650 K	> R$ 750 K	Total
Campinas	399.1	-	47.5	115.1	209.3	771.0
Norcon Rossi	-	105.1	-	-	58.1	163.2
São Paulo	-	-	-	457.9	-	457.9
Total	**399.1**	**105.1**	**47.5**	**573.0**	**267.4**	**1,392.0**

Allotments

The following table shows the land bank for allotments:

Location	PSV 100% (R$ MM)	PSV % Rossi (R$ MM)	# of Lots
São Paulo country side	3,200.0	1,522.0	7,713
Rio Grande do Sul	456.6	125.9	1,080
Total	**3,656.7**	**1,647.9**	**8,793**

FINANCIAL PERFORMANCE

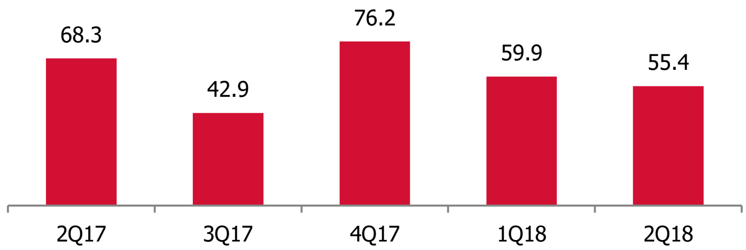
The financial information given in this results release has been prepared in accordance with the accounting practices generally accepted in Brazil, including CPCs 19 (R2) and 36 (R3), which deal with the consolidation of certain corporate interests. Since 1Q13, Rossi has consolidated all the interests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

NET REVENUE

Net revenue from the sale of properties and service, recognized by percentage of completion ("Poc"), totaled R$55.4 million in 2Q18, down by 19% when compared to the same period of the previous year. This reduction is mainly due to: (i) lower sales in the quarter and (ii) the conclusion of projects that were delivered over the last 12 months and contributed to the reduction of Revenue to be recognized.

R$ MM	2Q18	2Q17	Var. (%)	1H18	1H17	Var. (%)
Sale of property and services	55.4	68.3	-18.9%	115.3	207.0	-44.3%
Net Operating Revenue	**55.4**	**68.3**	**-18.9%**	**115.3**	**207.0**	**-44.3%**

Net Revenue - R$ million



COST OF PROPERTIES AND SERVICES SOLD

The cost of properties and services reached R$58.6 million in the second quarter, down by 33% when compared to the same period of the previous year. In 1H18, cost of properties and services reduced by 43%.

R$ MM	2Q18	2Q17	Var. (%)	1H18	1H17	Var. (%)
Construction + Land	39.3	71.8	45.3%	88.3	196.5	55.1%
Financial charges	19.4	15.4	-26.1%	42.0	31.6	-32.8%
Costs of Property and Services	**58.6**	**87.1**	**32.7%**	**130.3**	**228.1**	**42.9%**

GROSS PROFIT AND MARGIN

Gross profit for the quarter came in as a negative R$3.2 million, with a negative margin of 6%. Gross profit adjusted by financial charges allocated to costs reached R$16.1 million in 2Q18, with adjusted gross margin of 29%.

R$ MM	2Q18	2Q17	Var. (%)	1H18	1H17	Var. (%)
Gross Income	-3.2	-18.8	82.9%	-15.0	-21.2	29.4%
Gross Margin (%)	-5.8%	-27.5%	21.7 p.p.	-13.0%	-10.2%	-2.7 p.p.
Adjusted Gross Income[1]	16.1	-3.4	-568.6%	27.0	10.4	159.4%
Adjusted Gross Margin (%)	29.1%	-5.0%	34.2 p.p.	23.4%	5.0%	18.4 p.p.

(¹) Adjusted gross profit: excludes financial charges

OPERATING EXPENSES

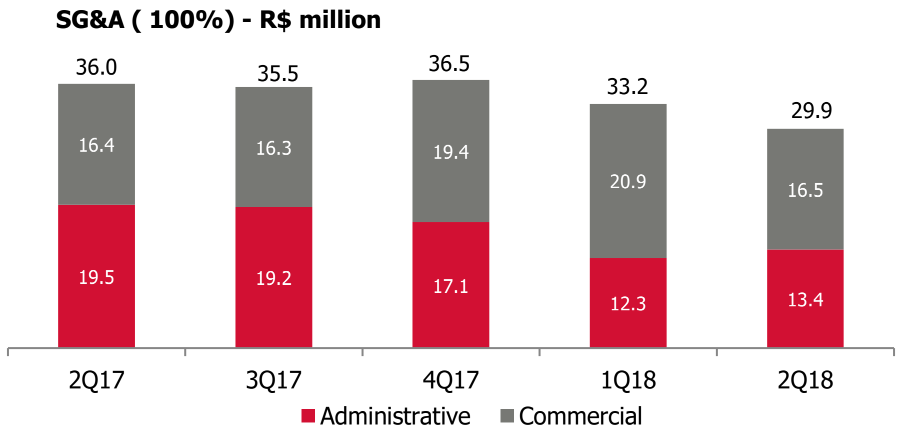
Despite the end of the Joint Venture Capital Rossi, operation that was not consolidated until 4Q17, another relevant part continues to be incorporated into the Financial Statements through Equity in the earnings of subsidiaries method, such as the Norcon Rossi Joint Venture, which operates in the city of Aracaju.

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.

	100%					
R$ MM	2Q18	2Q17	Var. (%)	1H18	1H17	Var. (%)
Administrative (a)	13.4	19.5	-31.4%	25.7	39.0	-34.0%
Commercial (b)	16.5	16.4	0.1%	37.3	41.4	-9.7%
Administrative / Net Revenue	21.8%	16.3%	5.5 p.p.	17.0%	11.5%	5.5 p.p.
Commercial / Net Revenue	26.8%	13.7%	13.1 p.p.	24.7%	12.2%	12.5 p.p.
(a) + (b)	**29.9**	**36.0**	**-17.0%**	**63.1**	**80.4**	**-21.5%**
(a) + (b) / Net Revenue	**48.6%**	**30.0%**	**18.6 p.p.**	**41.7%**	**23.7%**	**18.0 p.p.**

In line with the strategy of cost reduction, there was a 31% reduction in administrative expenses (100%) in 2Q18 vesus the same period of 2017 and when compared to the year of 2017, such expenses reduced by 34%. Commercial expenses were in line with 2Q17 and, for the year, they reduced by 10% when compared to 1H17.

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



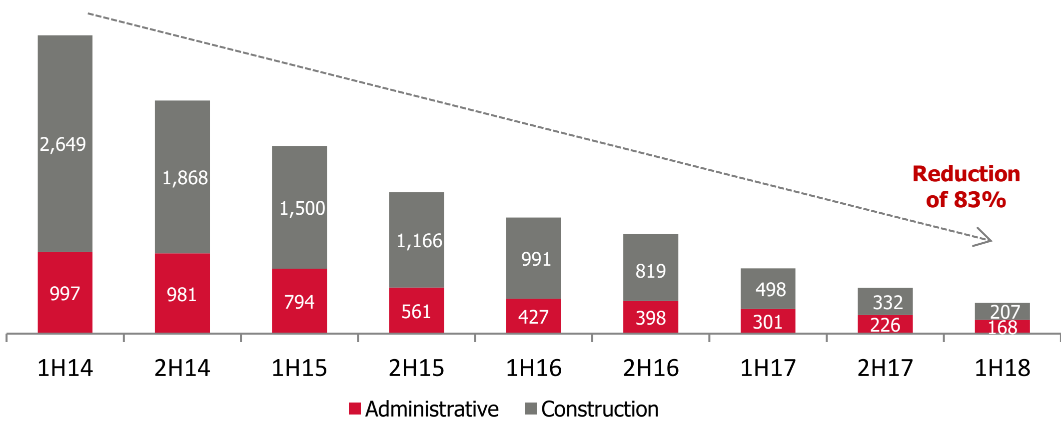
In accordance with IFRS, administrative expenses totaled R$12.3 million in the second quarter of 2018, down by 24% when compared to 2Q17. In 1H18, administrative expenses fell by 27% versus the same period of the previous year. As for Commercial expenses, the Company recorded an increase of 23% year-to-date, due to the change in consolidation criteria for the Capital Rossi Joint Venture projects that were fully transferred to Rossi (R$4.0 million).

R$ MM	2Q18	2Q17	Var. (%)	1H18	1H17	Var. (%)
	IFRS					
Administrative (a)	12.3	16.2	-24.1%	23.6	32.3	-27.1%
Commercial (b)	11.3	9.2	22.5%	27.9	22.7	22.8%
Administrative / Net Revenue	22.2%	23.7%	-1.5 p.p.	20.4%	15.6%	4.8 p.p.
Commercial / Net Revenue	20.3%	13.5%	6.9 p.p.	24.2%	11.0%	13.2 p.p.
(a) + (b)	**23.6**	**25.4**	**-7.2%**	**51.4**	**55.0**	**-6.5%**
(a) + (b) / Net Revenue	**42.5%**	**37.2%**	**5.3 p.p.**	**44.6%**	**26.6%**	**18.0 p.p.**

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 83%.

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

Changes in workforce



OTHER NET OPERATING REVENUES/EXPENSES

Other net operating expenses totaled R$19.9 million in 2Q18 versus R$49.8 million in 2Q17. In 1H18, other net operating expenses totaled R$59.0 million, down by 21% due to the lower level of judicial liabilities provision, compared to the same period of the previous year.

EQUITY IN THE EARNINGS OF SUBSIDIARIES

The following table provides details of the results, divided between consolidated (IFRS) and unconsolidated companies. With the end of the Capital Rossi Joint Venture, the gross margin from the non-consolidated projects consists basically of projects from joint venture Norcon Rossi, which operates in the city of Aracaju, and the allotment project launched in Campinas in 3Q17.

R$ MM	1H18 IFRS	Non Consolidated	100%
Net Revenue	**115.3**	**36.1**	**151.4**
Costs of property and services	**(130.3)**	**(40.3)**	**(170.5)**
Construction + Land	(88.3)	(31.5)	(119.8)
Financial Charges	(42.0)	(8.8)	(50.7)
Gross Income	**(15.0)**	**(4.2)**	**(19.2)**
Gross Margin (%)	-13.0%	-11.7%	-12.7%
Gross Income ex interest	**27.0**	**4.6**	**31.6**
Gross Margin ex interest (%)	23.4%	12.6%	20.9%

EBITDA

Adjusted EBITDA was negative by R$37.8 million in the quarter, with an Adjusted EBITDA margin of -68%. In 1H18, Adjusted EBITDA came in negative by R$104.6 million, with an adjusted margin of -91%. The main impacts in EBITDA are illustrated in the gross profit and operating expenses accounts.

R$ MM	2Q18	2Q17	Var. (%)	1H18	1H17	Var. (%)
Net Income (Loss)	-99.7	-161.8	38.4%	-242.5	-324.7	25.3%
(+/-) Net Financial Expenses (Revenues)	34.3	56.9	39.6%	74.8	134.4	44.4%
(+) Provision for Income Tax and Social Contribution	-1.8	-1.0	80.1%	0.2	2.4	-89.6%
(+) Depreciation and Amortization	2.3	4.4	48.2%	6.3	10.2	38.2%
(+/-) Minority	7.6	-4.8	-257.5%	14.5	-5.5	-363.7%
EBITDA[1]	**-57.2**	**-106.3**	**46.2%**	**-146.7**	**-183.2**	**19.9%**
(+) Capitalized Interest	19.4	15.4	-26.1%	42.0	31.6	-32.8%
(+/-) Stock Option	0.1	0.4	-85.0%	0.1	0.5	-78.9%
Adjusted EBITDA[2]	**-37.8**	**-90.6**	**58.2%**	**-104.6**	**-151.1**	**30.8%**
Adjusted EBITDA Margin (%)	-68.2%	-132.5%	64.3 p.p.	-90.7%	-73.0%	-17.7 p.p.

[1] EBITDA as per CVM Instruction 527/2012.

[2] 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 came in negative by R$34.3 million in 2Q18 versus a negative R$56.9 million in the same period of 2017, representing a positive variation of 40%. In 1H18, the positive variation was 44%, due to (i) the decline in the CDI rate and consequent impact on interest rates applicable to corporate debt contracts, in addition to (ii) a positive impact from the end of the partnership and settlement of the liability that existed with RB Capital.

R$ MM	2Q18	2Q17	Var. (%)	1H18	1H17	Var. (%)
Financial Revenues	2.3	7.1	-67.5%	7.6	12.5	-39.1%
Financial Expenses	-36.6	-64.0	42.7%	-82.4	-146.9	43.9%
Financial Result	**-34.3**	**-56.9**	**39.6%**	**-74.8**	**-134.4**	**44.4%**

NET INCOME (LOSS)

Rossi recorded a net loss of R$99.7 million in 2Q18, as detailed above. In 1H18, net loss totaled R$242.5 million.

BACKLOG RESULT

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

R$ MM	2Q18	1Q18	Var. (%)
Gross Revenue	21.5	26.7	-19.3%
Costs (w/ financial charges)	-14.9	-19.3	-22.8%
Backlog Result	**6.6**	**7.3**	**-10.2%**
Backlog Margin (%)	30.6%	27.5%	**3.1 p.p.**

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	2Q18
Consolidated	21.5
Non Consolidated	13.4
Backlog Revenue	**34.9**
Consolidated	(14.9)
Non Consolidated	(5.7)
Backlog Costs	**(20.6)**
Consolidated	30.6%
Non Consolidated	57.5%
Backlog Margin	**40.9%**

The gross margin to be appropriated from the non-consolidated projects (58%) consists basically of the allotment project launched in 2017, which has higher margins than conventional real estate development projects.

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$1.0 billion, down by 6% versus the previous quarter.

R$ MM	2Q18	1Q18	Var. (%)
Short Term	**861.9**	**893.4**	**-3.5%**
Units under construction	40.4	41.3	-2.3%
Finished units	783.8	814.4	-3.8%
Receivables from land sale	37.7	37.7	0.1%
Long Term	**123.8**	**133.5**	**-7.3%**
Units under construction	5.3	6.1	-13.9%
Finished units	118.5	127.4	-7.0%
Total	**985.7**	**1,026.9**	**-4.0%**
Real Estate developments to be recognized under the POC method			
Short Term	18.2	33.6	-45.8%
Long Term	2.6	5.0	-47.7%
Total	**20.8**	**38.6**	**-46.0%**
Total Accounts Receivable	**1,006.5**	**1,065.5**	**-5.5%**

MARKETABLE PROPERTIES

The following table details the marketable properties recognized in the balance sheet at their historical cost. The increase in the balance of land sites for future developments is due to the change in the consolidation criteria of projects that were fully incorporated by Rossi after the cancelation of partnerships. On the other hand, net sales in 2Q18 contributed for the reduction in inventory of completed and units under construction.

R$ MM	2Q18	1Q18	Var. (%)
Finished properties	407.4	428.5	**-4.9%**
Properties under construction	140.6	154.1	**-8.7%**
Land sites for future developments	521.4	505.0	**3.2%**
Consumables	-	0.4	**-100.0%**
Advances to suppliers	2.3	2.3	**0.9%**
Capitalized Interest	36.6	38.0	**-3.8%**
Total	**1,108.3**	**1,128.2**	**-1.8%**

DEBT

Under the IFRS analysis, Rossi ended 2Q18 with a cash balance of R$53.4 million and total debt of R$1.9 billion. Cash generation reached R$8.6 million, also according to IFRS.

Rossi's real estate credit transactions include loans for construction (SFH housing financing system) and Bank Credit Notes (CCB)[1] contracted for the construction and development of pre-determined housing developments.

R$ MM	2Q18	1Q18	Var. (%)
Short Term	**744.1**	**783.0**	**-5.0%**
Construction Loans	**573.2**	**614.3**	**-6.7%**
SFH	526.2	524.2	0.4%
CCB [1]	47.0	90.0	-47.7%
Working Capital	160.0	159.5	0.3%
Receivables Securitization	10.9	9.2	18.5%
Long Term	**1,148.0**	**1,118.7**	**2.6%**
Construction Loans	**883.5**	**856.0**	**3.2%**
SFH	168.1	212.9	-21.1%
CCB [1]	715.4	643.1	11.3%
Working Capital	251.9	249.5	1.0%
Receivables Securitization	12.6	13.2	-4.6%
Total Debt	**1,892.1**	**1,901.6**	**-0.5%**
Cash and Cash Equivalents	53.4	54.4	-1.8%
Net Debt	**1,838.7**	**1,847.3**	**-0.5%**
Net Debt / Equity	**1411.1%**	**817.4%**	**72.6%**
Cash Burn	**8.6**	**(139.1)**	**106.2%**

CCB[1] - Bank Credit Notes

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.

	100%				
R$ MM	2Q17	3Q17	4Q17	1Q18	2Q18
Total Debt	**2,605.4**	**2,552.0**	**2,212.6**	**2,059.4**	**2,040.4**
Cash and Equivalents	104.3	66.0	64.5	70.4	66.9
Net Debt	**2,501.1**	**2,486.0**	**2,148.1**	**1,989.1**	**1,973.5**
Net Debt / Equity	**635.9%**	**1034.0%**	**580.7%**	**880.1%**	**1514.5%**
Cash Burn in the quarter	**45.2**	**15.1**	**337.9**	**159.0**	**15.6**
Cash Burn LTM	**-**	**-**	**-**	**-**	**527.6**

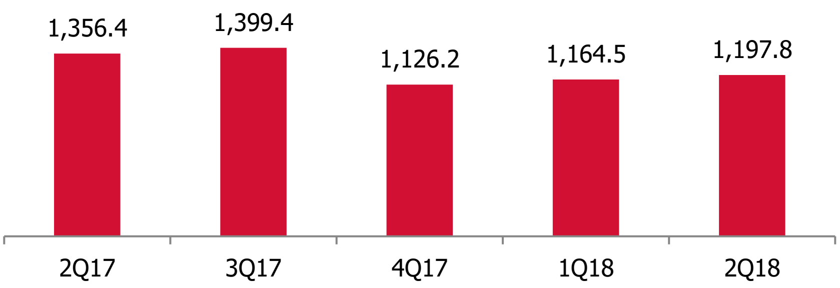
Proportional

R$ MM	2Q17	3Q17	4Q17	1Q18	2Q18
Total Debt	**2,340.5**	**2,311.4**	**1,985.8**	**1,984.5**	**1,971.7**
Cash and Equivalents	85.3	53.2	50.8	61.9	59.0
Net Debt	**2,255.2**	**2,258.1**	**1,935.0**	**1,922.6**	**1,912.7**
Net Debt / Equity	**577.5%**	**959.1%**	**513.8%**	**822.3%**	**1425.8%**
Cash Burn in the quarter	**14.3**	**(3.0)**	**323.1**	**12.5**	**9.9**
Cash Burn LTM	**-**	**-**	**-**	**-**	**342.5**

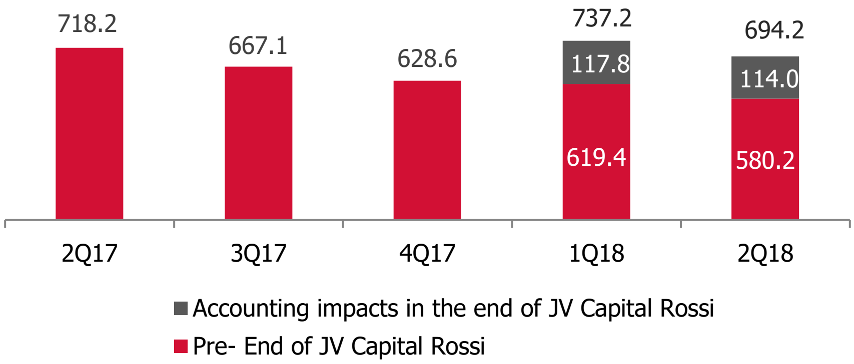
IFRS

R$ MM	2Q17	3Q17	4Q17	1Q18	2Q18
Total Debt	**2,074.5**	**2,066.5**	**1,754.8**	**1,901.6**	**1,892.1**
Cash and Equivalents	68.5	56.8	46.7	54.4	53.4
Net Debt	**2,006.0**	**2,009.7**	**1,708.2**	**1,847.3**	**1,838.7**
Net Debt / Equity	**510.0%**	**835.9%**	**461.7%**	**817.4%**	**1411.1%**
Cash Burn in the quarter	**(23.3)**	**(3.7)**	**301.5**	**(139.1)**	**8.6**
Cash Burn LTM	**-**	**-**	**-**	**-**	**167.3**

Evolution of Corporate Debt IFRS -R$ million

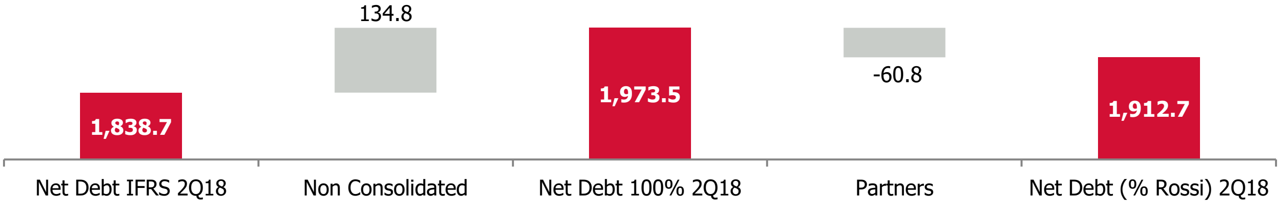


Evolution of SFH Debt IFRS - R$ million



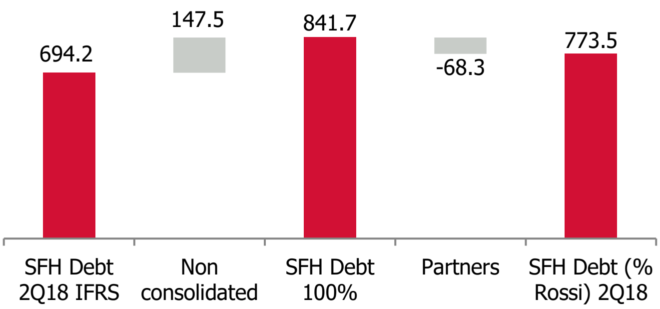
Net debt reconciliation is shown below pursuant to the 3 approaches:

Reconciliation of Net Debt-R$ million

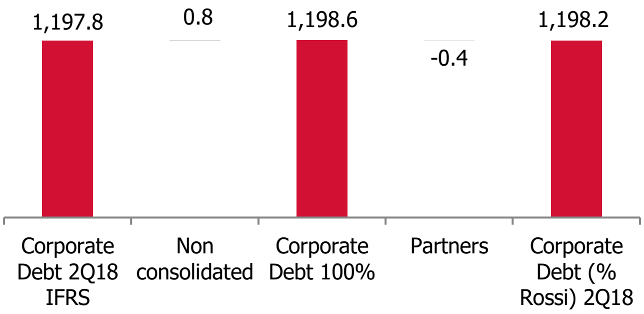


The following charts show reconciliation of gross debt and cash and cash equivalents using the 3 approaches:

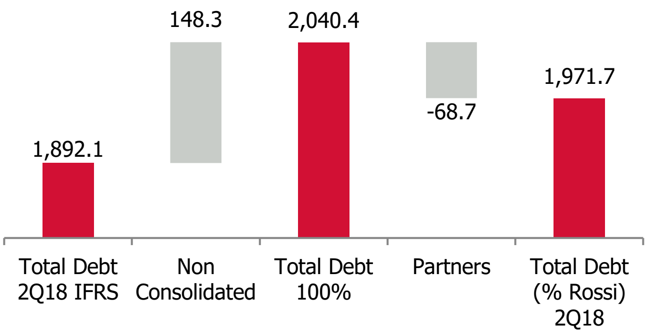
SFH Reconciliation – R$ MM



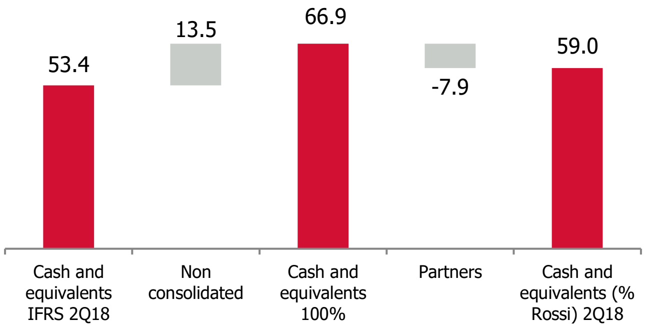
Corporate Debt Reconciliation – R$ MM



Total Debt – R$ MM



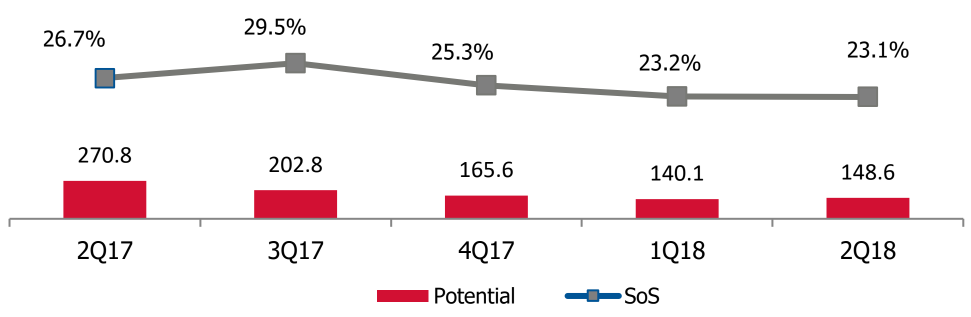
Cash and Cash Equivalents – R$ MM



TRANSFERS

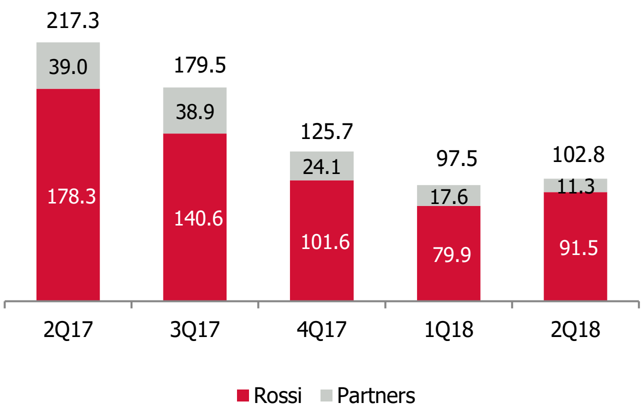
The chart below shows the quarterly index that measures transfer efficiency. The red bars indicate potential transfer amounts, that is, the sum of the outstanding balance of the occupation permit ("habite-se") units legally registered and possible transfers to financial institutions. Sales Speed (SoS) is measured by the ratio of volume of transfers and settlements in the period to potential value. SoS reached 23% in 2Q18.

Financial Transfers -SoS

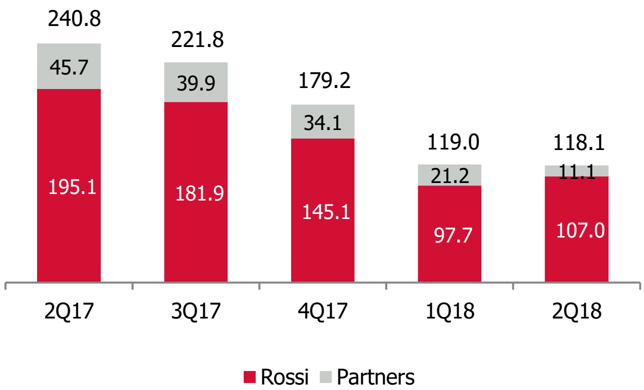


Cash inflows, which considers the volume of transfers and payments received from clients, reached R$118.1 million in the quarter (R$107.0 million – Rossi's share), up by 9% in Rossi's share when compared to the previous quarter. The charts below show the evolution of transfers and settlements, as well as cash inflow in recent quarters:

Transfers (signature + settlement) -R$ million



Cash Inflow -R$ million



As in the case of other indicators, the sale of our stakes in certain projects in Manaus, which were transferred to Construtora Capital in reference to the end of the Capital Rossi Joint Venture, negatively impacted transfers, settlements and cash inflows in 2018.

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 – Revision of intermediate information performed by the Auditor of the Entity 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.

EXHIBT I | 100% INDICES - R$ MILLION

Quarter SOS |100%	2Q17	3Q17	4Q17	1Q18	2Q18
Inventory - BOF	1,444.0	1,118.0	1,108.7	937.0	615.1
Launches	-	45.4	-	-	-
Inventory + Launches	**1,444.0**	**1,163.4**	**1,108.7**	**937.0**	**615.1**
Gross Sales	(209.4)	(191.2)	(168.4)	(123.2)	(92.3)
Sales speech (SOS) (%)	**14.5%**	**16.4%**	**15.2%**	**13.1%**	**15.0%**
Sales cancellation	136.2	175.2	109.1	72.4	67.6
Adjusts / Revalue	(252.9)	(38.7)	(112.3)	(271.1)	(109.1)
Inventory - EOF	**1,118.0**	**1,108.7**	**937.0**	**615.1**	**481.3**

LTM SOS | 100%	2Q17	3Q17	4Q17	1Q18	2Q18
Inventory - BOF	1,944.5	1,814.8	1,595.5	1,444.0	1,118.0
Launches	-	45.4	45.4	45.4	45.4
Inventory + Launches	**1,944.5**	**1,860.2**	**1,640.9**	**1,489.4**	**1,163.4**
Gross Sales	(1,017.7)	(981.3)	(860.6)	(692.2)	(575.1)
Sales speech (SOS) (%)	**52.3%**	**52.8%**	**52.4%**	**46.5%**	**49.4%**
Sales cancellation	734.6	706.5	601.4	492.9	424.3
Adjusts / Revalue	(543.5)	(476.8)	(444.7)	(675.0)	(531.3)
Inventory - EOF	**1,118.0**	**1,108.7**	**937.0**	**615.1**	**481.3**

EXHIBIT II | IFRS INDICES - R$ MILLION

Quarter SOS - IFRS Consolidated	2Q17	3Q17	4Q17	1Q18	2Q18
Inventory - BOF	623.9	524.7	520.7	394.9	470.4
Launches	-	45.4	-	-	-
Inventory + Launches	**623.9**	**570.1**	**520.7**	**394.9**	**470.4**
Gross Sales	(112.7)	(101.4)	(98.9)	(93.9)	(76.9)
Sales speech (SOS) (%)	**18.1%**	**17.8%**	**19.0%**	**23.8%**	**16.4%**
Sales cancellation	70.7	95.4	61.1	61.4	56.4
Adjusts / Revalue	(57.2)	(43.4)	(87.9)	108.0	(72.3)
Inventory - EOF	**524.7**	**520.7**	**394.9**	**470.4**	**377.6**

Quarter SOS - Equity Result	2Q17	3Q17	4Q17	1Q18	2Q18
Inventory - BOF	820.1	593.3	588.0	542.1	144.8
Launches	-	-	-	-	-
Inventory + Launches	**820.1**	**593.3**	**588.0**	**542.1**	**144.8**
Gross Sales	(96.7)	(89.7)	(69.5)	(29.2)	(15.4)
Sales speech (SOS) (%)	**11.8%**	**15.1%**	**11.8%**	**5.4%**	**10.6%**
Sales cancellation	65.5	79.8	48.0	11.0	11.2
Adjusts / Revalue	(195.6)	4.6	(24.4)	(379.1)	(36.8)
Inventory - EOF	**593.3**	**588.0**	**542.1**	**144.8**	**103.8**

EXHIBIT III | INCOME STATEMENT

Income Statement (R$ '000)	2Q18	2Q17	Var. (%) 2Q18 vs. 2Q17
Gross Operating Revenue			
Property sales and services	56,579	70,309	-20%
Sales taxes	-1,160	-1,968	41%
Net Operating Revenue	**55,419**	**68,341**	**-19%**
Cost of Property and Services	**-58,636**	**-87,135**	**33%**
Construction and Land	-39,284	-71,784	45%
Financial Charges	-19,352	-15,350	-26%
Gross Income	**-3,217**	**-18,794**	**83%**
Gross Margin	**-5.8%**	**-27.5%**	**21.7 p.p.**
Gross Margin (ex interest)	**29.1%**	**-5.0%**	**34.2 p.p.**
Operating Expenses	**-56,312**	**-91,929**	**39%**
Administrative	-12,289	-16,193	24%
Selling	-11,270	-9,188	-23%
Depreciation and Amortization	-2,296	-4,430	48%
Equity Result	-10,510	-12,359	15%
Other Operating Revenue (Expenses)	-19,947	-49,759	60%
Earnings before Financial Result	**-59,529**	**-110,723**	**46%**
Financial Result	**-34,328**	**-56,853**	**40%**
Financial Revenue	2,321	7,136	-67%
Financial Expenses	-36,649	-63,989	43%
Operating Income (Loss)	**-93,857**	**-167,576**	**44%**
Operating Margin	**-169.4%**	**-245.2%**	**75.8 p.p.**
Provision for Taxes and Contributions	-1,073	-2,823	62%
Deferred Income Tax and S. Contribution	2,854	3,812	-25%
Minorities	-7,576	4,811	-257%
Net Income (Loss)	**-99,652**	**-161,776**	**38%**
Net Margin	**-179.8%**	**-236.7%**	**56.9 p.p.**

EXHIBIT III | INCOME STATEMENT (cont.)

Income Statement (R$ '000)	1H18	1H17	Var. (%) 1H18 vs. 1H17
Gross Operating Revenue			
Property sales and services	117,849	213,781	-45%
Sales taxes	-2,534	-6,821	63%
Net Operating Revenue	**115,315**	**206,960**	**-44%**
Cost of Property and Services	**-130,268**	**-228,150**	**43%**
Construction and Land	-88,302	-196,544	55%
Financial Charges	-41,965	-31,605	-33%
Gross Income	**-14,953**	**-21,190**	**29%**
Gross Margin	**-13.0%**	**-10.2%**	**-2.7 p.p.**
Gross Margin (ex interest)	**23.4%**	**5.0%**	**18.4 p.p.**
Operating Expenses	**-138,027**	**-172,190**	**20%**
Administrative	-23,555	-32,302	27%
Selling	-27,871	-22,693	-23%
Depreciation and Amortization	-6,297	-10,186	38%
Equity Result	-21,264	-31,825	33%
Other Operating Revenue (Expenses)	-59,040	-75,184	21%
Earnings before Financial Result	**-152,980**	**-193,380**	**21%**
Financial Result	**-74,762**	**-134,402**	**44%**
Financial Revenue	7,604	12,484	-39%
Financial Expenses	-82,366	-146,886	44%
Operating Income (Loss)	**-227,742**	**-327,782**	**31%**
Operating Margin	**-197.5%**	**-158.4%**	**-39.1 p.p.**
Provision for Taxes and Contributions	-3,203	-6,294	49%
Deferred Income Tax and S. Contribution	2,955	3,913	-24%
Minorities	-14,514	5,504	-364%
Net Income (Loss)	**-242,504**	**-324,659**	**25%**
Net Margin	**-210.3%**	**-156.9%**	**-53.4 p.p.**

EXHIBIT IV | BALANCE SHEET

Assets (R$ '000)	2Q18	1Q18	Var. (%)
Current			
Cash and equivalents	46,377	47,998	-3.4%
Tradeble note	6,988	6,362	9.8%
Accounts receivable from clients	861,929	893,416	-3.5%
Tradeble properties	586,896	623,220	-5.8%
Other assets	94,306	94,600	-0.3%
Total Current Assets	**1,596,496**	**1,665,596**	**-4.1%**
Non Current			
Accounts receivable from clients	123,750	133,529	-7.3%
Tradeble properties	521,364	505,022	3.2%
Judicial deposits	97,512	93,526	4.3%
Related parties	221,852	168,667	31.5%
Advances to business partners	292,161	345,924	-15.5%
Investments	530,088	549,857	-3.6%
Fixed	16,008	17,113	-6.5%
Intangible	11,518	12,625	-8.8%
Total Non Current Assets	**1,814,253**	**1,826,263**	**-0.7%**
Total Assets	**3,410,749**	**3,491,859**	**-2.3%**

EXHIBIT IV | BALANCE SHEET (cont.)

Liabilities and Shareholders Equity (R$ '000)	2Q18	1Q18	Var. (%)
Current			
Construction Loans - real estate credit	744,066	782,963	-5.0%
Suppliers	72,972	75,770	-3.7%
Accounts payable to land site acquisition	120,214	114,610	4.9%
Salaries and payroll charges	5,726	5,927	-3.4%
Taxes and contributions payable	30,258	27,554	9.8%
Profit sharing payable	420	494	-15.0%
Advances from clients	163,994	164,953	-0.6%
Related parties	434,272	422,317	2.8%
Deferred taxes and contributions	40,549	40,551	0.0%
Other accounts payable	198,939	178,222	11.6%
Total Current	**1,811,410**	**1,813,361**	**-0.1%**
Non Current			
Construction Loans - real estate credit	1,148,007	1,118,674	2.6%
Accounts payable to land site acquisition	4,433	9,390	-52.8%
Taxes and contributions payable	31,008	31,450	-1.4%
Provision for risks	96,496	100,654	-4.1%
Provision for guarantees	14,838	16,563	-10.4%
Deferred taxes and contributions	40,087	43,747	-8.4%
Provision for investment losses	80,214	78,851	1.7%
Other accounts payable	53,949	53,172	1.5%
Total Non Current	**1,469,032**	**1,452,501**	**1.1%**
Shareholders' Equity			
Capital stock	2,611,390	2,611,390	0.0%
Treasury stock	-73,361	-83,313	-11.9%
Capital reserve	70,100	70,042	0.1%
Accrued earnings	-2,473,924	-2,364,319	4.6%
Total Shareholders' Equity	**134,205**	**233,800**	**-42.6%**
Minority Interest	(3,898)	(7,803)	-50.0%
Total Liabilities and Shareholders' Equity	**3,410,749**	**3,491,859**	**-2.3%**

EXHIBIT V – Inventory (100%)

PSV (R$ million)	Finished	2018	2019	Total
Manaus	131.9	-	-	131.9
Aracaju	70.3	-	-	70.3
Curitiba	42.2	-	-	42.2
Porto Alegre	14.8	26.9	-	41.6
Brasília	33.6	-	-	33.6
Ribeirão Preto	31.0	-	-	31.0
Duque de Caxias	26.6	-	-	26.6
Rio de Janeiro	10.1	7.7	-	17.8
Barueri	-	17.7	-	17.7
Paulínia	13.3	-	-	13.3
Campinas	1.3	-	10.5	11.8
Londrina	9.5	-	-	9.5
Ananindeua	9.3	-	-	9.3
Recife	7.2	-	-	7.2
Santos	3.9	-	-	3.9
Belo Horizonte	3.6	-	-	3.6
São Paulo	2.9	-	-	2.9
Xangri-Lá	1.8	-	-	1.8
Parnamirim	0.7	-	-	0.7
Fortaleza	0.6	-	-	0.6
Nova Iguaçu	0.5	-	-	0.5
Hortolândia	0.3	-	-	0.3
Itaboraí	0.2	-	-	0.2
Sumaré	0.2	-	-	0.2
Salvador	0.1	-	-	0.1
Other Regions	2.7	-	-	2.7
Total	**418.6**	**52.3**	**10.5**	**481.3**

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 Fundação Getúlio Vargas.

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$170,000/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.