Interim Financial Information (ITR)

LOG Commercial Properties e Participações S.A.

Individual and Consolidated Interim Financial Information for the Quarter Ended September 30, 2014 and Report on Review of Interim Financial Information

LOG Commercial Properties e Participações S.A.

Interim Financial Information (ITR)

September 30, 2014

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A free translation from Portuguese into English of Independent Auditor's Review Report on quarterly review information prepared in accordance with accounting practices adopted in Brazil and on consolidated interim financial information prepared in accordance with IFRS and also with accounting practices adopted in Brazil.

Review report on quarterly information

The Board of Directors and Shareholders
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 September 30, 2014, comprising the balance sheet as at September 30, 2014 and the related statements of income and comprehensive income statement for the *three and nine- months* ended on that date, and statements of changes in equity and cash flow statement for the *nine*-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 interim financial information

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

Conclusion on the consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 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 and 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 statements of value added (SVA) for the nine-month period ended September 30, 2014, prepared under Company management's responsibility, whose presentation in the interim financial information is required in accordance with standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information – ITR and considered as supplementary information under IFRS, which do not require SVA presentation. These statements were subject to the same review procedures previously described 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, in accordance with the overall individual and consolidated interim financial information.

Belo Horizonte, November 6, 2014

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

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

Individual / Balance Sheets – Assets

(In thousands of Brazilian reais – R$)

Code	Description	Current Quarter 09/30/2014	Previous year 12/31/2013
1	Total assets	2,228,143	1,393,498
1.01	Current assets	113,046	87,420
1.01.01	Cash and cash equivalents	104,169	79,138
1.01.03	Receivables	3,711	3,212
1.01.03.01	Trade accounts receivable	3,711	3,212
1.01.06	Recoverable taxes	4,655	4,341
1.01.06.01	Recoverable current taxes	4,655	4,341
1.01.07	Prepaid expenses	508	726
1.01.08	Other current assets	3	3
1.01.08.03	Other	3	3
1.02	Noncurrent assets	2,115,097	1,306,078
1.02.01	Long-term assets	31,004	20,294
1.02.01.03	Receivables	2,200	2,433
1.02.01.03.01	Trade accounts receivable	2,200	2,433
1.02.01.06	Deferred taxes	16,294	6,386
1.02.01.06.01	Deferred income tax and social contribution	16,294	6,386
1.02.01.07	Prepaid expenses	709	854
1.02.01.09	Other noncurrent assets	11,801	10,621
1.02.01.09.03	Recoverable taxes	11,801	10,621
1.02.02	Investments	2,083,508	1,285,408
1.02.02.01	Investments in subsidiaries and jointly controlled entities	1,729,903	1,099,410
1.02.02.01.02	Investments in subsidiaries	1,498,234	942,481
1.02.02.01.03	Investments in jointly controlled entities	231,669	156,929
1.02.02.02	Investment property	353,605	185,998
1.02.03	Property and equipment	585	376
1.02.03.01	Property and equipment in use	585	376

Individual / Balance Sheets – Liabilities
(In thousands of Brazilian reais – R$)

Code	Description	Current Quarter 09/30/2014	Previous year 12/31/2013
2	Total liabilities	2,228,143	1,393,498
2.01	Current Liabilities	187,721	336,244
2.01.01	Labor and social liabilities	2,554	2,611
2.01.01.01	Social liabilities	586	530
2.01.01.02	Labor liabilities	1,968	2,081
2.01.02	Suppliers	1,998	1,735
2.01.02.01	Domestic trade accounts payable	1,998	1,735
2.01.03	Tax liabilities	583	714
2.01.03.01	Federal taxes	444	581
2.01.03.01.02	Other federal taxes	444	581
2.01.03.03	Municipal taxes	139	133
2.01.04	Borrowings and financing	158,350	241,287
2.01.04.01	Borrowings and financing	134,328	117,380
2.01.04.01.01	Borrowings and financing in domestic currency	134,328	117,380
2.01.04.02	Debentures	24,022	123,907
2.01.05	Others liabilities	24,236	89,897
2.01.05.01	Due to related parties	16,424	6,832
2.01.05.01.04	Due to other related parties	16,424	6,832
2.01.05.02	Other	7,812	83,065
2.01.05.02.02	Mandatory minimum dividend payable	-	2,938
2.01.05.02.04	Land payables	-	13,821
2.01.05.02.06	Payable for acquisition of investment	7,328	65,950
2.01.05.02.07	Other	484	356
2.02	Noncurrent liabilities	572,274	317,357
2.02.01	Borrowings and financing	532,138	317,293
2.02.01.01	Borrowings and financing	152,197	166,153
2.02.01.01.01	Borrowings and financing in domestic currency	152,197	166,153
2.02.01.02	Debentures	379,941	151,140
2.02.02	Others liabilities	40,136	64
2.02.02.02	Other	40,136	64
2.02.02.02.03	Advances - barters	40,000	-
2.02.02.02.04	Provisions for labor, tax and civil contingencies	132	64
2.02.02.02.05	Other	4	-
2.03	Equity	1,468,148	739,897
2.03.01	Paid-in capital	171,844	171,453
2.03.02	Capital reserves	528,401	525,576
2.03.02.01	Share subscription premium	527,181	524,634
2.03.02.04	Recognized options granted	1,220	942
2.03.04	Earnings reserve	42,868	42,868
2.03.04.01	Legal reserve	2,379	2,379
2.03.04.05	Retained profit reserve	40,489	40,489
2.03.05	Retained earnings/accumulated losses	725,035	-

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

Code	Description	07/01/2014 to 09/30/2014	01/01/2014 to 09/30/2014	07/01/2013 to 09/30/2013	01/01/2013 to 09/30/2013
3.01	Revenue from sales and/or services	4,132	11,210	3,388	9,244
3.02	Cost of sales and/or services	-	-	(1,236)	(2,840)
3.03	Gross profit	4,132	11,210	2,152	6,404
3.04	Operating income (expenses)	3,072	241,824	16,151	19,467
3.04.01	Selling expenses	(1,199)	(3,075)	(1,114)	(2,566)
3.04.02	General and administrative expenses	(1,927)	(6,164)	(2,434)	(7,099)
3.04.04	Other operating incomes	(7)	106	6	51
3.04.05	Other operating expenses	(193)	(8,968)	(468)	(590)
3.04.05.01	Other operating expenses	(193)	(580)	(468)	(590)
3.04.05.02	Change in Fair Value of Investment Properties	-	(8,388)	-	-
3.04.06	Results from equity participation	6,398	259,925	20,161	29,671
3.05	Income before financial income and taxes	7,204	253,034	18,303	25,871
3.06	Financial income (expenses)	(3,141)	(7,348)	1,303	(2,155)
3.06.01	Financial income	209	2,059	3,886	4,354
3.06.02	Financial expenses	(3,350)	(9,407)	(2,583)	(6,509)
3.07	Income before taxes	4,063	245,686	19,606	23,716
3.08	Income tax and social contribution	961	14,909	115	1,645
3.08.02	Deferred	961	14,909	115	1,645
3.09	Net income (loss) from continuing operations	5,024	260,595	19,721	25,361
3.11	Net income (loss) for the period	5,024	260,595	19,721	25,361
3.99	Earnings per share – R$/Share)				
3.99.01	Basic Earnings for Share				
3.99.01.01	ON	0.02924	1.51888	0.11502	0.17169
3.99.02	Diluted Earnings per share				
3.99.02.01	ON	0.02919	1.51611	0.11485	0.17140

Individual / Income Statement

(In thousands of Brazilian reais – R$)

Code	Description	07/01/2014 to 09/30/2014	01/01/2014 to 09/30/2014	07/01/2013 to 09/30/2013	01/01/2013 to 09/30/2013
4.01	Consolidated net income for the period	5,024	260,595	19,721	25,361
4.03	Consolidated comprehensive income for the period	5,024	260,595	19,721	25,361

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

Code	Description	01/01/2014 to 09/30/2014	01/01/2013 to 09/30/2013
6.01	Net cash provided by (used in) operating activities	48,139	14,756
6.01.01	Cash provided by operating activities	3,633	4,030
6.01.01.01	Net income for the period	260,595	25,361
6.01.01.02	Depreciation	25	2,840
6.01.01.03	Results from equity participation	(259,925)	(29,671)
6.01.01.04	Charges Incurred and Unpaid	8,783	6,582
6.01.01.05	Deferred taxes	(14,909)	(1,645)
6.01.01.06	Stock options	278	247
6.01.01.07	Amortization of prepaid expenses	398	316
6.01.01.08	Change in Fair Value of Investment Properties	8,388	-
6.01.02	Changes in assets and liabilities	44,506	10,726
6.01.02.01	(Increase) decrease in trade accounts receivable	(266)	(1,242)
6.01.02.02	(Increase) decrease in recoverable taxes	(9)	(636)
6.01.02.03	(Increase) decrease in prepaid expenses	(35)	1
6.01.02.04	(Increase) decrease in other assets	-	5
6.01.02.05	Increase (decrease) in payroll, social charges and benefits	(57)	519
6.01.02.06	Increase (decrease) in taxes, charges and contributions	(503)	(127)
6.01.02.07	Increase (decrease) in other liabilities	117	185
6.01.02.09	Dividends received from subsidiaries	45,259	12,021
6.02	Net cash provided by (used in) investing activities	(108,205)	(242,655)
6.02.01	Increase in / acquisition of investments	(73,916)	(157,449)
6.02.02	Acquisition of investment properties	(34,055)	(85,039)
6.02.03	Other	(234)	(167)
6.03	Net cash provided by (used in) financing activities	85,097	329,834
6.03.01	Borrowings, financing and debentures, net	391,203	187,541
6.03.02	Interest payment	(45,178)	(33,233)
6.03.03	Shareholders' contributions	2,938	278,278
6.03.04	Share issuance costs	-	(3,760)
6.03.05	Payment of due to related parties	(112,926)	(71,763)
6.03.06	Increase in due to related parties	122,601	84,239
6.03.08	Dividend payment	(2,938)	(816)
6.03.09	Amortization of borrowings, financing and debentures	(270,603)	(110,652)
6.05	Increase (decrease) in cash and cash equivalents	25,031	101,935
6.05.01	Cash and cash equivalents at beginning of period	79,138	22,079
6.05.02	Cash and cash equivalents at end of period	104,169	124,014

Individual / Statement of Changes in Shareholder's Equity – 01/01/2014 to 09/30/2014

(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 adjustment	-	-	-	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	391	2,825	-	-	-	3,216
5.04.01	Capital increase	391	-	-	-	-	391
5.04.03	Recognized options granted	-	278	-	-	-	278
5.04.08	Share subscription premium	-	2,547	-	-	-	2,547
5.05	Total comprehensive income	-	-	-	260,595	-	260,595
5.05.01	Net income for the period	-	-	-	260,595	-	260,595
5.07	Closing balance	171,844	528,401	42,868	725,035	-	1,468,148

Individual / Statement of Changes in Shareholder's Equity – 01/01/2013 to 09/30/2013

(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	134,362	286,521	14,884	-	-	435,767
5.03	Adjusted opening balance	134,362	286,521	14,884	-	-	435,767
5.04	Shareholders capital transaction	37,091	238,951	-	-	-	276,042
5.04.01	Capital increase	37,091	-	-	-	-	37,091
5.04.02	Share issuance costs	-	(2,483)	-	-	-	(2,483)
5.04.03	Recognized options granted	-	247	-	-	-	247
5.04.08	Share subscription premium	-	241,187	-	-	-	241,187
5.05	Total comprehensive income	-	-	-	25,361	-	25,361
5.05.01	Net income for the period	-	-	-	25,361	-	25,361
5.07	Closing balance	171,453	525,472	14,884	25,361	-	737,170

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

Code	Description	01/01/2014 to 09/30/2014	01/01/2013 to 09/30/2013
7.01	Revenue	27,677	39,225
7.01.01	Revenues from sales of goods, services and products	12,363	10,186
7.01.02	Other revenue	(8,359)	51
7.01.02.01	Other revenue	29	51
7.01.02.02	Change in Fair Value of Investment Properties	(8,388)	-
7.01.03	Revenue from construction of own assets	23,673	28,988
7.02	Inputs purchased from third parties	(21,078)	(22,968)
7.02.02	Supplies, power, outside services and other items	(21,078)	(22,968)
7.03	Gross value added	6,599	16,257
7.04	Retentions	(25)	(2,649)
7.04.01	Depreciation, amortization and depletion	(25)	(2,649)
7.05	Net value added generated	6,574	13,608
7.06	Value added received in transfer	261,984	34,025
7.06.01	Results from equity participation	259,925	29,671
7.06.02	Financial income	2,059	4,354
7.07	Total value added for distribution	268,558	47,633
7.08	Value added distributed	268,558	47,633
7.08.01	Personnel	6,857	7,399
7.08.01.01	Salaries and wages	5,443	6,213
7.08.01.02	Benefits	980	690
7.08.01.03	Severance Pay Fund (FGTS)	434	496
7.08.02	Taxes, charges and contributions	(10,249)	4,131
7.08.02.01	Federal	(10,360)	2,706
7.08.02.02	State	3	20
7.08.02.03	Municipal	108	1,405
7.08.03	Debt remuneration	11,355	10,742
7.08.03.01	Interest	9,769	7,494
7.08.03.02	Rentals	1,555	3,214
7.08.03.03	Others	31	34
7.08.04	Shareholders	260,595	25,361
7.08.04.03	Earnings retained in the period	260,595	25,361

Consolidated / Balance Sheets – Assets

(In thousands of Brazilian reais – R$)

Code	Description	Current Quarter 09/30/2014	Previous year 12/31/2013
1	Total assets	2,588,732	1,626,287
1.01	Current assets	136,062	178,759
1.01.01	Cash and cash equivalents	104,581	151,200
1.01.03	Receivables	23,213	20,758
1.01.03.01	Trade accounts receivable	23,213	20,758
1.01.06	Recoverable taxes	6,338	5,144
1.01.06.01	Recoverable current taxes	6,338	5,144
1.01.07	Prepaid expenses	1,927	1,654
1.01.08	Other current assets	3	3
1.01.08.03	Other	3	3
1.02	Noncurrent assets	2,452,670	1,447,528
1.02.01	Long-term assets	66,476	43,365
1.02.01.03	Receivables	8,123	14,194
1.02.01.03.01	Trade accounts receivable	8,123	14,194
1.02.01.06	Deferred taxes	16,294	6,505
1.02.01.06.01	Deferred income tax and social contribution	16,294	6,505
1.02.01.07	Prepaid expenses	3,677	2,842
1.02.01.09	Other noncurrent assets	38,382	19,824
1.02.01.09.03	Recoverable taxes	38,380	19,822
1.02.01.09.04	Other	2	2
1.02.02	Investments	2,385,386	1,403,550
1.02.02.01	Investments in subsidiaries and jointly controlled entities	231,669	156,929
1.02.02.01.04	Investments in jointly controlled entities	231,669	156,929
1.02.02.02	Investment property	2,153,717	1,246,621
1.02.03	Property and equipment	808	613
1.02.03.01	Property and equipment in use	808	613

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

Code	Description	Current Quarter 09/30/2014	Previous year 12/31/2013
2	Total liabilities	2,588,732	1,626,287
2.01	Current Liabilities	221,754	357,307
2.01.01	Labor and social liabilities	3,735	4,024
2.01.01.01	Social liabilities	673	885
2.01.01.02	Labor liabilities	3,062	3,139
2.01.02	Suppliers	8,428	10,772
2.01.02.01	Domestic trade accounts payable	8,428	10,772
2.01.03	Tax liabilities	3,226	4,196
2.01.03.01	Federal taxes	2,425	3,236
2.01.03.01.01	Income taxes and social contribution	1,122	1,695
2.01.03.01.02	Other federal taxes	1,303	1,541
2.01.03.03	Municipal taxes	801	960
2.01.04	Borrowings and financing	191,226	245,321
2.01.04.01	Borrowings and financing	167,204	121,414
2.01.04.01.01	Borrowings and financing in domestic currency	167,204	121,414
2.01.04.02	Debentures	24,022	123,907
2.01.05	Others liabilities	15,139	92,994
2.01.05.01	Due to related parties	-	201
2.01.05.01.04	Due to other related parties	-	201
2.01.05.02	Other	15,139	92,793
2.01.05.02.02	Mandatory minimum dividend payable	-	2,938
2.01.05.02.04	Land payables	-	13,821
2.01.05.02.05	Advances - barters	4,794	6,647
2.01.05.02.06	Deferred taxes	1,421	1,625
2.01.05.02.07	Payable for acquisition of investment	7,328	65,950
2.01.05.02.08	Other	1,596	1,812
2.02	Noncurrent liabilities	898,621	528,995
2.02.01	Borrowings and financing	806,570	521,595
2.02.01.01	Borrowings and financing	426,629	370,455
2.02.01.01.01	Borrowings and financing in domestic currency	426,629	370,455
2.02.01.02	Debentures	379,941	151,140
2.02.02	Others liabilities	44,393	6,430
2.02.02.02	Other	44,393	6,430
2.02.02.02.04	Advances - barters	43,245	5,811
2.02.02.02.05	Provisions for labor, tax and civil contingencies	132	64
2.02.02.02.06	Other	1,016	555
2.02.03	Deferred taxes	47,658	970
2.02.03.01	Deferred income tax and social contribution	47,658	970
2.03	Equity	1,468,357	739,985
2.03.01	Paid-in capital	171,844	171,453
2.03.02	Capital reserves	528,401	525,576
2.03.02.01	Share subscription premium	527,181	524,634
2.03.02.04	Recognized options granted	1,220	942
2.03.04	Earnings reserve	42,868	42,868
2.03.04.01	Legal reserve	2,379	2,379
2.03.04.05	Retained profit reserve	40,489	40,489
2.03.05	Retained earnings/accumulated losses	725,035	-
2.03.09	Participation of non-controlling shareholders	209	88

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

Code	Description	07/01/2014 to 09/30/2014	01/01/2014 to 09/30/2014	07/01/2013 to 09/30/2013	01/01/2013 to 09/30/2013
3.01	Revenue from sales and/or services	17,056	46,664	56,217	76,237
3.02	Cost of sales and/or services	-	-	(29,179)	(34,870)
3.03	Gross profit	17,056	46,664	27,038	41,367
3.04	Operating income (expenses)	(4,067)	225,354	(4,497)	(8,592)
3.04.01	Selling expenses	(2,983)	(7,499)	(3,235)	(5,670)
3.04.02	General and administrative expenses	(2,304)	(7,319)	(2,466)	(7,149)
3.04.04	Other operating incomes	(7)	686	5	96
3.04.05	Other operating expenses	322	170,644	(279)	(628)
3.04.05.01	Other operating expenses	(188)	(557)	(279)	(628)
3.04.05.02	Change in Fair Value of Investment Properties	510	171,201	-	-
3.04.06	Results from equity participation	905	68,842	1,478	4,759
3.05	Income before financial income and taxes	12,989	272,018	22,541	32,775
3.06	Financial income (expenses)	(7,576)	(16,457)	(7)	(4,573)
3.06.01	Financial income	906	5,889	5,001	5,895
3.06.02	Financial expenses	(8,482)	(22,346)	(5,008)	(10,468)
3.07	Income before taxes	5,413	255,561	22,534	28,202
3.08	Income tax and social contribution	(409)	5,099	(2,813)	(2,841)
3.08.01	Current	(1,212)	(4,392)	(1,292)	(2,773)
3.08.02	Deferred	803	9,491	(1,521)	(68)
3.09	Net income (loss) from continuing operations	5,004	260,660	19,721	25,361
3.11	Net income (loss) for the period	5,004	260,660	19,721	25,361
3.11.01	Attributable to shareholders of the Company	5,024	260,595	19,721	25,361
3.11.02	Attributed to non-controlling partners	(20)	65	-	-
3.99	Earnings per share – R$/Share)				
3.99.01	Basic Earnings for Share				
3.99.01.01	ON	0.02924	1.51888	0.11502	0.17169
3.99.02	Diluted Earnings per share				
3.99.02.01	ON	0.02919	1.51611	0.11485	0.17140

Consolidated / Statement of Comprehensive Income

(In thousands of Brazilian reais – R$)

Code	Description	07/01/2014 to 09/30/2014	01/01/2014 to 09/30/2014	07/01/2013 to 09/30/2013	01/01/2013 to 09/30/2013
4.01	Consolidated net income for the period	5,004	260,660	19,721	25,361
4.03	Consolidated comprehensive income for the period	5,004	260,660	19,721	25,361
4.03.01	Attributable to shareholders of the Company	5,024	260,595	19,721	25,361
4.03.02	Attributed to non-controlling partners	(20)	65	-	-

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

Code	Description	01/01/2014 to 09/30/2014	01/01/2013 to 09/30/2013
6.01	Net cash provided by (used in) operating activities	30,360	28,651
6.01.01	Cash provided by operating activities	33,742	24,287
6.01.01.01	Net income for the period	260,595	25,361
6.01.01.02	Depreciation	47	9,380
6.01.01.03	Results from equity participation	(68,842)	(4,759)
6.01.01.04	Charges Incurred and Unpaid	21,259	10,147
6.01.01.05	Deferred taxes	(1,133)	(1,459)
6.01.01.06	Stock options	278	247
6.01.01.07	Amortization of prepaid expenses	1,397	909
6.01.01.08	Allowance for doubtful debts	-	176
6.01.01.09	Gain on Sale of Land	-	(15,715)
6.01.01.10	Change in Fair Value of Investment Properties	(179,859)	-
6.01.02	Changes in assets and liabilities	(3,382)	4,364
6.01.02.01	(Increase) decrease in trade accounts receivable	(3,351)	(4,312)
6.01.02.02	(Increase) decrease in recoverable taxes	(3,344)	(792)
6.01.02.03	(Increase) decrease in prepaid expenses	(2,505)	(1,381)
6.01.02.04	(Increase) decrease in other assets	-	(439)
6.01.02.05	Increase (decrease) in payroll, social charges and benefits	(289)	2,186
6.01.02.06	Increase (decrease) in taxes, charges and contributions	3,367	3,826
6.01.02.07	Increase (decrease) in other liabilities	112	1,848
6.01.02.08	Income tax and social contribution paid	(4,339)	(2,142)
6.01.02.10	Proceeds from sale of land	6,967	5,570
6.02	Net cash provided by (used in) investing activities	(233,191)	(292,237)
6.02.01	Increase in / acquisition of investments	(63,196)	(15,681)
6.02.02	Acquisition of investment properties	(169,753)	(276,556)
6.02.03	Other	(242)	-
6.03	Net cash provided by (used in) financing activities	156,212	435,061
6.03.01	Borrowings, financing and debentures, net	477,778	304,656
6.03.02	Interest payment	(51,025)	(32,679)
6.03.03	Shareholders' contributions	2,938	278,278
6.03.04	Share issuance costs	-	(3,760)
6.03.05	Payment of due to related parties	(5,948)	(55,517)
6.03.06	Increase in due to related parties	5,948	55,517
6.03.07	Contributions from (distributions to) noncontrolling shareholders	62	34
6.03.08	Dividend payment	(2,938)	(816)
6.03.09	Amortization of borrowings, financing and debentures	(270,603)	(110,652)
6.05	Increase (decrease) in cash and cash equivalents	(46,619)	171,475
6.05.01	Cash and cash equivalents at beginning of period	151,200	24,095
6.05.02	Cash and cash equivalents at end of period	104,581	195,570

Consolidated / Statement of Changes in Shareholder's Equity – 01/01/2014 to 09/30/2014

(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	PARTICIPATION OF NON-CONTROLLING	CONSOLIDATED SHAREHOLDERS' EQUITY
5.01	Opening balance	171,453	525,576	42,868	-	-	739,897	88	739,985
5.02	Prior year adjust	-	-	-	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	391	2,825	-	-	-	3,216	(3)	3,213
5.04.01	Capital increase	391	-	-	-	-	391	-	391
5.04.03	Recognized options granted	-	278	-	-	-	278	-	278
5.04.08	Share subscription premium	-	2,547	-	-	-	2,547	-	2,547
5.04.09	Distribution to noncontrolling interest, net	-	-	-	-	-	-	(3)	(3)
5.05	Total comprehensive income	-	-	-	260,595	-	260,595	65	260,660
5.05.01	Net income (loss) for the period	-	-	-	260,595	-	260,595	65	260,660
5.07	Closing balance	171,844	528,401	42,868	725,035	-	1,468,148	209	1,468,357

Consolidated / Statement of Changes in Shareholder's Equity – 01/01/2013 to 09/30/2013

(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	PARTICIPATION OF NON-CONTROLLING	CONSOLIDATED SHAREHOLDERS' EQUITY
5.01	Opening balance	134,362	286,521	14,884	-	-	435,767	55	435,822
5.03	Adjusted opening balance	134,362	286,521	14,884	-	-	435,767	55	435,822
5.04	Shareholders capital transaction	37,091	238,951	-	-	-	276,042	34	276,076
5.04.01	Capital increase	37,091	-	-	-	-	37,091	34	37,125
5.04.02	Share issuance costs	-	(2,483)	-	-	-	(2,483)	-	(2,483)
5.04.03	Recognized options granted	-	247	-	-	-	247	-	247
5.04.08	Share subscription premium	-	241,187	-	-	-	241,187	-	241,187
5.05	Total comprehensive income	-	-	-	25,361	-	25,361	-	25,361
5.05.01	Net income (loss) for the period	-	-	-	25,361	-	25,361	-	25,361
5.07	Closing balance	171,453	525,472	14,884	25,361	-	737,170	89	737,259

Consolidated / Statement of Value Added

(In thousands of Brazilian reais – R$)

Code	Description	01/01/2014 to 09/30/2014	01/01/2013 to 09/30/2013
7.01	Revenue	419,637	299,765
7.01.01	Revenues from sales of goods, services and products	49,737	79,890
7.01.02	Other revenue	180,443	96
7.01.02.01	Other revenue	584	96
7.01.02.02	Change in Fair Value of Investment Property	179,859	-
7.01.03	Revenue from construction of own assets	189,457	219,955
7.01.04	Allowance for doubtful accounts	-	(176)
7.02	Inputs purchased from third parties	(119,406)	(174,035)
7.02.02	Supplies, power, outside services and other items	(119,406)	(174,035)
7.03	Gross value added	300,231	125,730
7.04	Retentions	(47)	(9,370)
7.04.01	Depreciation, amortization and depletion	(47)	(9,370)
7.05	Net value added generated	300,184	116,360
7.06	Value added received in transfer	74,731	10,654
7.06.01	Results from equity participation	68,842	4,759
7.06.02	Financial income	5,889	5,895
7.07	Total value added for distribution	374,915	127,014
7.08	Value added distributed	374,915	127,014
7.08.01	Personnel	19,132	23,296
7.08.01.01	Salaries and wages	14,875	19,101
7.08.01.02	Benefits	2,775	2,452
7.08.01.03	Severance Pay Fund (FGTS)	1,482	1,743
7.08.02	Taxes, charges and contributions	15,229	16,082
7.08.02.01	Federal	12,175	12,743
7.08.02.02	State	5	93
7.08.02.03	Municipal	3,049	3,246
7.08.03	Debt remuneration	79,897	62,275
7.08.03.01	Interest	68,333	47,525
7.08.03.02	Rentals	11,505	14,697
7.08.03.03	Others	59	53
7.08.04	Shareholders	260,657	25,361
7.08.04.03	Earnings retained in the period	260,595	25,361
7.08.04.04	Participation of Non-Controlling Interests in retained earnings	62	-

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, 2013, published on March 28, 2014 in the newspapers Diário Oficial do Estado de Minas Gerais (Minas Gerais State Gazette) and Hoje em Dia (hereinafter referred to as "financial statements for the year ended December 31, 2013").

The Company and its subsidiaries (Group) continue to be at a stage of significant expansion, purchasing and building warehouses and other projects to be leased and/or sold in the future. In the 3rd quarter, the Group completed the funding of R$140,000 related to the 5th issue of debentures. Currently, the Group has approved credit facilities amounting to R$200,000.

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

(a) Presentation of interim financial information

The Company's interim financial information comprise:

- The condensed consolidated interim 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 Consolidated; and
- The condensed individual interim financial statements prepared in accordance with CPC21 (R1) - *Demonstração Intermediária* (Interim Financial Reporting), identified as Individual.

(b) Significant accounting policies

Except for the change in investment property valuation accounting policy, described in note (d) below, the policies accounting adopted in preparing this interim financial information are consistent with those adopted in preparing the financial statements for the year ended December 31, 2013.

(c) New accounting standards issued and not yet adopted

The IASB standard described below was published but its adoption is not yet mandatory and, therefore, the Group did not early adopt it for the nine-month period ended September 30, 2014. The Group will implement this standard as their application becomes mandatory, although no material impact is expected on the interim financial information and the financial statements.

Standard	Description	Effective date
IFRS 9 *Financial Instruments*	Addresses the classification, measurement, and recognition of financial assets and financial liabilities. Refers to the first stage of the project for replacement of IAS 39 Financial Instruments: Recognition and Measurement.	Annual periods beginning on or after January 1, 2015.
IFRS 15 *Revenue from Contracts with Customers*	Single source of requirements that address revenue, from all entities, in all industries. Establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, and timing of revenue arising from contracts with customers. The standard will supersede all IFRS standards and interpretations that address revenue, including: CPC 17 (R1) - *Contratos de construção* (IAS11 *Construction Contracts*), CPC 30 (R1) - *Receitas* (IAS 18 *Revenue*), ICPC 02 - *Contrato de construção do setor imobiliário* (IFRIC 15 *Agreements for the Construction of Real Estate*), ICPC 11 - *Recebimento em transferência de ativos dos clientes* (IFRIC 18 *Transfers of Assets from Customers*), IFRIC 13 *Customer Loyalty Programmes*, and SIC 31 *Revenue – Barter Transactions Involving Advertising Services*.	Annual periods beginning on or after January 1, 2017.

(d) Change in accounting policy

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 and, 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, without restating the comparative information for the same period of the previous year.

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**

The other information related to this note did not change significantly in relation to the information disclosed in note 2 to the financial statements for the year ended December 31, 2013.

3. Cash and cash equivalents

Broken down as follows:

	Individual		**Consolidated**	
	09/30/14	**12/31/13**	**09/30/14**	**12/31/13**
Cash	**19**	19	**21**	21
Bank checking accounts	**99,311**	108	**99,721**	475
Short-term investments:				
Bank deposit certificates (CDBs)	**-**	69,495	**-**	83,054
Certificates backed by debentures	**4,839**	9,516	**4,839**	27,340
Mutual funds	**-**	-	**-**	40,310
Total	**104,169**	79,138	**104,581**	151,200

The other information on cash and cash equivalents did not change significantly in relation to the information disclosed in note 3 to the financial statements for the year ended December 31, 2013.

4. Trade receivables

Trade receivables are broken down as follows:

	Individual		Consolidated	
	09/30/14	**12/31/13**	**09/30/14**	**12/31/13**
Leases	**5,331**	4,409	**17,068**	11,959
Land sales	**-**	-	**12,585**	21,870
Other	**580**	1,236	**2,431**	1,871
	5,911	5,645	**32,084**	35,700
Allowance for doubtful debts	**-**	-	**(748)**	(748)
Total	**5,911**	5,645	**31,336**	34,952
Current	**3,711**	3,212	**23,213**	20,758
Noncurrent	**2,200**	2,433	**8,123**	14,194
	5,911	5,645	**31,336**	34,952

The table below shows the aging list of trade receivables:

	Individual		Consolidated	
	09/30/14	**12/31/13**	**09/30/14**	**12/31/13**
Undue:				
Up to 12 months	**3,661**	2,867	**22,743**	19,734
More than 12 months	**2,200**	2,433	**8,123**	14,194
	5,861	5,300	**30,866**	33,928
Past due:				
Up to 30 days	**5**	84	**219**	760
31 to 90 days	**1**	226	**1**	226
More than 90 days	**44**	35	**998**	786
	50	345	**1,218**	1,772
Total	**5,911**	5,645	**32,084**	35,700

Changes in allowance for doubtful debts for the nine-month periods ended September 30, 2014 and 2013 are as follows:

	Consolidated	
	Nine months	
	2014	**2013**
Opening balance	**(748)**	(572)
Recognition	**-**	(176)
Closing balance	**(748)**	(748)

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

	Individual		Consolidated	
	09/30/14	**12/31/13**	**09/30/14**	**12/31/13**
12 months	**19,874**	16,152	**86,773**	63,618
13 to 24 months	**17,787**	15,973	**77,699**	57,049
25 to 36 months	**12,038**	14,297	**61,148**	46,048
37 to 48 months	**3,819**	6,177	**40,111**	27,661
More than 48 months	**7,974**	5,854	**44,468**	36,447
Total	**61,492**	58,453	**310,199**	230,823

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, 2013.

5. Investments in subsidiaries and joint ventures

Refer to interest held in subsidiaries and jointly controlled entities 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
Joint ventures at start-up stage:		
Betim I Incorporações SPE Ltda. (“Betim subdivision)	-	Betim, MG
Parque Torino Imóveis S.A. (“Torino”)	-	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
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
MRV LOG SP I Incorporações SPE Ltda. (“Office Park Pirituba”)	-	São Paulo, 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		Information on Company			
	Share capital		Equity interest			
	09/30/14		09/30/14			12/31/13
	Amount	Number of shares	Number of shares	Contractual percentage		Contractual percentage	
Joint ventures:							
Cabral	39,247	64,054,000	32,027,000	50.00%		50.00%	
Betim subdivision	31,653	84,325,968	42,162,984	50.00%	(*)	50.00%	(*)
Torino	311,562	318,600	127,440	40.00%		40.00%	
Subsidiaries:							
LOG I	65,173	50,000,000	49,995,000	99.99%		99.99%	
LOG II	20,400	18,000,000	17,998,200	99.99%		99.99%	
LOG Jundiaí	36,130	35,876,919	35,874,919	99.99%		99.99%	
LOG Goiânia	48,020	10,000	9,990	99.90%		99.90%	
LOG Hortolândia	72,840	13,000,000	13,000,000	100.00%		100.00%	
LOG SJP	16,659	23,351,000	23,351,000	100.00%		100.00%	
LOG Juiz de Fora	35,145	10,000	9,999	99.99%		99.99%	
LOG Feira de Santana	13,508	10,000	9,999	99.99%		99.99%	
LOG Fortaleza	39,966	34,037,979	34,037,978	99.99%		99.99%	
LOG Via Expressa	49,492	47,000,000	46,999,999	99.99%		99.99%	
LOG Campos	49,653	10,000	9,990	99.90%		99.90%	
LOG Viana	70,299	10,000	9,999	99.99%		99.99%	
LOG Londrina	31,576	10,000	9,999	99.99%		99.99%	
LOG Itatiaia	27,605	41,410,838	41,410,837	99.99%		99.99%	
LOG SJC Sony	54,149	52,500,000	52,499,999	100.00%		100.00%	
Office Park Pirituba	105,973	10,000	9,999	99.99%		99.99%	
LOG Sumaré	713	10,000	9,999	99.99%		99.99%	
LOG SJRP	9,370	10,000	9,999	99.99%		99.99%	

	Information on investees		Information on Company		
	Share capital		Equity interest		
	09/30/14		09/30/14		12/31/13
	Amount	Number of shares	Number of shares	Contractual percentage	Contractual percentage
LOG Macaé	13,382	10,000	9,999	99.99%	99.99%
LOG RP	19,638	10,000	9,999	99.99%	99.99%
LOG Curitiba	25,958	10,000	9,999	99.99%	99.99%
LOG Rio	17,127	10,000	9,999	99.99%	99.99%
LOG Aracajú	13,915	10,000	9,999	99.99%	99.99%
LOG Uberaba	5,477	10,000	9,900	99.00%	0.00%
LDI	15,387	24,690,048	24,689,948	100.00%	100.00%

(*) Actual equity interest percentage of 42.88% at September 30, 2014 (39.10% at December 31, 2013).

	Information on investees			
	Shareholders' equity		Investment	
	09/30/14	12/31/13	09/30/14	12/31/13
Joint ventures:				
Cabral	**143,972**	102,258	**71,986**	51,770
Betim subdivision	**73,647**	69,070	**31,580**	27,008
Torino (*)	**311,561**	183,126	**124,650**	73,276
Capitalized interest (**)	**-**	-	**3,453**	4,875
Total joint ventures - Consolidated	**529,180**	354,454	**231,669**	156,929
Subsidiaries:				
LOGI	**144,378**	65,755	**144,364**	65,748
LOGII	**36,892**	20,533	**36,888**	20,531
LOG Jundiaí	**69,307**	36,168	**69,300**	36,164
LOG Goiânia	**105,909**	45,576	**105,803**	45,530
LOG Hortolândia	**118,071**	74,331	**118,071**	74,331
LOG SJP	**20,948**	15,169	**20,948**	15,167
LOG Juiz de For a	**60,935**	32,396	**60,929**	32,393
LOG Feira de Santana	**19,344**	23,416	**19,342**	23,414
LOG Fortaleza	**105,692**	33,602	**105,681**	33,597
LOG Via Expressa	**83,270**	64,053	**83,262**	64,047
LOG Campos	**81,773**	41,080	**81,691**	41,036
LOG Viana	**93,885**	60,232	**93,876**	60,226
LOG Londrina	**75,542**	25,630	**75,534**	25,627
LOG Itatiaia	**28,007**	25,561	**28,004**	25,558
LOG SJC Sony	**81,611**	53,946	**81,611**	53,946
Office Park Pirituba	**128,491**	102,042	**128,478**	102,032
LOG Sumaré	**9**	(3)	**9**	(3)
LOG SJRP	**23,383**	9,308	**23,381**	9,307
LOG Macaé	**19,930**	13,348	**19,928**	13,347
LOG RP	**51,854**	18,991	**51,849**	18,989
LOG Curitiba	**92,053**	25,598	**92,044**	25,595
LOG Rio	**20,652**	16,600	**20,650**	16,598
LOG Aracajú	**15,731**	10,315	**15,729**	10,314
LOG Uberaba	**6,249**	-	**6,187**	-
LDI	**14,675**	27,093	**14,675**	27,093
Capitalized interest (**)	**-**	-	**-**	101,894
Total subsidiaries	**1,498,591**	840,740	**1,498,234**	942,481
Total Individual	**2,027,771**	1,195,194	**1,729,903**	1,099,410

	Information on investees							
	Profit (loss) for the period				Equity for the period			
	2014		2013		2014		2013	
	3rd quarter	Nine months	3rd quarter	Nine months	3rd quarter	Nine months	3rd quarter	Nine months
Joint ventures:								
Cabral	**1,296**	**42,991**	2,967	9,531	**648**	**20,215**	1,484	4,766
Betim subdivision	**(1)**	**(2)**	(13)	(17)	**(1)**	**(1)**	(6)	(7)
Torino (*)	**645**	**128,436**	-	-	**258**	**51,374**	-	-
Capitalized interest (**)	**-**	**-**	-	-	**-**	**(2,746)**	-	-
Total joint ventures - Consolidated	**1,940**	**171,425**	2,954	9,514	**905**	**68,842**	1,478	4,759
Subsidiaries:								
LOG I	**1,777**	**7,608**	2,090	5,716	**1,777**	**7,607**	2,089	5,715
LOG II	**604**	**3,119**	395	1,214	**604**	**3,119**	395	1,214
LOG Jundiaí	**1,469**	**3,349**	940	2,804	**1,469**	**3,349**	939	2,803
LOG Goiânia	**883**	**31,988**	(109)	(513)	**882**	**31,956**	(109)	(513)
LOG Hortolândia	**1,662**	**(5,721)**	768	1,221	**1,662**	**(5,721)**	768	1,221
LOG SJP	**(276)**	**4,387**	(848)	(1,028)	**(276)**	**4,387**	(848)	(1,028)
LOG Juiz de Fora	**282**	**2,554**	(120)	(22)	**282**	**2,554**	(120)	(22)
LOG Feira de Santana	**175**	**(1,316)**	(295)	(303)	**175**	**(1,316)**	(295)	(303)
LOG Fortaleza	**2,204**	**35,269**	37	38	**2,204**	**35,266**	37	38
LOG Via Expressa	**298**	**(6,750)**	180	169	**298**	**(6,749)**	180	169
LOG Campos	**1,146**	**34,926**	(3)	(7)	**1,145**	**34,891**	(3)	(7)
LOG Viana	**3,352**	**19,102**	(24)	(36)	**3,352**	**19,100**	(24)	(36)
LOG Londrina	**491**	**35,287**	(43)	(43)	**490**	**35,283**	(43)	(43)
LOG Itatiaia	**397**	**(269)**	(1)	(1)	**397**	**(269)**	(1)	(1)
LOG SJC Sony	**2,030**	**6,586**	-	(1)	**2,030**	**6,586**	-	(1)
Office Park Pirituba	**(16)**	**(28,786)**	1	-	**(16)**	**(28,783)**	1	-
LOG Sumaré	**-**	**(7)**	-	(1)	**-**	**(7)**	-	(1)
LOG SJRP	**335**	**8,751**	-	-	**335**	**8,750**	-	-
LOG Macaé	**472**	**1,064**	-	-	**472**	**1,064**	-	-
LOG RP	**719**	**18,618**	-	-	**719**	**18,616**	-	-
LOG Curitiba	**959**	**59,988**	-	-	**959**	**59,982**	-	-
LOG Rio	**624**	**3,013**	-	-	**624**	**3,013**	-	-
LOG Aracajú	**500**	**(2,379)**	-	-	**500**	**(2,379)**	-	-
LOG Uberaba	**151**	**773**	-	-	**149**	**765**	-	-
LDI	**377**	**1,371**	15,717	15,707	**377**	**1,371**	15,717	15,707
Capitalized interest (**)	**-**	**-**	-	-	**(15,117)**	**(41,352)**	-	-
Total subsidiaries	**20,615**	**232,525**	18,685	24,914	**5,493**	**191,083**	18,683	24,912
Total Individual	**22,555**	**403,950**	21,639	34,428	**6,398**	**259,925**	20,161	29,671

(*) The acquisition of 40% of Torino, in December 2013, generated goodwill based on expected future earnings amounting to R$26.
(**) Amount related to the capitalized financial charges on borrowings, financing, and debentures, realization of adjustment to present value and inflation adjustment of land payables taken by the Company for the acquisition/development of its investees' investment properties.

b) Joint ventures:

At the end of 2013, the Company acquired a 40% stake in Parque Torino Imóveis S.A. ("Torino"), which is engaged in the lease of own properties, construction, and development of real estate projects. The acquisition price was R$73,278 and was settled in 10 equal, consecutive monthly installments amounting to R$7,328. As at September 30, 2014, the amount payable by the Company is R$7,328 (R$65,950 at December 31, 2013).

The main financial information is as follows:

	Cabral		Betim subdivision		Torino	
	09/30/14	**12/31/13**	**09/30/14**	**12/31/13**	**09/30/14**	**12/31/13**
Cash and cash equivalents	**54,200**	7,245	**3**	3	**33,609**	3,408
Trade receivables	**431**	20,710	**-**	-	**10,160**	88,511
Inventories	**-**	-	**9,324**	5,155	**-**	-
Other current assets	**425**	464	**1**	-	**6,751**	-
Total current assets	**55,056**	28,419	**9,328**	5,158	**50,520**	91,919
Inventories	**-**	-	**64,513**	64,040	**-**	-
Investment property	**85,733**	42,112	**-**	-	**275,322**	103,244
Other noncurrent assets	**14,102**	41,472	**2**	1	**-**	-
Total noncurrent assets	**99,835**	83,584	**64,515**	64,041	**275,322**	103,244
Total assets	**154,891**	112,003	**73,843**	69,199	**325,842**	195,163
Current liabilities	**5,084**	3,702	**196**	129	**1,152**	157
Noncurrent liabilities	**5,835**	6,043	**-**	-	**13,129**	11,880
Shareholders' equity	**143,972**	102,258	**73,647**	69,070	**311,561**	183,126
Liabilities and shareholders' equity	**154,891**	112,003	**73,843**	69,199	**325,842**	195,163

	Cabral				Betim subdivision				Torino	
	2014		2013		2014		2013		2014	
	3rd qtr.	**9M**	**3rd qtr.**	**9M**	**3rd qtr.**	**9M**	**3rd qtr.**	**9M**	**3rd qtr.**	**9M**
Operating revenue	**950**	**8,064**	13,792	43,265	**-**	**-**	-	-	**-**	**-**
Cost of services	**6**	**(3,705)**	(10,151)	(32,503)	**-**	**-**	-	-	**(43)**	**(184)**
Financial income (expenses)	**946**	**40,825**	(161)	514	**(1)**	**(2)**	(13)	(17)	**1,045**	**129,392**
Income tax and social contribution	**(606)**	**(2,193)**	(513)	(1,745)	**-**	**-**	-	-	**(357)**	**(772)**
Profit (loss) for the period	**1,296**	**42,991**	2,967	9,531	**(1)**	**(2)**	(13)	(17)	**645**	**128,436**

c) The changes in the balances of investments in subsidiaries and jointly controlled entities for the nine-month periods ended September 30, 2014 and 2013 are as follows:

	Opening balances	**Fair value adjustment to the opening balance of investment**	**Adjusted opening balance at 01/01/14**	**Capital contributions (reversals)**	**Equity in investees**	**Dividends received**	**Other**	**Closing balances**
Nine-month period ended September 30, 2014:								
Joint ventures:								
Cabral	51,770	-	51,770	1	20,215	-	-	71,986
Betim subdivision	27,008	-	27,008	4,573	(1)	-	-	31,580
Torino	73,276	-	73,276	-	51,374	-	-	124,650
Capitalized interest (*)	4,875	-	4,875	-	(2,746) (**)	-	1,324	3,453
Total joint ventures - Consolidated	**156,929**	**-**	**156,929**	**4,574**	**68,842**	**-**	**1,324**	**231,669**
Subsidiaries:								
LOG I	65,748	80,344	146,092	214	7,607	(9,549)	-	144,364
LOG II	20,531	15,959	36,490	36	3,119	(2,757)	-	36,888
LOG Jundiaí	36,164	36,588	72,752	275	3,349	(7,076)	-	69,300
LOG Goiânia	45,530	32,210	77,740	1,096	31,956	(4,989)	-	105,803
LOG Hortolândia	74,331	54,340	128,671	271	(5,721)	(5,150)	-	118,071
LOG SJP	15,167	2,882	18,049	3	4,387	(1,491)	-	20,948
LOG Juiz de Fora	32,393	23,607	56,000	2,525	2,554	(150)	-	60,929
LOG Feira de Santana	23,414	9,651	33,065	(10,499)	(1,316)	(1,908)	-	19,342
LOG Fortaleza	33,597	32,707	66,304	6,114	35,266	(2,003)	-	105,681
LOG Via Expressa	64,047	43,843	107,890	(14,435)	(6,749)	(3,444)	-	83,262
LOG Campos	41,036	(2,768)	38,268	8,532	34,891	-	-	81,691
LOG Viana	60,226	7,906	68,132	9,979	19,100	(3,335)	-	93,876
LOG Londrina	25,627	8,751	34,378	5,873	35,283	-	-	75,534
LOG Itatiaia	25,558	730	26,288	1,985	(269)	-	-	28,004
LOG SJC Sony	53,946	20,885	74,831	194	6,586	-	-	81,611
Office Park Pirituba	102,032	51,314	153,346	3,916	(28,783)	(1)	-	128,478

	Opening balances	Fair value adjustment to the opening balance of investment	Adjusted opening balance at 01/01/14	Capital contributions (reversals)	Equity in investees		Dividends received	Other	Closing balances
LOG Sumaré	(3)	-	(3)	19	(7)		-	-	9
LOG SJRP	9,307	5,269	14,576	55	8,750		-	-	23,381
LOG Macaé	13,347	6,071	19,418	37	1,064		(591)	-	19,928
LOG RP	18,989	13,605	32,594	640	18,616		(1)	-	51,849
LOG Curitiba	25,595	6,112	31,707	355	59,982		-	-	92,044
LOG Rio	16,598	518	17,116	522	3,013		(1)	-	20,650
LOG Aracajú	10,314	4,206	14,520	3,594	(2,379)		(6)	-	15,729
LOG Uberaba	-	-	-	5,422	765		-	-	6,187
LDI	27,093	3	27,096	(10,985)	1,371		(2,807)	-	14,675
Capitalized interest (*)	101,894	(101,894)	-	-	(41,352)	(**)	-	-	-
Total subsidiaries	942,481	352,839	1,295,320	15,738	191,083		(45,259)	-	1,498,234
Total Individual	1,099,410	352,839	1,452,249	20,312	259,925		(45,259)	1,324	1,729,903
Nine-month period ended September 30, 2013:									
Total Consolidated	57,110	-	-	15,681	4,759		-	(483)	77,067
Total Individual	695,160	-	-	265,024	29,671		(12,021)	37,139	1,014,973

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

(**) Write-off of the capitalized interest because of the adoption of the fair value for investment property (see note 2(d)).

As referred to in note 2 (d), 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, 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 equity in investees for the second quarter of 2014. The effects for the third quarter of 2014 and nine-month period ended September 30, 2014 are as follows:

	Cabral		Torino	
	3rd quarter	Nine months	3rd quarter	Nine months
Equity in investees - profit for the period	**648**	**2,022**	**258**	**541**
Fair value adjustment of investment property	**-**	**18,193**	**-**	**50,833**
Closing equity in investees	**648**	**20,215**	**258**	**51,374**

The other information on Interests 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, 2013.

6. Investment property

	09/30/2014		12/31/2013	
	Fair value		Cost	
	Individual	Consolidated	Individual	Consolidated
Industrial warehouses	**283,762**	**1,953,653**	156,571	1,090,753
Offices	**-**	**130,221**	-	147,625
Strip mall	**69,843**	**69,843**	29,427	8,243
Total Consolidated	**353,605**	**2,153,717**	185,998	1,246,621

Changes in investment property for the quarter and nine-month periods ended September 30, 2014 and 2013 are as follows:

	Individual				Consolidated			
	2014		2013		2014		2013	
	3rd quarter	Nine months	3rd quarter	Nine months	3rd quarter	Nine months	3rd quarter	Nine months
Opening balance	**344,129**	**185,998**	182,529	258,200	**2,093,180**	**1,246,621**	1,124,431	974,409
Fair value adjustment to opening balance	**-**	**116,602**	**-**	-	**-**	**502,327**	-	-
Adjusted opening balance	**344,129**	**302,600**	182,529	258,200	**2,093,180**	**1,748,948**	1,124,431	974,409
Contributions to investees (*)	**-**	**(5,018)**	(10,610)	(107,575)	**-**	-	-	-
Additions	**8,358**	**60,751**	6,311	25,434	**41,246**	**174,500**	73,832	203,177
Capitalized interest	**1,118**	**3,660**	722	4,497	**18,177**	**50,410**	16,234	42,602
Write-off	**-**	**-**	(311)	(311)	**-**	-	(25,824)	(25,824)
Depreciation	**-**	**-**	(1,235)	(2,839)	**-**	-	(3,676)	(9,367)
Changes in fair value	**-**	**(8,388)**	-	-	**1,114**	**179,859**	-	-
Closing balance	**353,605**	**353,605**	177,406	177,406	**2,153,717**	**2,153,717**	1,184,997	1,184,997

(*) Refers to land acquired that were contributed to subsidiaries.

The impact of fair value on profit for the quarter and the nine-month periods ended September 30, 2014 was nil and R$8,388 in Individual and R$510 and R$171,201 on a consolidated basis, net of deferred PIS/COFINS amounting to R$604 and R$8,658, respectively.

The table below shows the net costs as compared to the fair values of the investment properties as at December 31, 2013, broken down into Individual and Consolidated:

	Cost	Fair value
Individual:		
Industrial warehouses	156,571	258,432
Strip mall	29,427	44,168
Total Individual	185,998	302,600
Consolidated:		
Industrial warehouses	1,090,753	1,547,385
Offices	147,625	157,395
Strip mall	8,243	44,168
Total Consolidated	1,246,621	1,748,948

The fair value measurement of investment property has been made by external appraisers, with the required qualifications and recent experience in the valuation of properties in similar locations, as at June 30, 2014, measured as follows:

- Land: valued made using the Direct Market Inputs Comparative Method, under which the land value is obtained by directly comparing the land with other similar property, located within the same geo-economic region.
- Ventures in operation or at construction stage: valued made using discounted cash flows for a ten-year period, when the disposal of the investment (divestment) is considered based on a hypothetical sale of the property simulating the perpetuity principle.

The following assumptions have been taken into consideration:

- The discount rates used take into account the characteristics of the properties being valued and range from 9.5% to 11.0% per annum.
- The divestment has been calculated using rates that range from 8.5% to 9.5% per annum.
- Projected expenses corresponding to a 1.5 rental as compensation for the work of the real estate consultant responsible for the lease of the property and a 2.0% of the residual sale price as compensation for the work of the real estate consultant responsible for the sale of the property at the end of horizon.

As at September 30, 2014, the fair values of investment property were internally measured as the values disclosed in a valuation report issued on June 30, 2014 plus the costs incurred in the third quarter of 2014.

As at September 30, 2014, out of the total R$2,153,717 in investment properties, R$1,851,077 has been pledged as collateral of borrowings and financing entered into by the Company and its subsidiaries (R$777,433 at December 31, 2013).

7. Loans, financing and debentures

a) Loans and financing

The position of loans and financing as at September 30, 2014 and December 31, 2013 is as follows:

			09/30/14			12/31/13
Type	**Maturity of principal**	**Effective financial charges p.a. (*)**	**Current**	**Noncurrent**	**Total**	**Total**
Individual:						
Working capital	Jul 13 to Jul 15	CDI + 3.50%	**10,266**	**-**	**10,266**	20,180
Working capital	Jul 14	CDI + 2.60%	**-**	**-**	**-**	91,010
Working capital	Dec 14	115% CDI + 2.99%	**100,000**	**-**	**100,000**	-
Working capital	Sep 13 to Sep 17	CDI + 2.36%	**8,539**	**17,462**	**26,001**	30,518
Construction financing	Dec 13 to Oct 24	CDI + 1.88%	**5,007**	**40,673**	**45,680**	47,379
Construction financing	Dec 13 to Nov 23	TR + 9.38%	**2,966**	**22,114**	**25,080**	26,193
Construction financing	Dec 13 to Nov 23	TR + 9.43%	**1,469**	**10,957**	**12,426**	12,978
Construction financing	Jul 14 to Jun 22	TR + 11.16%	**3,497**	**21,646**	**25,143**	24,220
Construction financing	Aug 14 to Jul 22	TR + 11.21%	**1,989**	**12,427**	**14,416**	13,668
Construction financing	Apr 15 to Sep 22	TR + 10.96%	**1,118**	**15,379**	**16,497**	15,173
Construction financing	Oct 15 to Sep 25	TR + 9.50%	**-**	**4,137**	**4,137**	-
Construction financing	Mar 15 to Jul 23	TR + 9.40%	**855**	**10,070**	**10,925**	6,863
(-) Financing cost			**(1,378)**	**(2,668)**	**(4,046)**	(4,649)
Total Individual			**134,328**	**152,197**	**286,525**	283,533
Subsidiaries:						
Working capital	Oct 14 to Oct 15	13.11%	**13,000**	**-**	**13,000**	-
Construction financing	Dec 13 to Nov 23	TR + 9.35%	**1,571**	**11,743**	**13,314**	13,918
Construction financing	Feb 14 to Jan 22	TR + 11.62%	**2,679**	**15,573**	**18,252**	19,010
Construction financing	Aug 14 to Jul 22	TR + 11.01%	**1,240**	**7,770**	**9,010**	8,557
Construction financing	Nov 14 to Oct 22	TR + 10.70%	**565**	**4,307**	**4,872**	4,298
Construction financing	Feb 15 to Jan 25	TR + 10.03%	**934**	**12,970**	**13,904**	12,883
Construction financing	Apr 15 to Mar 25	TR + 9.95%	**597**	**11,161**	**11,758**	10,251
Construction financing	Feb 15 to Jan 25	TR + 9.96%	**1,381**	**19,172**	**20,553**	18,148
Construction financing	Apr 15 to Mar 25	TR + 9.88%	**1,355**	**25,315**	**26,670**	23,618
Construction financing	Apr 15 to Mar 25	TR + 9.99%	**602**	**11,246**	**11,848**	10,063
Construction financing	Apr 15 to Mar 25	TR + 9.80%	**704**	**13,149**	**13,853**	10,440
Construction financing	Oct 14 to Sep 25	TR + 9.50%	**-**	**20,181**	**20,181**	17,881
Construction financing	Aug 14 to Jul 25	TR + 9.67%	**2,014**	**17,850**	**19,864**	7,696
Construction financing	Jan 15 to Dec 22	TR + 9.90%	**2,470**	**21,583**	**24,053**	17,298
Construction financing	May 15 to Apr 23	TR + 9.90%	**842**	**12,935**	**13,777**	-
Construction financing	Aug 15 to Jul 23	TR + 9.90%	**275**	**8,976**	**9,251**	-
Construction financing	Jan 15 to Apr 23	TR + 9.59%	**2,514**	**23,037**	**25,551**	23,732
Construction financing	Jan 15 to Apr 23	TR + 9.60%	**1,526**	**13,977**	**15,503**	14,414
Construction financing	Apr 16 to Mar 26	TR + 9.90%	**-**	**22,738**	**22,738**	-
Construction financing	Feb 16 to Jan 26	TR + 9.69%	**-**	**5,162**	**5,162**	-
(-) Financing cost			**(1,393)**	**(4,413)**	**(5,806)**	(3,871)
Total subsidiaries			**32,876**	**274,432**	**307,308**	208,336
Total Consolidated			**167,204**	**426,629**	**593,833**	491,869

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

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

	Individual		Consolidated	
	09/30/14	**12/31/13**	**09/30/14**	**12/31/13**
After the reporting period				
12 months	**134,328**	117,380	**167,204**	121,414
13 to 24 months	**25,666**	33,747	**57,896**	56,472
25 to 36 months	**25,804**	24,018	**58,034**	46,738
37 to 48 months	**17,074**	21,953	**49,302**	44,675
More than 48 months	**83,653**	86,435	**261,397**	222,570
Total	**286,525**	283,533	**593,833**	491,869

Changes in borrowings and financing:

	Individual		Consolidated	
	Nine months of		Nine months of	
	2014	**2013**	**2014**	**2013**
Opening balance	**283,533**	287,886	**491,869**	324,471
Funding	**157,208**	90,632	**246,100**	209,266
Accrued financial charges	**23,168**	22,781	**42,895**	28,006
Borrowing costs	**(1,140)**	(580)	**(3,457)**	(2,099)
Amortization of borrowing costs	**1,740**	1,812	**2,123**	1,529
Repayment of principal	**(155,803)**	(106,252)	**(155,803)**	(106,252)
Payment of financial charges	**(22,181)**	(19,145)	**(29,894)**	(19,331)
Closing balance	**286,525**	277,134	**593,833**	435,590

Funding during the nine-month period ended September 30, 2014 was as follows:

	Maturity of principal	**Effective financial charges (*)**	**Amount raised**
Individual:			
Working capital	Mar 14	CDI + 1.60%	10,000
Working capital	Jul 14	CDI + 2.70%	40,000
Working capital	Dec 14	CDI	100,000
Construction financing	Oct 15 to Sep 25	TR + 9.50%	3,883
Construction financing	Mar 15 to Jul 23	TR + 9.40%	3,325
Total Individual			157,208
Subsidiaries:			
Working capital	Oct 14 to Oct 15	13.11%	13,000
Construction financing	Apr 15 to Mar 25	TR + 9.95%	640
Construction financing	Feb 15 to Jan 25	TR + 9.96%	909
Construction financing	Apr 14 to Jul 25	TR + 9.67%	11,847
Construction financing	Jan 15 to Apr 23	TR + 9.59%	23
Construction financing	Jan 15 to Apr 23	TR + 9.60%	1
Construction financing	Aug 14 to Jul 25	TR + 9.67%	414
Construction financing	Apr 15 to Mar 25	TR + 9.99%	976
Construction financing	Nov 14 to Oct 22	TR + 10.70%	208
Construction financing	Feb 16 to Jan 26	TR + 9.69%	5,080
Construction financing	Apr 15 to Mar 25	TR + 9.80%	2,480
Construction financing	Apr 15 to Mar 25	TR + 9.88%	1,195
Construction financing	Oct 15 to Sep 25	TR + 9.50%	935
Construction financing	Jan 15 to Dec 22	TR + 9.90%	6,572
Construction financing	May 15 to Apr 23	TR + 9.90%	13,631
Construction financing	Aug 15 to Jul 23	TR + 9.90%	9,154
Construction financing	Apr 16 to Mar 26	TR + 9.90%	21,827
Total subsidiaries			88,892
Total Consolidated			246,100

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

b) Debentures

The position of debentures at June 30, 2014 and December 31, 2013 is as follows:

			Individual and Consolidated			
			09/30/14			12/31/13
Issue	Maturity of principal	Effective financial charges p.a. (*)	Current	Noncurrent assets	Total	Total
1st issue of debentures	Feb 14	CDI + 2.64%	**-**	**-**	**-**	109,474
2nd issue of debentures	Dec 12 to Jun 19	CDI + 2.17%	**12,663**	**52,799**	**65,462**	68,242
3rd issue of debentures	Jun 14 to Jun 20	CDI + 2.07%	**9,048**	**93,000**	**102,048**	100,849
4th issue of debentures	Aug 16 to Feb 19	CDI + 2.13%	**1,111**	**99,999**	**101,110**	-
5th issue of debentures	Jul 16 to Jul 18	118% CDI + 0.62%	**2,925**	**140,000**	**142,925**	-
(-) Funding cost			**(1,725)**	**(5,857)**	**(7,582)**	(3,518)
Total			**24,022**	**379,941**	**403,963**	275,047

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

In the nine-month period ended September 30, 2014 the Company settled the 1st issue of debentures and conducted the 4th and 5th issues of unsecured, nonconvertible, registered, book-entry debentures, totaling R$100,000 at the issue date, for the 4th issue, which pay interest equivalent to 100% of CDI plus spread of 1.85% per annum (contractual interest) and R$140,000, for the 5th issue, which pay interest equivalent to 118% of CDI. The 4th issue interest will be paid in semiannually, commencing in August 2014, and principal will be repaid in six semiannual installments, commencing August 2016. The 5th issue interest will be paid in semiannually, commencing in January 2015, and principal will be repaid in five equal, semiannual installments, commencing July 2016.

The debentures issued are simple and nonconvertible. The 4th and 5th issues consist of unsecure debentures with additional guarantee, represented by mortgages and liens, respectively, and the other issues are collateralized.

The table below shows the debentures payment schedule:

	Individual and Consolidated					
	09/30/14					12/31/13
After the reporting period	2nd issue	3rd issue	4th issue	5th issue	Total	Total
Amortization:						
12 months	**12,663**	**9,048**	**1,111**	**2,925**	**25,747**	124,565
13 to 24 months	**12,000**	**10,000**	**10,000**	**28,000**	**60,000**	17,200
25 to 36 months	**12,800**	**15,000**	**25,000**	**56,000**	**108,800**	26,400
37 to 48 months	**13,600**	**18,000**	**30,000**	**56,000**	**117,600**	28,800
After 48 months	**14,399**	**50,000**	**34,999**	**-**	**99,398**	81,600
Total	**65,462**	**102,048**	**101,110**	**142,925**	**411,545**	278,565
Costs:						
12 months	**(220)**	**(361)**	**(282)**	**(862)**	**(1,725)**	(658)
13 to 24 months	**(221)**	**(363)**	**(283)**	**(868)**	**(1,735)**	(581)
25 to 36 months	**(221)**	**(363)**	**(283)**	**(869)**	**(1,736)**	(584)
37 to 48 months	**(222)**	**(363)**	**(283)**	**(726)**	**(1,594)**	(583)
After 48 months	**(64)**	**(611)**	**(117)**	**-**	**(792)**	(1,112)
Total	**(948)**	**(2,061)**	**(1,248)**	**(3,325)**	**(7,582)**	(3,518)
Total net	**64,514**	**99,987**	**99,862**	**139,600**	**403,963**	275,047

Changes in debentures are as follows:

	Individual and Consolidated	
	Nine months of	
	2014	**2013**
Opening balance	**275,047**	184,275
Funding	**240,000**	100,000
Accrued financial charges	**26,975**	16,437
Borrowing costs	**(4,865)**	(2,511)
Amortization of borrowing costs	**800**	615
Repayment of principal	**(114,800)**	(4,400)
Payment of financial charges	**(19,194)**	(8,171)
Closing balance	**403,963**	286,245

Funding during the nine-month period ended September 30, 2014 was as follows:

Type	Maturity of principal	Effective financial charges (*)	Amount raised
Individual and Consolidated:			
4th issue of debentures	Ago 16 to Feb 19	CDI + 2.13%	**100,000**
5th issue of debentures	Jul 16 to Jul 18	118% CDI + 0.62%	**140,000**
Total			**240,000**

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

c) Guarantees

The table below shows the types of guarantee for loans, financing and debentures at September 30, 2014:

	Working capital	Construction financing	Debentures	Total	
Collateral/surety	100,000	454,418	-	554,418	
Surety	26,001	-	-	26,001	
Collateral/receivables	-	-	411,545	411,545	
Receivables	13,000	-	-	13,000	
Unsecured	10,266	-	-	10,266	
Total	149,267	454,418	411,545	1,015,230	(*)

(*) 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			
	2014		2013	
	3rd quarter	Nine months	3rd quarter	Nine months
Finance charges:				
Loans, financing and debentures	**(19,515)**	**(52,683)**	(15,362)	(41,645)
Charges due to related parties	**(621)**	**(1,654)**	-	(701)
Realization of PVA and adjustment of land payable	**(17)**	**(166)**	(1,176)	(4,978)
Total financial charges	**(20,153)**	**(54,503)**	(16,538)	(47,324)
Interest capitalized on:				
Investment property (note 6)	**1,118**	**3,660**	722	4,497
Investment	**15,754**	**42,676**	13,660	37,533
	(3,281)	**(8,167)**	(2,156)	(5,294)
Other financial expenses	**(69)**	**(1,240)**	(427)	(1,215)
Financial charges allocated to profit or loss	**(3,350)**	**(9,407)**	(2,583)	(6,509)

	Consolidated			
	2014		2013	
	3rd quarter	Nine months	3rd quarter	Nine months
Finance charges:				
Loans, financing and debentures	**(27,206)**	**(72,793)**	(17,983)	(46,587)
Charges due to related parties	**(34)**	**(34)**	-	(701)
Realization of PVA and adjustment of land payable	**(17)**	**(166)**	(1,176)	(4,978)
Total financial charges	**(27,257)**	**(72,993)**	(19,159)	(52,266)
Interest capitalized on:				
Investment property (note 6)	**18,177**	**50,410**	16,234	42,602
Investment	**637**	**1,324**	(2,001)	(483)
	(8,443)	**(21,259)**	(4,926)	(10,147)
Other financial expenses	**(39)**	**(1,087)**	(82)	(321)
Financial charges allocated to profit or loss	**(8,482)**	**(22,346)**	(5,008)	(10,468)

In the nine-month period ended September 30, 2014, total capitalized borrowings, financing and debentures represented an average charge rate of 12.59% per annum (10.22% per annum in the nine-month period ended September 30, 2013).

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, 2013.

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 profit as follows:

	Individual			
	2014		2013	
	3rd quarter	Nine months	3rd quarter	Nine months
Income before income tax and social contribution	**4,063**	**245,686**	19,606	23,716
Statutory rate - income tax and social contribution	**34%**	**34%**	34%	34%
Nominal expense	**(1,381)**	**(83,533)**	(6,666)	(8,063)
Effect of IRPJ and CSLL on permanent differences:				
Results from equity participation grossed with written-off capitalized interest	**7,316**	**103,368**	6,855	10,088
Unrecognized tax credit	**(5,251)**	**(5,251)**		
Other	**277**	**325**	(74)	(380)
IRPJ and CSLL credit (expenses) in profit or loss	**961**	**14,909**	115	1,645

	Consolidated			
	2014		2013	
	3rd quarter	Nine months	3rd quarter	Nine months
Income before income tax and social contribution	**5,413**	**255,561**	22,534	28,202
Statutory rate - income tax and social contribution	**34%**	**34%**	34%	34%
Nominal expense	**(1,840)**	**(86,891)**	(7,662)	(9,589)
Effect of IRPJ and CSLL on permanent differences:				
Results from equity participation grossed with written-off capitalized interest	**(626)**	**24,340**	503	1,618
Tax basis difference for companies taxes based on deemed income	**5,782**	**72,268**	4,420	5,509
Unrecognized tax credit	**(5,251)**	**(5,251)**		
Other	**1,526**	**633**	(74)	(379)
IRPJ and CSLL (expenses) credit in income statement	**(409)**	**5,099**	(2,813)	(2,841)

(b) Deferred tax balances

The table below shows the breakdown of deferred tax assets (liabilities) disclosed in the balance sheets.

	Individual		Consolidated	
	09/30/14	12/31/13	09/30/14	12/31/13
Noncurrent assets:				
Income Tax and Social Contribution	**16,294**	6,386	**16,294**	6,505
Liabilities:				
Income Tax and Social Contribution	**-**	-	**(21,896)**	(1,579)
TAXES ON REVENUE (PIS/COFINS)	**-**	-	**(27,183)**	(1,016)
	-	-	**(49,079)**	(2,595)
Current	**-**	-	**(1,421)**	(1,625)
Noncurrent	**-**	-	**(47,658)**	(970)
Total	**-**	-	**(49,079)**	(2,595)

The bases to recognize deferred tax assets (liabilities) are as follows:

	Individual		Consolidated	
	09/30/14	12/31/13	09/30/14	12/31/13
Tax effect on:				
Deferred assets:				
Tax loss carryforwards	**9,225**	6,214	**10,804**	6,332
Capitalized interest	**44,497**	-	**44,497**	-
Temporary differences	**151**	172	**183**	173
	53,873	**6,386**	**55,484**	6,505
Reclassified deferred liabilities	**(37,579)**	-	**(39,190)**	-
Deferred assets	**16,294**	6,386	**16,294**	6,505
Deferred liabilities:				
Fair value appreciation on investment property	**(37,579)**	-	**(59,904)**	-
Rents receivable	**-**	-	**(794)**	(648)
Land sales receivable	**-**	-	**(388)**	(675)
Finance income taxed on a cash basis	**-**	-	**(1)**	(256)
	(37,579)	-	**(61,087)**	(1,579)
Reclassified deferred liabilities	**37,579**	-	**39,190**	-
Deferred tax liabilities – noncurrent	**-**	-	**(21,897)**	**(1,579)**

As at September 30, 2014, the estimated realization of deferred tax assets, based on the projection of future taxable income, prepared by the Company's management, is as follows:

	Individual	Consolidated
	Corporate Income Tax (IRPJ) and Social Contribution on Net Profit (CSLL)	
Expected realization:		
12 months	**3,653**	**3,801**
13 to 24 months	**6,100**	**6,267**
25 to 36 months	**3,898**	**5,195**
More than 36 months	**40,222**	**40,221**
Total	**53,873**	**55,484**

Reclassified deferred taxes are related to income taxes levied by the same taxation authority and were made individually by entity.

As at September 30, 2014, the balance of deferred PIS/COFINS liabilities refers to the tax effect on: (i) fair value appreciation on investment property; and (ii) rents receivable for the remaining balance.

The table below shows the movements in income tax (IRPJ) and social contribution (CSLL) assets and liabilities for the nine-month period ended September 30, 2014:

	Individual			Consolidated		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Opening balance	**6,386**	**-**	**6,386**	**6,505**	**(1,579)**	**4,926**
Deferred IRPJ and CSLL effect recognized in:						
- Shareholders' equity	**34,644**	**(39,645)**	**(5,001)**	**34,644**	**(54,664)**	**(20,020)**
- Profit (loss) for the period	**12,843**	**2,066**	**14,909**	**14,335**	**(4,844)**	**9,491**
Closing balance	**53,873**	**(37,579)**	**16,294**	**55,484**	**(61,087)**	**(5,603)**

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 10 to the financial statements for the year ended December 31, 2013.

10. Provisions for labor, tax and civil contingencies

The changes in the nine-month periods ended September 30, 2014 and 2013 are as follows:

	Individual and Consolidated	
	Nine months	
	2014	2013
Opening balance	**64**	17
Additions	**196**	68
Payment	**(94)**	-
Reversal	**(34)**	(26)
Closing balance	**132**	59

The lawsuits assessed as possible losses by the legal counsel, related basically to labor lawsuits, amount to R$274 as at September 30, 2014 (R$300 at December 31, 2013).

The other information on the provisions for civil, labor and tax contingencies is not significantly different from the information disclosed in note 11 to the financial statements for the year ended December 31, 2013.

11. Shareholders' equity

a) Common shares and issued capital

	Individual and Consolidated	
	09/30/14	**12/31/13**
Share capital	**171,844**	171,453
Number of common shares, without par value (thousand)	**171,844**	171,453

The Company's authorized capital at September 30, 2013 and December 31, 2012 is R$2,000,000.

In the nine-month periods ended September 30, 2014 and 2013, the Company's Extraordinary Shareholders' Meeting (ESM) approved, within the authorized capital ceiling, a capital increase, through the issue of registered, book-entry, common shares without par value:

Date of ESM approval	Description	Number of shares	Total outstanding shares after issuance	Unit price		Total capital increase	Capital after capital increase	Share issuance premium
		(thousand)	(thousand)	R$		R$'000	R$'000	R$'000
Nine months of 2013:								
18/04/13	Issue of new shares	146	134,508	5.59	(*)	146	134,508	670
25/06/13	Issue of new shares	36,945	171,453	7.51	(**)	36,945	171,453	240,517
Nine months of 2014:								
11/07/14	Issue of new shares	391	171,844	7.51	(**)	391	171,844	2,547

(*) R$1.00 allocated to the capital increase and R$4.59 allocated to the premium reserve.
(**) R$1.00 allocated to the capital increase and R$6.51 allocated to the premium reserve.

b) Mandatory minimum dividends

The 2013 dividends, amounting to R$2,938, were approved at the Annual Shareholders' Meeting (ASM) held on April 30, 2014 to be paid on May 30, 2014, afterward postponed to July 11, 2014 as approved at the Extraordinary Shareholders' Meeting (ESM) held on July 10, 2014, the date when they were actually settled.

The other information on shareholders' equity did not change significantly in relation to the information disclosed in note 12 to the financial statements for the year ended December 31, 2013.

12. Earnings per share

Profit and the weighted average number of common used to calculate basic earnings per share are as follows:

	Individual and Consolidated			
	2014		**2013**	
	3rd quarter	**Nine months**	**3rd quarter**	**Nine months**
Basic earnings per share:				
Profit for the period	**5,024**	**260,595**	19,721	25,361
Weighted average number of outstanding common shares (in thousands)	**171,802**	**171,571**	171,453	147,713
Basic earnings per share - in R$	**0.02924**	**1.51888**	0.11502	0.17169
Diluted earnings per share:				
Profit for the period	**5,024**	**260,595**	19,721	25,361
Weighted average number of outstanding common shares (in thousands)	**171,802**	**171,571**	171,453	147,713
Dilutive effect of stock options (in thousands)	**313**	**313**	251	251

	Individual and Consolidated			
	2014		2013	
	3rd quarter	Nine months	3rd quarter	Nine months
Weighted average number of outstanding common shares (in thousands)	**172,115**	**171,884**	171,704	147,964
Diluted earnings per share - in R$	**0.02919**	**1.51611**	0.11485	0.17140

13. Net revenue

	Individual			
	2014		2013	
	3rd quarter	Nine months	3rd quarter	Nine months
Lease revenue	**4,552**	**12,363**	3,719	10,186
PIS/COFINS on revenue	**(420)**	**(1,153)**	(331)	(942)
Net revenue	**4,132**	**11,210**	3,388	9,244

	Consolidated			
	2014		2013	
	3rd quarter	Nine months	3rd quarter	Nine months
Revenue from land sales	**-**	**-**	45,583	45,583
Lease revenue	**18,200**	**49,737**	13,059	34,307
PIS/COFINS on revenue	**(1,144)**	**(3,073)**	(2,425)	(3,653)
Net revenue	**17,056**	**46,664**	56,217	76,237

The other information on net revenue did not change significantly in relation to the information disclosed in note 14 to the financial statements for the year ended December 31, 2013.

14. Costs and expenses by nature

	Individual			
	2014		2013	
	3rd quarter	Nine months	3rd quarter	Nine months
Depreciation	**(9)**	**(25)**	(1,242)	(2,840)
Advertising	**(256)**	**(787)**	(515)	(1,213)
Salaries, charges and benefits	**(1,085)**	**(3,282)**	(1,074)	(3,119)
Management compensation	**(274)**	**(790)**	(229)	(686)
Outside services	**(695)**	**(2,032)**	(1,120)	(2,862)
General expenses	**(286)**	**(1,088)**	(358)	(1,282)
Stock options	**(89)**	**(277)**	(77)	(247)
Vacancy expenses	**(420)**	**(962)**	(169)	(256)
Other financial income	**(212)**	**(470)**	(462)	(539)
	(3,326)	**(9,713)**	(5,246)	(13,044)
Classified as:				
Costs	**-**	**-**	(1,236)	(2,840)
Selling expenses	**(1,199)**	**(3,075)**	(1,114)	(2,566)
General and administrative expenses	**(1,653)**	**(5,374)**	(2,205)	(6,413)
Management compensation	**(274)**	**(790)**	(229)	(686)
Other operating expenses	**(200)**	**(474)**	(462)	(539)
	(3,326)	**(9,713)**	(5,246)	(13,044)

	Consolidated			
	2014		2013	
	3rd quarter	Nine months	3rd quarter	Nine months
Costs to sell land	**-**	**-**	(25,502)	(25,502)
Depreciation	**(29)**	**(47)**	(3,683)	(9,380)
Advertising	**(256)**	**(837)**	(575)	(1,280)
Salaries, charges and benefits	**(1,097)**	**(3,296)**	(1,074)	(3,125)
Management compensation	**(274)**	**(790)**	(229)	(686)
Outside services	**(1,364)**	**(4,131)**	(2,849)	(4,953)
General expenses	**(378)**	**(1,267)**	(408)	(1,339)
Stock options	**(89)**	**(277)**	(77)	(247)
Vacancy expenses	**(1,837)**	**(4,228)**	(483)	(1,177)
Other financial income	**(158)**	**184**	(274)	(532)
	(5,482)	**(14,689)**	(35,154)	(48,221)
Classified as:				
Costs	**-**	**-**	(29,179)	(34,870)
Selling expenses	**(2,983)**	**(7,499)**	(3,235)	(5,670)
General and administrative expenses	**(2,030)**	**(6,529)**	(2,237)	(6,463)
Management compensation	**(274)**	**(790)**	(229)	(686)
Other operating income (expenses)	**(195)**	**129**	(274)	(532)
	(5,482)	**(14,689)**	(35,154)	(48,221)

15. Related-party transactions

Related-party balances and transactions are as follows:

	Individual		Consolidated	
	09/30/14	12/31/13	09/30/14	12/31/13
Balance sheets:				
Short-term investments:				
Banco Intermedium (a)	**-**	42,834	**15,583**	52,886
Banco BMG (b)	**-**	-	**10,588**	175
Lease receivables (c)	**-**	-	**212**	180
Due to related parties:				
MRV Engenharia e Participações S.A. (d)	**-**	83	**-**	201
Loan with controlled SPEs (e)	**16,424**	6,749	**-**	-

	Individual			
	2014		2013	
	3rd quarter	Nine months	3rd quarter	Nine months
Transactions:				
Income from short-term investments:				
Banco Intermedium (a)	**110**	**1,314**	612	766
Expenses on theprovision of administrative services (d)	**259**	**754**	783	2,109
Financial expenses - due to related parties:				
MRV Engenharia e Participações S.A.	**32**	**32**	-	701
Loan with controlled SPEs (e)	**349**	**1,865**	740	973

	Consolidated			
	2014		2013	
	3rd quarter	Nine months	3rd quarter	1st half
Transactions:				
Income from short-term investments:				
Banco Intermedium (a)	**521**	**2,082**	717	1,062
Banco BMG (b)	**265**	**279**	101	248
Lease receivables (c)	**1,096**	**1,679**	509	1,538
Expenses on the provision of administrative services (d)	**593**	**1,814**	783	2,109
Financial expenses - due to related parties:				
MRV Engenharia e Participações S.A.	**32**	**32**	-	701

(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 September 30, 2014, short-term investments yielded approximately 108.31% of CDI in Individual and 111.0% of CDI on a consolidated basis (110.00% of CDI in Individual and on a consolidated basis at December 31, 2013).

(b) Refers to an investment in CDBs with Banco BMG, which had the same controlling shareholders as Agrícola São Gabriel Ltda., which in turn is a shareholder of SPE Cabral. As at September 30, 2014, the short-term investments yield 107.28% of CDI (106.0% at December 31, 2013).

(c) Refers to the lease agreement entered into by Hortolândia Incorporação SPE Ltda. and Patrus Transportes Urgentes Ltda., controlled by one of the Company's noncontrolling shareholders.

(d) 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$5.5 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 an indefinite period.

(e) Refers to intragroup loan between the Company and subsidiaries. The adjustment was made using CDI + a fixed rate of 1.84% per annum.

As at December 31, 2013, MRV Engenharia de Participações S.A. and some Company shareholders were the guarantors of R$109,474 in Company debentures (nil at September 30, 2014).

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 September 30, 2014, the transactions consist of loans, financing and debentures, amounting to R$539,501 (R$402,820 at December 31, 2013) and short-term investments, amounting to R$0 (R$12,103 at December 31, 2013).

In the quarter and nine-month period ended September 30, 2014, these transactions, conducted at usual market rates, generate financial expenses of R$15,493 and R$36,894 and financial income of R$64 and R$699, respectively.

Compensation of key personnel

Pursuant to CPC 05 (R1), which addresses related party disclosures, and according to the understanding of the Company, management's key 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 responsibilities comprise decision-making powers and control of the Company's activities.

	Individual and Consolidated			
	2014		**2013**	
	3rd quarter	**3rd quarter**	**3rd quarter**	**3rd quarter**
Short-term benefits granted to management:				
Management compensation	**274**	**790**	229	686
Profit sharing	**117**	**410**	-	438
Share-based compensation:				
Stock option plan	**86**	**268**	77	247
	477	**1,468**	306	1,371

On April 30, 2014, the Extraordinary and Annual Shareholders' Meeting approved the change in the overall management compensation threshold to R$2,000.

In addition to 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) Category of financial instruments

	Individual		Consolidated	
	09/30/14	**12/31/13**	**09/30/14**	**12/31/13**
Financial assets:				
Cash and banks	**99,330**	127	**99,742**	496
Fair value through profit or loss held for trading (*)	**4,839**	79,011	**4,839**	150,704
Loans and receivables	**3,711**	5,645	**23,213**	34,952
Financial liabilities:				
Amortized cost	**692,486**	574,136	**1,006,224**	791,509

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

(b) Exposure to interest rates and inflation adjustment indices

The analysis below was undertaken at September 30, 2014, as described in nota 17, (c), to the financial statements for the year ended December 31, 2013.

Index	Financial asset	Financial liability	Net exposed financial liability	Effective rate for the 12-month period ended 9/30/2014	Estimated annual rate for 2014 (*)	Change in effective rate for the relevant scenario	Total estimated effect
Probable scenario:							
CDI	4,839	(593,492)	(588,653)	10.33%	10.94%	0.61%	(3,591)
TR	-	(408,738)	(408,738)	0.76%	0.70%	-0.06%	245
							(3,346)
Scenario I:							
CDI	4,839	(593,492)	(588,653)	10.33%	13.68%	3.35%	(19,720)
TR	-	(408,738)	(408,738)	0.76%	0.88%	0.12%	(490)
							(20,210)
Scenario II:							
CDI	4,839	(593,492)	(588,653)	10.33%	16.41%	6.08%	(35,790)
TR	-	(408,738)	(408,738)	0.76%	1.05%	0.29%	(1,185)
							(36,975)

(*) Effective change for the first nine months of 2014 plus a projection for the next three months of 2014.
(i) Data obtained on the Central Bank of Brazil website.
(ii) Data obtained on the Central Bank of Brazil website, Focus Bulletin.
(iii) Data obtained on the BM&F Bovespa website.

(c) Capital risk management

As at September 30, 2014 and December 31, 2013, the debt-to-equity ratio is as follows:

	Individual		Consolidated	
	09/30/14	**12/31/13**	**09/30/14**	**12/31/13**
Loans, financing and debentures	**690,488**	558,580	**997,796**	766,916
Cash and cash equivalents	**(104,169)**	(79,138)	**(104,581)**	(151,200)
Net debt (cash) (o)	**586,319**	479,442	**893,215**	615,716
Shareholders' equity	**1,468,148**	739,897	**1,468,357**	739,985
Net debt (cash) (o) to shareholders' equity	**39.9%**	64.8%	**60.8%**	83.2%

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 borrowings), own capital and/or cash generated by our operations.

(d) Liquidity and interest rate risk table

The tables below detail the remaining contractual maturity of the Group's non-derivative financial liabilities and the contractual amortization periods. These tables have been prepared using the undiscounted cash flows of the financial liabilities based on the nearest date on which the Group should settle the related obligations. The tables include interest and principal cash flows. As the interest flows refer to floating rates, the undiscounted was obtained based on the index projections from September 30, 2014 to the contractual maturity, which is based on the nearest date on which the Group should settle the related obligations.

	Up to 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total
Individual:					
Floating rates	119,545	181,634	185,103	482,952	969,234
Non-interest bearing securities	1,998	-	-	-	1,998
Total	121,543	181,634	185,103	482,952	971,232
Consolidated:					
Floating rates	154,164	229,602	239,369	831,945	1,455,080
Fixed rates	12,201	-	-	-	12,201
Non-interest bearing securities	8,428	-	-	-	8,428
Total	174,793	229,602	239,369	831,945	1,475,709

(e) 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					
	09/30/2014			12/31/2013		
Financial instruments	Carrying amount	Fair value	Difference	Carrying amount	Fair value	Difference
Debentures:						
CDI+2.20% p.a.	-	-	-	(109,474)	(109,373)	101
CDI+1.90% p.a.	(65,462)	(65,283)	179	(68,242)	(67,818)	424
CDI+1.90% p.a.	(102,048)	(100,997)	1,051	(100,849)	(99,712)	1,137
CDI+1.85% p.a.	(101,110)	(101,110)	-	-	-	-
118% CDI	(142,925)	(139,519)	3,406	-	-	-
Total	(411,545)	(406,909)	4,636	(278,565)	(276,903)	1,662
Working capital loans						
CDI+2.00% p.a.	-	-	-	(91,010)	(90,185)	825
CDI+2.70% p.a.	(10,266)	(10,255)	11	(20,180)	(20,116)	64
115% CDI	(100,000)	(99,699)	301	-	-	-
CDI+1.60% p.a.	(26,001)	(26,001)	-	(30,518)	(30,518)	-
Total	(136,267)	(135,955)	312	(141,708)	(140,819)	889
Financing:						
Construction financing	(154,304)	(154,304)	-	(146,474)	(146,474)	-
Total	(154,304)	(154,304)	-	(146,474)	(146,474)	-
Grand total (w/o issuance costs)	(702,116)	(697,168)	4,948	(566,747)	(564,196)	2,551

	Consolidated					
	09/30/2014			12/31/2013		
Financial instruments	**Carrying amount**	**Fair value**	**Difference**	**Carrying amount**	**Fair value**	**Difference**
Debentures:						
CDI+2.20% p.a.	-	-	-	(109,474)	(109,373)	101
CDI+1.90% p.a.	(65,462)	(65,283)	179	(68,242)	(67,818)	424
CDI+1.90% p.a.	(102,048)	(100,997)	1,051	(100,849)	(99,712)	1,137
CDI+1.85% p.a.	(101,110)	(101,110)	-	-	-	-
118% CDI	(142,925)	(139,519)	3,406	-	-	-
Total	(411,545)	(406,909)	4,636	(278,565)	(276,903)	1,662
Working capital loans						
CDI+2.00% p.a.	-	-	-	(91,010)	(90,185)	825
CDI+2.70% p.a.	(10,266)	(10,255)	11	(20,180)	(20,116)	64
115% CDI	(100,000)	(99,699)	301	-	-	-
CDI+1.60% p.a.	(26,001)	(26,001)	-	(30,518)	(30,518)	-
13.11% p.a.	(13,000)	(13,000)	-	-	-	-
Total	(149,267)	(148,955)	312	(141,708)	(140,819)	889
Financing:						
Construction financing	(454,418)	(454,418)	-	(358,681)	(358,681)	-
Total	(454,418)	(454,418)	-	(358,681)	(358,681)	-
Grand total (w/o issuance costs)	(1,015,230)	(1,010,282)	4,948	(778,954)	(776,403)	2,551

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 September 30, 2014 and December 31, 2013.

The table below shows a comparative of the contracted and market rates, individual and consolidated, at September 30, 2014:

	Current market rate	**Maturity dates**
Debentures:		
CDI + 1.90% p.a.	117.50% CDI	June 2019
CDI + 1.90% p.a.	119.50% CDI	June 2020
CDI + 1.85% p.a.	CDI + 1.85% p.a.	February 2019
118% CDI	CDI + 3.15% p.a.	July 2018
Working capital loans		
CDI + 2.70% p.a.	CDI + 2.90% p.a.	July 2015
115% of CDI	CDI + 2.80% p.a.	December 2014
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.	September 2025

Management believes that the other financial instruments such as cash, banks, short-term investments, trade receivables, payables to related parties, trade payables and land 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 17 to the financial statements for the year ended December 31, 2013.

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

As at November 08, 2010, the Company entered into a shareholders' agreement with Agropecuária Aroeiras Ltda. mainly aimed at establishing how this Betim I Incorporações SPE Ltda.'s capital will be paid in, and other relationships between the shareholders. As Agropecuária Aroeiras Ltda. paid in the capital through the assignment of own land on the establishment of the SPE 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 CDI fluctuation, which will be the amount contributed by the Company as capital increase in SPE Betim. As at September 30, 2014, the amount to be paid-in by the Company is R$17,795 (R$ 21,354 at December 31, 2013).

19. Noncash transactions

During the nine-month periods ended September 30, 2014 and 2013, 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	
	Nine months of		Nine months of	
	2014	2013	2014	2013
Capital contribution to investee with investment properties	**5,018**	107,575	**-**	-
Capital contribution to investee with investment properties – barter and realization	**40,000**	5,708	**35,581**	5,708
Interest capitalization	**46,336**	42,030	**51,734**	42,119
Initial effects of adopting the investment property fair value:				
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 Company 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 September 30, 2014, insurance coverage is as follows:

Items	Type of coverage	Insured amount
Engineering risk insurance	Coverage during construction for involuntary damages caused during construction, installation and assembling work on the insured sites.	59,177
Civil liability	Directors and officers liability insurance (D&O).	5,000
Builder civil liability	Builder civil liability (construction works)	5,500
Company group life and collective injuries insurance	Bodily injury involuntarily caused to employees, contractors, interns and engineers.	23,673
Corporate	Property damages caused by electrical damages, fire, windstorm, riot and insures against loss of rental.	75,431
Real property delivery insurance	Guarantees delivery of the works to committed buyers and barterers.	30,000

21. Approval of the interim financial information

This interim financial information was approved by the Company's Directors on November 06, 2014.