Interim Financial Information (ITR)

LOG Commercial Properties e Participações S.A.

Individual and Consolidated Interim Financial Information for the Quarter Ended June 30, 2015 and Report on Review of Interim Financial Information

LOG Commercial Properties e Participações S.A.

Interim Financial Information (ITR)

June 30, 2015

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A free translation from Portuguese into English of report on review of quarterly information (ITR)

Report on review of quarterly information (ITR)

The Shareholders and Officers
LOG Commercial Properties e Participações S.A.
Belo Horizonte - MG

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of LOG Commercial Properties e Participações S.A.("Company"), contained in the Quarterly Information Form – ITR for the quarter ended June 30, 2015, which comprise the balance sheet as at June 30, 2015 and the related statement of income (loss) and statement of comprehensive income (loss) for the three and six months ended on that date and statement of changes in equity and cash flow statement for the six months ended on that date, including the explanatory notes.

Management is responsible for the preparation of the individual interim financial information in accordance with CPC 21(R1) – Interim Financial Reporting and the consolidated interim financial information in accordance with CPC 21(R1) and IAS 34 – Interim Financial Reporting issued by the International Accounting Standards Board – IASB, as well as for the fair presentation of this information consistently with standards issued by the CVM applicable to the preparation of Quarterly Information - ITR. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review Engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above is not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of Quarterly Information (ITR) and presented consistently with the rules issued by the Brazilian Securities Exchange Commission.

Other matters

Statements of value added

We have also reviewed the individual and consolidated statement of value added (SVA), for the six-month period ended June 30, 2015, prepared under the responsibility of Company's management. The presentation of interim financial information is required in accordance with CVM Standards applicable to the preparation of quarterly information (ITR), and as supplementary information by IFRS, which do not require SVA presentation. These statements have been subject to the same review procedures described above and, based on our review nothing has come to our attention that causes us to believe that they were not prepared, in all material respects, consistently with the individual and consolidated interim financial information taken as a whole.

Belo Horizonte, August 11, 2015.

ERNST & YOUNG
Auditores Independentes S.S.
CRC 2SP015199/O-6

Flávio de Aquino Machado
Accountant CRC-1MG065899/O-2

Individual / Balance Sheets – Assets

(In thousands of Brazilian reais – R$)

Code	Description	Current Quarter 6/30/2015	Previous year 12/31/2014
1	Total assets	2,235,611	2,243,589
1.01	Current assets	75,038	70,405
1.01.01	Cash and cash equivalents	25,348	60,626
1.01.03	Receivables	43,668	4,490
1.01.03.01	Trade receivables	43,668	4,490
1.01.06	Recoverable taxes	4,539	4,677
1.01.06.01	Recoverable current taxes	4,539	4,677
1.01.07	Prepaid expenses	730	611
1.01.08	Other current assets	753	1
1.01.08.03	Other	753	1
1.01.08.03.01	Derivative	750	-
1.01.08.03.02	Other	3	1
1.02	Noncurrent assets	2,160,573	2,173,184
1.02.01	Long-term assets	101,601	43,564
1.02.01.03	Receivables	53,483	2,289
1.02.01.03.01	Trade accounts receivable	53,483	2,289
1.02.01.06	Deferred taxes	28,917	28,535
1.02.01.06.01	Deferred income tax and social contribution	28,917	28,535
1.02.01.07	Prepaid expenses	728	745
1.02.01.09	Other noncurrent assets	18,473	11,995
1.02.01.09.03	Recoverable taxes	15,415	11,991
1.02.01.09.04	Derivative	2,951	-
1.02.01.09.05	Other	107	4
1.02.02	Investments	2,057,333	2,128,776
1.02.02.01	Investments in subsidiaries and jointly controlled entities	1,603,851	1,771,228
1.02.02.01.02	Investments in subsidiaries	1,352,342	1,528,267
1.02.02.01.03	Investments in jointly controlled entities	251,509	242,961
1.02.02.02	Investment property	453,482	357,548
1.02.03	Property and equipment	1,639	844
1.02.03.01	Property and equipment in use	1,639	844

Individual / Balance Sheets – Liabilities and Shareholder's Equity

(In thousands of Brazilian reais – R$)

Code	Description	Current Quarter 6/30/2015	Previous year 12/31/2014
2	Total liabilities	2,235,611	2,243,589
2.01	Current Liabilities	160,494	178,907
2.01.01	Labor and social liabilities	2,076	2,379
2.01.01.01	Social liabilities	501	476
2.01.01.02	Labor liabilities	1,575	1,903
2.01.02	Suppliers	1,141	995
2.01.02.01	Domestic trade accounts payable	1,141	995
2.01.03	Tax liabilities	374	637
2.01.03.01	Federal taxes	229	503
2.01.03.01.01	Income taxes and social contribution	49	-
2.01.03.01.02	Other federal taxes	180	503
2.01.03.03	Municipal taxes	145	134
2.01.04	Loans and financing	156,277	148,505
2.01.04.01	Loans and financing	128,716	125,750
2.01.04.01.01	Loans and financing in domestic currency	128,716	125,750
2.01.04.02	Debentures	27,561	22,755
2.01.05	Others liabilities	626	26,391
2.01.05.02	Other	626	26,391
2.01.05.02.02	Mandatory minimum dividend payable	-	25,856
2.01.05.02.07	Other	626	535
2.02	Noncurrent liabilities	602,493	610,691
2.02.01	Loans and financing	561,769	570,238
2.02.01.01	Loans and financing	149,060	151,469
2.02.01.01.01	Loans and financing in domestic currency	149,060	151,469
2.02.01.02	Debentures	412,709	418,769
2.02.02	Others liabilities	40,724	40,453
2.02.02.02	Other	40,724	40,453
2.02.02.02.04	Advances - barters	40,000	40,000
2.02.02.02.05	Provisions for labor, tax and civil contingencies	452	203
2.02.02.02.06	Other	272	250
2.03	Equity	1,472,624	1,453,991
2.03.01	Paid-in capital	729,043	171,844
2.03.02	Capital reserves	24,703	528,522
2.03.02.01	Share subscription premium	23,143	527,181
2.03.02.04	Recognized options granted	1,560	1,341
2.03.04	Earnings reserve	726,320	753,625
2.03.04.01	Legal reserve	15,988	15,988
2.03.04.05	Retained profit reserve	710,332	737,637
2.03.05	Retained earnings/accumulated losses	(7,442)	-

Individual / Income Statement
(In thousands of Brazilian reais – R$)

Code	Description	4/1/2015 to 6/30/2015	1/1/2015 to 6/30/2015	4/1/2014 to 6/30/2014	1/1/2014 to 6/30/2014
3.01	Revenue from sales and/or services	4,778	9,717	3,501	7,078
3.03	Gross profit	4,778	9,717	3,501	7,078
3.04	Operating income (expenses)	5,243	(13,850)	234,498	238,752
3.04.01	Selling expenses	(1,222)	(2,358)	(935)	(1,876)
3.04.02	General and administrative expenses	(1,903)	(3,965)	(2,107)	(4,237)
3.04.04	Other operating incomes	983	6,785	112	112
3.04.04.01	Changes in the fair value of investment property	978	978	-	-
3.04.04.02	Other operating incomes	5	5,807	112	112
3.04.05	Other operating expenses	(95)	(6,087)	(8,705)	(8,774)
3.04.05.01	Changes in the fair value of investment property	-	-	(8,388)	(8,388)
3.04.05.02	Other operating expenses	(95)	(6,087)	(317)	(386)
3.04.06	Results from equity participation	7,480	(8,225)	246,133	253,527
3.05	Income before financial income and taxes	10,021	(4,133)	237,999	245,830
3.06	Financial income (expenses)	(344)	(4,774)	(2,485)	(4,207)
3.06.01	Financial income	6,408	9,021	440	1,850
3.06.02	Financial expenses	(6,752)	(13,795)	(2,925)	(6,057)
3.07	Income before taxes	9,677	(8,907)	235,514	241,623
3.08	Income tax and social contribution	(1,291)	1,465	9,135	13,948
3.08.01	Current	-	(15)	-	-
3.08.02	Deferred	(1,291)	1,480	9,135	13,948
3.09	Net income (loss) from continuing operations	8,386	(7,442)	244,649	255,571
3.11	Net income (loss) for the period	8,386	(7,442)	244,649	255,571
3.99	Earnings per share (In Reais - R$):				
3.99.01	Basic				
3.99.01.01	ON	0.04878	(0.04330)	1.42690	1.49060
3.99.02	Diluted				
3.99.02.01	ON	0.04869	(0.04321)	1.42430	1.48790

Individual / Statements of Comprehensive Income

(In thousands of Brazilian reais – R$)

Code	Description	4/1/2015 to 6/30/2015	1/1/2015 to 6/30/2015	4/1/2014 to 6/30/2014	1/1/2014 to 6/30/2014
4.01	Net income (loss) for the period	8,386	(7,442)	244,649	255,571
4.03	Comprehensive income for the period	8,386	(7,442)	244,649	255,571

Individual / Statement of Cash Flows
(In thousands of Brazilian reais – R$)

Code	Description	1/1/2015 to 6/30/2015	1/1/2014 to 6/30/2014
6.01	Net cash used in operating activities	57,964	10,201
6.01.01	Cash provided by operating activities	9,231	2,320
6.01.01.01	Net income (loss) for the period	(7,442)	255,571
6.01.01.02	Depreciation	76	16
6.01.01.03	Income (loss) from equity participation	8,225	(253,527)
6.01.01.04	Charges incurred	13,369	5,369
6.01.01.05	Deferred taxes	(2,782)	(13,948)
6.01.01.06	Stock options	219	190
6.01.01.07	Amortization of prepaid expenses	294	261
6.01.01.08	Changes in the fair value of investment property	323	8,388
6.01.01.09	Results from derivative financial instruments	(3,051)	-
6.01.02	Changes in assets and liabilities	48,733	7,881
6.01.02.01	(Increase) decrease in trade accounts receivable	(2,714)	(616)
6.01.02.02	(Increase) decrease in recoverable taxes	550	(329)
6.01.02.03	(Increase) decrease in prepaid expenses	(229)	(500)
6.01.02.04	(Increase) decrease in other assets	(105)	-
6.01.02.05	Increase (decrease) in payroll, social charges and benefits	(407)	(160)
6.01.02.06	Increase (decrease) in taxes, charges and contributions	(361)	(468)
6.01.02.07	Increase (decrease) in other liabilities	2,498	76
6.01.02.09	Dividends received from subsidiaries	31,989	9,878
6.01.02.10	Proceeds from the land sales / controlled	17,512	-
6.02	Net cash provided (used) in investing activities	(37,719)	(73,424)
6.02.01	Increase in / aquisition of investments	(27,782)	(50,030)
6.02.02	Aquisition of investment properties	(9,076)	(23,318)
6.02.03	Other	(861)	(76)
6.03	Net cash provided (used in) by financing activities	(55,523)	(15,903)
6.03.01	Loans, financing and debentures, net	1,988	115,614
6.03.02	Interest payment	(45,173)	(30,636)
6.03.03	Capital increase	25,856	-
6.03.05	Payment of due to related parties	-	(62,631)
6.03.06	Increase in due to related parties	-	93,452
6.03.08	Dividends	(25,856)	-
6.03.09	Amortization of Loans, financing and debentures	(11,688)	(131,702)
6.03.10	Derivative contract	(650)	-
6.05	Increase (decrease) in cash and cash equivalents	(35,278)	(79,126)
6.05.01	Cash and cash equivalents at beginning of period	60,626	79,138
6.05.02	Cash and cash equivalents at end of period	25,348	12

Individual / Statement of Changes in Shareholder's Equity – 1/1/2015 to 6/30/2015

(In thousands of Brazilian reais – R$)

Code	Description	Paid-in capital	Capital reserves, recognized options granted and treasury shares	Earnings reserves	Earnings / losses accumulated	Other comprehensive income	Shareholders' equity
5.01	Opening balance	171,844	528,522	753,625	-	-	1,453,991
5.03	Adjusted opening balance	171,844	528,522	753,625	-	-	1,453,991
5.04	Shareholders capital transaction	557,199	(503,819)	(27,305)	-	-	26,075
5.04.01	Capital increase	2,713	-	-	-	-	2,713
5.04.03	Recognized options granted	-	219	-	-	-	219
5.04.08	Share subscription premium	-	23,143	-	-	-	23,143
5.04.09	Capitalization of reserves	554,486	(527,181)	(27,305)	-	-	-
5.05	Total comprehensive income	-	-	-	(7,442)	-	(7,442)
5.05.01	Net income (loss) for the period	-	-	-	(7,442)	-	(7,442)
5.07	Closing balance	729,043	24,703	726,320	(7,442)	-	1,472,624

Individual / Statement of Changes in Shareholder's Equity – 1/1/2014 to 6/30/2014

(In thousands of Brazilian reais – R$)

Code	Description	Paid-in capital	Capital reserves, recognized options granted and treasury shares	Earnings reserves	Earnings / losses accumulated	Other comprehensive income	Shareholders' equity
5.01	Opening balance	171,453	525,576	42,868	-	-	739,897
5.02	Prior year adjustments	-	-	-	464,440	-	464,440
5.03	Adjusted opening balance	171,453	525,576	42,868	464,440	-	1,204,337
5.04	Shareholders capital transaction	-	190	-	-	-	190
5.04.03	Recognized options granted	-	190	-	-	-	190
5.05	Total comprehensive income	-	-	-	255,571	-	255,571
5.05.01	Net income (loss) for the period	-	-	-	255,571	-	255,571
5.07	Closing balance	171,453	525,766	42,868	720,011	-	1,460,098

Individual / Statement of Value Added
(In thousands of Brazilian reais – R$)

Code	Description	1/1/2015 to 6/30/2015	1/1/2014 to 6/30/2014
7.01	Revenue	24,632	15,839
7.01.01	Revenues from sales of goods, services and products	10,707	7,811
7.01.02	Other revenue	(326)	(8,349)
7.01.02.01	Other revenue	(3)	39
7.01.02.02	Fair Value	(323)	(8,388)
7.01.03	Revenue from construction of own assets	14,251	16,377
7.02	Inputs purchased from third parties	(10,867)	(13,596)
7.02.02	Supplies, power, outside services and other items	(10,867)	(13,596)
7.03	Gross value added	13,765	2,243
7.04	Retentions	(76)	16
7.04.01	Depreciation, amortization and depletion	(76)	16
7.05	Net value added generated	13,689	2,259
7.06	Value added received in transfer	796	255,377
7.06.01	Results from equity participation	(8,225)	253,527
7.06.02	Financial income	9,021	1,850
7.07	Total value added for distribution	14,485	257,636
7.08	Value added distributed	14,485	257,636
7.08.01	Personnel	2,975	4,990
7.08.01.01	Salaries and wages	2,513	4,011
7.08.01.02	Benefits	385	654
7.08.01.03	Severance Pay Fund (FGTS)	77	325
7.08.02	Taxes, charges and contributions	178	(10,968)
7.08.02.01	Federal	158	(11,052)
7.08.02.02	State	5	-
7.08.02.03	Municipal	15	84
7.08.03	Debt remuneration	18,774	8,043
7.08.03.01	Interest	18,126	6,887
7.08.03.02	Rentals	634	1,132
7.08.03.03	Others	14	24
7.08.04	Shareholders	(7,442)	255,571
7.08.04.03	Earnings retained in the period	(7,442)	255,571

Consolidated / Balance Sheets – Assets
(In thousands of Brazilian reais – R$)

Code	Description	Current Quarter 6/30/2015	Previous year 12/31/2014
1	Total assets	2,602,957	2,626,148
1.01	Current assets	97,812	111,106
1.01.01	Cash and cash equivalents	27,520	77,334
1.01.03	Receivables	60,163	24,806
1.01.03.01	Trade receivables	60,163	24,806
1.01.06	Recoverable taxes	6,750	6,577
1.01.06.01	Recoverable current taxes	6,750	6,577
1.01.07	Prepaid expenses	2,625	2,386
1.01.08	Other current assets	754	3
1.01.08.03	Other	754	3
1.01.08.03.01	Derivative	750	-
1.01.08.03.02	Other	4	3
1.02	Noncurrent assets	2,505,145	2,515,042
1.02.01	Long-term assets	135,075	80,190
1.02.01.03	Receivables	59,712	8,293
1.02.01.03.01	Trade accounts receivable	59,712	8,293
1.02.01.06	Deferred taxes	28,917	28,535
1.02.01.06.01	Deferred income tax and social contribution	28,917	28,535
1.02.01.07	Prepaid expenses	4,227	4,442
1.02.01.09	Other noncurrent assets	42,219	38,920
1.02.01.09.03	Recoverable taxes	38,951	38,839
1.02.01.09.04	Derivative	2,951	-
1.02.01.09.05	Other	317	81
1.02.02	Investments	2,368,242	2,433,792
1.02.02.01	Investments in subsidiaries and jointly controlled entities	251,509	242,961
1.02.02.01.04	Other Equity Interests	251,509	242,961
1.02.02.02	Investment property	2,116,733	2,190,831
1.02.03	Property and equipment	1,828	1,060
1.02.03.01	Property and equipment in use	1,828	1,060

Consolidated / Balance Sheets – Liabilities and Shareholder's Equity
(In thousands of Brazilian reais – R$)

Code	Description	Current Quarter 6/30/2015	Previous year 12/31/2014
2	Total liabilities	2,602,957	2,626,148
2.01	Current Liabilities	210,677	230,156
2.01.01	Labor and social liabilities	2,279	2,743
2.01.01.01	Social liabilities	584	670
2.01.01.02	Labor liabilities	1,695	2,073
2.01.02	Suppliers	3,637	5,692
2.01.02.01	Domestic trade accounts payable	3,637	5,692
2.01.03	Tax liabilities	2,930	3,241
2.01.03.01	Federal taxes	2,365	2,599
2.01.03.01.01	Income taxes and social contribution	1,539	1,295
2.01.03.01.02	Other federal taxes	826	1,304
2.01.03.03	Municipal taxes	565	642
2.01.04	Loans and financing	194,580	185,278
2.01.04.01	Loans and financing	167,019	162,523
2.01.04.01.01	Loans and financing in domestic currency	167,019	162,523
2.01.04.02	Debentures	27,561	22,755
2.01.05	Others liabilities	7,251	33,202
2.01.05.02	Other	7,251	33,202
2.01.05.02.02	Mandatory minimum dividend payable	-	25,856
2.01.05.02.05	Advances - barters	4,841	4,029
2.01.05.02.06	Deferred taxes	1,383	1,666
2.01.05.02.08	Other	1,027	1,651
2.02	Noncurrent liabilities	919,514	941,777
2.02.01	Loans and financing	830,410	849,151
2.02.01.01	Loans and financing	417,701	430,382
2.02.01.01.01	Loans and financing in domestic currency	417,701	430,382
2.02.01.02	Debentures	412,709	418,769
2.02.02	Others liabilities	43,372	44,277
2.02.02.02	Other	43,372	44,277
2.02.02.02.04	Advances - barters	41,382	42,776
2.02.02.02.05	Provisions for labor, tax and civil contingencies	452	203
2.02.02.02.06	Other	1,538	1,298
2.02.03	Deferred taxes	45,732	48,349
2.02.03.01	Income taxes and social contribution deferred	45,732	48,349
2.03	Equity	1,472,766	1,454,215
2.03.01	Paid-in capital	729,043	171,844
2.03.02	Capital reserves	24,703	528,522
2.03.02.01	Share subscription premium	23,143	527,181
2.03.02.04	Recognized options granted	1,560	1,341
2.03.04	Earnings reserve	726,320	753,625
2.03.04.01	Legal reserve	15,988	15,988
2.03.04.05	Retained profit reserve	710,332	737,637
2.03.05	Retained earnings/accumulated losses	(7,442)	-
2.03.09	Shareholders non-controlling interest	142	224

Consolidated / Income Statement

(In thousands of Brazilian reais – R$)

Code	Description	4/1/2015 to 6/30/2015	1/1/2015 to 6/30/2015	4/1/2014 to 6/30/2014	1/1/2014 to 6/30/2014
3.01	Revenue from sales and/or services	22,394	44,881	15,662	29,608
3.03	Gross profit	22,394	44,881	15,662	29,608
3.04	Operating income (expenses)	(2,654)	(31,172)	232,506	229,421
3.04.01	Selling expenses	(2,796)	(5,493)	(2,263)	(4,516)
3.04.02	General and administrative expenses	(2,204)	(4,586)	(2,506)	(5,015)
3.04.04	Other operating incomes	1,518	5,941	170,937	171,383
3.04.04.01	Changes in the fair value of investment property	1,402	-	170,691	170,691
3.04.04.02	Other operating incomes	116	5,941	246	692
3.04.05	Other operating expenses	(249)	(28,999)	(301)	(368)
3.04.05.01	Changes in the fair value of investment property	-	(22,758)	-	-
3.04.05.02	Other operating expenses	(249)	(6,241)	(301)	(368)
3.04.06	Results from equity participation	1,077	1,965	66,639	67,937
3.05	Income before financial income and taxes	19,740	13,709	248,168	259,029
3.06	Financial income (expenses)	(8,469)	(20,361)	(5,279)	(8,881)
3.06.01	Financial income	6,590	9,762	1,919	4,983
3.06.02	Financial expenses	(15,059)	(30,123)	(7,198)	(13,864)
3.07	Income before taxes	11,271	(6,652)	242,889	250,148
3.08	Income tax and social contribution	(2,882)	(786)	1,843	5,508
3.08.01	Current	(1,572)	(3,084)	(1,541)	(3,180)
3.08.02	Deferred	(1,310)	2,298	3,384	8,688
3.09	Net income (loss) from continuing operations	8,389	(7,438)	244,732	255,656
3.11	Net income (loss) for the period	8,389	(7,438)	244,732	255,656
3.11.01	Attributable to shareholders of the Company	8,386	(7,442)	244,649	255,571
3.11.02	Atributable to Non-controlling	3	4	83	85
3.99	Earnings per share (In Reais - R$):				
3.99.01	Basic				
3.99.01.01	ON	0.04878	(0.04330)	1.42690	1.49060
3.99.02	Diluted				
3.99.02.01	ON	0.04869	(0.04321)	1.42430	1.48790

Consolidated / Statements of Comprehensive Income

(In thousands of Brazilian reais – R$)

Code	Description	4/1/2015 to 6/30/2015	1/1/2015 to 6/30/2015	4/1/2014 to 6/30/2014	1/1/2014 to 6/30/2014
4.01	Net income (loss) for the period	8,389	(7,438)	244,732	255,656
4.03	Comprehensive income for the period	8,389	(7,438)	244,732	255,656
4.03.01	Attributable to shareholders of the company	8,386	(7,442)	244,649	255,571
4.03.02	Non-controlling interests	3	4	83	85

Consolidated / Statement of Cash Flows

(In thousands of Brazilian reais – R$)

Code	Description	1/1/2015 to 6/30/2015	1/1/2014 to 6/30/2014
6.01	Net cash used in operating activities	54,796	17,815
6.01.01	Cash provided by operating activities	39,478	22,094
6.01.01.01	Net income (loss) for the period	(7,438)	255,656
6.01.01.02	Depreciation	80	18
6.01.01.03	Income (loss) from equity participation	(1,965)	(67,937)
6.01.01.04	Charges incurred	29,671	12,816
6.01.01.05	Deferred taxes	(3,282)	(853)
6.01.01.06	Stock options	219	190
6.01.01.07	Amortization of prepaid expenses	1,283	949
6.01.01.08	Allowance for doubtful debts	147	-
6.01.01.09	Results from derivative financial instruments	(3,051)	-
6.01.01.10	Changes in the fair value of investment property	23,814	(178,745)
6.01.02	Changes in assets and liabilities	15,318	(4,279)
6.01.02.01	(Increase) decrease in trade accounts receivable	(6,255)	(5,046)
6.01.02.02	(Increase) decrease in recoverable taxes	501	(2,855)
6.01.02.03	(Increase) decrease in prepaid expenses	(1,300)	(1,898)
6.01.02.04	(Increase) decrease in other assets	(237)	3
6.01.02.05	Increase (decrease) in payroll, social charges and benefits	(464)	(539)
6.01.02.06	Increase (decrease) in taxes, charges and contributions	2,404	1,384
6.01.02.07	Increase (decrease) in other liabilities	(136)	(95)
6.01.02.08	Income tax and social contribution paid	(2,715)	(2,200)
6.01.02.10	Proceeds from the land sales / controlled	23,520	6,967
6.02	Net cash provided (used) in investing activities	(27,295)	(166,355)
6.02.01	Increase in / aquisition of investments	(4,372)	(44,829)
6.02.02	Aquisition of investment properties	(22,068)	(121,452)
6.02.03	Other	(855)	(74)
6.03	Net cash provided (used in) by financing activities	(77,315)	4,977
6.03.01	Loans, financing and debentures, net	4,332	170,408
6.03.02	Interest payment	(54,762)	(33,729)
6.03.03	Capital increase	25,856	-
6.03.07	Contributions from (distributions to) noncontrolling shareholders	(86)	-
6.03.08	Dividends	(25,856)	-
6.03.09	Amortization of loans, financing and debentures	(26,149)	(131,702)
6.03.10	Derivative contract	(650)	-
6.05	Increase (decrease) in cash and cash equivalents	(49,814)	(143,563)
6.05.01	Cash and cash equivalents at beginning of period	77,334	151,200
6.05.02	Cash and cash equivalents at end of period	27,520	7,637

Consolidated / Statement of Changes in Equity – 1/1/2015 to 6/30/2015

(In thousands of Brazilian reais – R$)

Code	Description	Paid-in capital	Capital reserves, recognized options granted and treasury shares	Earnings reserves	Earnings / losses accumulated	Other comprehensive income	Shareholders' equity	Non-controlling interest	Total
5.01	Opening balance	171,844	528,522	753,625	-	-	1,453,991	224	1,454,215
5.03	Adjusted opening balance	171,844	528,522	753,625	-	-	1,453,991	224	1,454,215
5.04	Shareholders capital transaction	557,199	(503,819)	(27,305)	-	-	26,075	(86)	25,989
5.04.01	Capital increase	2,713	-	-	-	-	2,713	-	2,713
5.04.03	Recognized options granted	-	219	-	-	-	219	-	219
5.04.08	Share subscription premium	-	23,143	-	-	-	23,143	-	23,143
5.04.09	Capitalization of reserves	554,486	(527,181)	(27,305)	-	-	-	-	-
5.04.10	Net contributions from (distribution to) noncontrolling shareholders	-	-	-	-	-	-	(86)	(86)
5.05	Total comprehensive income	-	-	-	(7,442)	-	(7,442)	4	(7,438)
5.05.01	Net income (loss) for the period	-	-	-	(7,442)	-	(7,442)	4	(7,438)
5.07	Closing balance	729,043	24,703	726,320	(7,442)	-	1,472,624	142	1,472,766

Consolidated / Statement of Changes in Equity – 1/1/2014 to 6/30/2014

(In thousands of Brazilian reais – R$)

Code	Description	Paid-in capital	Capital reserves, recognized options granted and treasury shares	Earnings reserves	Earnings / losses accumulated	Other comprehensive income	Shareholders' equity	Non-controlling interest	Total
5.01	Opening balance	171,453	525,576	42,868	-	-	739,897	88	739,985
5.02	Previous years adjustment	-	-	-	464,440	-	464,440	59	464,499
5.03	Adjusted opening balance	171,453	525,576	42,868	464,440	-	1,204,337	147	1,204,484
5.04	Shareholders capital transaction	-	190	-	-	-	190	-	190
5.04.03	Recognized options granted	-	190	-	-	-	190	-	190
5.05	Total comprehensive income	-	-	-	255,571	-	255,571	85	255,656
5.05.01	Net income (loss) for the period	-	-	-	255,571	-	255,571	85	255,656
5.07	Closing balance	171,453	525,766	42,868	720,011	-	1,460,098	232	1,460,330

Consolidated / Statement of Value Added
(In thousands of Brazilian reais – R$)

Code	Description	1/1/2015 to 6/30/2015	1/1/2014 to 6/30/2014
7.01	Revenue	84,178	339,212
7.01.01	Revenues from sales of goods, services and products	47,809	31,537
7.01.02	Other revenue	(17,571)	179,407
7.01.02.01	Other revenue	6,243	662
7.01.02.02	Fair Value	(23,814)	178,745
7.01.03	Revenue from construction of own assets	53,940	128,268
7.02	Inputs purchased from third parties	(25,591)	(78,512)
7.02.02	Supplies, power, outside services and other items	(25,591)	(78,512)
7.03	Gross value added	58,587	260,700
7.04	Retentions	(80)	18
7.04.01	Depreciation, amortization and depletion	(80)	18
7.05	Net value added generated	58,507	260,718
7.06	Value added received in transfer	11,727	72,920
7.06.01	Results from equity participation	1,965	67,937
7.06.02	Financial income	9,762	4,983
7.07	Total value added for distribution	70,234	333,638
7.08	Value added distributed	70,234	333,638
7.08.01	Personnel	4,547	12,646
7.08.01.01	Salaries and wages	3,726	9,760
7.08.01.02	Benefits	622	1,807
7.08.01.03	Severance Pay Fund (FGTS)	199	1,079
7.08.02	Taxes, charges and contributions	6,155	9,281
7.08.02.01	Federal	6,126	6,870
7.08.02.02	State	11	1
7.08.02.03	Municipal	18	2,410
7.08.03	Debt remuneration	66,970	56,055
7.08.03.01	Interest	65,560	47,400
7.08.03.02	Rentals	1,325	8,632
7.08.03.03	Others	85	23
7.08.04	Shareholders	(7,438)	255,656
7.08.04.03	Earnings retained in the period	(7,442)	255,571
7.08.04.04	Profit atributable to Non-controlling interests	4	85

1. General information

The general information did not change significantly in relation to the information disclosed in note 1 to the annual financial statements for the year ended December 31, 2014, published on March 20, 2015 in the newspapers Diário Oficial da Estado de Minas Gerais (Minas Gerais State Gazette), Hoje em Dia, and O Estado de São Paulo (hereinafter referred to as "financial statements for the year ended December 31, 2014").

The Company and its subsidiaries are at a stage of significant expansion, purchasing land and building warehouses, and other projects to be leased and/or sold in the future. As at June 30, 2015, the Group has credit facilities already approved totaling R$144,000 and maintains ongoing discussions with financial institutions to improve its financial structure. The negotiations will be closed throughout 2015.

2. Presentation of interim financial information, significant accounting policies, and new accounting standards

The Company's interim financial information comprise the condensed individual and consolidated financial statements prepared in accordance with CPC 21 (R1) - *Demonstração Intermediária* (Interim Financial Reporting) and IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (IASB), identified as Individual and Consolidated, respectively.

The other information on the basis of preparation, basis of presentation and significant accounting policies did not change significantly in relation to the information disclosed in note 2 to the financial statements for the year ended December 31, 2014.

New accounting standards

The accounting standards IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers* were issued but have not yet become effective and, therefore, have not been early adopted by the Group for the quarter ended June 30, 2015.

In light of the Company's and its subsidiaries' current operations, Management does not anticipate any material impacts on the financial statements from these changes after their adoption. There are no other issued standards and interpretations not yet adopted that could, according to Management, have a significant impact on the net income or the shareholders' equity disclosed by the Company.

Change in accounting policy in 2014

In the second quarter of 2014, the Group, aiming at a more appropriate presentation of its operations, decided to change the valuation of its investment properties from the cost method to the fair value method, accordingly, pursuant to CPC 28 – *Propriedades para Investimento* (IAS 40 *Investment Properties*), Paragraph 80,

elected to recognize the impact of this change as an adjustment to the opening balance of retained earnings as at January 1, 2014.

The effect on shareholders' equity is as follows:

	Individual	Consolidated
Shareholders' equity as at December 31, 2013	**739,897**	**739,985**
Adjustment to fair value:		
Investment Property	**116,602**	**502,327**
Investments in subsidiaries	**352,839**	**-**
Deferred Taxes	**(5,001)**	**(37,828)**
	464,440	**464,499**
Adjusted shareholders' equity - January 1, 2014	**1,204,337**	**1,204,484**

3. Cash and cash equivalents

Cash and cash equivalents are broken down as follows:

	Individual		Consolidated	
	6/30/15	12/31/14	6/30/15	12/31/14
Cash	**19**	20	**20**	22
Banks - checking account	**66**	455	**225**	801
Short-term investments:				
Bank Deposit Certificates (CDBs)	**22,943**	30,605	**22,943**	45,725
Certificates backed by debentures	**-**	14,938	**279**	15,374
Mutual fund	**2,320**	14,608	**4,053**	15,412
Total	**25,348**	60,626	**27,520**	77,334

The other information on cash and cash equivalents is not significantly different from the information disclosed in note 3 to the financial statements for the year ended December 31, 2014.

4. Trade receivables

Trade receivables are broken down as follows:

	Individual		Consolidated	
	6/30/15	12/31/14	6/30/15	12/31/14
Leases	**6,394**	6,241	**24,025**	21,157
Land sales	**-**	-	**3,992**	9,787
Sale of subsidiary (*)	**89,249**	-	**89,258**	-
Other	**1,508**	538	**3,495**	2,903
	97,151	6,779	**120,770**	33,847
Allowance for doubtful debts	**-**	-	**(895)**	(748)
Total	**97,151**	6,779	**119,875**	33,099
Current	**43,668**	4,490	**60,163**	24,806
Noncurrent	**53,483**	2,289	**59,712**	8,293
	97,151	6,779	**119,875**	33,099

(*) Amount resulting from the sale of subsidiary MRV LOG SP I Incorporações SPE Ltda. ("Office Park Pirituba") to a MRV Engenharia e Participações S.A., as reported in note 15(f).

The table below shows the aging list of trade receivables:

	Individual		Consolidated	
	6/30/15	**12/31/14**	**6/30/15**	**12/31/14**
Undue:				
Up to 12 months	**43,603**	4,441	**57,487**	23,408
12 to 24 months	**40,983**	2,289	**47,211**	8,293
More than 24 months	**12,500**	-	**12,501**	-
	97,086	6,730	**117,199**	31,701
Past due:				
Up to 30 days	**5**	25	**58**	25
31 to 90 days	**7**	1	**145**	1,113
More than 90 days	**53**	23	**3,368**	1,008
	65	49	**3,571**	2,146
Total	**97,151**	6,779	**120,770**	33,847

Changes in the allowance for doubtful debts for the six-month periods ended June 30, 2015 and 2014 are as follows:

	Consolidated	
	1st half of	
	2015	**2014**
Opening balance	**(748)**	(748)
Recognition	**(147)**	-
Closing balance	**(895)**	(748)

The aging list of contractually guaranteed future minimum receivables is as follows:

	Individual		Consolidated	
	6/30/15	**12/31/14**	**6/30/15**	**12/31/14**
12 months	**22,450**	20,024	**100,338**	90,696
13 to 24 months	**22,210**	18,478	**94,415**	84,250
25 to 36 months	**17,850**	10,059	**72,141**	62,219
37 to 48 months	**10,413**	4,347	**47,455**	40,941
More than 48 months	**7,263**	9,715	**71,015**	48,132
Total	**80,186**	62,623	**385,364**	326,238

The other information on trade receivables did not change significantly in relation to the information disclosed in note 4 to the financial statements for the year ended December 31, 2014.

5. Investments in subsidiaries and joint ventures

Refer to interest held in subsidiaries and joint ventures, basically represented by special purpose entities, as follows:

Project	Startup date	Location
Joint ventures in operation:		
Cabral Investimentos SPE Ltda. (“Cabral”)	November 2013	Contagem, MG
Parque Torino properties S.A. (“Torino”)	April 2015	Betim, MG
Joint ventures at start-up stage:		
Betim I Incorporações SPE Ltda. (“Betim subdivision)	-	Betim, MG
Subsidiaries in operation:		
Contagem I SPE Ltda. (“LOG I”)	February 2009	Contagem, MG
Contagem II Incorporações SPE Ltda. (“LOG II”)	March 2011	Contagem, MG
Jundiaí Incorporações SPE Ltda. (“LOG Jundiaí”)	April 2011	Jundiaí, SP
Goiânia I Incorporações Imobiliárias SPE Ltda. (“LOG Goiânia”)	April 2012	Goiânia, GO
Hortolândia Incorporações SPE Ltda. (“LOG Hortolândia”)	September 2012	Hortolândia, SP
LOG São José dos Pinhais I SPE Ltda. (“LOG SJP”)	April 2013	São José dos Pinhais, PR

Project	Startup date	Location
LOG Juiz de Fora I SPE Ltda. (“LOG Juiz de Fora”)	June 2013	Juiz de Fora, MG
LOG Feira de Santana I SPE Ltda. (“LOG Feira de Santana”)	June 2013	Feira de Santana, BA
LOG Maracanaú I SPE Ltda. (“LOG Fortaleza”)	August 2013	Maracanaú, CE
LOG Via Expressa SPE Ltda. (“LOG Via Expressa”)	November 2013	Betim, MG
Campos Sociedade em Conta de Participação (“LOG Campos”)	December 2013	Campo dos Goytacazes, RJ
LOG Viana I SPE Ltda. ("LOG Viana")	April 2014	Viana, ES
LOGCP Londrina I SPE Ltda. ("LOG Londrina")	June 2014	Londrina, PR
LOG Itatiaia SPE Ltda. (“LOG Itatiaia”)	July 2014	Itatiaia, RJ
Subsidiaries at start-up stage:		
MRV LOG MDI SJC I Incorporações SPE Ltda. (“LOG SJC Sony”)	-	São José dos Campos, SP
LOG Sumaré Deltalog I SPE Ltda. (“LOG Sumaré”)	-	Sumaré, SP
LOG SJRP I Incorporações SPE Ltda. ("LOG SJRP")	-	São José do Rio Preto, SP
LOG Macaé I SPE Ltda. (“LOG Macaé”)	-	Macaé, RJ
LOG RP I SPE Ltda. ("LOG RP")	-	Ribeirão Preto, SP
LOG Curitiba I SPE Ltda. ("LOG Curitiba")	-	Curitiba, PR
LOG Rio SPE Ltda. (“LOG Rio”)	-	Campo Grande, RJ
LOG Aracajú SPE Ltda. (“LOG Aracajú”)	-	Nossa Senhora do Socorro, SE
LOG Uberaba SPE Ltda. (“LOG Uberaba”)	-	Uberaba, MG
LDI LOG Desenvolvimento Imobiliário Ltda. (“LDI”)	-	Belo Horizonte, MG

a) The main information on each investment is summarized below:

	Information on investees		Company information				
	Capital		Equity interest				
	6/30/15		6/30/15			12/31/14	
	Amount	Number of shares	Number of shares	Contractual percentage		Contractual percentage	
Joint ventures:							
Cabral	39,247	78,494,000	39,247,000	50.00%		50.00%	
Torino	139,228	318,600	127,440	40.00%		40.00%	
Betim subdivision	35,983	84,325,968	42,162,984	50.00%	(*)	50.00%	(*)
Subsidiaries:							
LOG I	67,362	61,460,971	61,455,971	99.99%		99.99%	
LOG II	20,795	20,353,954	20,352,154	99.99%		99.99%	
LOG Jundiaí	39,085	35,874,919	35,873,675	99.99%		99.99%	
LOG Goiânia	53,887	46,930,180	46,930,170	99.90%		99.90%	
LOG Hortolândia	74,558	13,000,000	12,999,999	100.00%		100.00%	
LOG SJP	18,264	23,351,000	23,350,999	100.00%		100.00%	
LOG Juiz de Fora	37,121	10,000	9,999	99.99%		99.00%	
LOG Feira de Santana	13,745	29,541,000	29,540,999	99.99%		99.99%	
LOG Fortaleza	50,169	34,037,979	34,037,978	99.99%		99.99%	
LOG Via Expressa	52,603	47,000,000	46,999,999	99.99%		99.99%	
LOG Campos (**)	-	-	-	-		99.90%	
LOG Viana	94,741	10,000	9,999	99.99%		99.99%	
LOG Londrina	36,184	10,000	9,999	99.99%		99.99%	
LOG Itatiaia	28,401	27,410,838	27,410,837	99.99%		99.99%	
LOG SJC Sony	54,209	52,500,000	52,499,999	100.00%		100.00%	
LOG Sumaré	713	10,000	9,999	99.99%		99.99%	
LOG SJRP	9,417	10,000	9,999	99.99%		99.99%	
LOG Macaé	13,677	10,000	9,999	99.99%		99.99%	
LOG RP	20,173	10,000	9,999	99.99%		99.99%	
LOG Curitiba	26,499	10,000	9,999	99.99%		99.99%	
LOG Rio	18,208	10,000	9,999	99.99%		99.99%	
LOG Aracajú	14,316	10,000	9,999	99.99%		99.99%	
LOG Uberaba	5,620	10,000	9,900	99.00%		99.00%	
LDI	3,460	24,690,048	24,689,948	100.00%		100.00%	

(*) Actual equity interest percentage of 47.26% at June 30, 2015 (44.21% at December 31, 2014).
(**) Subsidiary merged with and into the Company in February 2015.

	Information on investees			
	Shareholders' equity		Investment	
	6/30/15	12/31/14	6/30/15	12/31/14
Joint ventures:				
Cabral	**137,272**	133,004	**67,996**	66,502
Torino	**348,069**	346,873	**139,254**	138,775
Betim subdivision	**79,767**	75,406	**37,702**	33,338
Capitalized interest (*)	**-**	-	**6,557**	4,346
Total joint ventures - Consolidated	**565,108**	555,283	**251,509**	242,961
Subsidiaries:				
LOG I	**145,891**	144,761	**145,876**	144,747
LOG II	**36,409**	36,459	**36,405**	36,455
LOG Jundiaí	**71,209**	69,934	**71,202**	69,927
LOG Goiânia	**116,282**	110,336	**116,166**	110,226
LOG Hortolândia	**118,594**	118,341	**118,594**	118,341
LOG SJP	**23,232**	21,932	**23,232**	21,932
LOG Juiz de Fora	**58,986**	57,008	**58,980**	57,002
LOG Feira de Santana	**20,016**	19,439	**20,014**	19,437
LOG Fortaleza	**115,438**	108,254	**115,426**	108,243
LOG Via Expressa	**89,979**	91,134	**89,970**	91,125
LOG Campos	**-**	83,447	**-**	83,364
LOG Viana	**115,494**	109,256	**115,482**	109,245
LOG Londrina	**75,942**	71,188	**75,934**	71,181
LOG Itatiaia	**26,930**	26,521	**26,927**	26,518
LOG SJC Sony	**90,154**	84,001	**90,154**	84,001
Office Park Pirituba (**)	**-**	127,593	**-**	127,580
LOG Sumaré	**8**	9	**8**	9
LOG SJRP	**24,856**	23,798	**24,854**	23,796
LOG Macaé	**21,009**	19,404	**21,007**	19,402
LOG RP	**55,474**	52,823	**55,468**	52,818
LOG Curitiba	**96,673**	93,452	**96,663**	93,443
LOG Rio	**24,289**	21,456	**24,287**	21,454
LOG Aracajú	**18,279**	16,522	**18,277**	16,520
LOG Uberaba	**7,438**	6,736	**7,364**	6,669
LDI	**52**	14,832	**52**	14,832
Capitalized interest (*)	**-**	-	**-**	-
Total subsidiaries	**1,352,634**	1,528,636	**1,352,342**	1,528,267
Total Individual	**1,917,742**	2,083,919	**1,603,851**	1,771,228

	Information on investees							
	Net income (loss) for the				Result from equity participation in the			
	2nd quarter of		1st half of		2nd quarter of		1st half of	
	2015	2014	2015	2014	2015	2014	2015	2014
Joint ventures:								
Cabral	**1,610**	39,224	**2,987**	41,696	**805**	18,331	**1,494**	19,567
Torino	**689**	127,635	**1,197**	127,790	**276**	51,054	**479**	51,116
Betim subdivision	**(8)**	(1)	**(17)**	(1)	**(4)**	-	**(8)**	-
Capitalized interest (*)	**-**	-	**-**	-	**-**	(2,746)	**-**	(2,746)
Total joint ventures - Consolidated	**2,291**	166,858	**4,167**	169,485	**1,077**	66,639	**1,965**	67,937
Subsidiaries:								
LOG I	**2,884**	3,030	**5,217**	5,831	**2,883**	3,030	**5,216**	5,830
LOG II	**589**	1,838	**1,311**	2,515	**589**	1,838	**1,311**	2,515
LOG Jundiaí	**138**	496	**1,088**	1,880	**138**	496	**1,088**	1,880
LOG Goiânia	**1,837**	30,312	**3,504**	31,105	**1,835**	30,282	**3,500**	31,074
LOG Hortolândia	**1,790**	(8,949)	**3,494**	(7,383)	**1,790**	(8,949)	**3,494**	(7,383)
LOG SJP	**(162)**	4,927	**(304)**	4,663	**(162)**	4,927	**(304)**	4,663
LOG Juiz de Fora	**808**	1,367	**1,545**	2,272	**808**	1,367	**1,545**	2,272
LOG Feira de Santana	**164**	(1,480)	**340**	(1,491)	**164**	(1,480)	**340**	(1,491)
LOG Fortaleza	**1,636**	31,929	**3,324**	33,065	**1,636**	31,927	**3,324**	33,062
LOG Via Expressa	**886**	(7,034)	**1,833**	(7,048)	**886**	(7,033)	**1,833**	(7,047)
LOG Campos	**-**	33,328	**-**	33,780	**-**	33,295	**-**	33,746
LOG Viana	**1,052**	14,254	**2,094**	15,750	**1,052**	14,253	**2,094**	15,748
LOG Londrina	**1,510**	33,916	**2,826**	34,796	**1,510**	33,913	**2,826**	34,793
LOG Itatiaia	**(177)**	(1,414)	**(372)**	(666)	**(177)**	(1,414)	**(372)**	(666)

	Information on investees							
	Net income (loss) for the				Result from equity participation in the			
	2nd quarter of		1st half of		2nd quarter of		1st half of	
	2015	2014	2015	2014	2015	2014	2015	2014
LOG SJC Sony	**3,185**	3,290	**6,117**	4,556	**3,185**	3,290	**6,117**	4,556
Office Park Pirituba (**)	**-**	(31,194)	**(23,862)**	(28,770)	**-**	(31,191)	**(23,860)**	(28,767)
LOG Sumaré	**(1)**	(1)	**(1)**	(7)	**(1)**	(1)	**(1)**	(7)
LOG SJRP	**536**	8,215	**1,028**	8,416	**536**	8,214	**1,028**	8,415
LOG Macaé	**752**	293	**1,439**	592	**752**	293	**1,439**	592
LOG RP	**1,170**	17,464	**2,230**	17,899	**1,170**	17,462	**2,230**	17,897
LOG Curitiba	**1,544**	58,439	**2,960**	59,029	**1,544**	58,433	**2,960**	59,023
LOG Rio	**1,036**	2,016	**1,972**	2,389	**1,036**	2,016	**1,972**	2,389
LOG Aracajú	**823**	(3,120)	**1,575**	(2,879)	**823**	(3,120)	**1,575**	(2,879)
LOG Uberaba	**330**	622	**633**	622	**327**	616	**627**	616
LDI	**(72)**	448	**44**	994	**(72)**	449	**44**	994
Capitalized interest (*)	**-**	-	**-**	-	**(15,849)**	(13,416)	**(30,216)**	(26,235)
Total subsidiaries	**22,258**	192,992	**20,035**	211,910	**6,403**	179,494	**(10,190)**	185,590
Total Individual	**24,549**	359,850	**24,202**	381,395	**7,480**	246,133	**(8,225)**	253,527

(*) Amount related to the capitalized financial charges on loans, financing, and debentures, realization of discount to present value and inflation adjustment of land payables taken by the Company for the acquisition/development of its investees' investment properties.
(**) Divested as described below.

In February 2015 the Company merged subsidiary Campos Sociedade em Conta de Participação ("LOG Campos").

In March 2015, the Company and subsidiary LDI LOG Desenvolvimento Imobiliário Ltda. ("LDI") sold their equity interests in the company MRV LOG SP I Incorporações SPE Ltda. ("Office Park Pirituba") to MRV Engenharia e Participações S.A. for R$110,000 (R$109,989 receivable by the Company and R$11 receivable by LDI), receivable through September 2017, payable in a down payment of R$11,000 and 30 monthly installments of R$3,300, adjusted using the IPCA (National Broad Consumer Price Index). As the amount receivable is adjustable using the IPCA, the Company discounted the amount to present value at the real interest rate of 4.8% per annum. The impacts are detailed below:

	Divesture		Total impact on profit and loss
	LOG	LDI	
Amount	**109,989**	**11**	**110,000**
Discount to present value	**(5,801)**	**(1)**	**(5,802)**
	104,188	**10**	**104,198**
Investment write-off	**(104,188)**	**(10)**	**(104,198)**
Gain on divesture	**-**	**-**	**-**
Deferred Income tax and social contribution	**1,000**	**-**	**1,000**
	1,000	**-**	**1,000**

The balances receivable as at June 30, 2015, recognized in line item 'Trade receivables', are as follows:

	6/30/2015	
	Individual	Consolidated
12 months	**42,178**	**42,182**
13 to 30 months	**52,794**	**52,800**
Total	**94,972**	**94,982**
Discount to present value - 4.8% p.a.	**(5,723)**	**(5,724)**
Total	**89,249**	**89,258**

b) Joint ventures:

The main financial information is as follows:

	Cabral		Torino		Betim subdivision	
	6/30/15	**12/31/14**	**6/30/15**	**12/31/14**	**6/30/15**	**12/31/14**
Cash and Cash Equivalents	**57,664**	54,214	**16,480**	30,423	**2**	3
Trade receivables	**302**	631	**10**	1,000	**-**	-
Inventories	**-**	-	**-**	-	**15,009**	10,582
Other current assets	**699**	429	**148**	40	**2**	(1)
Total current	**58,665**	55,274	**16,638**	31,463	**15,013**	10,584
Inventories	**-**	-	**-**	-	**64,882**	64,947
Investment property	**85,641**	85,120	**344,179**	328,015	**-**	-
Other noncurrent assets	**585**	1,111	**-**	-	**1**	2
Total noncurrent assets	**86,226**	86,231	**344,179**	328,015	**64,883**	64,949
Total assets	**144,891**	141,505	**360,817**	359,478	**79,896**	75,533
Current liabilities	**2,848**	3,253	**315**	290	**129**	127
Noncurrent liabilities	**4,771**	5,248	**12,433**	12,315	**-**	-
Shareholders' equity	**137,272**	133,004	**348,069**	346,873	**79,767**	75,406
Liabilities and shareholders' equity	**144,891**	141,505	**360,817**	359,478	**79,896**	75,533

	Cabral				Torino				Betim subdivision			
	2nd quarter of		**1st half of**		**2nd quarter of**		**1st half of**		**2nd quarter of**		**1st half of**	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Operating revenue	**772**	1,440	**1,638**	7,114	**936**	-	**1,742**	-	**-**	-	**-**	-
Cost of services	**(38)**	(921)	**(258)**	(3,712)	**(20)**	(140)	**(39)**	(140)	**-**	-	**-**	-
Financial income (expenses)	**1,501**	40,049	**2,816**	39,881	**(10)**	128,184	**(20)**	128,344	**(8)**	(1)	**(17)**	(1)
Income tax and social contribution	**(625)**	(1,345)	**(1,209)**	(1,587)	**(217)**	(409)	**(486)**	(414)	**-**	-	**-**	-
Net income (loss)	**1,610**	39,224	**2,987**	41,696	**689**	127,635	**1,197**	127,790	**(8)**	(1)	**(17)**	(1)

c) The changes in the balances of investments in subsidiaries and joint ventures for the six-month periods ended June 30, 2015 and 2014 are as follows:

	Opening balances	**Capital contributions (reversals)**	**Result from equity participation**	**Dividends received**	**Other**	**Closing balances**
Six-month period ended June 30, 2015:						
Joint ventures:						
Cabral	66,502	-	1,494	-	-	67,996
Torino	138,775	-	479	-	-	139,254
Betim subdivision	33,338	4,372	(8)	-	-	37,702
Capitalized interest (***)	4,346	-	-	-	2,211	6,557
Total joint ventures - Consolidated	**242,961**	**4,372**	**1,965**	**-**	**2,211**	**251,509**
Subsidiaries:						
LOG I	144,747	1,431	5,216	(5,518)	-	145,876
LOG II	36,455	260	1,311	(1,621)	-	36,405
LOG Jundiaí	69,927	2,104	1,088	(1,917)	-	71,202
LOG Goiânia	110,226	4,114	3,500	(1,674)	-	116,166
LOG Hortolândia	118,341	971	3,494	(4,212)	-	118,594
LOG SJP	21,932	1,604	(304)	-	-	23,232
LOG Juiz de Fora	57,002	1,503	1,545	(1,070)	-	58,980
LOG Feira de Santana	19,437	237	340	-	-	20,014
LOG Fortaleza	108,243	4,765	3,324	(906)	-	115,426
LOG Via Expressa	91,125	1,908	1,833	(4,896)	-	89,970
LOG Campos (*)	83,364	1,984	-	(2,164)	(83,184)	-
LOG Viana	109,245	8,545	2,094	(4,402)	-	115,482
LOG Londrina	71,181	2,635	2,826	(708)	-	75,934

	Opening balances	Capital contributions (reversals)	Result from equity participation	Dividends received	Other	Closing balances
LOG Itatiaia	26,518	781	(372)	-	-	26,927
LOG SJC Sony	84,001	42	6,117	(6)	-	90,154
Office Park Pirituba (**)	127,580	468	(23,860)	-	(104,188)	-
LOG Sumaré	9	-	(1)	-	-	8
LOG SJRP	23,796	30	1,028	-	-	24,854
LOG Macaé	19,402	166	1,439	-	-	21,007
LOG RP	52,818	421	2,230	(1)	-	55,468
LOG Curitiba	93,443	260	2,960	-	-	96,663
LOG Rio	21,454	861	1,972	-	-	24,287
LOG Aracajú	16,520	182	1,575	-	-	18,277
LOG Uberaba	6,669	68	627	-	-	7,364
LDI	14,832	(11,930)	44	(2,894)	-	52
Capitalized interest (***)	-	-	(30,216)	-	30,216	-
Total subsidiaries	**1,528,267**	**23,410**	**(10,190)**	**(31,989)**	**(157,156)**	**1,352,342**
Total Individual	**1,771,228**	**27,782**	**(8,225)**	**(31,989)**	**(154,945)**	**1,603,851**
Six-month period ended June 30, 2014:						
Total Consolidated	156,929	863	67,937	-	687	226,416
Total Individual (****)	1,452,249	11,082	253,527	(9,878)	26,922	1,733,902

(*) In February 2015, SCP LOG Campos was merged.
(**) Divesture of subsidiary, as reported in (a) above.
(***) Write-off of the capitalized interest as a result of the adoption of the fair value for investment property.
(****) The opening balance in 2014 was adjusted to fair value as described in note 2 and below.

As referred to in note 2, for the second quarter of 2014, the Group changed its investment property valuation accounting policy from the cost method to the fair value method. Accordingly, it made a R$352,839 adjustment to investment in subsidiaries as at January 1, 2014. Accordingly, the balances of joint ventures Cabral and Torino have been adjusted to be measured at fair value. As required by Accounting Interpretation ICPC 09(R1) – *Demonstrações contábeis individuais, demonstrações separadas, demonstrações consolidadas e aplicação do método da equivalência patrimonial* (Individual, Separate and Consolidated Financial Statements and Adoption of the Equity Method of Accounting), Paragraph 63, the company elected to recognize the total effect of this adjustment in results from equity participation for the second quarter of 2014, as shown below:

	Cabral	Torino
Results from equity participation - Result for the period	1,374	283
Fair value adjustment of investment property	18,193	50,833
Closing results from equity participation	19,567	51,116

The other information on investments in subsidiaries and joint ventures did not change significantly from the information disclosed in note 5 to the financial statements for the year ended December 31, 2014.

6. Investment property

Broken down as follows:

	Individual		Consolidated	
	6/30/15	**12/31/14**	**6/30/15**	**12/31/14**
Industrial warehouses	**380,201**	286,695	**2,043,452**	1,990,788
Offices	**-**	-	**-**	129,190
Strip mall	**73,281**	70,853	**73,281**	70,853
Total	**453,482**	357,548	**2,116,733**	2,190,831

The movements in investment property for the six-month period ended June 30, 2015 and 2014 are as follows:

	Individual		Consolidated	
	1st half of		1st half of	
	2015	**2014**	**2015**	**2014**
Opening balance	**357,548**	185,998	**2,190,831**	1,246,621
Fair value adjustment to the opening balance (*)	**-**	116,602	**-**	502,327
Adjusted opening balance	**357,548**	302,600	**2,190,831**	1,748,948
Additions	**8,126**	52,393	**18,529**	133,254
Impact of upstream merger	**84,041**	-	**-**	-
Contributions to investees (**)	**-**	(5,018)	**-**	-
Capitalized interest (note 7)	**4,090**	2,542	**35,258**	32,233
Write-off on subsidiary divesture (***)	**-**	-	**(104,071)**	-
Changes in fair value	**(323)**	(8,388)	**(23,814)**	178,745
Closing balance	**453,482**	344,129	**2,116,733**	2,093,180

(*) See note 2.
(**) Refers to land acquired that were contributed to subsidiaries.
(***) Write-off due to disposal of subsidiary MRV LOG SP I Incorporações SPE Ltda. ("Office Park Pirituba"). See note 5 (a).

The effects of the changes in the fair value on profit and loss, net of deferred taxes on revenue (PIS/COFINS), were plus R$978 in Individual and minus R$22,758 on a consolidated basis for the three- and six-month period ended June 30, 2015 (minus R$8,388 in Individual and plus R$170,691 on a consolidated basis in the first half of 2014).

The fair values of the investment properties have been determined at December 31, 2014 and updated to the reporting date of this interim financial information, as follows:

- Projects under construction and completed by December 31, 2014: fair values at that date were maintained, except for cases of significant changes, for which new valuations are conducted.
- Land purchased through December 31, 2014: fair values determined as at that date were maintained, added of the construction costs incurred in the first half of 2015.
- Land purchased in 2015: stated at the purchase cost added of the construction costs incurred in the first half of 2015, when applicable.

As at June 30, 2015, out of the total amount in investment property, R$1,973,838 has been pledged as collateral of loans, financing and debentures entered into by the Company and its subsidiaries (R$2,054,378 at December 31, 2014).

The other information on investment property did not change significantly in relation to the information disclosed in note 6 to the financial statements for the year ended December 31, 2014.

7. Loans, financing and debentures

a) Loans and financing

The position of loans and financing as at June 30, 2015 and December 31, 2014 is as follows:

Type	Maturity of principal	Effective financial charges p.a. (*)	6/30/15 Current	6/30/15 Noncurrent	6/30/15 Total		12/31/14 Total
Individual:							
Working capital	Aug 15	115% CDI + 2.39%	**100,703**	**-**	**100,703**		100,100
Working capital	Sep 13 to Sep 17	CDI + 1.83%	**8,671**	**10,980**	**19,651**		23,905
Construction financing	Dec 13 to Oct 24	CDI + 1.92%	**5,246**	**38,709**	**43,955**		45,108
Construction financing	Dec 13 to Nov 23	TR + 9.42%	**3,088**	**20,849**	**23,937**		24,698
Construction financing	Dec 13 to Nov 23	TR + 9.43%	**1,530**	**10,328**	**11,858**		12,235
Construction financing	Jul 14 to Jun 22	TR + 11.33%	**3,658**	**20,061**	**23,719**		24,684
Construction financing	Aug 14 to Jul 22	TR + 11.32%	**2,080**	**11,538**	**13,618**		14,156
Construction financing	Apr 15 to Sep 22	TR + 11.07%	**2,540**	**14,505**	**17,045**		17,315
Construction financing	Oct 15 to Sep 25	TR + 9.72%	**357**	**4,330**	**4,687**		4,449
Construction financing	Mar 15 to Jul 23	TR + 9.62%	**1,514**	**9,803**	**11,317**		11,206
Construction financing	Sep 16 to Aug 26	TR + 10.10%	**-**	**3,331**	**3,331**		3,159
Construction financing	Sep 16 to Aug 26	TR + 10.08%	**-**	**7,231**	**7,231**		-
(-) Financing cost			**(671)**	**(2,605)**	**(3,276)**		(3,796)
Total Individual			**128,716**	**149,060**	**277,776**		277,219
Subsidiaries:							
Working capital	Oct 14 to Oct 15	13.11%	**4,000**	**-**	**4,000**		10,000
Construction financing	Dec 13 to Nov 23	TR + 9.37%	**1,637**	**11,060**	**12,697**		13,117
Construction financing	Feb 14 to Jan 22	TR + 11.62%	**2,807**	**14,332**	**17,139**		17,894
Construction financing	Aug 14 to Jul 22	TR + 11.05%	**1,296**	**7,209**	**8,505**		8,847
Construction financing	Nov 14 to Oct 22	TR + 10.74%	**689**	**3,989**	**4,678**		4,859
Construction financing	Feb 15 to Jan 25	TR + 10.05%	**1,683**	**13,041**	**14,724**		14,910
Construction financing	Apr 15 to Mar 25	TR + 9.99%	**1,437**	**11,324**	**12,761**		12,624
Construction financing	Feb 15 to Jan 25	TR + 9.99%	**2,384**	**18,480**	**20,864**		21,102
Construction financing	Apr 15 to Mar 25	TR + 9.99%	**3,126**	**24,629**	**27,755**		27,369
Construction financing	Apr 15 to Mar 25	TR + 10.00%	**1,390**	**10,947**	**12,337**		12,164
Construction financing	Apr 15 to Mar 25	TR + 10.02%	**1,624**	**12,793**	**14,417**		14,217
Construction financing	Oct 15 to Sep 25	TR + 9.71%	**1,660**	**20,155**	**21,815**		20,705
Construction financing	Aug 14 to Jul 25	TR + 9.78%	**2,105**	**17,147**	**19,252**		19,691
Construction financing	Jan 15 to Dec 22	TR + 10.14%	**3,276**	**19,482**	**22,758**		24,116
Construction financing	May 15 to Apr 23	TR + 10.05%	**2,044**	**12,744**	**14,788**		15,003
Construction financing	Aug 15 to Jul 23	TR + 10.07%	**1,281**	**8,980**	**10,261**		10,193
Construction financing	Jan 15 to Apr 23	TR + 9.59%	**3,509**	**21,975**	**25,484**		26,209
Construction financing	Jan 15 to Apr 23	TR + 9.61%	**2,129**	**13,333**	**15,462**		15,905
Construction financing	Apr 16 to Mar 26	TR + 10.14%	**624**	**24,045**	**24,669**		23,348
Construction financing	Feb 16 to Jan 26	TR + 9.75%	**323**	**7,378**	**7,701**		6,970
Construction financing	Sep 16 to Aug 26	TR + 10.14%	**-**	**-**	**-**	(**)	1,961
(-) Financing cost			**(721)**	**(4,402)**	**(5,123)**		(5,518)
Total subsidiaries			**38,303**	**268,641**	**306,944**		315,686
Total Consolidated			**167,019**	**417,701**	**584,720**		592,905

(*) Effective financial charges: consider the contractual debt cost + other borrowing and debt service costs.
(**) Transfer of financing through merger of SCP Campos, as described in note 5 (a).

The table below shows the payment schedule of loans and financing:

	Individual		Consolidated	
	6/30/15	12/31/14	6/30/15	12/31/14
After the reporting period				
12 months	**128,716**	125,750	**167,019**	162,523
13 to 24 months	**27,604**	26,348	**61,918**	59,916
25 to 36 months	**21,104**	24,283	**55,416**	57,852
37 to 48 months	**18,906**	17,721	**53,218**	51,289
More than 48 months	**81,446**	83,117	**247,149**	261,325
Total	**277,776**	277,219	**584,720**	592,905

The movements in loans and financing are as follows:

	Individual		Consolidated	
	1st half of		1st half of	
	2015	**2014**	**2015**	**2014**
Opening balance	**277,219**	283,533	**592,905**	491,869
Funding	**2,763**	17,208	**5,533**	73,176
Accrued financial charges	**17,400**	16,278	**33,945**	28,463
Borrowing costs	**(775)**	(187)	**(1,201)**	(1,361)
Amortization of borrowing costs	**1,405**	903	**2,114**	1,137
Repayment of principal	**(8,688)**	(16,902)	**(23,149)**	(16,902)
Payment of financial charges	**(15,838)**	(14,705)	**(25,427)**	(19,081)
Impact of upstream merger (*)	**4,290**	-	**-**	-
Closing balance	**277,776**	286,128	**584,720**	557,301

(*) Merger of SCP Campos with and into the Company, as described in note 5 (a).

Funding during the six-month period ended June 30, 2015 was as follows:

	Maturity of principal	Effective financial charges p.a. (*)	Amount raised	
Individual:				
Construction financing	Mar 15 to Jul 23	TR + 9.62%	192	
Construction financing	Sep 16 to Aug 26	TR + 10.08%	2,571	(*)
Total Individual			2,763	
Subsidiaries:				
Construction financing	Sep 16 to Aug 26	TR + 10.04%	2,416	(*)
Construction financing	Feb 16 to Jan 26	TR + 9.75%	354	
Total subsidiaries			2,770	
Total Consolidated			5,533	

(*) Construction financing obtained by SCP Campos, which was merged with and into the Company in February 2015 (see note 5 (a)).

b) Debentures

The position of debentures at June 30, 2015 and December 31, 2014 is as follows:

			Individual and Consolidated			
			6/30/15			12/31/14
Issue	**Principal - maturity**	**Effective financial charges p.a. (*)**	**Current**	**Noncurrent**	**Total**	**Total**
3rd issue	Jun 14 to Jun 20	CDI + 2.27%	**10,978**	**83,000**	**93,978**	96,932
4th issue	Aug 16 to Feb 19	CDI + 2.13%	**4,665**	**100,000**	**104,665**	104,395
5th issue	Aug 16 to Aug 18	118% CDI + 0.62%	**8,101**	**140,000**	**148,101**	147,588
6th issue	Dec 15 to Dec 19	CDI + 2.38%	**5,706**	**95,000**	**100,706**	100,721
(-) Funding cost			**(1,889)**	**(5,291)**	**(7,180)**	(8,112)
Total			**27,561**	**412,709**	**440,270**	441,524

(*) Effective financial charges: consider the contractual debt cost + other borrowing and debt service costs.

As at June 30, 2015, the debentures are simple, nonconvertible, registered, book-entry, and have the following other main features:

Issue	**Type**	**Amount raised**	**Funding year**	**Contractual rates**	**Interest - maturity 1st installment**	**Charge payment**	**Repayment of principal**
3rd	Collateral	100,000	2013	CDI + 1.90% p.a.	Dec 13	Semiannual	Semiannual
4th	Unsecure (*)	100,000	2014	CDI + 1.85% p.a.	Aug 14	Semiannual	Semiannual
5th	Unsecure (*)	140,000	2014	118% CDI	Feb 15	Semiannual	Semiannual
6th	Collateral	100,000	2014	CDI + 2.00% p.a.	Jun 15	Semiannual	Annual

(*) Includes additional collateral consisting of a mortgage and collateral transfer.

The table below shows the debentures payment schedule:

	Individual and Consolidated					
	6/30/15					12/31/14
After the reporting period	**3rd issue**	**4th issue**	**5th issue**	**6th issue**	**Total**	**Total**
Amortization:						
12 months	**10,978**	**4,665**	**8,101**	**5,706**	**29,450**	24,636
13 to 24 months	**15,000**	**20,000**	**56,000**	**10,000**	**101,000**	62,000
25 to 36 months	**18,000**	**30,000**	**56,000**	**15,000**	**119,000**	112,000
37 to 48 months	**20,000**	**50,000**	**28,000**	**25,000**	**123,000**	131,000
After 48 months	**30,000**	**-**	**-**	**45,000**	**75,000**	120,000
Total	**93,978**	**104,665**	**148,101**	**100,706**	**447,450**	449,636
Costs:						
12 months	**(363)**	**(283)**	**(867)**	**(376)**	**(1,889)**	(1,881)
13 to 24 months	**(363)**	**(283)**	**(868)**	**(377)**	**(1,891)**	(1,892)
25 to 36 months	**(363)**	**(283)**	**(872)**	**(378)**	**(1,896)**	(1,894)
37 to 48 months	**(364)**	**(189)**	**(74)**	**(380)**	**(1,007)**	(1,534)
After 48 months	**(338)**	**-**	**-**	**(159)**	**(497)**	(911)
Total	**(1,791)**	**(1,038)**	**(2,681)**	**(1,670)**	**(7,180)**	(8,112)
Total net	**92,187**	**103,627**	**145,420**	**99,036**	**440,270**	441,524

The movements in debentures are as follows:

	Individual and Consolidated	
	1st half of	
	2015	**2014**
Opening balance	**441,524**	275,047
Funding	**-**	100,000
Accrued financial charges	**30,150**	15,528
Borrowing costs	**-**	(1,407)
Amortization of borrowing costs	**931**	459
Repayment of principal	**(3,000)**	(114,800)
Payment of financial charges	**(29,335)**	(13,134)
Closing balance	**440,270**	261,693

c) Guarantees

The table below shows the types of guarantee for loans, financing and debentures at June 30, 2015:

	Consolidated				
	Working capital	**Construction financing**	**Debentures**	**Total**	
Collateral/surety	120,354	468,765	-	589,119	
Collateral/receivables	-	-	447,450	447,450	
Receivables	4,000	-	-	4,000	
Total	124,354	468,765	447,450	1,040,569	(*)

(*) Amount of loans, financing and debentures, net of borrowings costs.

Collaterals consist of the land, improvements, and properties of the financed projects (see note 6).

Receivables consist of future inflows generated by the financed projects, pledged as collateral in the event of nonpayment to the financial institutions.

Loans, financing and debentures do not contain any restrictive covenant related to financial ratios.

d) Allocation of financial charges

Financial charges are capitalized as follows:

	Individual			
	2015		2014	
	2nd quarter	1st half	2nd quarter	1st half
Finance charges:				
Loans, financing and debentures	**(25,557)**	**(49,886)**	(16,934)	(33,168)
Charges due to related parties	**-**	**-**	(413)	(1,033)
Realization of PVA and adjustment to land payables	**-**	**-**	(95)	(149)
Other financial charges	**(25,557)**	**(49,886)**	(17,442)	(34,350)
Interest capitalized on:				
Investment property (note 6)	**2,010**	**4,090**	1,329	2,542
Investment	**17,031**	**32,427**	13,818	26,922
	(6,516)	**(13,369)**	(2,295)	(4,886)
Other financial expenses	**(236)**	**(426)**	(630)	(1,171)
Financial charges allocated to profit and loss	**(6,752)**	**(13,795)**	(2,925)	(6,057)

	Consolidated			
	2015		2014	
	2nd quarter	1st half	2nd quarter	1st half
Finance charges:				
Loans, financing and debentures	**(34,322)**	(67,140)	(23,598)	(45,587)
Realization of PVA and adjustment to land payables	**-**	-	(95)	(149)
Other financial charges	**(34,322)**	(67,140)	(23,693)	(45,736)
Interest capitalized on:				
Investment property (note 6)	**18,304**	35,258	16,580	32,233
Investment	**1,182**	2,211	441	687
	(14,836)	(29,671)	(6,672)	(12,816)
Other financial expenses	**(223)**	(452)	(526)	(1,048)
Financial charges allocated to profit and loss	**(15,059)**	(30,123)	(7,198)	(13,864)

In the six-month period ended June 30, 2015, total capitalized loans, financing and debentures represented an average charge rate of 13.68% per annum (12.17% per annum in the six-month period ended June 30, 2014).

The other information on loans, financing and debentures did not change significantly in relation to the information disclosed in note 7 to the financial statements for the year ended December 31, 2014.

8. Advances - barters

This balances refers to commitments arising from agreed upon barters under which the Company purchased land in exchange for industrial warehouses. The balances were recognized at fair value on transaction date, measured based on the sales price of the land obtained in technical reports. The commitments will be discharged by handing over the completed industrial warehouses.

9. Income tax and social contribution

(a) Income tax (IRPJ) and social contribution (CSLL) recognized in the income statement

The income tax and social contribution income (expenses) at the statutory tax rate is reconciled with accounting income (loss) as follows:

	Individual			
	2015		2014	
	2nd quarter	1st half	2nd quarter	1st half
Income (loss) before income tax and social contribution	**9,677**	**(8,907)**	235,514	241,623
Statutory rate - income tax and social contribution	**34%**	**34%**	34%	34%
Nominal credit (expense)	**(3,290)**	**3,028**	(80,075)	(82,152)
Effect of IRPJ and CSLL on permanent differences:				
Results from equity participation grossed with written-off capitalized interest	**7,932**	**7,477**	89,180	96,052
1st quarter tax credit recognized in the 2nd quarter	**4,885**	**-**	-	-
Effect of upstream merger	**(11,026)**	**(11,026)**	-	-
Depreciation of investment property	**580**	**1,232**	-	-
Write-off of fair value on divesture	**-**	**1,000**	-	-
Other	**(372)**	**(246)**	30	48
IRPJ and CSLL credit in profit or loss	**(1,291)**	**1,465**	9,135	13,948

	Consolidated			
	2015		2014	
	2nd quarter	1st half	2nd quarter	1st half
Income (loss) before income tax and social contribution	**11,271**	**(6,652)**	242,889	250,148
Statutory rate - income tax and social contribution	**34%**	**34%**	34%	34%
Nominal credit (expense)	**(3,832)**	**2,262**	(82,582)	(85,050)
Effect of IRPJ and CSLL on permanent differences:				
Results from equity participation grossed with written-off capitalized interest	**366**	**668**	24,525	24,966
Tax basis difference for companies taxes based on deemed income	**6,516**	**5,324**	61,569	66,486
1st quarter tax credit recognized in the 2nd quarter	**4,885**	**-**		
Effect of upstream merger	**(11,026)**	**(11,026)**	-	-
Depreciation of investment property	**613**	**2,015**		
Write-off of fair value on divesture	**-**	**1,000**	-	-
Other	**(404)**	**(1,029)**	(1,669)	(894)
IRPJ and CSLL credit in profit or loss	**(2,882)**	**(786)**	1,843	5,508

(b) Deferred tax balances

The breakdown of deferred tax assets (liabilities) disclosed in the balance sheets is as follows:

	Individual		Consolidated	
	6/30/15	12/31/14	6/30/15	12/31/14
Noncurrent assets:				
Income tax and social contribution	**28,917**	28,535	**28,917**	28,535
Liabilities:				
Income tax and social contribution	**-**	-	**(20,435)**	(22,255)
Taxes on revenue (PIS/COFINS)	**-**	-	**(26,680)**	(27,760)
	-	-	**(47,115)**	(50,015)
Current	**-**	-	**(1,383)**	(1,666)
Noncurrent	**-**	-	**(45,732)**	(48,349)
Total	**-**	-	**(47,115)**	(50,015)

The breakdown of the deferred income tax and social contribution is as follows:

	Individual		Consolidated	
	6/30/15	**12/31/14**	**6/30/15**	**12/31/14**
Tax effect on:				
Deferred assets:				
Tax loss carryforwards	**21,842**	11,354	**24,778**	13,359
Temporary differences	**1,146**	-	**1,166**	-
Capitalized interest	**53,301**	54,794	**53,301**	54,794
Other	**-**	206	**-**	240
	76,289	66,354	**79,245**	68,393
Reclassified deferred liabilities	**(47,372)**	(37,819)	**(50,328)**	(39,858)
Deferred assets	**28,917**	28,535	**28,917**	28,535
Deferred liabilities:				
Fair value appreciation on investment property	**(47,372)**	(37,819)	**(69,416)**	(60,657)
Rents receivable	**-**	-	**(1,226)**	(1,011)
Land sales receivable	**-**	-	**(123)**	(301)
Finance income taxed on a cash basis	**-**	-	**2**	(144)
	(47,372)	(37,819)	**(70,763)**	(62,113)
Reclassified deferred liabilities	**47,372**	37,819	**50,328**	39,858
Deferred tax liabilities	**-**	-	**(20,435)**	(22,255)

As at June 30, 2015, the estimated realization of deferred income tax and social contribution assets, based on the projection of future taxable income, prepared by the Company's management, is as follows:

	Individual	Consolidated
Expected realization:		
12 months	**499**	**519**
13 to 24 months	**1,583**	**1,624**
25 to 36 months	**4,144**	**4,231**
37 to 48 months	**3,774**	**3,960**
49 to 60 months	**3,250**	**3,580**
After 60 months	**63,039**	**65,331**
Total	**76,289**	**79,245**

The table below shows the movements in deferred income tax (IRPJ) and social contribution (CSLL) assets and liabilities for the six-month periods ended June 30, 2015 and 2014:

	Individual				Consolidated			
	2015			2014	2015			2014
	Assets	**Liabilities**	**Net**	**Net**	**Assets**	**Liabilities**	**Net**	**Net**
Opening balance	**66,354**	**(37,819)**	**28,535**	6,386	**68,393**	**(62,113)**	**6,280**	4,926
Deferred IRPJ and CSLL effects recognized in:								
- divestures	**-**	**-**	**-**	**-**	**-**	**(96)**	**(96)**	-
- upstream merger	**-**	**(1,098)**	**(1,098)**	**-**	**-**	**-**	**-**	-
- shareholders' equity (*)	**-**	**-**	**-**	(5,001)	**-**	**-**	**-**	(20,020)
- profit and loss for the period	**9,935**	**(8,455)**	**1,480**	13,948	**10,852**	**(8,554)**	**2,298**	8,688
Closing balance	**76,289**	**(47,372)**	**28,917**	15,333	**79,245**	**(70,763)**	**8,482**	(6,406)

(*) The effect in 2014 refers to the matter described in note 2.

The other information on income tax and social contribution, including the topic 'transition taxation regime', did not change significantly in relation to the information disclosed in note 9 to the financial statements for the year ended December 31, 2014.

10. Provisions for labor, tax and civil contingencies

The movements in the six-month periods ended June 30, 2015 and 2014 are as follows:

	Individual and Consolidated	
	1st half of	
	2015	**2014**
Opening balance	**203**	64
Additions	**302**	141
Payment	**(34)**	(42)
Reversal	**(19)**	(11)
Closing balance	**452**	152

The lawsuits assessed as possible losses by the legal counsel, related basically to labor lawsuits, total R$570 as at June 30, 2015 (R$426 at December 31, 2014).

The other information on the provision for labor, tax and civil risks is not significantly different from the information disclosed in note 10 to the financial statements for the year ended December 31, 2014:

11. Shareholders' equity

(a) Common shares and issued capital

	Individual and Consolidated	
	6/30/15	**12/31/14**
Share capital	729,043	171,844
Number of common shares, without par value (thousand)	174,557	171,844

The Company's authorized capital as at June 30, 2015 and December 31, 2014 is R$2,000,000.

During the six-month period ended June 30, 2015, the Annual and Extraordinary Shareholders' Meetings approved, within the Company's authorized capital ceiling, the following changes in its capital:

Date of ESM approval	Description	Number of shares	Total outstanding shares after issuance	Unit price		Total capital increase	Share capital after capital increase	Share issuance premium
		(thousand)	**(thousand)**	**R$**		**R$'000**	**R$'000**	**R$'000**
Six-month period of 2015:								
4/30/15	Capitalization of reserves	-	171,844	-		554,486	726,330	-
6/29/15	Issue of new shares	2,713	174,557	9.53	(*)	2,713	729,043	23,143

(*) R$1.00 allocated to the capital increase and R$8.53 allocated to the premium reserve.

(b) Mandatory minimum dividend payable to shareholders

The 2014 dividends, amounting to R$25,856, were approved at the Annual and Extraordinary Shareholders' Meetings held on April 30, 2015 and paid on June 29, 2015.

The 2013 dividends, amounting to R$2,938, were approved at the Annual Shareholders' Meeting held on April 30, 2014 and paid in 2014.

The other information on shareholders' equity, including on the stock option plan, did not change significantly in relation to the information disclosed in note 11 to the financial statements for the year ended December 31, 2014.

12. Earnings per share

Net income (loss) and the weighted average number of common used to calculate basic and diluted earnings per share are as follows:

	Individual and Consolidated			
	2015		2014	
	2nd quarter	1st half	2nd quarter	1st half
Basic earnings per share				
Net income (loss) for the period	**8,386**	**(7,442)**	244,649	255,571
Weighted average number of outstanding common shares (in thousands)	**171,904**	**171,875**	171,453	171,453
Basic earnings per share - in R$	**0.04878**	**(0.04330)**	1.42690	1.49060
Diluted earnings per share:				
Net income (loss) for the period	**8,386**	**(7,442)**	244,649	255,571
Weighted average number of outstanding common shares (in thousands)	**171,904**	**171,875**	171,453	171,453
Dilutive effect of stock options (in thousands)	**343**	**343**	313	313
Weighted average number of outstanding common shares (in thousands)	**172,247**	**172,218**	171,766	171,766
Diluted earnings per share - in R$	**0.04869**	**(0.04321)**	1.42430	1.48790

13. Net revenue

	Individual			
	2015		2014	
	2nd quarter	1st half	2nd quarter	1st half
Lease revenue	**5,265**	**10,707**	3,870	7,811
PIS/COFINS on revenue	**(487)**	**(990)**	(369)	(733)
Net revenue	**4,778**	**9,717**	3,501	7,078

	Consolidated			
	2015		2014	
	2nd quarter	1st half	2nd quarter	1st half
Lease revenue	**23,848**	**47,809**	16,695	31,537
PIS/COFINS on revenue	**(1,454)**	**(2,928)**	(1,033)	(1,929)
Net revenue	**22,394**	**44,881**	15,662	29,608

14. Costs and expenses by nature

	Individual			
	2015		2014	
	2nd quarter	1st half	2nd quarter	1st half
Depreciation	**(51)**	**(76)**	(8)	(16)
Advertising	**(303)**	**(590)**	(232)	(531)
Salaries, charges and benefits	**(1,084)**	**(2,275)**	(1,109)	(2,197)
Management compensation	**(269)**	**(538)**	(287)	(516)
Outside services	**(592)**	**(1,161)**	(572)	(1,337)
General expenses	**(290)**	**(629)**	(431)	(802)
Stock options	**(100)**	**(219)**	(93)	(188)
Vacancy expenses	**(420)**	**(818)**	(318)	(542)
Other	**(106)**	**(297)**	(197)	(258)
	(3,215)	**(6,603)**	(3,247)	(6,387)
Classified as:				
Selling expenses	**(1,222)**	**(2,358)**	(935)	(1,876)
General and administrative expenses	**(1,634)**	**(3,427)**	(1,820)	(3,721)
Management compensation	**(269)**	**(538)**	(287)	(516)
Other operating expenses	**(90)**	**(280)**	(205)	(274)
	(3,215)	**(6,603)**	(3,247)	(6,387)

	Consolidated			
	2015		2014	
	2nd quarter	1st half	2nd quarter	1st half
Depreciation	**(53)**	**(80)**	(9)	(18)
Advertising	**(303)**	**(590)**	(282)	(581)
Salaries, charges and benefits	**(1,084)**	**(2,275)**	(1,111)	(2,199)
Management compensation	**(269)**	**(538)**	(287)	(516)
Outside services	**(1,374)**	**(2,756)**	(1,202)	(2,767)
General expenses	**(347)**	**(723)**	(487)	(889)
Stock options	**(100)**	**(219)**	(93)	(188)
Vacancy expenses	**(1,455)**	**(2,882)**	(1,307)	(2,391)
Other	**(148)**	**(316)**	(46)	342
	(5,133)	**(10,379)**	(4,824)	(9,207)
Classified as:				
Selling expenses	**(2,796)**	**(5,493)**	(2,263)	(4,516)
General and administrative expenses	**(1,935)**	**(4,048)**	(2,219)	(4,499)
Management compensation	**(269)**	**(538)**	(287)	(516)
Other operating income (expenses)	**(133)**	**(300)**	(55)	324
	(5,133)	**(10,379)**	(4,824)	(9,207)

15. Related parties

Related-party balances and transactions are as follows:

	Individual		Consolidated	
	6/30/15	12/31/14	6/30/15	12/31/14
Balance sheets:				
Short-term investments (a)	**22,943**	30,605	**22,943**	45,725
Lease receivables (b)	**18**	-	**321**	272
Receivables for sale of subsidiary (e)	**89,249**	-	**89,258**	-

	2015		2014	
	2nd quarter	1st half	2nd quarter	1st half
Transactions:				
Individual				
Income from short-term investments (a)	**1,403**	**2,502**	371	1,204
Lease receivables (b)	**-**	**123**	-	-
Expenses on the provision of administrative services (c)	**247**	**497**	346	495
Financial expenses - due to related parties:				
Loan with controlled SPEs (d)	**-**	**-**	597	1,516
Sale of subsidiary (e)	**-**	**109,989**	-	-

	2015		2014	
	2nd quarter	1st half	2nd quarter	1st half
Consolidated				
Income from short-term investments:				
Banco Intermedium (a)	**613**	**2,845**	543	1,561
Lease receivables (b)	**971**	**1,825**	555	1,096
Expenses on the provision of administrative services (c)	**532**	**1,102**	588	1,221
Sale of subsidiary (e)	**-**	**110,000**	-	-

(a) Refers to short-term investments in CDBs with Intermedium Crédito Financiamento e Investimento S.A. ("Intermedium"), which is controlled by the controlling shareholder of MRV Engenharia e Participações S.A. As at June 30, 2015, short-term investments yielded approximately 110.93% of CDI in Individual and 109.92% of CDI on a consolidated basis (110.52% of CDI in Individual and 109.68% on a consolidated basis at December 31, 2014).

Joint venture Cabral Investimentos SPE Ltda ("Cabral") holds short-term investments in Banco Intermedium amounting to R$32,382 at June 30, 2015 (R$30,468 at December 31, 2014). The financial income arising on these short-term investments was R$1.956 for the first half of 2015 (R$166 for the first half of 2014).

(b) Refers to the lease agreement entered into by the Company and subsidiaries with Patrus Transportes Urgentes Ltda., controlled by one of the Company's non-controlling shareholders.

(c) Amounts payable related to expenses incurred on the provision of administrative services by MRV Engenharia e Participações S.A. The agreement provides for the monthly payment of R$4.5 per project developed by the Company or its investees. This amount is annually adjusted using the average salary increase percentage granted to the employees of MRV Engenharia e Participações S.A. The agreement is effective for three years, beginning December 2, 2013, automatically extendable for an equal period, if not apposed by any of the parties.

(d) Referred to a loan agreement between the Company and subsidiaries. The loan was adjusted using the CDI + spread of 1.84% per annum. The loan was repaid in 2014.

(e) In the first quarter of 2015, the Company and subsidiary LDI LOG Desenvolvimento Imobiliário Ltda. ("LDI") sold its equity interests in the company MRV LOG SP I Incorporações SPE Ltda. ("Office Park Pirituba") to MRV Engenharia e Participações S.A., as described in note 5 (a).

The Group conducts transactions with Banco Bradesco, manager of the investment fund Fundo de Investimento em Participações Multisetorial Plus that became a Company shareholder in the second quarter of 2013. As at June 30, 2015, the transactions consist of loans, financing, debentures, and factoring of receivables amounting to R$476,198 (R$567,592 at December 31, 2014) and short-term investments amounting to R$1,764 (R$14,413 at December 31, 2014). In the three- and six-month periods ended June 30, 2015, these transactions, conducted at usual market rates, generate financial expenses of R$14,334 and R$28,288 (R$6,598 and

R$21,401 for the same periods of 2014) and financial income of R$9 and R$158 (R$402 and R$635 for the same periods of 2014), respectively.

Compensation of key management personnel

Pursuant to CPC 05 (R1), which addresses related party disclosures, and according to the Company's understanding, key management personnel consists of members of the Board of Directors and officers elected by the Board of Directors in conformity with the Company's bylaws, and their roles and responsibilities comprise decision-making powers and control of the Company's activities.

	Individual and Consolidated			
	2015		2014	
	2nd quarter	1st half	2nd quarter	1st half
Management's short-term benefits:				
Management compensation	**269**	**538**	287	516
Profit sharing	**142**	**284**	176	293
Share-based compensation:				
Stock option plan	**63**	**145**	90	182
	474	**967**	553	991

On April 30, 2015, the Extraordinary Shareholders' Meeting approved overall management compensation amounting to R$2,200.

Besides the benefits above, the Company does not grant any other benefits such as postemployment benefits, other long-term benefits, or severance compensation.

16. Financial instruments and risk management

(a) Financial instruments

In the first quarter of 2015, the Company contracted non-speculative derivative financial instruments to hedge against the exposure to interest rates in financing and debentures, pegged to the CDI variance. The sole purpose of these transactions is value hedging by minimizing the impacts of changes in interest rate by replacing the floating rate (CDI) for fixed rates.

As at June 30, 2015, the outstanding swaps and DI call options (*) mature between January 2016 and January 2017, broken down as follows:

						6/30/2015
Type of transaction	Assets/ liabilities	Maturity	Notional amount	Long position	Short position	Derivative fair value
Option (*)	-	1/4/16	250,000	-	-	750
Swap	CDI / 12.93%	1/2/17	100,000	104,043	104,086	1,595
Swap	CDI / 13.07%	1/2/17	100,000	104,137	104,230	1,356
						3,701
Current						750
Noncurrent						2,951
Total						3,701

	Impact on profit and loss					
	2nd quarter			1st half		
Type of transaction	Gain or loss on transaction	Mark-to-market	Total	Gain or loss on transaction	Mark-to-market	Total
Option (*)	**-**	**125**	**125**	**-**	**100**	**100**
Swap	**(14)**	**993**	**979**	**(44)**	**1,639**	**1,595**
Swap	**(46)**	**1,020**	**974**	**(93)**	**1,449**	**1,356**
	(60)	**2,138**	**2,078**	**(137)**	**3,188**	**3,051**

(*) Through payment of premium, amounting to R$650, for notional amounts above, the Company will receive upon maturity the accumulated CDI variance that exceeds 13.5%.

The impact on profit and loss related to the derivatives above is recognized in line item financial charges and financial income, according to their nature.

(b) Category of financial instruments

	Individual		Consolidated	
	6/30/15	12/31/14	6/30/15	12/31/14
Financial assets:				
Cash and banks	**85**	475	**245**	823
Fair value through profit and loss held for trading (*)	**25,263**	60,151	**27,275**	76,511
Loans and receivables	**97,151**	6,779	**119,875**	33,099
Financial liabilities:				
Amortized cost	**719,187**	719,738	**1,028,627**	1,040,121

(*) Financial assets recognized at fair value with level 2 measurement.

(c) Exposure to interest rates and inflation adjustment indices

The analysis below was conducted at June 30, 2015, as described in note 16, (b), to the financial statements for the year ended December 31, 2014.

Index	Financial asset	Financial liability	Net exposed financial liability	Effective rate for the 12-month period ended 6/30/15	Estimated annual rate for 2015 (*)		Change in effective rate for the relevant scenario	Total estimated effect
Probable scenario:								
CDI	27,275	(611,759)	(584,484)	11.83%	14.24%	(i)	2.41%	(14,086)
TR	-	(424,810)	(424,810)	1.15%	1.94%	(i)	0.79%	(3,356)
IPCA	94,982	-	94,982	8.89%	9.92%	(i)	1.03%	978
								(16,464)
Scenario I:								
CDI	27,275	(611,759)	(584,484)	11.83%	17.80%		5.97%	(34,894)
TR	-	(424,810)	(424,810)	1.15%	2.43%		1.28%	(5,438)
IPCA	94,982	-	94,982	8.89%	7.44%		-1.45%	(1,377)
								(41,709)
Scenario II:								
CDI	27,275	(611,759)	(584,484)	11.83%	21.36%		9.53%	(55,701)
TR	-	(424,810)	(424,810)	1.15%	2.91%		1.76%	(7,477)
IPCA	94,982	-	94,982	8.89%	4.96%		-3.93%	(3,733)
								(66,911)

(i) Data obtained on the BM&F Bovespa website.
(*) Effective change for the first half of 2015 plus a projection for the next six months of 2015.

In order to minimize the impacts of the changes in the interest rates on financing and debentures pegged to the CDI variance, the Company contracted derivative financial instruments, as disclosed in (a) above.

(j) Capital risk management

As at June 30, 2015 and December 31, 2014, the consolidated debt-to-equity ratio is as follows:

	Individual		Consolidated	
	6/30/15	**12/31/14**	**6/30/15**	**12/31/14**
Loans, financing and debentures	**718,046**	718,743	**1,024,990**	1,034,429
Cash and cash equivalents	**(25,348)**	(60,626)	**(27,520)**	(77,334)
Net debt (cash) (o)	**692,698**	658,117	**997,470**	957,095
Shareholders' equity	**1,472,624**	1,453,991	**1,472,766**	1,454,215
Net debt (cash) (o) to equity	**47.0%**	45.3%	**67.7%**	65.8%

The Company is currently at a stage of significant expansion, purchasing land and building warehouses, as well as other projects to be leased and/or sold in the future. However, the continuity of its expansion plan will depend on obtaining third-party funds (either as capital contributions or financings), own capital and/or cash generated by our operations.

(k) Liquidity and interest rate risk table

The undiscounted cash flows of the financial liabilities based on the closest date when the Group is expected to settle the related obligations, based on the projection of the indices at June 30, 2015 through contractual maturity, are as follows:

	Up to 1 year	**1 to 2 years**	**2 to 3 years**	**Over 3 years**	**Total**
Individual:					
Floating rates	219,598	148,831	127,759	367,515	863,703
Non-interest bearing securities	1,141	-	-	-	1,141
Total	220,739	148,831	127,759	367,515	864,844
Consolidated:					
Floating rates	266,573	205,191	183,741	694,704	1,350,209
Fixed rates	4,000	-	-	-	4,000
Non-interest bearing securities	3,637	-	-	-	3,637
Total	274,210	205,191	183,741	694,704	1,357,846

(l) Fair value of financial instruments

The table below shows in detail the comparisons between the carrying amounts and fair values of loans, financing and debentures:

	Individual					
	6/30/2015			12/31/2014		
Financial instruments	**Carrying amount**	**Fair value**	**Difference**	**Carrying amount**	**Fair value**	**Difference**
Debentures:						
CDI + 1.90% p.a.	**(93,978)**	**(93,515)**	**463**	(96,932)	(96,432)	500
CDI + 1.85% p.a.	**(104,665)**	**(104,665)**	**-**	(104,395)	(104,395)	-
118% of CDI p.a.	**(148,101)**	**(145,295)**	**2,806**	(147,588)	(144,756)	2,832
CDI + 2.00% p.a.	**(100,706)**	**(96,432)**	**4,274**	(100,721)	(97,110)	3,611
Total	**(447,450)**	**(439,907)**	**7,543**	(449,636)	(442,693)	6,943
Working capital loans						
115% of CDI p.a.	**(100,703)**	**(100,578)**	**125**	(100,100)	(99,920)	180
CDI + 1.60% p.a.	**(19,651)**	**(19,651)**	**-**	(23,905)	(23,905)	-
Total	**(120,354)**	**(120,229)**	**125**	(124,005)	(123,825)	180
Financing:						
Construction financing	**(160,698)**	**(160,698)**	**-**	(157,010)	(157,010)	-
Total	**(160,698)**	**(160,698)**	**-**	(157,010)	(157,010)	-
Grand total (w/o issuance costs)	**(728,502)**	**(720,834)**	**7,668**	(730,651)	(723,528)	7,123

	Consolidated					
	6/30/2015			12/31/2014		
Financial instruments	**Carrying amount**	**Fair value**	**Difference**	**Carrying amount**	**Fair value**	**Difference**
Debentures:						
CDI + 1.90% p.a.	**(93,978)**	**(93,515)**	**463**	(96,932)	(96,432)	500
CDI + 1.85% p.a.	**(104,665)**	**(104,665)**	**-**	(104,395)	(104,395)	-
118% of CDI p.a.	**(148,101)**	**(145,295)**	**2,806**	(147,588)	(144,756)	2,832
CDI + 2.00% p.a.	**(100,706)**	**(96,432)**	**4,274**	(100,721)	(97,110)	3,611
Total	**(447,450)**	**(439,907)**	**7,543**	(449,636)	(442,693)	6,943
Working capital loans						
115% of CDI p.a.	**(100,703)**	**(100,578)**	**125**	(100,100)	(99,920)	180
CDI + 1.60% p.a.	**(19,651)**	**(19,651)**	**-**	(23,905)	(23,905)	-
13.11% p.a.	**(4,000)**	**(4,000)**	**-**	(10,000)	(10,000)	-
Total	**(124,354)**	**(124,229)**	**125**	(134,005)	(133,825)	180
Financing:						
Construction financing	**(468,765)**	**(468,765)**	**-**	(468,214)	(468,214)	-
Total	**(468,765)**	**(468,765)**	**-**	(468,214)	(468,214)	-
Grand total (w/o issuance costs)	**(1,040,569)**	**(1,032,901)**	**7,668**	(1,051,855)	(1,044,732)	7,123

The fair values of loans, financing, and debentures subject to CDI plus spread and TR, a managed prime rate, were estimated by the Company's management based on the future value of the loans on maturity at the contracted rate, discounted to present value at the market rate at June 30, 2015 and December 31, 2014.

The table below shows a comparative of the contracted and market rates, Individual and Consolidated, at June 30, 2015, is as follows:

	Current market rate	**Maturity dates**
Debentures:		
CDI + 1.90% p.a.	CDI + 2.10% p.a.	June 2020
CDI + 1.85% p.a.	CDI + 1.85% p.a.	February 2019
118% of CDI p.a.	CDI + 3.45% p.a.	August 2018
CDI + 2.00% p.a.	CDI + 3.67% p.a.	December 2019
Working capital loans		
115% of CDI p.a.	CDI + 3.02% p.a.	August 2015
CDI + 1.60% p.a.	CDI + 1.60% p.a.	September 2017
13.11% p.a.	13.11% p.a.	October 2015
Construction financing:		
CDI + 1.65% p.a.	CDI + 1.65% p.a.	October 2024
TR + 9.30% to 11.50% p.a.	TR + 9.30% to 11.50% p.a.	August 2026

Management believes that the other financial instruments such as cash, banks, short-term investments, trade receivables, due to related parties, and trade payables approximate their fair values because a significant portion of the balances matures on dates close to the end of reporting period.

The other information on financial instruments and risk management is not significantly different from the information disclosed in note 16 to the financial statements for the year ended December 31, 2014.

17. Guarantees

Except for the guarantees described in notes 6 and 7, the Group does not collateralize any of its assets and is not the guarantor of any other types of third-party transactions.

18. Commitments

The Company entered into a shareholders' agreement with Agropecuária Aroeiras Ltda. mainly aimed at establishing how the capital of Betim I Incorporações SPE Ltda. will be paid in, and other relationships between the shareholders. As Agropecuária Aroeiras Ltda. paid in the capital through the assignment of own land at the time the SPE was established and the Company is paying in capital basically in cash over time, the unpaid balance will be adjusted using a rate equivalent to 66% of the CDI variance, which will be the amount contributed by the Company as capital increase in SPE Betim. As at June 30, 2015, the amount to be paid by the Company is R$12,504 (R$16,319 at December 31, 2014).

19. Noncash transactions

During the six-month periods ended June 30, 2015 and 2014, the Company and its subsidiaries conducted the following investment and financing transactions that did not involve cash, which, therefore, are not reflected in the statement of cash flows:

	Individual		Consolidated	
	1st half of		1st half of	
	2015	2014	2015	2014
Capital contribution to investees with investment properties	**-**	5,018	**-**	-
Capital contribution to investees with investment properties – barter and realization	**-**	40,000	**581**	37,280
Interest capitalization	**36,517**	29,464	**37,469**	32,920
Upstream merger	**84,041**	-	**-**	-
Capital increase arising from the capitalization of reserves	**554,486**	-	**554,486**	-
Initial effects of adopting the fair value of investment property:				
Investment property	**-**	116,602	**-**	502,327
Investment	**-**	352,839	**-**	-
Income tax and social contribution assets	**-**	34,644	**-**	34,644
Deferred tax liabilities	**-**	(39,645)	**-**	(72,472)

20. Insurance

The Group has an insurance policy that considers primarily risk concentration and their materiality, taking into consideration the nature of its business, and advice of the insurance brokers. As at June 30, 2015, insurance coverage is as follows:

Items	Type of coverage	Insured amount
Engineering risk insurance	Insures, during the project construction period, any compensation for damages caused to the construction, such as fire, lightening, theft, and other specific coverage of facilities and assemblies on the insured site.	38,789
Civil liability (officers)	Insures the coverage of pain and suffering payable by Company officers (D&O).	5,000
Builder guarantee insurance	Insures the project financer that construction will be completed in the event of technical and/or financial inability by the Company.	2,200
Group life and personal injury insurance	Insures payment of compensation related to involuntary personal injuries to employees, contractors, interns, and officers.	5,257
Corporate insurance	Insures payment of compensation to the Company for covered events occurring in leased commercial properties, events such as electric damages, fire, lightening, windstorm, etc.	72,633
Legal guarantee insurance	Insures to the policyholder the payment of any disputed amount in full related to any lawsuit filed with any court or threatened. The contracted guarantee replaces escrow deposits.	22

21. Subsequent event

On August 7, 2015, it was approved by the Company's Board of Directors, the sale authorization of part of the land owned by the joint venture Cabral Investments SPE Ltda. to MRV Engenharia e Participações S.A. in the amount of R$7,500.

On August 11, 2015, it was approved by the Company's Board of Directors, to renegotiate the working capital loan of R$100,000, due in August 2015, in a single installment with maturity of principal and interest in November 2015, and the same interest rate of 115% CDI p.a.

22. Approval of the interim financial information

This interim financial information was approved by the Company's Directors and authorized for issue on August 11, 2015.