Multiplan Empreendimentos Imobiliários S.A.

Quarterly information -
ITR March 31, 2017

KPDS 185173

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Report on the review of quarterly information - ITR

(A free translation of the original report in Portuguese, as filed with the Brazilian Securities and Exchange Commission - CVM, prepared in accordance with the accounting practices adopted in Brazil, rules of the CVM and the International Financial Reporting Standards - IFRS)

To
Board Members and Shareholders of
Multiplan Empreendimentos Imobiliários S.A.
Rio de Janeiro - RJ

Introduction

We have reviewed the individual and consolidated interim accounting information of Multiplan Empreendimentos Imobiliários S.A.("Company"), contained in the quarterly information form - ITR for the quarter ended March 31, 2017, which comprise the balance sheet and related statements of income, of comprehensive income, and changes in shareholders' equity and in cash flows for the three months then ended, including explanatory notes.

Management is responsible for the preparation of the individual interim accounting information in accordance with the Accounting Pronouncement CPC 21(R1) - Interim Statement and consolidated interim accounting information in accordance with CPC 21(R1) and the international accounting rule IAS 34 - Interim Financial Reporting, which takes into consideration OCPC 04 on the application of ICPC 02 to real estate development entities in Brazil, issued by the CPC and approved by the CVM and the CFC , as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of quarterly information - ITR. Our responsibility is to express our conclusion on this interim accounting information based on our review.

KPMG Auditores Independentes, uma sociedade simples brasileira e firma-membro da rede KPMG de firmas-membro independentes e afiliadas à KPMG International Cooperative ("KPMG International"), uma entidade suíça.

KPMG Auditores Independentes, a Brazilian entity and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Scope of the review
We conducted our review in accordance with Brazilian and International Interim Information Review Standards (NBC TR 2410 - *Revisão de Informações Intermediárias Executada pelo Auditor da Entidade* and ISRE 2410 - Review of Interim accounting information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries primarily of the management responsible for financial and accounting matters and applying analytical procedures and other review procedures. The scope of a review is significantly less than an audit conducted in accordance with auditing standards and, accordingly, it did not enable us to obtain assurance that we were aware of all the material matters that would have been identified in an audit. Therefore, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information prepared in accordance with CPC 21 (R1)
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 ITR referred to above is not prepared, in all material respects, in accordance with CPC 21 (R1), applicable to the preparation of Interim Financial Information - ITR, and presented in accordance with the standards issued by CVM applicable to the preparation of Interim Financial Information - ITR.

Conclusion on the consolidated interim financial information prepared in accordance with international standard IAS 34, which considers technical guideline OCPC 04 on the application of technical interpretation ICPC 02 to real estate development entities in Brazil, issued by the CPC and approved by the CVM and the CFC
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 ITR referred to above is not prepared, in all material respects, in accordance with IAS 34, which takes into consideration OCPC 04 on the application of ICPC 02 to real estate development entities in Brazil, issued by the CPC and approved by the CVM and the CFC, applicable to the preparation of Interim Financial Information - ITR, and presented in accordance with the standards issued by CVM.

Emphasis of matters
We draw attention to Note 2 to the interim financial information, which states that the individual and consolidated interim financial information have been prepared in accordance with accounting practices adopted in Brazil (CPC 21 (R1)). The consolidated interim financial information, prepared in accordance with International Financial Reporting Standards - IFRS applicable to real estate development entities, also considers technical guideline OCPC 04 issued by the CPC. Such technical guideline addresses the recognition of real estate revenues and involves issues related to the meaning and application of the concept of continuous transfer of risks, rewards and control on the sale of real estate units, as detailed in note 2. Our conclusion does not contain any qualification regarding this matter.

Other matters

Interim information of added value
We also reviewed the individual and consolidated Statements of added value for the three months period ended March 31, 2017, prepared under the responsibility of the Company`s management, for which presentation is required in the interim information in accordance with the standards issued by the Brazilian Securities and Exchange Commission applicable to the preparation of quarterly information - ITR, and considered as supplementary information by IFRS, which does not require the presentation of the statements of added value. These statements were submitted to the same review procedures described previously and, based on our review, we are not aware of any fact that might lead us to believe that they were not prepared, in all material respects, in accordance with the individual and consolidated interim accounting information, taken as a whole.

Rio de Janeiro, April 25, 2017

KPMG Auditores Independentes
CRC SP-014428/O-6 F-RJ
Original in Portuguese signed by
Marcelo Luiz Ferreira
Accountant CRC RJ-087095/O-7

Multiplan Empreendimentos Imobiliários S.A.

Balance sheets at March 31, 2017 and December 31, 2016

(Amounts expressed in thousands of reais – R$)

	Parent company	
	03/31/2017	**12/31/2016**
Assets		
Current assets		
Cash and cash equivalents (Note 3)	52,532	50,541
Financial Instruments (Note 3)	966,911	357,944
Accounts receivable (Note 4)	156,134	199,452
Land and properties for sale (Note 6)	6,789	5,972
Accounts receivable from related parties (Note 5)	5,625	6,177
Taxes and social contributions recoverable	3,144	3,051
Sundry advances	1.012	14,913
Deferred costs (Note 18)	19,948	24,080
Other	10,075	9,322
Total current assets	1,222,170	671,452
Non-current assets		
Accounts receivable **(**Note 4)	35,476	39,578
Land and properties for sale (Note 6)	61,408	58,702
Accounts receivable from related parties (Note 5)	10,114	10,427
Judicial deposits (Note 17.2)	12,944	15,096
Deferred costs (Note 18)	46,191	43,522
Other	10,148	10,499
	176,281	177,824
Investments (Note 8)	2,680,623	2,575,569
Investment properties (Note 9)	3,462,686	3,332,753
Property, plant and equipment (Note 10)	24,333	25,006
Intangible assets (Note 11)	346,813	347,092
Total non-current assets	6,690,736	6,458,244
Total assets	7,912,906	7,129,696

See the accompanying notes to the quarterly information

Multiplan Empreendimentos Imobiliários S.A.

Balance sheets at March 31, 2017 and December 31, 2016

(Amounts expressed in thousands of reais – R$)

	Consolidated	
	03/31/2017	**12/31/2016**
Assets		
Current assets		
Cash and cash equivalents (Note 3)	101,397	105,647
Financial Instruments (Note 3)	1,003,918	361,721
Accounts receivable (Note 4)	243,567	297,249
Land and properties for sale (Note 6)	46,731	47,222
Accounts receivable from related parties (Note 5)	5,569	6,169
Taxes and social contributions recoverable	7,218	6,560
Sundry advances	6,894	19,699
Deferred costs (Note 18)	34,618	33,381
Other	24,578	20,297
Total current assets	1,474,490	897,945
Non-current assets		
Accounts receivable **(**Note 4)	107,512	114,982
Land and properties for sale (Note 6)	259,251	247,120
Accounts receivable from related parties (Note 5)	10,460	10,806
Judicial deposits (Note 17.2)	15,638	17,765
Deferred income and social contribution taxes (Note 7)	14,313	14,468
Deferred costs (Note 18)	74,106	75,812
Other	18,484	19,344
	499,764	500,297
Investments (Note 8)	127,207	128,947
Investment properties (Note 9)	6,172,302	6,049,155
Property, plant and equipment (Note 10)	29,718	30,453
Intangible assets (Note 11)	347,348	347,649
Total non-current assets	7,176,339	7,056,501
Total assets	8,650,829	7,954,446

See the accompanying notes to the quarterly information

Multiplan Empreendimentos Imobiliários S.A.

Balance sheets at March 31, 2017 and December 31, 2016

(Amounts expressed in thousands of reais – R$)

	Parent company	
	03/31/2017	**12/31/2016**
Liabilities		
Current liabilities		
Loans and financing (Note 12)	277,272	279,778
Accounts payable (Note 13)	66,655	52,898
Property acquisition obligations (Note 15)	269	269
Taxes and contributions payable (note 16)	11,342	18,825
Interest on shareholders' equity (Note 19.g)	81,341	81,341
Payables to related parties (Note 5)	20,399	-
Deferred income (Note 18)	25,810	23,427
Debentures (Note 14)	34,036	11,977
Other	4,396	4,963
Total current liabilities	521,520	473,478
Non-current liabilities		
Loans and financing (Note 12)	1,276,988	1,290,066
Debentures (Note 14)	688,474	688,638
Provision for risks (Note 17.1)	6,026	7,165
Deferred income and social contribution taxes (Note 7)	161,578	169,308
Payables to related parties (Note 5)	81,588	-
Deferred income (Note 18)	35,948	43,594
Phantom Stock Options (Nota 20.b)	33,492	7,277
Total non-current liabilities	2,284,094	2,206,048
Shareholders' equity (Note 19)		
Capital	2,988,062	2,388,062
Share issuance costs	(43,548)	(39,004)
Capital reserves	985,336	983,540
Profit reserves	1,270,179	1,270,179
Shares in treasury	(56,904)	(62,611)
Effects on capital transaction	(89,996)	(89,996)
Income (loss) for the period	54,163	-
Total shareholders' equity	5,107,292	4,450,170
Total shareholders' equity and liabilities	7,912,906	7,129,696

See the accompanying notes to the quarterly information

Multiplan Empreendimentos Imobiliários S.A.

Balance sheets at March 31, 2017 and December 31, 2016

(Amounts expressed in thousands of reais – R$)

	Consolidated	
	03/31/2017	**12/31/2016**
Liabilities		
Current liabilities		
Loans and financing (Note 12)	370,793	368,801
Accounts payable (Note 13)	104,402	147,526
Property acquisition obligations (Note 15)	71,621	28,866
Taxes and contributions payable (note 16)	28,858	39,381
Interest on shareholders' equity (Note 19.g)	81,341	81,341
Deferred income (Note 18)	33,603	33,336
Debentures (Note 14)	34,036	11,977
Other	4,718	5,796
Total current liabilities	729,372	717,024
Non-current liabilities		
Loans and financing (Note 12)	1,797,534	1,812,873
Property acquisition obligations (Note 15)	44,294	11,954
Debentures (Note 14)	688,474	688,638
Provision for risks (Note 17.1)	12,710	13,211
Deferred income and social contribution taxes (Note 7)	168,242	176,080
Deferred income (Note 18)	62,340	71,029
Phantom Stock Options (Nota 20.b)	33,492	7,277
Total non-current liabilities	2,807,086	2,781,062
Shareholders' equity (Note 19)		
Capital	2,988,062	2,388,062
Share issuance costs	(43,548)	(39,004)
Capital reserves	985,336	983,540
Profit reserves	1,270,179	1,270,179
Shares in treasury	(56,904)	(62,611)
Effects on capital transaction	(89,996)	(89,996)
Income (loss) for the period	54,163	-
	5,107,292	4,450,170
Non-controlling interests	7,079	6,190
Total shareholders' equity	5,114,371	4,456,360
Total shareholders' equity and liabilities	8,650,829	7,954,446

See the accompanying notes to the quarterly information

Multiplan Empreendimentos Imobiliários S.A.

Statements of income

Quarters ended March 31, 2017 and 2016

(In thousands of reais, except basic and diluted earnings per share, in reais)

	Parent company	
	03/31/2017	**03/31/2016**
Net operating revenue (Note 21)	205,650	211,056
Cost of services rendered and properties sold (Note 23)	(38,476)	(39,389)
Gross income	167,174	171,667
Operating income (expenses):		
Administrative expenses - Headquarters (Note 22)	(29,672)	(30,775)
Administrative expenses - Properties (Note 22)	(1,933)	(1,605)
Expenses on projects for lease (Note 22)	(99)	(195)
Expenses on projects for sale (Note 22)	(281)	(196)
Administrative expenses on share-based compensation (Note 20)	(26,148)	(5,314)
Share of profit of equity-accounted investees (loss) (Note 8)	16,693	10,890
Depreciation and amortization	(2,899)	(2,715)
Other operating income (expenses), net	(676)	(606)
Operating income before financial income	122,159	141,151
Net financial income (loss) (Note 23)	(47,000)	(39,171)
Income before income and social contribution taxes	75,159	101,980
Income and social contribution taxes (Note 7)		
Current	(28,725)	(25,143)
Deferred	7,729	(7,179)
Total current and deferred income and social contribution taxes	(20,996)	(32,322)
Net income for the quarter	54,163	69,658
Income attributable to:		
Owners of the parent company	54,163	69,658
Non-controlling interest	-	-
Basic earnings per share (Note 26)	0.2819	0.3707
Diluted earnings per share (Note 26)	0.2817	0.3707

See the accompanying notes to the quarterly information

Multiplan Empreendimentos Imobiliários S.A.

Statements of income

Quarters ended March 31, 2017 and 2016

(In thousands of reais, except basic and diluted earnings per share, in reais)

	Consolidated	
	03/31/2017	**03/31/2016**
Net operating revenue (Note 21)	273,779	273,944
Cost of services rendered and properties sold (Note 23)	(66,040)	(63,823)
Gross income	207,739	210,121
Operating income (expenses):		
Administrative expenses - Headquarters (Note 22)	(31,773)	(31,873)
Administrative expenses - Properties (Note 22)	(4,846)	(6,744)
Expenses on projects for lease (Note 22)	(1,129)	(1,493)
Expenses on projects for sale (Note 22)	(997)	(871)
Expenses on share-based compensation (Note 20)	(26,148)	(5,314)
Share of profit of equity-accounted investees (loss) (Note 8)	1,510	1,514
Depreciation and amortization	(2,982)	(2,799)
Other operating income (expenses), net	(771)	(4,264)
Operating income before financial income	140,603	158,277
Net financial income (loss) (Note 23)	(57,231)	(48,581)
Income before income and social contribution taxes	83,372	109,696
Income and social contribution taxes (Note 7)		
Current	(36,768)	(34,913)
Deferred	7,683	(4,653)
Total current and deferred income and social contribution taxes	(29,085)	(39,566)
Net income for the quarter	54,287	70,130
Income attributable to:		
Owners of the parent company	54,277	70,079
Non-controlling interest	10	51
Basic earnings per share (Note 26)	0.2825	0.3729
Diluted earnings per share (Note 26)	0.2823	0.3729

See the accompanying notes to the quarterly information

Multiplan Empreendimentos Imobiliários S.A.

Statement of comprehensive income

Quarters ended March 31, 2017 and 2016

(In thousands of reais – R$)

	Parent company	
	03/31/2017	**03/31/2016**
Net income for the period	54,163	69,658
Other comprehensive income	-	-
Total comprehensive income for the period	54,163	69,658
Total comprehensive income attributable to:		
Non-controlling interest	-	-
Owners of the parent company	54,163	69,658

	Consolidated	
	03/31/2017	**03/31/2016**
Net income for the period	54,287	70,130
Other comprehensive income	-	-
Total comprehensive income for the period	54,287	70,130
Total comprehensive income attributable to:		
Non-controlling interest	10	51
Owners of the parent company	54,277	70,079

See the accompanying notes to the quarterly information

Multiplan Empreendimentos Imobiliários S.A.

Statements of changes in shareholders' equity - Parent company

Quarters ended March 31, 2017 and 2016

(Amounts expressed in thousands of reais – R$)

			Capital reserves			Profit reserves					
	Capital	Share issuance costs	Stock options granted	Special goodwill reserve - merger	Goodwill reserve on issuance of shares	Legal reserve	Expansion reserve	Shares in treasury	Effects on capital transactions	Retained earnings	Total
Balances at December 31, 2015	2,388,062	(39,003)	90,072	186,548	696,253	106,576	947,061	(104,314)	(89,996)	-	4,181,259
Exercise of stock options	-	-	-	-	(310)	-	-	6,318	-	-	6,008
Stock options granted	-	-	2,571	-	-	-	-	-	-	-	2,571
Net income for the period	-	-	-	-	-	-	-	-	-	69,658	69,658
Balances at March 31, 2016	2,388,062	(39,003)	92,643	186,548	695,943	106,576	947,061	(97,996)	(89,996)	69,658	4,259,496
Balances at December 31, 2016	2,388,062	(39,004)	97,264	186,548	699,728	122,153	1,148,026	(62,611)	(89,996)	-	4,450,170
Stock issuance	600,000	-	-	-	-	-	-	-	-	-	600,000
Share issuance costs	-	(4,544)	-	-	-	-	-	-	-	-	(4,544)
Exercise of stock options	-	-	-	-	424	-	-	5,707	-	-	6,131
Stock options granted	-	-	1,372	-	-	-	-	-	-	-	1,372
Net income for the period	-	-	-	-	-	-	-	-	-	54,163	54,163
Balances at March 31, 2017	2,988,062	(43,548)	98,636	186,548	700,152	122,153	1,148,026	(56,904)	(89,996)	54,163	5,107,292

See the accompanying notes to the quarterly information

Multiplan Empreendimentos Imobiliários S.A.

Statements of changes in shareholders' equity - Consolidated

Quarters ended March 31, 2017 and 2016

(Amounts expressed in thousands of reais – R$)

		Capital reserves				Profit reserves							
	Capital	Share issuance costs	Stock options granted	Special goodwill reserve - merger	Goodwill reserve on issuance of shares	Legal reserve	Expansion reserve	Effects on capital transactions	Shares in treasury	Retained earnings	Total	Non-controlling interest	Total
Balances at December 31, 2015	2,388,062	(39,003)	90,072	186,548	696,253	106,576	947,061	(89,996)	(104,314)	-	4,181,259	6,142	4,187,401
Equity in net income of subsidiary (Note 2.3)	-	-	-	-	-	-	-	-	-	(421)	(421)	-	(421)
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	38	38
Exercise of stock options	-	-	-	-	(310)	-	-	-	6,318	-	6,008	-	6,008
Stock options granted	-	-	2,571	-	-	-	-	-	-	-	2,571	-	2,571
Net income for the period	-	-	-	-	-	-	-	-	-	70,079	70,079	51	70,130
Balances at March 31, 2016	2,388,062	(39,003)	92,643	186,548	695,943	106,576	947,061	(89,996)	(97,996)	69,658	4,259,496	6,231	4,265,727
Balances at December 31, 2016	2,388,062	(39,004)	97,264	186,548	699,728	122,153	1,148,026	(89,996)	(62,611)	-	4,450,170	6,190	4,456,360
Equity in net income of subsidiary (Note 2.3)	-	-	-	-	-	-	-	-	-	(114)	(114)	-	(114)
Stock issuance	600,000	-	-	-	-	-	-	-	-	-	600,000	-	600,000
Share issuance costs	-	(4,544)	-	-	-	-	-	-	-	-	(4,544)	-	(4,544)
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	879	879
Exercise of stock options	-	-	-	-	424	-	-	-	5,707	-	6,131	-	6,131
Stock options granted	-	-	1,372	-	-	-	-	-	-	-	1,372	-	1,372
Net income for the period	-	-	-	-	-	-	-	-	-	54,277	54,277	10	54,287
Balances at March 31, 2017	2,988,062	(43,548)	98,636	186,548	700,152	122,153	1,148,026	(89,996)	(56,904)	54,163	5,107,292	7,079	5,114,371

See the accompanying notes to the quarterly information

Multiplan Empreendimentos Imobiliários S.A.

Statements of cash flows

Quarters ended March 31, 2017 and 2016

(Amounts expressed in thousands of reais – R$)

	Parent company	
	03/31/2017	**03/31/2016**
Cash flows from operating activities		
Income (loss) before taxes	75,159	101,980
Adjustments in:		
Depreciation and amortization	27,144	27,555
Share of profit of equity-accounted investees (loss)	(16,693)	(10,890)
Share-based compensation	26,148	2,571
Recognition of repurchases of points of sale	2,337	2,207
Deferred income and cost	(1,008)	(1,629)
Inflation adjustment on debentures	22,059	14,290
Interest on loans and financings	48,261	38,059
Interest on related party transactions	(471)	(562)
Allowance for doubtful accounts	1,639	4,066
Other	179	1,473
	184,754	179,120
Variation in operating assets and liabilities		
Land and properties held for sale	(3,523)	(3,131)
Accounts receivable	46,531	27,492
Judicial deposits	1,067	(1,155)
Deferred costs	1,463	3,549
Other assets	13,499	(829)
Accounts payable	13,757	6,708
Taxes and contributions payable	(7,851)	(24,281)
Income and social contribution taxes paid	(28,337)	(15,447)
Deferred income	(4,255)	(2,377)
Other liabilities	706	2,813
Net cash generated by operating activities	217,811	172,462

See the accompanying notes to the quarterly information

Multiplan Empreendimentos Imobiliários S.A.

Statements of cash flows

Quarters ended March 31, 2017 and 2016

(Amounts expressed in thousands of reais – R$)

	Parent company	
	03/31/2017	**03/31/2016**
Cash flows from investment activities		
Increase of Investments	(91,611)	(28,160)
Dividends received	2,387	1,312
Receipt (payment) on related-party transactions	1,336	(220)
Additions in property, plant and equipment	(746)	(452)
Additions in investment property	(53,060)	(8,407)
Reduction in investment property	760	-
Additions to intangible assets	(1,200)	(1,060)
Interest earnings bank deposits	(608,967)	(98,557)
Net cash invested in investment activities	(751,101)	(135,544)
Cash flows from financing activities		
Payment of loans and financing	(15,684)	(21,162)
Payment of interests on loans and financing	(50,622)	(26,920)
Stock issuance	600,000	-
Cash from stock options exercise	6,131	6,008
Share issuance costs	(4,544)	-
Net cash invested in financing activities	535,281	(42,074)
Decrease in cash and cash equivalents	1,991	(5,156)
Cash and cash equivalents at the beginning of the year	50,541	115,137
Cash and cash equivalents at the end of year	52,532	109,981
Increase (Decrease) in cash and cash equivalents	1,991	(5,156)

See the accompanying notes to the quarterly information

Multiplan Empreendimentos Imobiliários S.A.

Statements of cash flows

Quarters ended March 31, 2017 and 2016

(Amounts expressed in thousands of reais – R$)

	Consolidated	
	03/31/2017	**03/31/2016**
Cash flows from operating activities		
Income (loss) before taxes	83,372	109,696
Adjustments in:		
Depreciation and amortization	44,826	38,597
Share of profit of equity-accounted investees (loss)	(1,510)	(1,514)
Share-based compensation	26,148	2,571
Non-controlling interest	(10)	(51)
Recognition of repurchases of points of sale	2,663	2,249
Deferred income and cost	(1,939)	(3,189)
Inflation adjustment on debentures	22,059	14,290
Interest on loans and financings	58,873	50,879
Interest to Property acquisition payable	1,795	-
Interest on related party transactions	(489)	(603)
Allowance for doubtful accounts	2,891	5,103
Other	480	4,711
	239,159	222,739
Variation in operating assets and liabilities		
Land and properties held for sale	(11,539)	(2,422)
Accounts receivable	59,011	27,814
Judicial deposits	1,042	(1,167)
Deferred costs	469	(11,594)
Other assets	9,383	(2,784)
Accounts payable	(43,124)	7,085
Property acquisition obligations	(11,626)	(12,391)
Taxes and contributions payable	(9,491)	(25,792)
Income and social contribution taxes paid	(38,345)	(21,387)
Deferred income	(6,483)	(3,055)
Other liabilities	199	2,452
Net cash generated by operating activities	188,655	179,498

See the accompanying notes to the quarterly information

Multiplan Empreendimentos Imobiliários S.A.

Statements of cash flows

Quarters ended March 31, 2017 and 2016

(Amounts expressed in thousands of reais – R$)

	Consolidated	
	03/31/2017	**03/31/2016**
Cash flows from investment activities		
Dividends received	2,387	1,312
Receipt in related party transactions	1,435	646
Additions in property, plant and equipment	(746)	(452)
Additions in investment property	(75,212)	(51,823)
Additions to intangible assets	(1,200)	(1,060)
Interest earnings bank deposits	(642,197)	(88,554)
Net cash invested in investment activities	(715,533)	(139,931)
Cash flows from financing activities		
Loans and financing	12,400	22,610
Payment of loans and financing	(32,903)	(37,760)
Payment of interests on loans and financing	(59,345)	(36,759)
Stock issuance	600,000	-
Share issuance costs	(4,544)	-
Cash from stock options exercise	6,131	6,008
Non-controlling interest	889	89
Net cash invested in financing activities	522,628	(45,812)
Decrease in cash and cash equivalents	(4,250)	(6,245)
Cash and cash equivalents at the beginning of the year	105,647	159,000
Cash and cash equivalents at the end of year	101,397	152,755
Decrease in cash and cash equivalents	(4,250)	(6,245)

See the accompanying notes to the quarterly information

Multiplan Empreendimentos Imobiliários S.A.

Statements of added value

Quarters ended March 31, 2017 and 2016

(Amounts expressed in thousands of reais – R$)

	Parent company	
	03/31/2017	**03/31/2016**
Income:		
Net income from sales and services	227,317	233,442
Other income	765	3,372
Allowance for doubtful accounts	(1,639)	(4,066)
	226,443	232,748
Inputs acquired from third parties		
Costs of sales and services	(13,789)	(14,829)
Power, outsourced services and other	(9,258)	(9,403)
	(23,047)	(24,232)
Gross added value	203,396	208,516
Retentions		
Depreciation and amortization	(27,144)	(27,555)
Net added value produced by the Entity	176,252	180,961
Added value received as transfer		
Share of profit of equity-accounted investees (loss)	16,693	10,890
Financial income	25,624	14,608
	42,317	25,498
Total added value payable	218,569	206,459
Distribution of added value		
Personnel		
Direct remuneration	(41,748)	(21,521)
Benefits	(1,953)	(1,573)
FGTS	(689)	(793)
	(44,390)	(23,887)
Taxes, rates and contributions		
Federal	(46,768)	(56,874)
State	(21)	(8)
Municipal	(1,442)	(2,083)
	(48,231)	(58,965)
Third-party capital remuneration		
Interest, exchange rate changes and monetary restatement	(69,949)	(52,499)
Rental expenses	(1,836)	(1,450)
	(71,785)	(53,949)
Remuneration of own capital		
Retained earnings	(54,163)	(69,658)
	(54,163)	(69,658)
Distributed added value	(218,569)	(206,459)

See the accompanying notes to the quarterly information

Multiplan Empreendimentos Imobiliários S.A.

Statements of added value

Quarters ended March 31, 2017 and 2016

(Amounts expressed in thousands of reais – R$)

	Consolidated	
	03/31/2017	**03/31/2016**
Income:		
Net income from sales and services	304,343	303,991
Other income	729	3,410
Allowance for doubtful accounts	(2,891)	(5,103)
	302,181	302,298
Inputs acquired from third parties:		
Costs of sales and services	(73,969)	(77,584)
Power, outsourced services and other	(12,235)	(15,386)
	(86,204)	(92,970)
Gross added value	215,977	209,328
Retentions:		
Depreciation and amortization	(44,827)	(38,597)
Net added value produced by the Entity	171,150	170,731
Added value received as transfer:		
Share of profit of equity-accounted investees (loss)	1,510	1,514
Financial income	30,264	20,830
	31,774	22,344
Total added value payable	202,924	193,075
Distribution of added value:		
Personnel		
Direct remuneration	(43,526)	(24,197)
Benefits	(2,009)	(1,650)
FGTS	(710)	(832)
	(46,245)	(26,679)
Taxes, rates and contributions		
Federal	(61,892)	(69,538)
State	(31)	(33)
Municipal	(6,131)	(8,250)
	(68,054)	(77,821)
Third-party capital remuneration		
Interest, exchange rate changes and monetary restatement	(84,516)	(67,823)
Rental expenses	50,178	49,378
	(34,338)	(18,445)
Remuneration of own capital:		
Non-controlling interest in retained earnings	(10)	(51)
Retained earnings	(54,277)	(70,079)
	(54,287)	(70,130)
Distributed added value	(202,924)	(193,075)

See the accompanying notes to the quarterly information

Notes to the quarterly information

(In thousands of reais - R$, unless otherwise stated)

1 Company's General information

The individual and consolidated quarterly information of Multiplan Empreendimentos Imobiliários S.A. ("Company", "Multiplan" or "Multiplan Group" when referred to jointly with its subsidiaries) as of March 31, 2017 were authorized for issuance by Management on April 25, 2017. The Company was established as a publicly-traded entity headquartered in Brazil, whose shares are traded on the São Paulo Stock Exchange (BM&FBovespa). The Company is located at Avenida das Américas, 4.200 - Bloco 2 - 5° andar - Barra da Tijuca. Rio de Janeiro - RJ.

The Company is a public company with registered office in the city and state of Rio de Janeiro, and has shares traded at BM&FBovespa (MULT3). Additionally, the Company adheres to the Level 2 corporate governance of BM&FBovespa. Multiplan makes up the portfolios of the Bovespa Index (IBOVESPA) and the Brazil Index 50 (IBRX 50), among others.

The Company was established on December 30, 2005 and in engaged mainly in (a) the planning, construction, development and sale of real estate projects of any nature, either residential or commercial, including mainly urban shopping centers and areas developed based on these real estate projects; (b) the purchase and sale of real estate and the acquisition and disposal of real estate rights, and their operation, in any mean, including through lease; (c) the provision of management and administrative services for its own shopping centers, or those of third parties; (d) the provision of technical advisory and support services concerning real estate issues; (e) civil construction, the execution of construction works and provision of engineering and similar services in the real estate market; (f) development, promotion, management, planning and intermediation of real estate projects; (g) import and export of goods and services related to its activities; and (h) the acquisition of ownership interest and share control in other entities, as well as joint ventures with other entities, where it is authorized to enter into shareholders' agreements in order to attain or supplement its corporate purpose.

As of March 31, 2017 and December 31, 2016, the Company holds direct and indirect interests in the following real estate developments:

			Interest - %	
Joint venture	**Location**	**Start-up of operations**	**03/31/2017**	**12/31/2016**
Shopping Malls				
BH Shopping	Belo Horizonte	1979	80.0	80.0
RibeirãoShopping	Ribeirão Preto	1981	80.0	80.0
BarraShopping (i)	Rio de Janeiro	1981	65.8	65.8
MorumbiShopping (i)	São Paulo	1982	73.7	73.7
ParkShopping	Brasília	1983	61.7	61.7
DiamondMall	Belo Horizonte	1996	90.0	90.0
New York City Center	Rio de Janeiro	1999	50.0	50.0
Shopping Anália Franco	São Paulo	1999	30.0	30.0
ParkShopping Barigui (ii)	Curitiba	2003	93.3	84.0
Pátio Savassi	Belo Horizonte	2004	96.5	96.5
Shopping Santa Úrsula	Ribeirão Preto	1999	62.5	62.5
BarraShoppingSul	Porto Alegre	2008	100.0	100.0
Shopping Vila Olímpia	São Paulo	2009	60.0	60.0

			Interest - %	
Joint venture	**Location**	**Start-up of operations**	**03/31/2017**	**12/31/2016**
Shopping Malls				
ParkShoppingSãoCaetano	São Caetano	2011	100.0	100.0
JundiaíShopping	Jundiaí	2012	100.0	100.0
ParkShoppingCampoGrande	Rio de Janeiro	2012	90.0	90.0
VillageMall	Rio de Janeiro	2012	100.0	100.0
Parque Shopping Maceió	Maceió	2013	50.0	50.0

(i) As of September 1, 2016, the Company acquired an interest equivalent to 10.3% of ABL from Barra Shopping and 8.0% of GLA from Morumbi Shopping by the amounts of R$ 311,122 and R$ 184,790, respectively, with Fundação Sistel de Seguridade Social. On the same date, the Company indicated Multiplan Barra 1 Empreendimentos Imobiliários Ltda and Multiplan Morumbi 1 Empreendimentos Imobiliários Ltda to purchase these shares, respectively.

On November 9, 2016, the Company acquired an interest equivalent to 4.5% of ABL do Barra Shopping for the amount of R$ 143,877, with Carvalho Hosken S.A. On the same date, the Company indicated Multiplan Barra 1 Real Empreendimentos Imobiliários Ltda for acquisition of this interest.

(ii) On January 11, 2017, the Company acquired, through its subsidiary Multiplan Greenfield XI Empreendimento Imobiliário Ltda, 9.333% of the ideal fraction of ParkShoppingBarigui held by Invest Bens Administradora de bens S/A for the price of R$ 91,000. Such amount will be settled in 24 consecutive monthly installments, bearing interest at the CDI rate from the execution date until the actual due date of each installment.

As of March 31, 2017, the Company is the legal representative and manager of all above mentioned shopping malls, except for Parque Shopping Maceió.

2 Presentation of quarterly information and accounting policies

2.1 Statement of conformity regarding the IFRS and Accountant Statements Committee - CPC rules

These quarterly information include:

a. The consolidated quarterly information, prepared in accordance with the Accounting Pronouncement CPC 21(R1) - Interim Statement, which takes into consideration OCPC 04 on the application of ICPC 02 to real estate development entities in Brazil and IAS 34 - Interim Financial Report issued by the International Accounting Standards Board (IASB) and in accordance with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of quarterly information - ITR.

b. The parent company's quarterly information, prepared in accordance with the accounting practices adopted in Brazil, which comprise the CVM standards and the pronouncements, interpretations and guidance issued by CPC, CVM and CFC, including OCPC 04 - Guidance on the application of Technical Interpretation ICPC 02 to Brazilian Real Estate Development Entities.

In addition, the Company considered the guidelines provided for in Technical Guideline OCPC 07, issued by CPC in November 2014, in the preparation of its quarterly information.

Accordingly, relevant information of the quarterly information is being evidenced and corresponds to the information used by management when administrating.

In the parent company quarterly information, jointly-controlled subsidiaries and operations, with or without a legal personality, are accounted for under the equity method and adjusted in proportion to the interest held in the Group's contractual rights and obligations. The same adjustments are made both in individual quarterly information, in order to arrive at the same net income and equity attributable to the Parent company's shareholders' equity. In the case of Multiplan Empreendimento Imobiliários S.A., the accounting practices adopted in Brazil applicable to the individual quarterly information differ from IFRS applicable to separate quarterly information only in relation to the measurement of investments in subsidiaries, jointly-controlled subsidiaries and associated companies based on the equity accounting method, instead of cost or fair value in accordance with IFRS.

Since the differences between consolidated shareholders' equity and consolidated income attributable to the parent company's shareholders, included in consolidated quarterly information prepared in accordance with IFRS and Brazilian accounting practices, and shareholders' equity and parent company result, included in individual quarterly information prepared in accordance with Brazilian accounting practices are not material, the Company opted to present these individual and consolidated quarterly information in a single set, side by side.

2.2 Measuring basis

The individual and consolidated quarterly information have been prepared based on the historical cost, except for certain financial instruments measured at fair value, as described in the note 25 below.

2.3 Basis of consolidation

As of March 31, 2017 and December 31, 2016, the consolidated quarterly information incorporate the quarterly information of the Company and its subsidiaries, as follows:

	Interest %			
	March 31 2017		December 31 2016	
Corporate name	**Direct**	**Indirect**	**Direct**	**Indirect**
RENASCE - Rede Nacional de Shopping Centers Ltda.	99.99	-	99.99	-
County Estates Limited	-	99.00	-	99.00
Embassy Row Inc.	-	99.00	-	99.00
Embraplan Empresa Brasileira de Planejamento Ltda.	99.99	-	99.99	-
CAA Corretagem e Consultoria Publicitária Ltda.	99.00	-	99.00	-
Multiplan Administradora de Shopping Centers Ltda.	99.00	-	99.00	-
CAA Corretagem Imobiliária Ltda.	99.61	-	99.61	-
MPH Empreendimento Imobiliário Ltda.	50.00	50.00	50.00	50.00
Danville SP Empreendimento Imobiliário Ltda.	99.99	-	99.99	-
Multiplan Holding S.A.	100.00	-	100.00	-
Multiplan Greenfield I Empreendimento Imobiliário Ltda.	99.99	-	99.99	-
Barrasul Empreendimento Imobiliário Ltda.	99.99	-	99.99	-
Ribeirão Residencial Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Greenfield II Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Greenfield III Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Greenfield IV Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Morumbi Business Center Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Pátio Savassi Administração de Shopping Center Ltda.	99.90	-	99.90	-
Jundiaí Shopping Center Ltda.	99.90	-	99.90	-
ParkShopping Campo Grande Ltda.	99.90	-	99.90	-
ParkShopping Corporate Empreendimento Imobiliário Ltda	99.90	-	99.90	-
Multiplan Arrecadadora Ltda.	99.90	-	99.90	-
ParkShopping Global Ltda.	87.00	-	87.00	-
ParkShopping Canoas Ltda.	94.67	-	94.67	-
Multishopping Shopping Center Ltda.	99.90	-	99.90	-
ParkShopping Jacarepaguá Ltda.	99.90	-	99.90	-
Multiplan Greenfield XI Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Greenfield XII Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Greenfield XIII Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Barra 1 Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Morumbi 1 Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden I Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden III Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden IV Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden V Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden VI Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden VII Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden VIII Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden IX Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden X Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden XI Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden XII Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden XIII Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden XIV Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden XV Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden XVI Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden XVII Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan Golden XVIII Empreendimento Imobiliário Ltda.	99.90	-	99.90	-
Multiplan XVI Empreendimento Imobiliário Ltda.	99.90	-	-	-
Multiplan XVII Empreendimento Imobiliário Ltda.	99.90	-	-	-

	Interest %			
	March 31 2017		December 31 2016	
Corporate name	**Direct**	**Indirect**	**Direct**	**Indirect**
Multiplan XVIII Empreendimento Imobiliário Ltda.	99.90	-	-	-
Multiplan XIX Empreendimento Imobiliário Ltda.	99.90	-	-	-
Multiplan XX Empreendimento Imobiliário Ltda.	99.90	-	-	-

The quarterly information of subsidiaries are prepared for the same reporting period that the parent company, using consistent accounting policies.

All intragroup balances, income and expenses are fully eliminated.

The reconciliation between the net income for the quarters ended March 31, 2017 and 2016 between the parent company and consolidated is as follows:

	Net income for the period	
	03/31/2017	**03/31/2016**
Parent company	54,163	69,658
Equity in the earnings of County's profit or loss for the period (a)	114	421
Consolidated	54,277	70,079

(a) Subsidiary Renasce holds 100% in the County's capital, whose main activity is the investment in subsidiary Embassy. In order to properly prepare the Multiplan's individual and consolidated balances, the Company adjusted the Renasce's capital and the investment calculation for consolidation purposes only. Adjustment relating to the Company's equity in the earnings of County not reflected on equity in the earnings of Renasce.

2.4 Significant accounting policies adopted in the quarterly information

Significant accounting policies adopted by the Company in this quarterly information are consistent with those adopted in the financial statements for the year ended December 31, 2016 disclosed on February 23, 2017.

3 Cash and cash equivalents and financial instruments

	March 31, 2017		December 31, 2016	
	Parent company	Consolidated	Parent company	Consolidated
Cash and cash equivalents				
Cash and banks	28,722	53,430	27,412	57,538
Bank Deposit Certificates (CDBs)	4,872	5,905	6,261	9,150
Purchase and sale commitments	18,938	42,062	16,868	38,959
Total cash and cash equivalents	52,532	101,397	50,541	105,647

These short-term investments are made with prime financial institutions, at market price and terms.

The short-term investments presented as cash equivalent may be redeemed at any time without affecting earnings recognized or with no risk of significant change in value.

The Fixed Income Investment Funds - DI are non-exclusive funds classified by the Brazilian Financial and Capital Markets Association (ANBIMA) as short-term, low-risk funds. The funds' portfolios are managed by Bradesco Asset Management, Santander Asset and Itaú Asset. The Company does not interfere with or influence the management of the portfolios or the acquisition and sale of the securities included in the portfolios.

	March 31, 2017		December 31, 2016	
	Parent company	Consolidated	Parent company	Consolidated
Interest earning bank deposits - daily liquidity				
Investment fund DI - fixed income securities	966,911	1,003,918	357,944	361,721
Total interest earning bank deposits	966,911	1,003,918	357,944	361,721

The Company's exposure to interest rate risks, credit, liquidity and market risks, and sensitivity analysis of financial assets and liabilities are disclosed in Note 25.

4 Accounts receivable

	March 31, 2017		December 31, 2016	
	Parent company	**Consolidated**	**Parent company**	**Consolidated**
Rental	103,100	134,723	149,414	187,837
Straight line effect	31,241	51,249	23,075	42,342
Key Money	25,017	43,553	27,219	46,675
Parking	8,164	13,784	10,805	19,957
Management fees (a)	8,558	8,558	9,115	9,115
Sales	1,603	1,603	1,463	1,463
Advertising	637	637	1,253	1,253
Sales of properties	34,736	128,750	36,776	133,243
Other	6,586	9,138	6,813	9,442
	219,642	391,995	265,933	451,327
Allowance for doubtful accounts (b)	(28,032)	(40,916)	(26,903)	(39,096)
	191,610	351,079	239,030	412,231
Non-current	(35,476)	(107,512)	(39,578)	(114,982)
Current	156,134	243,567	199,452	297,249

(a) Refer to the management fees receivable by the Company, charged the business or store owners of the shopping centers which it administrates, corresponding to a percentage of the store rent, the common charges of store owners, the financial management, and the promotion fund.

(b) The Company recognized an allowance for doubtful accounts based on the following criteria:

(i) Store leases - past due balance over than 180 days and amounts in excess of R$15 are individually analyzed, independently of the due date for all storeowners that already are considered in the provision for doubtful accounts; In case of debt acknowledgments of rent, the Company records a provision for all balances overdue notwithstanding the maturity term;

(ii) Key Money - All past due balance over 180 days and independent individual analysis regardless of the due date for all storeowners that already are considered in the allowance for doubtful accounts; In case of debt acknowledgments of Key Money, the Company records a provision for all balances overdue notwithstanding the maturity term;

It should be emphasized that the Company understands that there is a low risk relating to the property sales accounts receivable since such amounts are guaranteed by the property sold.

The aging list of trade accounts receivable is broken down as follows:

		Balance past-due, but without impairment loss						
		Days:						
Parent company	**Balance due and without impairment loss**	**< 30**	**30-60**	**61-90**	**91-120**	**121-180**	**>180**	**Total**
03/31/2017	176,278	3,901	2,768	3,309	2,725	2,814	27,847	219,642
12/31/2016	226,459	4,829	2,224	1,838	1,660	2,869	26,054	265,933

		Balance past-due, but without impairment loss						
	Balance due and without	Days:						
Consolidated	**impairment loss**	**< 30**	**30-60**	**61-90**	**91-120**	**121-180**	**>180**	**Total**
03/31/2017	321,198	6,371	4,002	4,824	3,621	6,269	45,710	391,995
12/31/2016	384,702	8,544	3,227	4,569	3,051	4,932	42,302	451,327

The changes in the allowance for doubtful accounts are as follows:

	Parent company	**Consolidated**
Balances at December 31, 2016	(26,903)	(39,096)
Additions	(1,129)	(1,905)
Write-off	-	85
Balances at March 31, 2017	(28,032)	(40,916)

Breakdown of aging of trade accounts receivable included in the allowance for doubtful accounts:

	March 31, 2017		**December 31, 2016**	
	Parent company	**Consolidated**	**Parent company**	**Consolidated**
Less than 60 days	(815)	(1,098)	(4,087)	(5,187)
From 60 to 120 days	(2,587)	(3,482)	(1,400)	(1,955)
From 120 to 180 days	(1,429)	(1,836)	(1,647)	(2,220)
From 180 to 240 days	(2,962)	(3,651)	(1,433)	(1,727)
Over 240 days	(20,239)	(30,849)	(18,336)	(28,007)
	(28,032)	(40,916)	(26,903)	(39,096)

The Company has operating lease agreements with the tenants of shopping mall stores (lessee) with a standard term of 5 years. Exceptionally, there may be agreements with differentiated terms and conditions.
For the quarters ended March 31, 2017 and 2016, the Company had billings of R$ 181,039 and R$ 162,460, respectively, from minimum rent in the Company's interest only in relation to contracts prevailing at the end of each period, these presented the following renewal schedule:

	Consolidated	
	March 31, 2017	**March 31, 2016**
In 2016	-	11.1%
In 2017	10.5%	17.0%
In 2018	16.1%	16.7%
In 2019	18.3%	18.9%
After 2019	45.1%	25.8%
Undetermined (*)	10.0%	10.5%
Total	100.0%	100.0%

(*) Non-renewed agreements in which the parties may request termination via a prior legal notice (30 days).

5 Related party transactions

5.1 The main balances and transactions with related parties are as follow:

	March 31, 2017		December 31, 2016	
	Parent company	**Consolidated**	**Parent company**	**Consolidated**
Current assets:				
Sundry loans and advances				
Advances on shopping center chargers (a)	18,355	27,002	18,471	26,540
Shopping Center Associations (b)	2,910	3,100	3,150	3,334
Parkshopping Canoas (f)	193	-	152	-
Parkshopping Jacarepaguá (l)	37	-	40	-
Shopping Center Condominiums (c)	2,324	2,324	2,766	2,766
Loans - Other (d)	145	145	69	69
Other	16	-	-	-
Subtotal	23,980	32,571	24,648	32,709
Provision for losses (a)	(18,355)	(27,002)	(18,471)	(26,540)
Total sundry loans and advances - current	5,625	5,569	6,177	6,169
Accounts receivable				
Multiplan Administradora de Shopping Centers Ltda. (e)	8,163	-	10,805	-
Total accounts receivable - current	8,163	-	10,805	-
Total current assets	13,788	5,569	16,982	6,169
Non-current assets:				
Sundry loans and advances				
Shopping Center Condominiums (c)	1,955	1,955	2,119	2,119
Shopping Center Associations (b)	8,159	8,505	8,308	8,687
Total sundry loans and advances - non-current	10,114	10,460	10,427	10,806
Current liabilities:				
Sundry loans and advances				
Multiplan Greenfield III Ltda (h)	20,397	-	-	-
Other	2	-	-	-
Total sundry loans and advances - current	20,399	-	-	-
Non-current liabilities:				
Sundry loans and advances				
Multiplan Greenfield III Ltda (h)	81,588	-	-	-
Total sundry loans and advances - non-current	81,588	-	-	-

	Parent company	
	03/31/2017	**03/31/2016**
Statement of income:		
Income from services		
Multiplan Administradora de Shopping Centers Ltda. (e)	23,341	22,239
Income from rental Hot Zone (g)	198	180
Headquarters expenses		
Rental expense (i)	13	11
Shopping Mall expenses		
Multiplan Arrecadadora Ltda (j)	261	261
Services agreement		
Peres - Advogados, Associados S/C (k)	174	624
Net financial income (loss)		
Interest on loans and sundry advances	471	562

	Consolidated	
	03/31/2017	**03/31/2016**
Statement of income:		
Income from rental Hot Zone (g)	280	246
Headquarters expenses		
Rental expense (i)	13	11
Services agreement		
Peres - Advogados, Associados S/C (k)	174	624
Net financial income (loss)		
Interest on loans and sundry advances	489	602

(a) Prepayments of charges granted to condominiums of shopping malls owned by Multiplan Group, in light of the default of storeowners with the condominiums. An allowance for loan losses was set up for these advances in light of the probable risk of non-collection.

(b) Refer to advances granted to the Storeowners Association of the following Shopping Centers: BarraShopping Sul, ParkshoppingBarigui, BarraShopping, RibeirãoShopping, JundiaíShopping, ParkshoppingCampoGrande and VillageMall. These advances have interests based on the CDI variation, and will be fully settled between 2017 and 2022.

(c) These refer to loans made with the condominiums of VillageMall and New York City Center that have interests based on the CDI variation, and will be fully settled up to 2020.

(d) Refers to loans granted to employees, which are being repaid in annual installments.

(e) Refers to the portion of accounts receivable and income that the Company has with subsidiary MTA manages the shopping malls' parking lots and transfer from 93% to 97.5% of net income to the Company. Note that whenever total expenses exceed the revenue generated, the Company is required to reimburse such difference to MTA plus 3% of monthly gross income. These amounts are billed and received on a monthly basis.

(f) These are amounts recoverable from the subsidiary ParkShopping Canoas Ltda., referring to the sharing of payroll expenses.

(g) Refers to amount billed as Hot Zone store leases entered into with Divertplan Comércio e Indústria Ltda, (lessee), where Multiplan Planejamento Participações e Administração S/A, a Company shareholder, holds 99% of the capital.

(h) Refers to the Public Purchase and Sale Deed dated March 29, 2017, between the subsidiary Multiplan Greenfied III Empreendimento Imobiliário LTDA (Grantor), the Company, and the subsidiary Renasce Rede Nacional de Shopping Centers LTDA and its subsidiary (Grantees) whereas the Grantees acquired 37.23% of the property comprised by Building 3,650 at Av. das Américas, lote 02 of PAL 44,725. The purchase price was R$ 120,112 and will be paid as follows: (i) R$ 17,997 was paid in cash by the Company; (ii) R$ 101,986 will be paid by the Company in 5 annual and consecutive promissory notes, monetary updated by the General Market Price Index (IGP-M) plus interest of 2% per annum, and (iii) R$ 129 was paid in cash by Renasce.

(i) Refers to the lease agreement entered into with close family member of the Company's controlling shareholder of an office located in Centro Empresarial Barra Shopping, dated March 04, 2015. The agreement is effective for 24-month period, starting April 1, 2015 and lease payments are adjusted using the IPCA.

(j) Refers to rental collection services, common and specific charges, income from promotion fund and other income deriving from the operation and sale of office spaces of the Company and/or its subsidiaries.

(k) Refers to the addendum to the legal service agreement entered into by the Company and Peres - Advogados, Associados S/C, owned by a close family member of the Company's controlling shareholder, dated May 1st,, 2011. The contract has an indefinite term of duration and establishes a monthly remuneration of R$ 50, adjusted by the Consumer Price Index (IPC) on an annual basis. Additionally, on April 4, 2016, R$450 was paid as bonus.

(l) These are amounts recoverable from the subsidiary ParkShopping Jacarepaguá Ltda, referring to the sharing of payroll expenses.

5.2 Remuneration of key management personnel

Remuneration of key personnel

The executive officers and directors, which have the decision power and the Company's operations control, are elected by the Board and considered key management personnel in accordance with the Company's Bylaws.

The key management personnel compensation accounted for in the statement of income by category is as follows:

	03/31/2017	03/31/2016
Short-term benefits	5,014	5,907
Share-based payments	14,371	2,335
	19,385	8,242

On March 31, 2017, the key management personnel consisted of: 7 members of the Board of Directors and five directors.

The Company does not grant to the executive officers and directors benefits relating to the labor contract rescission beyond the ones foreseen in the applicable law.

6 Land and properties held for sale

	March 31, 2017		December 31, 2016	
	Parent company	Consolidated	Parent company	Consolidated
Land	61,408	259,251	58,702	247,120
Properties concluded	6,789	46,731	5,972	47,222
	68,197	305,982	64,674	294,342
Current	6,789	46,731	5,972	47,222
Non-current	61,408	259,251	58,702	247,120
	68,197	305,982	64,674	294,342

The Company reclassifies part of its inventories into non-current assets, according to launches scheduled for subsequent years, into the heading of "land for future development" or based on the completion schedule of its constructions, into the heading "construction in progress".

7 Income and social contribution taxes

The origin of deferred income and social contribution taxes is presented below:

	March 31, 2017		December 31, 2016	
	Parent company	Consolidated	Parent company	Consolidated
Assets:				
Provision for legal and administrative proceedings	6,026	6,420	7,166	7,484
Allowance for doubtful accounts	26,590	33,015	24,834	30,795
Provision for losses on advances of charges	18,355	18,355	18,471	18,471
Accrued annual bonus (a)	44,330	44,330	36,357	36,357
Phantom Stock Options	33,492	33,492	7,277	7,277
Deferred assets (f)	4,131	4,131	4,160	4,160
Tax loss and negative basis of social contribution	-	87,397	-	81,653
Deferred tax asset base	132,924	227,140	98,265	186,197
Deferred income tax asset (c)	25,588	49,226	18,298	40,273
Deferred social contribution assets (c)	10,725	19,237	7,828	15,742
Subtotal	36,313	68,463	26,126	56,015
Liabilities:				
Unamortized goodwill on future earnings (d)	(316,845)	(316,845)	(316,845)	(316,845)
Straight-line income (e)	(7,967)	(10,958)	(9,160)	(13,047)
Income on real estate projects (f)	-	(77,032)	-	(81,798)
Depreciation (g)	(214,621)	(252,844)	(208,277)	(243,796)
Compound interest	(42,602)	(66,412)	(40,524)	(58,920)

	March 31, 2017		December 31, 2016	
	Parent company	**Consolidated**	**Parent company**	**Consolidated**
Deferred tax liabilities base	(582,035)	(724,091)	(574,806)	(714,406)
Deferred income tax liabilities (c)	(145,509)	(163,320)	(143,703)	(159,804)
Deferred social contribution liabilities (c)	(52,382)	(59,073)	(51,731)	(57,823)
Subtotal	(197,891)	(222,393)	(195,434)	(217,627)
Deferred income and social contribution taxes, net	(161,578)	(153,930)	(169,308)	(161,612)

(a) For the calculation of deferred income tax, only the share of employee profit sharing was considered.

(b) The Company recognized deferred income tax by fully derecognizing deferred charges.

(c) In the consolidated, the basis for the deferred assets and liabilities are composed also by entities subject to the calculation of IRPJ and CSLL by the presumed income regime. For this reason, the effect of the taxes rates includes the taxes rates used in the income presumption, according to the federal law, and may vary depending on the income nature.

(d) Goodwill on acquisition of Multishopping Empreendimentos Imobiliários S.A., Bozano Simonsen Centros Comerciais S.A. and Realejo Participações S.A. based on expected future earnings. Such companies were then merged and the respective goodwill reclassified to intangible assets. These companies were subsequently merged and the related goodwill was reclassified to intangible assets. Pursuant to the new accounting standards, beginning January 1, 2009 such goodwill is no longer amortized and deferred income tax liabilities on the difference between the tax base and the book value of the related goodwill was accounted for. For tax purposes, the amortization of goodwill was terminated on November 2014.

(e) The Company formed income tax and social contribution on deferred taxation of straight-line income during the term of the contract, regardless of the receipt term. As of 2015, with the enactment of Law 12,973, of May 13, 2014, this income started being taxed on an accrual basis. Thus, the deferred balance up to December 31, 2014 will be subjected to taxation upon its realization.

(f) According to the tax criterion, the income (loss) on the sale of real estate units is determined based on the financial realization of income (cash basis) while for accounting purposes such transactions are accounted for on the accrual basis.

(g) The Company recognized deferred income tax liabilities on differences between the amounts calculated based on accounting method and criteria, as prescribed in Law No. 12.973 dated May 13, 2014.

Deferred income and social contribution taxes will be realized based on Management's expectation, as follows:

	March 31, 2017		December 31, 2016	
	Parent company	**Consolidated**	**Parent company**	**Consolidated**
2017	18,859	36,165	18,322	26,734
2018	91,681	88,174	56,956	69,622
2019	16,359	46,344	15,822	35,765
2020-2021	4,097	37,719	5,272	36,545
2022-2023	1,928	18,738	1,893	17,530
	132,924	227,140	98,265	186,197

Reconciliation of income and social contribution tax expense

The reconciliation between the tax expense as calculated by the combined nominal rates and the income and social contribution tax expense charged to income is presented below:

	Parent company			
	March 31, 2017		March 31, 2016	
	Income tax	Social contribution	Income tax	Social contribution
Description				
Income before income and social contribution taxes	75,159	75,159	101,981	101,981
Rate	25%	9%	25%	9%
Nominal rate	(18,790)	(6,764)	(25,495)	(9,178)
Permanent additions and exclusions				
Equity in net income of subsidiaries	4,173	1,502	2,723	980
Gifts and tributes	(2)	(1)	(2)	(1)
Contributions, donations and sponsorship	(50)	(18)	(39)	(14)
Interest on shareholders' equity received	(188)	(68)	(188)	(68)
Amortization of goodwill on asset appreciation	(5)	(2)	(5)	(2)
Compensation expenses (stock option plan)	(343)	(123)	(643)	(231)
Tax benefits	74	-	78	-
Income from real estate projects	(185)	(67)	(261)	(94)
Other	(230)	91	120	(2)
	3,244	1,314	1,783	568
	(15,546)	(5,450)	(23,712)	(8.610)
Current income and social contribution taxes in income (loss)	(21,029)	(7,696)	(18,491)	(6,652)
Deferred income and social contribution taxes no profit or loss	5,483	2,246	(5,221)	(1,958)
Total	(15,546)	(5,450)	(23,712)	(8.610)

	Consolidated			
	March 31, 2017		**March 31, 2016**	
Description	**Income tax**	**Social contribution**	**Income tax**	**Social contribution**
Income before income and social contribution taxes	83,372	83,372	109,696	109,696
Rate	25%	9%	25%	9%
Nominal rate	(20,843)	(7,503)	(27,424)	(9,873)
Permanent additions and exclusions				
Equity in net income of subsidiaries	377	136	379	136
Gifts and tributes	(2)	(1)	(2)	(1)
Contributions, donations and sponsorship	(50)	(18)	(39)	(14)
Interest on shareholders' equity received	(188)	(68)	(188)	(68)
Amortization of goodwill on asset appreciation	(5)	(2)	(5)	(2)
Compensation expenses (stock option plan)	(343)	(123)	(643)	(231)
Tax benefits	74	-	78	-
Income from real estate projects	(185)	(67)	(261)	(94)
Current losses without tax credit	(167)	(60)	(193)	(69)
Difference in the calculation basis for companies taxed by the presumed profit	3,400	1,224	2,168	781
Income and social contribution taxes in companies taxed by the deemed profit system	(2,940)	(1,059)	(2,337)	(841)
Other	(514)	(158)	(626)	(197)
	(543)	(196)	(1,669)	(600)
	(21,386)	(7,699)	(29,093)	(10,473)
Current income and social contribution taxes in income (loss)	(27,035)	(9,733)	(25,671)	(9,242)
Deferred income and social contribution taxes no profit or loss	5,649	2,034	(3,422)	(1,231)
Total	(21,386)	(7,699)	(29,093)	(10,473)

8 Investments

Significant information on investees:

				March 31, 2017		March 31, 2016	December 31, 2016
Investees	**Number of quotas/shares**	**Interest %**	**Capital**	**Net income for the period**	**Shareholders' equity**	**Net income for the period**	**Shareholders' equity**
CAA-Corretagem e Consultoria Publicitária Ltda.	40,000	99.00	400	42	1,056	12	1,015
RENASCE - Rede Nacional de Shopping Centers Ltda.	1,120,500	99.99	11,205	(138)	2,418	215	1,870
CAA-Corretagem Imobiliária Ltda.	182,477	99.61	1,825	(3)	8	(5)	11
MPH Empreendimento Imobiliário Ltda. (*)	154,940,898	100.00 (*)	154,941	2,407	170,897	2,164	168,490
Multiplan Administr. Shopping Center Ltda	20,000	99.00	20	2,198	14,593	2,240	12,395
Pátio Savassi Administração de Shopping Center Ltda.	6,322,000	100.00	63	(4)	174	(5)	179
Royal Green Península	-	98.00	51,582	(79)	2,703	32	2,703
Manati Empreendimentos e Participações S.A.	42,885,388	50.00	65,636	(650)	62,974	(176)	63,623
Parque Shopping Maceió S.A	182,505,268	50.00	182,505	3,634	185,966	3,191	188,832
Danville SP Empreendimento Imobiliário Ltda.	48,323,074	99.99	48,323	(141)	45,312	(151)	45,153
Multiplan Holding S.A.	1,000	100.00	2,293	7	2,231	11	2,124
Embraplan Empresa Brasileira de Planejamento Ltda.	5,110,438	99.99	5,110	-	232	(2)	232
Multiplan Greenfield I Emp Imob Ltda.	35,943,556	99.99	35,944	708	61,740	544	61,032
Barrasul Empreendimento Imobiliário Ltda.	25,520,443	99.99	27,520	636	43,494	325	42,858
Ribeirão Residencial Emp Imob. Ltda.	15,326,056	99.90	15,326	(107)	13,447	(114)	13,204
Morumbi Business Center Empr Imobiliário Ltda.	125,852,380	99.90	125,852	1,820	142,180	826	140,360

				March 31, 2017		March 31, 2016	December 31, 2016
Investees	**Number of quotas/shares**	**Interest %**	**Capital**	**Net income for the period**	**Shareholders' equity**	**Net income for the period**	**Shareholders' equity**
Multiplan Greenfield II Empr.Imob.Ltda.	112,024,966	99.90	112,025	2,402	110,536	1,607	107,850
Multiplan Greenfield IV Empr.Imob.Ltda.	103,876,853	99.90	103,877	2,486	98,595	2,366	96,093
Multiplan Greenfield III Empr.Imob.Ltda.	350,160,474	99.90	350,160	(922)	334,880	(867)	326,822
ParkShopping Campo Grande Ltda	319,402,797	99.90	319,403	2,218	342593	1,520	340,375
Jundiaí Shopping Center Ltda	256,575,987	99.90	256,576	2,525	292,275	2,246	289,750
ParkShopping Corporate Empr.Imob. Ltda	50,293,251	99.90	50,293	(423)	42,520	(359)	42,768
Multiplan Arrecadadora Ltda.	1,000	99.90	1	202	3,086	194	2,884
ParkShopping Global Ltda.	23,116,470	87.00	23,116	(25)	19,375	(24)	19,227
ParkShopping Canoas Ltda.	88,454,067	94.67	88,454	(179)	82,618	594	66,715
Multishopping Shopping Center Ltda.	16,979	99.90	17	-	8	(2)	9
ParkShopping Jacarepagua Ltda.	91,445,731	99.90	91,446	(91)	91,032	(135)	86,923
Multiplan Greenfield XI Empr.Imob.Ltda.	9,773,755	99.90	9,774	254	10,022	(2)	8
Multiplan Greenfield XII Empr.Imob.Ltda.	12,881	99.90	13	(1)	7	(2)	8
Multiplan Greenfield XIII Empr.Imob.Ltda.	12,881	99.90	13	(1)	7	(2)	8
Multiplan Barra 1 Empr.Imob.Ltda.	463,135,848	99.90	463,136	2,160	473,547	(1)	421,388
Multiplan Morumbi 1 Empr.Imob.Ltda.	190,332,604	99.90	190,333	915	194,153	(1)	193,237
Multiplan Golden I Empr.Imob.Ltda.	4,429,146	99.90	4,429	(20)	4.397	-	4,137
Multiplan Golden III Empr.Imob.Ltda.	1,000	99.90	1	(1)	-	-	1
Multiplan Golden IV Empr.Imob.Ltda.	1,000	99.90	1	-	1	-	1
Multiplan Golden V Empr.Imob.Ltda.	2,088,343	99.90	2,088	(11)	2072	-	2,002
Multiplan Golden VI Empr.Imob.Ltda.	2,277,245	99.90	2,277	(12)	2,259	-	2,181
Multiplan Golden VII Empr.Imob.Ltda.	2,277,245	99.90	2,277	(12)	2,259	-	2,181
Multiplan Golden VIII Empr.Imob.Ltda.	2,033,763	99.90	2,034	(9)	2,018	-	1,948
Multiplan Golden IX Empr.Imob.Ltda.	658,675	99.90	659	(6)	651	-	627
Multiplan Golden X Empr.Imob.Ltda.	1,339,702	99.90	1,340	(10)	1,326	-	1,286
Multiplan Golden XI Empr.Imob.Ltda.	1,392,154	99.90	1,392	(10)	1,378	-	1,328
Multiplan Golden XII Empr.Imob.Ltda.	941,575	99.90	942	(7)	932	-	899

				March 31, 2017		March 31, 2016	December 31, 2016
Investees	**Number of quotas/shares**	**Interest %**	**Capital**	**Net income for the period**	**Shareholders' equity**	**Net income for the period**	**Shareholders' equity**
Multiplan Golden XIII Empr.Imob.Ltda.	2,383,374	99.90	2,383	(11)	2,365	-	2,286
Multiplan Golden XIV Empr.Imob.Ltda.	2,088,343	99.90	2,088	(11)	2,072	-	2,002
Multiplan Golden XV Empr.Imob.Ltda.	2,033,763	99.90	2,034	(10)	2,018	-	1,948
Multiplan Golden XVI Empr.Imob.Ltda.	2,383,374	99.90	2,383	(11)	2,365	-	2,286
Multiplan Golden XVII Empr.Imob.Ltda.	2,693,566	99.90	2,694	(12)	2,673	-	2,586
Multiplan Golden XVIII Empr.Imob.Ltda.	2,657,179	99.90	2,657	(12)	2,637	-	2,549
MultiplanXVI Empr.Imob.Ltda	1,000	99.90	1	-	1	-	-
MultiplanXVII Empr.Imob.Ltda	1,000	99.90	1	-	1	-	-
MultiplanXVIII Empr.Imob.Ltda	1,000	99.90	1	-	1	-	-
MultiplanXIX Empr.Imob.Ltda	1,000	99.90	1	-	1	-	-
MultiplanXX Empr.Imob.Ltda	1,000	99.90	1	-	1	-	-

(*) 50.00% direct and 50.00% indirect through subsidiary Morumbi Business Center Empreendimento Imobiliário Ltda.

8.1 Changes in investments of the parent company

Investees	12/31/2016	Additions	Transfers	Dividends	Capital gain/loss	Equity in net income of subsidiaries	03/31/2017
Investments							
CAA Corretagem e Consultoria Publicitária Ltda.	1,005	-	-	-	-	41	1,046
CAA Corretagem Imobiliária Ltda.	11	-	-	-	-	(3)	8
RENASCE - Rede Nacional de Shopping Centers Ltda.	1,870	-	800	-	-	(252)	2,418
Royal Green Península	2,566	-	-	-	-	18	2,584
Multiplan Admin. Shopping Center Ltda	12,271	-	-	-	-	2,176	14,447
MPH Empreendimento Imobiliário Ltda	84,245	-	-	-	-	1,204	85,449
Manati Empreendimentos e Participações S.A.	31,812	-	-	-	-	(325)	31,487
Parque Shopping Maceió S.A.	94,416	-	-	(3,250)	-	1,817	92,983
Pátio Savassi Administração de Shopping Center Ltda.	179	-	-	-	-	(4)	175
Danville SP Empreendimento Imobiliário Ltda.	59,596	-	300	-	-	(141)	59,755
Multiplan Holding S.A.	2,124	-	100	-	-	7	2,231
Embraplan Empresa Brasileira de Planejamento Ltda.	232	-	-	-	-	-	232
Ribeirão Residencial Emp Im Ltda.	15,691	-	350	-	-	(107)	15,934
Morumbi Business Center Empreendimento Imobiliário Ltda.	140,220	-	-	-	-	1,818	142,038
Barrasul Empreendimento Imobiliário Ltda.	46,843	-	-	-	-	(360)	46,483
Multiplan Greenfield I Emp.Imobiliario Ltda.	66,079	-	-	-	-	(553)	65,526
Multiplan Greenfield II Empreendimento Imobiliário Ltda.	107,742	-	200	-	-	2,484	110,426
Multiplan Greenfield III Empreendimento Imobiliário Ltda.	326,497	-	8,970	-	-	(921)	334,546
Multiplan Greenfield IV Empreendimento Imobiliário Ltda.	95,997	-	100	-	-	2,400	98,497
ParkShopping Campo Grande Ltda.	340,034	-	-	-	-	2,216	342,250
Jundiaí Shopping Center Ltda.	289,460	-	-	-	-	2,522	291,982
ParkShopping Corporate Empreendimento Imobiliário Ltda.	42,726	-	175	-	-	(422)	42,479

Investees	12/31/2016	Additions	Transfers	Dividends	Capital gain/loss	Equity in net income of subsidiaries	03/31/2017
Multiplan Arrecadadora Ltda	2,881	-	-	-	-	202	3,083
ParkShopping Global Ltda.	16,729	-	150	-	-	(22)	16,857
ParkShopping Canoas Ltda.	63,159	-	15,224	-	-	(170)	78,213
Multishopping Shopping Center Ltda	8	-	-	-	-	-	8
ParkShopping Jacarepagua Ltda.	86,834	-	4,196	-	-	(91)	90,939
Multiplan Greenfield XI Empreendimento Imobiliário Ltda.	8	-	9,751	-	-	254	10,013
Multiplan Greenfield XII Empreendimento Imobiliário Ltda.	8	-	-	-	-	(1)	7
Multiplan Greenfield XIII Empreendimento Imobiliário Ltda.	8	-	-	-	-	(1)	7
Multiplan Barra 1 Empreendimento Imobiliário Ltda.	420,966	-	49,950	-	-	2,157	473,073
Multiplan Morumbi 1 Empreendimento Imobiliário Ltda.	193,044	-	-	-	-	915	193,959
Multiplan Golden I Empreendimento Imobiliário Ltda.	4,132	-	280	-	-	(20)	4,392
Multiplan Golden III Empreendimento Imobiliário Ltda.	1	-	-	-	-	(1)	-
Multiplan Golden IV Empreendimento Imobiliário Ltda.	1	-	-	-	-	-	1
Multiplan Golden V Empreendimento Imobiliário Ltda.	2,000	-	80	-	-	(11)	2,069
Multiplan Golden VI Empreendimento Imobiliário Ltda.	2,178	-	90	-	-	(12)	2,256
Multiplan Golden VII Empreendimento Imobiliário Ltda.	2,178	-	90	-	-	(12)	2,256
Multiplan Golden VIII Empreendimento Imobiliário Ltda.	1,946	-	80	-	-	(9)	2,017
Multiplan Golden IX Empreendimento Imobiliário Ltda.	626	-	30	-	-	(6)	650
Multiplan Golden X Empreendimento Imobiliário Ltda.	1,284	-	50	-	-	(10)	1,324

Investees	12/31/2016	Additions	Transfers	Dividends	Capital gain/loss	Equity in net income of subsidiaries	03/31/2017
Multiplan Golden XI Empreendimento Imobiliário Ltda.	1,327	-	60	-	-	(10)	1,377
Multiplan Golden XII Empreendimento Imobiliário Ltda.	898	-	40	-	-	(7)	931
Multiplan Golden XIII Empreendimento Imobiliário Ltda.	2,284	-	90	-	-	(11)	2,363
Multiplan Golden XIV Empreendimento Imobiliário Ltda.	2,000	-	80	-	-	(11)	2,069
Multiplan Golden XV Empreendimento Imobiliário Ltda.	1,946	-	80	-	-	(10)	2,016
Multiplan Golden XVI Empreendimento Imobiliário Ltda.	2,284	-	90	-	-	(11)	2,363
Multiplan Golden XVII Empreendimento Imobiliário Ltda.	2,583	-	100	-	-	(12)	2,671
Multiplan Golden XVIII Empreendimento Imobiliário Ltda.	2,546	-	100	-	-	(12)	2,634
Multiplan XVI Empreendimento Imobiliário Ltda	-	1	-	-	-	-	1
Multiplan XVII Empreendimento Imobiliário Ltda	-	1	-	-	-	-	1
Multiplan XVIII Empreendimento Imobiliário Ltda	-	1	-	-	-	-	1
Multiplan XIX Empreendimento Imobiliário Ltda	-	1	-	-	-	-	1
Multiplan XX Empreendimento Imobiliário Ltda	-	1	-	-	-	-	1
Other	94	-	-	-	-	-	94
Subtotal - Investment	2,575,569	5	91,606	(3,250)	-	16,693	2,680,623

Investees	12/31/2016	Additions	Transfers	Dividends	Capital gain/loss	Equity in net income of subsidiaries	03/31/2017
Advances for future capital increase							
Renasce - Rede Nacional de Shopping Centers Ltda.	-	800	(800)	-	-	-	-
Danville SP Empreendimento Imobiliário Ltda.	-	300	(300)	-	-	-	-
Ribeirão Residencial Emp Imobiliário Ltda.	-	350	(350)	-	-	-	-
Multiplan Greenfield II Empreendimento Imobiliário Ltda.	-	200	(200)	-	-	-	-
Multiplan Greenfield III Empreendimento Imobiliário Ltda.	-	8,970	(8,970)	-	-	-	-
Multiplan Greenfield IV Empreendimento Imobiliário Ltda.	-	100	(100)	-	-	-	-
ParkShopping Global Ltda.	-	150	(150)	-	-	-	-
ParkShopping Canoas Ltda.	-	15,224	(15,224)	-	-	-	-
ParkShopping Jacarepagua Ltda.	-	4,196	(4,196)	-	-	-	-
Multiplan Greenfield XI Empreendimento Imobiliário Ltda	-	9,751	(9,751)	-	-	-	-
ParkShopping Corporate Empreendimento Imobiliário Ltda	-	175	(175)	-	-	-	-
Multiplan Barra 1 Empreendimento Imobiliário Ltda	-	49,950	(49,950)	-	-	-	-
Multiplan Holding S.A.	-	100	(100)	-	-	-	-
Multiplan Golden I Empreendimento Imobiliário Ltda.	-	280	(280)	-	-	-	-
Multiplan Golden V Empreendimento Imobiliário Ltda.	-	80	(80)	-	-	-	-
Multiplan Golden VI Empreendimento Imobiliário Ltda.	-	90	(90)	-	-	-	-
Multiplan Golden VII Empreendimento Imobiliário Ltda.	-	90	(90)	-	-	-	-
Multiplan Golden VIII Empreendimento Imobiliário Ltda.	-	80	(80)	-	-	-	-
Multiplan Golden IX Empreendimento Imobiliário Ltda.	-	30	(30)	-	-	-	-
Multiplan Golden X Empreendimento Imobiliário Ltda.	-	50	(50)	-	-	-	-
Multiplan Golden XI Empreendimento Imobiliário Ltda.	-	60	(60)	-	-	-	-
Multiplan Golden XII Empreendimento Imobiliário Ltda.	-	40	(40)	-	-	-	-
Multiplan Golden XIII Empreendimento Imobiliário Ltda.	-	90	(90)	-	-	-	-
Multiplan Golden XIV Empreendimento Imobiliário Ltda.	-	80	(80)	-	-	-	-
Multiplan Golden XV Empreendimento Imobiliário Ltda.	-	80	(80)	-	-	-	-
Multiplan Golden XVI Empreendimento Imobiliário Ltda.	-	90	(90)	-	-	-	-
Multiplan Golden XVII Empreendimento Imobiliário Ltda.	-	100	(100)	-	-	-	-
Multiplan Golden XVIII Empreendimento Imobiliário Ltda.	-	100	(100)	-	-	-	-
Subtotal - advances for future capital increase	-	91,606	(91,606)	-	-	-	-
Total net investments	2,575,569	91,611	-	(3,250)	-	16,693	2,680,623

8.2 Changes in consolidated investments

Investees	12/31/2016	Dividends	Equity in net income of subsidiaries	03/31/2017
SCP - Royal Green Península (*)	2,566	-	18	2,584
Manati Empreendimentos e Participações S.A.	31,812	-	(325)	31,487
Parque Shopping Maceió S.A.	94,416	(3,250)	1,817	92,983
Other	153	-	-	153
Total investment	128,947	(3,250)	1,510	127,207

(*) Shareholder Multiplan Planejamento conducts the material activities that and have the ability to affect the return on Royal Green operations; therefore, the investment is not consolidated, since financial information of shareholder Multiplan Planejamento. includes records of SCP operations.

8.3 Financial information of the subsidiaries

The main information on the Company's subsidiaries' quarterly information is as follows:

	March 31, 2017				
	Current assets	**Non-current assets**	**Current liabilities**	**Non-current liabilities**	**Net income**
CAA Corretagem e Consultoria Publicitária Ltda. (a)	1,068	-	12	-	31
RENASCE - Rede Nacional de Shopping Centers Ltda.	853	6,688	5,049	75	108
CAA Corretagem Imobiliária Ltda. (a)	8	-	-	-	-
MPH Empreendimento Imobiliário Ltda.	14,541	158,390	1,452	582	5,700
Multiplan Administr. Shopping Center Ltda	41,671	76	27,020	134	62,324
Pátio Savassi Administração de Shopping Center Ltda.	8	167	1	-	-
Danville SP Empreendimento Imobiliário Ltda. (c)	332	44,981	2	-	-
Multiplan Holding S.A.	51	2,181	-	-	-
Embraplan Empresa Brasileira de Planejamento Ltda. (b)	235	-	3	-	-
Multiplan Greenfield I Emp Imob Ltda.	29,452	37,938	2,222	3,428	(759)
Barrasul Empreendimento Imobiliário Ltda.	20,371	30,009	1,837	5,049	(430)
Ribeirão Residencial Emp Imob. Ltda. (c)	258	13,233	44	-	-
Morumbi Business Center Empr. Imob. Ltda. (d)	2,064	141,754	1,638	-	162
Multiplan Greenfield II Empr. Imob.Ltda. (c)	39,692	238,355	23,977	143,533	9,489
Multiplan Greenfield IV Empr. Imob.Ltda. (c)	20,087	250,917	24,814	147,595	10,203
Multiplan Greenfield III Empr. Imob.Ltda. (c)	20,465	330,166	14,570	1,181	-
ParkShopping Campo Grande Ltda	19,277	379,074	35,231	20,527	10,467
Jundiaí Shopping Center Ltda	13,539	317,746	31,948	7,063	8,782
ParkShopping Corporate Empr.Imob.Ltda.	899	41,856	235	-	399
Multiplan Arrecadadora Ltda.	276,995	16,697	290,609	-	239
ParkShopping Global Ltda.	77	20,899	1,600	-	-
ParkShopping Canoas Ltda.	10,100	321,776	25,557	223,702	80
Multishopping Shopping Center Ltda	8	-	-	-	-
Parkshopping Jacarepaguá Ltda	336	106,307	10,791	4,820	-
Multiplan Greenfield XI Empr.Imob.Ltda.	2,479	92,486	46,576	38,366	3,496
Multiplan Greenfield XII Empr.Imob.Ltda.	7	-	1	-	-
Multiplan Greenfield XIII Empr.Imob.Ltda.	7	-	1	-	-
Multiplan Barra 1 Empr.Imob.Ltda.	19,825	459,444	1,911	3,811	9,055
Multiplan Morumbi 1 Empr.Imob.Ltda.	7,678	188,128	784	869	3,904
Multiplan Golden I Empr.Imob.Ltda.	310	4,095	7	-	-
Multiplan Golden III Empr.Imob.Ltda.	1	-	1	-	-
Multiplan Golden IV Empr.Imob.Ltda.	1	-	-	-	-
Multiplan Golden V Empr.Imob.Ltda.	149	1,924	1	-	-
Multiplan Golden VI Empr.Imob.Ltda.	165	2,095	1	-	-
Multiplan Golden VII Empr.Imob.Ltda.	165	2,095	1	-	-
Multiplan Golden VIII Empr.Imob.Ltda.	147	1,871	-	-	-
Multiplan Golden IX Empr.Imob.Ltda.	52	602	3	-	-
Multiplan Golden X Empr.Imob.Ltda.	94	1,235	3	-	-
Multiplan Golden XI Empr.Imob.Ltda.	106	1,276	3	-	-
Multiplan Golden XII Empr.Imob.Ltda.	71	863	2	-	-
Multiplan Golden XIII Empr.Imob.Ltda.	169	2,197	-	-	-
Multiplan Golden XIV Empr.Imob.Ltda.	149	1,924	1	-	-
Multiplan Golden XV Empr.Imob.Ltda.	147	1,871	-	-	-
Multiplan Golden XVI Empr.Imob.Ltda.	169	2,197	-	-	-
Multiplan Golden XVII Empr.Imob.Ltda.	189	2,485	-	-	-
Multiplan Golden XVIII Empr.Imob.Ltda.	188	2,450	-	-	-
Multiplan XVI Empreendimento Imob.Ltda	1	-	-	-	-
Multiplan XVII Empreendimento Imob Ltda	1	-	-	-	-
Multiplan XVIII Empreendimento Imob Ltda	1	-	-	-	-
Multiplan XIX Empreendimento Imob Ltda	1	-	-	-	-
Multiplan XX Empreendimento Imob.Ltda	1	-	-	-	-
Balances at March 31, 2017	544,660	3,228,448	547,908	600,735	123,250

	December 31, 2016				
	Current assets	**Non-current assets**	**Current liabilities**	**Non-current liabilities**	**Net income**
CAA Corretagem e Consultoria Publicitária Ltda. (a)	1,047	-	33	-	200
RENASCE - Rede Nacional de Shopping Centers Ltda.	708	6.625	5,386	77	370
CAA Corretagem Imobiliária Ltda. (a)	11	-	-	-	-
MPH Empreendimento Imobiliário Ltda.	10,986	159,745	1,642	600	22,370
Multiplan Administr. Shopping Center Ltda	46,744	127	34,195	282	263,840
Pátio Savassi Administração de Shopping Center Ltda.	13	167	1	-	-
Danville SP Empreendimento Imobiliário Ltda. (c)	174	44,981	2	-	-
Multiplan Holding S.A.	50	2,092	18	-	4
Embraplan Empresa Brasileira de Planejamento Ltda. (b)	234	-	3	-	-
Multiplan Greenfield I Emp Imob Ltda.	27,542	39,098	2,443	3,166	1,343
Barrasul Empreendimento Imobiliário Ltda.	18,203	31,596	2,032	4,908	1,198
Ribeirão Residencial Emp Imob. Ltda. (c)	74	13,128	(2)	-	-
Morumbi Business Center Empr. Imob. Ltda. (d)	3,469	140,040	3,099	49	589
Multiplan Greenfield II Empr. Imob.Ltda. (c)	36,620	242,322	24,451	146,640	37,097
Multiplan Greenfield IV Empr. Imob.Ltda. (c)	17,419	256,286	26,870	150,742	38,580
Multiplan Greenfield III Empr. Imob.Ltda. (c)	159	346,014	14,629	4,723	(1)
ParkShopping Campo Grande Ltda	18,065	382,431	35,814	24,308	43,289
Jundiaí Shopping Center Ltda	14,515	319,522	30,914	13,372	38,048
ParkShopping Corporate Empr.Imob.Ltda.	887	42,099	219	-	1,578
Multiplan Arrecadadora Ltda.	342,282	5,261	344,659	-	954
ParkShopping Global Ltda.	51	20,776	1,600	-	-
ParkShopping Canoas Ltda.	18,621	280,336	18,357	213,885	165
Multishopping Shopping Center Ltda	9	-	-	-	-
Parkshopping Jacarepaguá Ltda	76	104,786	10,709	7,231	-
Multiplan Greenfield XI Empr.Imob.Ltda.	8	-	-	-	-
Multiplan Greenfield XII Empr.Imob.Ltda.	8	-	-	-	-
Multiplan Greenfield XIII Empr.Imob.Ltda.	8	-	-	-	-
Multiplan Barra 1 Empr.Imob.Ltda.	14,592	463,996	53,174	4,026	16,658
Multiplan Morumbi 1 Empr.Imob.Ltda.	4,935	190,271	964	1,005	5,869
Multiplan Golden I Empr.Imob.Ltda.	321	3,815	-	-	-
Multiplan Golden III Empr.Imob.Ltda.	1	-	-	-	-
Multiplan Golden IV Empr.Imob.Ltda.	1	-	-	-	-
Multiplan Golden V Empr.Imob.Ltda.	156	1,846	-	-	-
Multiplan Golden VI Empr.Imob.Ltda.	170	2,011	-	-	-
Multiplan Golden VII Empr.Imob.Ltda.	170	2,011	-	-	-
Multiplan Golden VIII Empr.Imob.Ltda.	152	1,796	-	-	-
Multiplan Golden IX Empr.Imob.Ltda.	49	577	-	-	-
Multiplan Golden X Empr.Imob.Ltda.	100	1,185	-	-	-
Multiplan Golden XI Empr.Imob.Ltda.	104	1,224	-	-	-
Multiplan Golden XII Empr.Imob.Ltda.	71	828	-	-	-
Multiplan Golden XIII Empr.Imob.Ltda.	178	2,109	-	-	-
Multiplan Golden XIV Empr.Imob.Ltda.	156	1,846	-	-	-
Multiplan Golden XV Empr.Imob.Ltda.	152	1,796	-	-	-
Multiplan Golden XVI Empr.Imob.Ltda.	178	2,109	-	-	-
Multiplan Golden XVII Empr.Imob.Ltda.	201	2,385	-	-	-
Multiplan Golden XVIII Empr.Imob.Ltda.	198	2,351	-	-	-
Balances at December 31, 2016	579,868	3,119,588	611,212	575,014	472,151

(a) In 2007, these companies' operations were transferred to the Company.

(b) Dormant company since 2003.

(c) Companies which have buildings under construction.

(d) The result of the subsidiary Morumbi Bussiness Center Empr. Imob. Ltda., is basically the equity income for the participation of 50% in the subsidiary MPH Empreendimentos Imobiliários Ltda.

8.4 Information on jointly-controlled subsidiary

As prescribed by CPC 19 (R2), jointly-controlled subsidiaries Manati Empreendimentos e Participações S.A. and Parque Shopping Maceió S.A., in whose shareholders' agreements the parties agree to share control over the activities, they were proportionally consolidated.

The main information on the quarterly information of Company's jointly-controlled subsidiaries are as follow:

	Manati Empreendimentos Participações S.A.		Parque Shopping Maceió S.A	
	March 31, 2017	**December 31, 2016**	**March 31, 2017**	**December 31, 2016**
Assets				
Current				
Cash and cash equivalents	1,386	2,040	21,413	22,677
Accounts receivable	2,140	2,350	7,146	8,671
Taxes and social contributions recoverable	307	257	757	816
Deferred costs	1,060	896	-	-
Sundry advances	-	-	428	-
Other	-	-	1,550	799
	4,893	5,543	31,294	32,963
Non-current:				
Judicial deposits	1,240	1,240	21	21
Accounts receivable	2	-	-	-
Deferred income and social contribution taxes	2,431	2,097	1,758	2,006
Deferred costs	2,815	2,543	-	-
Other	-	-	447	1,127
Investment property	52,343	52,815	251,453	252,789
Intangible assets	1,859	1,875	8	10
	60,690	60,570	253,687	255,953
Total assets	65,583	66.113	284,981	288,916
Liabilities and shareholders' equity				
Current				
Accounts payable	1,129	1,024	322	604
Loans and financing	-	-	9,864	9,594
Taxes and contributions payable	103	118	1,545	380
Dividends payable	-	-	1,275	1,020
Deferred income and costs	112	119	-	-
Other	76	92	779	496
	1,420	1,353	13,785	12,094
Non-current				
Loans and financing	-	-	71,382	74,028
Deferred income and social contribution taxes	-	-	9,495	8,859
Provision for risks	1,240	1,240	-	-
Deferred income and costs	(52)	(104)	4,353	5,103
	1,188	1,136	85,230	87,990
Shareholders' equity:				
Capital	65,636	65,636	182,505	182,506
Reserve for new investments	-	-	6,327	2,486
Anticipation of Interest on shareholders' equity	-	-	(6,500)	
Retained earnings (loss)	(2,012)	(2,012)	-	3,840
Income (loss) for the period	(650)	-	3,634	-
	62,974	63,624	185,966	188,832
Total liabilities and shareholders' equity	65,583	66.113	284,981	288,916

	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Statement of income				
Net income	1,370	1,421	8,758	8,638
Cost of services rendered	(2,281)	(1,742)	(2,622)	(2,993)
Gross income (loss)	(912)	(321)	6,136	(5,645)
Administrative expenses - Headquarters	(57)	(55)	-	-
Administrative expense - Properties	(97)	(79)	(42)	(10)
Parking lot	-	-	(205)	(238)
Other operating income	21	-	-	14
Income before financial income	(1,044)	(455)	5,889	5,411
Financial income (loss)	60	188	(1,311)	(1,358)
Income before income and social contribution taxes	(984)	(267)	4,578	4,053
Income and social contribution taxes				
Current	-	-	(61)	(125)
Deferred	335	91	(883)	(737)
Net income (loss) for the period	(650)	(176)	3,634	3,191

The financial information referring to the jointly-controlled subsidiaries was based on the trial balances presented by the Companies on the closing date of the period.

As of March 31, 2017, the Company has no commitments assumed with its jointly-controlled subsidiaries. Additionally, these jointly-controlled subsidiaries have no contingent liabilities, other comprehensive income and other disclosures required by CPC 45 - Disclosure of Interests in Other Entities (IFRS 12) beside the ones abovementioned.

9 Investment properties

Multiplan measured internally its investment properties at fair value based on the Discounted Cash Flow (DCF) method. The Company calculated the present value by using a discount rate following the Capital Asset Pricing Model (CAPM) model. Risk and return assumptions were considered based on studies conducted by Mr. Damodaran (New York University professor) relating to the stock market performance of the Company (beta), in addition to market prospects (Central Bank) and data on the risk premium of the domestic market (country risk). Based on these assumptions, the Company used a nominal, unlevered weighted average discount rate of 13.37% as of March 31, 2017, resulting from a basic discount rate of 12.97% calculated in accordance with the CAPM model, and, based on internal analyses, a spread from 0 to 200 basis points was added to this rate, resulting in an additional weighted average spread of 40 basis points in the valuation of each shopping mall, corporate tower and project.

Cost of own capital	**March 2017**	**December 2016**
Risk free rate	3.42%	3.42%
Market risk premium	6.11%	6.11%
Adjusted beta	0.78	0.79
Country risk	274 b.p.	270 b.p.
Additional spread	40 b.p.	38 b.p.
Cost of own capital - US$	11.32%	11.30%

Inflation assumptions	**March 2017**	**December 2016**
Inflation (BR) - (i)	4.29%	4.59%
Inflation (USA)	2.40%	2.40%
Cost of own capital - R$	13.37%	13.69%

(a) Inflation (BR) March 2017 refers to the weighted average of estimates for the period between April 2017 and March 2021. Inflation (BR) December 2016 refers to the weighted average for the period between January 2017 and December 2020.

The investment properties valuation reflects the market participant concept. Thus, the Company does not consider in the discounted cash flows calculation taxes, income and expenses relating to management and sales services.

The future cash flow of the model was estimated based on the shopping centers' individual cash flows, expansions and office buildings, including the Net Operating Income (NOI), recurring Key Money (based only on mix changes, except for future projects), Income from Transferring Charges, investments in revitalization, and construction in progress. Perpetuity was calculated considering a real growth rate of 2.0% for shopping centers and of 0.0% for office buildings.

The Company classified its investment properties in accordance with their statuses. The table below describes the amount identified for each category of property and presents the amount of assets in the Company's share:

	Parent company	
	March 2017	**December 2016**
Valuation of investment properties		
Shopping malls and office buildings in operation (ii)	12,809,781	12,562,871
Projects in progress (not advertised)	137,224	31,012
Total	12,947,005	12,593,883

	Consolidated	
	March 2017	**December 2016**
Valuation of investment properties		
Shopping malls and office buildings in operation (ii)	16,567,249	16,116,361
Projects in progress (advertised)	375,795	295,075
Projects in progress (not advertised)	292,972	156,395
Total	17,236,016	16,567,831

(ii) Increases of interest of 14.8% in BarraShopping and 8.0% in MorumbiShopping, occurred in the fourth quarter of 2016, are considered in the line Shopping Centers and commercial towers in operation of the Consolidated, without effect on the Parent Company, as well as the increase in the interest of 9.3% in ParkShoppingBarigui, carried out in the 1Q17.

The interest of 37.5% in the Shopping Santa Úrsula and 50.0% in the Parque Shopping Maceió project through the jointly-controlled subsidiaries were not considered in the consolidated valuation.

Due to several works and expansions recently held in June 2016 the Company reviewed the useful lives of certain joint ventures lease and investment properties:

The effect of this review in the Company's depreciation expense in 2016 totaled R$ 5,426, and the estimated effect for 2017 totals R$ 10,852 (decrease in both cases).

The following shopping malls and joint ventures had their useful life reassessed:

Shopping mall	**Remaining useful life prior to revaluation**	**Remaining useful life after revaluation**
MorumbiShopping	32 years and 1 month	43 years
New York City Center	37 years and 1 month	48 years
Shopping Vila Olímpia	43 years and 3 months	52 years
ParkShoppingCampoGrande	46 years and 5 months	57 years
VillageMall	46 years and 6 months	57 years
Joint venture for lease		
Multiplan Greenfield IV Empreendimento Imobiliário Ltda.	47 years and 2 months	48 years
Multiplan Greenfield II Empreendimento Imobiliário Ltda.	47 years and 3 months	48 years

Changes in investment property are as follows:

		Parent company							
	reciation weighted average rate (%)	December 31, 2016	Additions	Write-offs	Compound interest	Allocation	Depreciation	Transfer	March 31, 2017
Cost									
Land		525,206	137,359	(760)	452	-	-	-	662,257
Buildings and improvements	2.10	2,878,651	981	-	-	-	-	-	2,879,632
(-)Accumulated depreciation		(508,353)	-	-	-	-	(14,090)	-	(522,443)
Net value		2,370,298	981	-	-	-	(14,090)	-	2,357,189
Facilities	14.47	416,629	158	-	-	-	-	-	416,787
(-)Accumulated depreciation		(206,467)	-	-	-	-	(9,042)	-	(215,509)
Net value		210,162	158	-	-	-	(9,042)	-	201,278
Machinery, equipment, furniture and fixtures	10	44,675	42	-	-	-	-	-	44,717
(-)Accumulated depreciation		(20,485)	-	-	-	-	(998)	-	(21,483)
Net value		24,190	42	-	-	-	(998)	-	23,234
Other	10	7,240	-	-	-	-	-	-	7,240
(-)Accumulated depreciation		(3,823)	-	-	-	-	(115)	-	(3,938)
Net value		3,417	-	-	-	-	(115)	-	3,302
Works in progress		146,214	15,289	-	1,776	-	-	-	163,279
Repurchases of points of sale		53,266	1,218	-	-	(2,337)	-	-	52,147
		3,332,753	155,047	(760)	2,228	(2,337)	(24,245)	-	3,462,686

	Depreciation weighted average rate (%)	December 31, 2016	Additions	Consolidated					
				Write-off	Compound interest	Allocation	Depreciation	Transfer	March 31, 2017
Cost									
Land		1,331,764	163,357	-	1,393	-	-	(121,773)	1,374,741
Buildings and improvements	2.21	4,321,369	68,094	-	-	-	-	-	4,389,463
(-)Accumulated depreciation		(586,366)	-	-	-	-	(22,228)	-	(608,594)
Net value		3,735,003	68,094	-	-	-	(22,228)	-	3,780,869
Facilities	15.26	720,359	7,743	(10)	-	-	-	-	728,092
(-)Accumulated depreciation		(302,319)	-	-	-	-	(17,704)	-	(320,023)
Net value		418,040	7,743	(10)	-	-	(17,704)	-	408,069
Machinery, equipment, furniture and fixtures	10	65,343	2,530	-	-	-	-	-	67,873
(-)Accumulated depreciation		(26,107)	-	-	-	-	(1,575)	-	(27,682)
Net value		39,236	2,530	-	-	-	(1,575)	-	40,191
Other	10	10,563	43	-	-	-	-	-	10,606
(-)Accumulated depreciation		(5,607)	-	-	-	-	(337)	-	(5,944)
Net value		4,956	43	-	-	-	(337)	-	4,662
Works in progress		459,884	42,459	-	7,175	-	-	(5,792)	503,816
Repurchases of points of sale		60,272	2,345	-	-	(2,663)	-	-	59,954
		6,049,155	286,661	(10)	8,568	(2,663)	(41,844)	(127,565)	6,172,302

10 Property, plant and equipment

	Annual depreciation rates (%)	December 31, 2016	Additions	Depreciation	March 31, 2017
Cost					
Land	-	2,015	-	-	2,015
Buildings and improvements	4	5,134	-	-	5,134
(-)Accumulated depreciation		(1,554)	-	(50)	(1,604)
Net value		3,580	-	(50)	3,530
Facilities	10	3,818	16	-	3,834
(-)Accumulated depreciation		(2,035)	-	(92)	(2,127)
Net value		1,783	16	(92)	1,707
Machinery, equipment, furniture and fixtures	10	9,697	92	-	9,789
(-)Accumulated depreciation		(5,686)	-	(228)	(5,914)
Net value		4,011	92	(228)	3,875
Vehicles	10	19,464	-	-	19,464
(-)Accumulated depreciation		(11,656)	-	(947)	(12,603)
Net value		7,808	-	(947)	6,861
Other	10	6,969	635	-	7,604
(-)Accumulated depreciation		(1,160)	-	(102)	(1,262)
Net value		5,809	635	(102)	6,342
Construction in progress		-	3	-	3
		25,006	746	(1,419)	24,333

		Consolidated			
	Annual depreciation rates (%)	**December 31, 2016**	**Additions**	**Depreciation**	**March 31, 2017**
Cost					
Land	-	4,134	-	-	4,134
Buildings and improvements	4	11,508	-	-	11,508
(-)Accumulated depreciation		(4,691)	-	(112)	(4,803)
Net value		6,817	-	(112)	6,705
Facilities	10	5,078	16	-	5,094
(-)Accumulated depreciation		(3,239)	-	(92)	(3,331)
Net value		1,839	16	(92)	1,763
Machinery, equipment, furniture and fixtures	10	11,384	92	-	11,476
(-)Accumulated depreciation		(7,399)	-	(228)	(7,627)
Net value		3,985	92	(228)	3,849
Vehicles	10	19,464	-	-	19,464
(-)Accumulated depreciation		(11,657)	-	(947)	(12,604)
Net value		7,807	-	(947)	6,860
Other	10	7,575	635	-	8,210
(-)Accumulated depreciation		(1,704)	-	(102)	(1,806)
Net value		5,871	635	(102)	6,404
Construction in progress		-	3	-	3
		30,453	746	(1,481)	29,718

11 Intangible assets

Intangible assets comprise system licenses and goodwill recorded by the Company on the acquisition of new interests during 2007 and 2008; a portion of these interests was subsequently merged. The goodwill presented below has an indefinite useful life.

		Parent company			
	Annual rates of	**December 31, 2016**	**Additions**	**Amortization**	**March 31, 2017**
Goodwill of merged companies (a)					
Bozano		118,610	-	-	118,610
Realejo		51,966	-	-	51,966
Multishopping		84,095	-	-	84,095
			-	-	
		254,671			254,671
Goodwill on acquisition of equity interests (b)					
Brazilian Realty LLC.		33,202	-	-	33,202
Indústrias Luna S.A.		4	-	-	4
JPL Empreendimentos Ltda.		12,583	-	-	12,583
Solução Imobiliária Ltda.		2,970	-	-	2,970
		48,759	-	-	48,759
System licenses					
Software license (c)	20	81,362	1,200	-	82,562
Accumulated amortization		(37,700)	-	(1,479)	(39,179)
		43,662	1,200	(1,479)	43,383
		347,092	1,200	(1,479)	346,813

		Consolidated			
	Annual rates of amortization	**December 31, 2016**	**Additions**	**Amortization**	**March 31, 2017**
Goodwill of merged companies (a)					
Bozano		11,610	-	-	11,610
Realejo		51,966	-	-	51,966
Multishopping		84,095	-	-	84,095
		254,671	-	-	254,671
Goodwill on acquisition of equity interests (b)					
Brazilian Realty LLC.		33,202	-	-	33,202
Indústrias Luna S.A.		4	-	-	4
JPL Empreendimentos Ltda.		12,583	-	-	12,583
Solução Imobiliária Ltda.		2,970	-	-	2,970
		48,759	-	-	48,759
System licenses					
Software license (c)	20	82,254	1,200	-	83,454
Accumulated amortization		(38,034)	-	(1,501)	(39,535)
		44,220	1,200	(1,501)	43,919
		347,649	1,200	(1,501)	347,348

(a) The goodwill recorded has its origin in the acquisitions made in the year 2006. Such goodwill was based on the expected future earnings from these investments and were amortized until December 31st, 2008.

(b) The goodwill recorded has its origin in the acquisitions made in the year 2007, were based on the expected future return on these investments, and amortized until December 31, 2008.

(c) In order to strengthen its internal control system while sustaining a solid growth strategy, the Company started implementing SAP ECC System. To make this implementation viable, the Company entered with SAP Brasil Ltda., into two software license and maintenance contracts, dated June 24, 2008. Additionally, the Company entered into a service agreement with IBM Brasil - Indústria, Máquinas e Serviços Ltda, on June 30, 2008 for the deployment of such tool. From then, the Company has commissioned services of evaluation and implementation of new SAP functionalities, aimed at promoting greater efficiency, transparency, and autonomy to the managers of the company.

The goodwill based on future returns do not have a calculable useful life, and hence are not amortized. The Company tests these assets' recoverable value annually by mean of an impairment test.

The others intangible assets with defined useful life are amortized by the straight-line method based on the table above.

Impairment test for goodwill validation was carried out considering the projected cash flow in the shopping malls that presented goodwill upon their establishment. The assumptions used to prepare this cash flow are described in Note 9. In case of changes in the main assumptions used to determine recoverable value of cash generating units, goodwill with indefinite useful life allocated to the cash generating units plus book values of properties for investment properties (cash generating units) would be substantially lower than fair value of investment properties, that is, there are no signs of impairment losses in the cash generating units since the last evaluation conducted on presentation of quarterly information for the period ended March 31, 2017.

12 Loans and financing

					March 31, 2017		December 31, 2016	
			Index	Average annual interest rate March 31, 2017	Parent company	Consolidated	Parent company	Consolidated
Current								
Santander	BHS Exp. V	(a)	TR	8.70%	15,344	15,344	15,145	15,145
	Multiplan Greenfield IV	(b)	TR	8.70%	-	20,591	-	20,342
	Multiplan Greenfield II	(b)	TR	8.70%	-	20,031	-	19,789
Banco Itaú	São Caetano	(c)	TR	9.35%	10,484	10,484	10,450	10,450
	VillageMall	(d)	TR	9.35%	26.814	26.814	26,727	26,727
	CCB 100	(e)	% of CDI	108.50%	1,666	1,666	5,665	5,665
	CCB 325	(f)	% of CDI	108.00%	1,438	1,438	13,114	13,114
	CCB 80	(g)	% of CDI	106.00%	83,378	83,378	80,778	80,778
Banco do Brasil	CCB 175	(h)	% of CDI	110.00%	6,800	6,800	6,881	6,881
	CCB 50	(i)	% of CDI	110.00%	3,053	3,053	3,089	3,089
	CCB 150	(j)	CDI	110.00%	9,158	9,158	9,267	9,267
	BarraShopping VII	(k)	TR	8.90%	11,311	11,311	11,254	11,254
Banco Bradesco	CCB 300	(l)	% of CDI	1.00%	114,864	114,864	104,820	104,820
	Canoas	(m)	TR	9.25%	-	6,478	-	2,763
BNDES	JDS subcredit A	(n)	TJLP	3.38%	-	24,124	-	24,039
	JDS subcredit B	(n)	TJLP	1.48%	-	1,087	-	1,083
	JDS subcredit C	(n)	TJLP	-	-	252	-	251
	CGS subcredit A	(o)	TJLP	3.32%	-	15,912	-	15,856
	CGS subcredit B	(o)	IPCA	7.27%	-	5,709	-	5.547
	CGS subcredit C	(o)	TJLP	-	-	205	-	204
	CGS subcredit D	(o)	TJLP	1.42%	-	388	-	386
Other	Cia Real de Distribuição	(p)			53	53	53	53
	Funding costs				(7,091)	(8,347)	(7,465)	(8,702)
	Sub-total of current				277,272	370,793	279,778	368,801

					March 31, 2017		December 31, 2016	
			Index	Average annual interest rate March 31, 2017	Parent company	Consolidated	Parent company	Consolidated
Non-current								
Santander	BHS Exp. V	(a)	TR	8.70%	23,015	23,015	26,505	26,505
	Multiplan Greenfield IV	(b)	TR	8.70%	-	151,000	-	154,263
	Multiplan Greenfield II	(b)	TR	8.70%	-	146,892	-	150,066
Banco Itaú	São Caetano	(c)	TR	9.35%	77,756	77,756	80,115	80,115
	VillageMall	(d)	TR	9.35%	205,578	205,578	211,590	211,590
	CCB 100	(e)	% of CDI	108.50%	100,000	100,000	100,000	100,000
	CCB 325	(f)	% of CDI	108.00%	325,000	325,000	325,000	325,000
	CCB 80	(g)	% of CDI	106.00%	-	-	-	-
Banco do Brasil	CCB 175	h	% of CDI	110.00%	105,795	105,795	105,795	105,795
	CCB 50	(i)	% of CDI	110.00%	47,500	47,500	47,500	47,500
	CCB 150	(j)	% of CDI	110.00%	142,500	142,500	142,500	142,500
	BarraShopping VII	(k)	TR	8.90%	71,635	71,635	74,091	74,091
Banco Bradesco	CCB 300	(l)	% of CDI	1.00%	200,000	200,000	200,000	200,000
	Canoas	(m)	TR	9.25%	-	213,341	-	199,023
BNDES	JDS subcredit A	(n)	TJLP	3.38%	-	6,031	-	12,019
	JDS subcredit B	(n)	TJLP	1.48%	-	272	-	542
	JDS subcredit C	(n)	TJLP	-	-	63	-	125
	CGS subcredit A	(o)	TJLP	3.32%	-	9,282	-	13,213
	CGS subcredit B	(o)	IPCA	7.27%	-	5,709	-	5.547
	CGS subcredit C	(o)	TJLP	-	-	119	-	170
	CGS subcredit D	(o)	TJLP	1.42%	-	226	-	322
Other	Cia Real de Distribuição	(p)	-	-	390	390	404	404
	Funding costs		-	-	(22,181)	(34,570)	(23,434)	(35,917)
	Sub-total of non-current				1,276,988	1,793,534	1,290,066	1,812,873
	Overall total				1,554,260	2,168,327	1,569,844	2,181,674

(a) On November 19, 2009, the Company entered into with Banco ABN AMRO Real S.A., later merged into Banco Santander, a loan agreement to finance the renovation and expansion of BH Shopping, in the amount of R$102,400. Such financing bore interest of 10% p.a. plus the Referential Rate (TR), and will be amortized in 105 monthly, consecutive installments beginning December 15, 2010. The loan is collateralized by the chattel mortgage of 35.31% of the financed property, which results in an amount of R$153,599 (contract execution date) for the collateralized portion, and assigned the receivables from lease contracts and the rights on the financed property, which correspond, at least, to a minimum volume equivalent to 120% of one monthly installment until the debt is fully settled. On August 28, 2013, the 1st amendment to the financing agreement was signed, changing: (i) the financial covenant of total bank debt / EBITDA less than or equal to 4 times to "net bank debt" / EBITDA less than or equal to 4 times, (ii) the rate of operation of TR + 10% p.a. to TR + 8.70% p.a.

Financial Covenants of the contract:
Total debt/ shareholders' equity less than or equal to 1.
Net debt/ EBITDA less than or equal to 4x.

Ebtida used to calculate financial covenants follow the definition set forth in the loan agreements.

(b) On August 07, 2013, the subsidiaries Multiplan Greenfield II Empreendimento Imobiliário Ltda and Multiplan Greenfield IV Empreendimento Imobiliário Ltda signed with Banco Santander S.A. a loan agreement to finance the construction of the project Morumbi Corporate, located in São Paulo. The total contracted amount was R$ 400,000, and each company was responsible for its interest in the project, as follows: 49.3104% to Multiplan Greenfiled II and 50.6896% to Multiplan Greenfiled IV. This financing bears interest of 8.70% p.a., plus the Referential Rate (TR), and has been amortized in 141 monthly installments beginning November 15, 2013. As of December 31, 2015, the financing had been fully released. As a collateral for the loan, the subsidiaries collateralized the fraction of 0.4604509 of financed property. Such fraction is represented by a number of independent units, and assigned the receivables from lease contracts and the rights on the financed property, which shall correspond, at least, to a minimum volume equivalent to 120% of the amount of one monthly installment until the debt is fully settled. In addition to these guarantees, the Parent Company Multiplan Empreendimentos Imobiliários was the guarantor of the subsidiaries. There are no financial covenants herein.

(c) On August 10, 2010, the Company entered into a bank credit bill with Banco Itaú BBA S.A. for the construction of ParkShopping SãoCaetano, amounting to R$140,000. This credit note bore interest based on the Referential Rate (TR) plus 9.75% p.a. and it will be amortized in 99 consecutive, monthly installments, the first maturing on June 15, 2012. All financing amount was released through December 31, 2015. As collateral for the loan, the Company assigned the receivables from lease agreements and store rights in the financed developments, which should correspond, at least, to a minimal movement equivalent to 120% of one monthly installment, since the inauguration of Park Shopping São Caetano, until the debt is fully settled. On September 30, 2013, the 1st amendment to the financing agreement was signed, changing: (i) the contract's adjustment rate from Referential Rate (TR) + 9.75% per year to TR + 9.35% per annum, and (ii) the final amortization deadline from August 15, 2020 to August 15, 2025.

(d) On November 30, 2010, the Company entered into a bank credit bill with Banco Itaú BBA S.A. for the construction of Shopping Village Mall, amounting to R$270,000. Such financing bears interest based on the Referential Rate (TR) plus 9.75% p.a. and it will be amortized in 114 consecutive, monthly installments, the first maturing on March 15, 2013. All financing amount was released through December 31, 2015, including the additional amount of R$50,000, signed on July 4, 2012. The credit note is collateralized by mortgage on the land and all accessions, constructions, facilities and improvements therein, which were assessed at the amount of R$370,000 as at that date. Additionally, the Company assigned the receivables from lease agreements and rights on the stores in the financed development, which correspond, at least, to a minimal movement equivalent to 100% of the amount of one monthly installment, beginning January 2015, until the debt is fully settled. On July 4th, 2012, the Company signed an amendment to the bank credit bill for the construction of Shopping Village Mall, changing the following: (i) the total amount contracted from R$270,000 to R$320,000, (ii) The covenant of net debt to EBITDA from 3.0x to 3.25x, and (iii) The starting date for checking the restricted account from January 30, 2015 to January 30, 2017. On September 30, 2013, the 2nd amendment to the financing agreement was signed, changing: (i) the contract's adjustment rate from Referential Rate (TR) + 9.75% per annum to TR + 9.35% per year, (ii) the final amortization deadline from November 15, 2022 to November 15, 2025, and (iii) the net debt covenant from 3.25 times the EBITDA to 4.0 times the EBITDA.

All other terms of the original contract remain unchanged.
Financial Covenants of the contract:
Net debt/ EBTIDA less than or equal to 4.0 x.
EBITDA/ net financial expenses greater than or equal to 2x.
Ebtida used to calculate financial covenants follow the definition set forth in the loan agreements.

(e) On August 6, 2012, the Company contracted eight credits notes (CCB), with Banco Itaú BBA, in total amount of R$100,000 in order to consolidate its cash position. No guarantee was granted for such instruments. The interests will be paid semiannually and principal in 1 installment to be paid on August 8, 2016. On October 20, 2015, the Company agreed-upon an amendment with the bank to change maturity to September 15, 2018 and rate to 108.50% of CDI.

Start date	Final date	Amount	Interest rate
08/06/2012	09/15/2018	100,000	108.50% of CDI

Financial Covenants of the contract:
Net debt/ EBTIDA less than or equal to 4.0 x
EBITDA/ interest expense net>= 2x
Ebtida used to calculate financial covenants follow the definition set forth in the loan agreements.

(f) On September 19, 2016, the Company contracted eight credits notes (CCB), with Banco Itaú BBA, in total amount of R$ 325,000 in order to consolidate its cash position. No guarantee was formed for such instruments. The interest will be paid semiannually and principal in 1 installment to be paid on September 19, 2019.

Start date	Final date	Amount	Interest rate
09/19/2016	09/19/2019	325,000	108.00% of CDI

Financial Covenants of the contract:
Net debt/ EBTIDA less than or equal to 4.0 x
EBITDA/ interest expense net>= 2x
Ebtida used to calculate financial covenants follow the definition set forth in the loan agreements.

(g) On December 2, 2016, the Company contracted ten credits notes (CCB), with Banco Itaú BBA, in total amount of R$ 80,000 in order to consolidate its cash position. No guarantee was formed for such instruments. The interest will be paid semiannually and principal in one single installment to be paid on December 6, 2017.

Start date	Final date	Amount	Interest rate
12/02/2016	12/06/2017	80,000	106.00% of CDI

Financial Covenants of the contract:
Net debt/ EBTIDA less than or equal to 4.0 x
EBITDA/ interest expense net>= 2x
Ebtida used to calculate financial covenants follow the definition set forth in the loan agreements.

(h) On January 19, 2012, the Company entered into a bank credit bill with Banco do Brasil in the total amount of R$175,000, in order to strengthen its cash position. No guarantee was granted. On December 8, 2015, CCB was amended and main debt maturity on that date was renegotiated, as well as financial covenants. New maturity schedule is shown below. Interest will be paid quarterly and principal as follows:

Start date	Final date	Amount	Interest rate	Status
01/19/2012	12/01/2017	5,568	110% of CDI	Falling due
01/19/2012	12/01/2018	5,568	110% of CDI	Falling due
01/19/2012	12/01/2019	22,273	110% of CDI	Falling due
01/19/2012	12/01/2020	33,409	110% of CDI	Falling due
01/19/2012	12/01/2021	44,545	110% of CDI	Falling due

Financial Covenants of the contract:
Net debt/ EBTIDA less than or equal to 4.0 x.

Ebtida used to calculate financial covenants follow the definition set forth in the loan agreements.

(i) As of October 31, 2012, the Company contracted a bank credit bill (CCB), with Banco do Brasil S/A, in total amount of R$50,000 in order to consolidate its cash position. No guarantee was granted. Interest will be paid quarterly and principal in 1 installment to be paid on October 30, 2017. As of December 8, 2015, CCB was amended and main debt maturity on that date was renegotiated. New maturity schedule is shown below. Interest will be paid quarterly and principal as follows:

Start date	Final date	Amount	Interest rate	Status
10/31/2012	12/01/2017	2,500	110% of CDI	Falling due
10/31/2012	12/01/2018	2,500	110% of CDI	Falling due
10/31/2012	12/01/2019	10,000	110% of CDI	Falling due
10/31/2012	12/01/2020	15,000	110% of CDI	Falling due
10/31/2012	12/01/2021	20,000	110% of CDI	Falling due

Financial Covenants of the contract:
Net debt/ EBTIDA less than or equal to 4.0 x.

Ebtida used to calculate financial covenants follow the definition set forth in the loan agreements.

(j) As of December 23, 2015, the Company contracted a bank credits bill (CCB), with Banco do Brasil S/A, in total amount of R$ 150,000 in order to consolidate its cash position. No guarantee was granted. Interest will be paid on a quarterly basis and principal according to maturity schedule shown below. Interest will be paid on a quarterly basis.

Start date	Final date	Amount	Interest rate	Status
10/31/2015	12/01/2017	7,500	110% of CDI	Falling due
10/31/2015	12/01/2018	7,500	110% of CDI	Falling due
10/31/2015	12/01/2019	30,000	110% of CDI	Falling due
10/31/2015	12/01/2020	45,000	110% of CDI	Falling due
10/31/2015	12/01/2021	60,000	110% of CDI	Falling due

Financial Covenants of the contract:

Net debt/ EBTIDA less than or equal to 4.0 x.

Ebtida used to calculate financial covenants follow the definition set forth in the loan agreements.

(k) On October 16, 2014, the Company entered into a credit facility agreement with Banco do Brasil S/A, for the construction of the seventh expansion of the BarraShopping, located in the city of Rio de Janeiro, which was concluded in 2014. The total amount contracted was R$ 100,000. This financing bears interest of 8.90% p.a., plus the Referential Rate (TR), and will be amortized in 108 monthly installments beginning August 15, 2015. As collateral for the loan, the Company provided a Bank Deposit Certificate (CDB) corresponding to 120% of the amount of a monthly installment up to the full settlement of the debt.

Financial Covenants of the contract:
Net debt/ EBTIDA less than or equal to 4.0 x.
Ebtida used to calculate financial covenants follow the definition set forth in the loan agreements.

(l) On December 11, 2012, the Company entered into a bank credit bill with Banco Bradesco S/A in the total amount of R$300,000, in order to strengthen its cash position. No guarantee was granted. Interest will be paid semiannually and principal in three annual installments as follows.

Start date	Final date	Amount	Interest rate
12/11/2012	11/16/2017	R$ 100,000	CDI + 1.0% p.a.
12/11/2012	11/12/2018	R$ 100,000	CDI + 1.0% p.a.
12/11/2012	11/05/2019	R$ 100,000	CDI + 1.0% p.a.

There are no financial covenants herein.

(m) On May 25, 2015, the subsidiary ParkShopping Canoas Ltda entered into a credit facility agreement with Banco Bradesco S.A., collateralized by a mortgage, for construction of the ParkShopping Canoas mall in the city of Canoas, State of Rio Grande do Sul. The total amount contracted was R$ 280,000 and financing bears interest of 9.25% p.a., plus the Referential Rate (TR), and will be amortized in 144 monthly installments beginning April 25, 2019. As collateral for the borrowing, the subsidiary provided a mortgage on 80% of the property for which the financing was obtained, and assigned 80% of the receivables from the lease agreements of this property, which shall correspond to at least 120% of the amount of one monthly installment until the full settlement of the debt. In addition to these guarantees, the Parent Company Multiplan Empreendimentos Imobiliários was the guarantor of the subsidiary. As of March 31, 2017, the amount of R$ 198,534 regarding such financing was released.

(n) On June 6, 2011, the Company entered into loan agreement 11.2.0365.1 with the Brazilian Development Bank (BNDES) to finance the construction of Jundiaí Shopping. The aforementioned credit was subdivided as follows: R$ 117,596 referring to subcredit“A”, R$ 5,304 to subcredit “B” and R$ 1,229 to subcredit "C". Tranche “A” will bear long-term interest 2.38% (TJLP) plus 1.00% p.a., tranche “B”, which will be used to purchase machinery and equipment, will bear TJLP plus 1.48% p.a. and tranche “C”, which will be used to invest in social projects in the municipality of Jundiaí, will bear TJLP without spread. All tranches have been amortized in 60 consecutive, monthly installments, the first maturing on July 15, 2013. No guarantee was granted for this instrument.

Financial Covenants of the contract:

Total debt/Total assets less than or equal to 0.50

EBITDA margin greater than or equal to 20%

(o) On October 4, 2011, the Company entered into financing agreement 11.2.0725.1 with the National Bank for Economic and Social Development - BNDES to finance the construction of ParkShopping Campo Grande. The aforementioned credit was subdivided as follows: R$ 77,567 referring to subcredit"A", R$ 19,392 to subcredit "B", R$ 1,000 to subcredit C, and R$ 1,891 to subcredit "D". Tranche "A" bears interest of 2.32% p.a. above the Long-Term Interest Rate (TJLP) plus interest of 1% p.a. Tranche "B" bears interest of 2.32% p.a. above the referential rate informed by BNDES based on the rate of return of NTN-B. Tranche "C", which will be used to invest in social projects in the municipality of Rio de Janeiro, bears TJLP. Tranche "D", which will be used to purchase machinery and equipment, bears interest of 1.42% p.a. above the TJLP. Tranches "A", "C" and "D" will be repaid in 60 monthly, consecutive installments, the first maturing on November 15, 2013, and tranche "B" will be repaid in 5 annual, consecutive installments, the first maturing on October 15, 2014. No guarantee was granted for this instrument.

Financial Covenants of the contract:
Total debt/Total assets less than or equal to 0.50
EBITDA margin greater than or equal to 20%

(p) The balance payable to Companhia Real de Distribuição arises from the intercompany loan with merged subsidiary Multishopping to finance the construction of BarraShopping Sul, to be settled in 516 monthly installments of R$4, as from the hypermarket inauguration date in November 1998, with no interest or monetary restatement.

As of March 31, 2017, the Company satisfied all covenants of loan and financing agreements in effect.

	March 31, 2017		December 31, 2016	
	Parent company	**Consolidated**	**Parent company**	**Consolidated**
Loans and financing				
2018	263,572	326,845	279,198	359,556
2019 onwards	1,035,597	1,505,262	1,034,303	1,489,236
Subtotal - Loans and financing	1,299,169	1,832,107	1,313,501	1,848,792
Funding costs				
2018	(5,560)	(6,471)	(6,813)	(8,020)
2019 onwards	(16,621)	(28,103)	(16,622)	(27,899)
Subtotal Funding costs	(22,181)	(34,574)	(23,435)	(35,919)
Total - Loans and financing	1,276,988	1,797,534	1,290,066	1,812,873

13 Accounts payable

	March 31, 2017		December 31, 2016	
	Parent company	**Consolidated**	**Parent company**	**Consolidated**
Suppliers	14,299	37,106	8,251	39,922
Accounts payable from acquisition of interest	-	-	-	50,000
Contractual retentions	3,866	9,583	3,725	10,070
Compensations payable	2,421	4,639	1,273	1,304
Labor obligations	46,069	53,074	39,649	46,230
	66,655	104,402	52,898	147,526

14 Debentures

3rd issuance of debentures for primary public distribution

On October 15, 2014, the Company completed the 3rd issue of debentures for primary public distribution, in the amount of R$400,000. 40,000 simple, non-convertible, book-entry, registered and unsecured debentures were issued in a single series for public distribution with restricted efforts, on a firm guarantee basis, with par value of R$10. The transaction will be repaid in two equal installments at the end of the fifth and sixth year with bear semi-annual interest. The final issuance price was set on September 25, 2014 through a book building procedure with remuneration set at 100% of the accumulated fluctuation of average daily DI rates increased on a compounded basis by a spread or surcharge of 0.87% p.a. The total estimated debentures transaction cost was R$ 1,777. The net proceeds obtained by the Company with the Issuance will be fully used to (i) perform the early redemption of the total simple, non-convertible, unsecured, single-series debentures of the Company's second issuance; And (ii) the remaining balance to defray general expenses and settle short- and long-term debts and/or reinforce the working capital of the Company and/or its subsidiaries. The financial covenants of these debentures are: (i) net debt/ EBITDA less than or equal to 4.0; (ii) EBITDA/ net interest expense greater than or equal to 2.

We list interest payment events: (i) On April 15, 2015, interest installment amounting to R$24,491 was paid, (ii) on October 15, 2015, an installment amounting to R$28,307 was paid; (iii) on April 15, 2016, an installment amounting to R$28,950 was paid and (iv) on October 17, 2016 an installment amounting to R$ 29,421 was paid.

As of March 31, 2017, the Company presents the financial ratios within the limits pre-established in the indenture.

Ebtida used to calculate financial covenants follow the definition set forth in the loan agreements.

Any change or renegotiation of terms or conditions in the aforementioned Indenture should be approved by debentureholders, subject to the rules and quorum set forth therein.

Fourth issuance for private distribution of debentures for investment and issuance of CRI

On December 13, 2016, the Company completed the 4th issuance of debentures for primary private distribution, in the amount of R$300,000. 300,000 simple, non-convertible, book-entry, registered and unsecured debentures were issued, as tangible guarantee, in a single series. The fourth issuance debentures were subscribed and paid up on December 29, 2016 by the subsidiary Multiplan Greenfield XII for the nominal issuance value. The subsidiary Multiplan Greenfield XII, in turn, issued Real Estate Credit Bill and fully granted the credit bills to Cibrasec (Securitization Company) which performed public distribution, on a firm guarantee basis, with unit nominal value of R$ 1. The transaction will have a single amortization at the end of the sixth year and be paid with semi-annual interest. The final issuance price was set on December 8, 2016 through a book building procedure with remuneration set at 95% of the accumulated fluctuation of average daily DI rates. The total estimated debentures transaction cost was R$ 10,421. The Company’s net proceeds from the Issuance will be fully used directly or through its subsidiaries, to the maturity date of the Debentures, for acquisition, and/or construction, and/or expansion, and/or revitalization, and/or development of the following shopping centers and/or real estate developments, as described in the Indenture of Issuance of Debentures: ParkShoppingJacarepaguá, BarraShopping, VillageMall, Village Corporate, RibeirãoShopping, Pátio Savassi and Residencial Porto Alegre.

There is collateral corresponding to the ideal fraction of 39.77% of enrollment number 37.850 of the Real Estate Registration Office of the 5th zone of Porto Alegre, this number includes the sub-condominium BarraShoppingSul. For this operation no other collaterals have been recognized and no financial covenants have been established.

As of March 31, 2017, the Company presents the financial ratios within the limits pre-established in the indenture.

Any change or renegotiation of terms or conditions in the aforementioned Indenture should be approved by debentureholders, subject to the rules and quorum set forth therein.

15 Property acquisition obligations

	March 31, 2017		December 31, 2016	
	Parent company	**Consolidated**	**Parent company**	**Consolidated**
Current				
Land São Caetano - Quadra H	-	1,477	-	2,911
Land Canoas	-	-	-	1,686
Land Jacarepaguá (a)	-	9,661	-	9,658
Construction Potential - Barra (b)	-	14,263	-	14,342
PKB acquisition of interest (c)	-	45,951	-	-
Other	269	269	269	269
	269	71,621	269	28,866
Non-current				
Land Jacarepaguá (a)	-	4,820	-	7,231
Construction Potential - Barra (b)	-	1,181	-	4,723
PKB acquisition of interest (c)	-	38,293	-	-
	-	44,294	-	11,954
Total	269	115,915	269	40,820

(a) On July 8, 2015, the final deed of purchase of land was signed, ratifying all the terms of the purchase and sale agreement. Through the Deed of Purchase and Sale signed on May 29, 2015, the Company, through its subsidiary ParkShopping Jacarepaguá Ltda, agreed to acquire from CCISA05 Incorporadora LTDA, 91% of a plot of land of 94,936.02 square meters, located in the municipality of Rio de Janeiro, from CCISA05 Incorporadora LTDA., for R$ 96,798. That amount will be settled as follows: (i) R$ 34,107 by assuming the obligation to build a shopping mall in that location (which will include the 9% fraction retained by the land seller) and (ii) R$ 62,691 in cash. The cash portion, in turn, will be settled as follows: (i) R$ 20,322 was paid upon the execution of the deed, and; (ii) R$ 32,136 in 40 consecutive monthly installments, the first of which totaling R$ 803 and falling due 30 days from the date of execution of the deed, and the remaining installments on the same day of the subsequent months, and (iii) R$ 10,232 within 180 days from the date of execution of the deed. Items (ii) and (iii) above shall be subject to restatement from the date of execution of the deed until the due dates by the variation of the CDI rates (100%).

(b) By means of a Public Agreement for Assignment of Transferable Construction Potential entered into on April 06, 2015, the Company, through its subsidiary Multiplan Greenfield III Empreendimento Imobiliário Ltda, acquired 12,000 square meters of construction potential from J.J. Coimbra Participações LTDA, for R$ 65,400. This amount will be settled as follows: (i) R$ 22,890 on the execution date; (ii) R$ 42,510 in 36 consecutive monthly installments of R$ 1,181, bearing interest at the CDI rate from the execution date until the actual due date of each installment.

(c) By means of a Private Purchase and Sale Commitment Instrument signed on January 11, 2017, the Company acquired, through its subsidiary Multiplan Greenfield XI Empreendimento Imobiliário Ltda, 9.333% of the ideal fraction of ParkShopping Barigui held by Invest Bens Administradora de bens S/A for the fixed and adjusted price of R$ 91,000, with payment in 24 monthly and consecutive installments, with the first due 30 days after the signing of said instrument. Installments will bear interests calculated by the variation of the Interbank Deposit Certificate (CDI) rates (100%).

The non-current portion for Property acquisition payable matures as follow:

	March 31, 2017	December 31, 2016
	Consolidated	Consolidated
2018	40,447	11,954
2019	3,847	-
	44,274	11,954

16 Taxes and contributions payable

	March 31, 2017		December 31, 2016	
	Parent company	Consolidated	Parent company	Consolidated
INSS payable	-	285	-	533
PIS and COFINS payable	7,411	9,213	9,164	11,546
Service tax payable	-	1,655	-	2,092
Income and social contribution taxes payable	3,931	8,249	9,229	15,260
Other	-	9,456	432	9,950
	11,342	28,858	18,825	39,381

17 Provision for risks and judicial deposits

17.1 Provision for risks

	Parent company			
Provision for risks	December 31, 2016	Additions	Write-off	March 31, 2017
PIS and COFINS (a)	1,244	-	(1,244)	-
Civil lawsuits (b)	2,805	-	-	2,948
Labor proceedings	2,876	143	(38)	2,838
Tax lawsuits	240	-	-	240
	7,165	143	(1,282)	6,026

	Consolidated			
Provision for risks	December 31, 2016	Additions	Write-offs	March 31, 2017
PIS and COFINS (a)	1,244	-	(1,244)	-
Civil lawsuits (b)	8,416	724	-	9,140
Labor proceedings	3,247	205	(186)	3,266
Tax lawsuits	304	-	-	304
	13,211	929	(1,430)	12,710

Provisions for administrative proceedings and lawsuits processes were recognized to cover probable losses on administrative proceedings and lawsuits related to civil, tax and labor issues, in an amount considered sufficient by Management, based on the opinion of its legal advisors, as follows:

(a) The Company was a party to lawsuits involving the collection of PIS (Social Integration Program contribution) and COFINS (Social Contribution on Income) on lease income and other income that does not meet the definition of gross income, pursuant to Law No. 9,718/98, referring to the period from 1999 to 2004. The payments of these taxes were calculated in accordance with prevailing tax laws and deposited with the courts.

The provision comprised only the PIS amounts levied on lease income, considering final favorable court decisions obtained in these lawsuits disputing the levy of these contributions on other income. The Company requested in court the conversion into income of the deposits referring to the accrued portion and the release of the other amounts and the request was settled in March 2017. Accordingly, the provision was written-off against the portion of the amount deposited.

(b) The legal advisors rated as probable the likelihood of losses in some lawsuits related to real estate contract rescissions, which totaled R$ 6,104.

The remaining balance of the provisions for civil contingencies consists of various claims in insignificant amount filed against the shopping malls in which the Company holds equity interest.

Contingencies with possible likelihood of loss

The Company is a defendant in several other tax, labor and civil lawsuits and administrative proceedings, whose likelihood of loss is assessed by its legal counsel as possible and estimated amount is R$ 51,043 as of March 31, 2017 (R$ 53,438 as of December 31, 2016), as shown below:

	Consolidated	
	March 31, 2017	**December 31, 2016**
Tax	19,997	19,997
Civil and administrative	10,480	13,136
Labor	20,566	20,305
Total	51,043	53,438

Tax

ITBI (Property Transfer Tax) collection arising from full merges of companies which owned properties. The disputes regarding the levy of this tax are concentrated in the Municipalities of São Paulo (R$ 6,249) and Belo Horizonte (R$ 5,494) and in Brasília (R$ 1,708), in all cases, the Company requests the acknowledgment of the non-applicability of ITBI (Property Transfer Tax) based on the provisions of Article 37, paragraph 4, of the Brazilian Tax Code.

The disputes in Brasília obtained unfavorable decisions in the first and second instances and are awaiting judgment by Federal Supreme Court (STF). In São Paulo, four tax collection proceedings have been filed and are still pending judgment.

In Belo Horizonte, of the four discussions, three are at administrative level awaiting analysis of the appeals filed at the first level of trial. In December 2016, the Company obtained unfavorable decision at the second level of trial in one of its lawsuits, for which judicial measure is being prepared.

Civil, administrative and labor

The Company is party to several civil lawsuits, administrative and labor claims, none of which is considered individually material.

Contingent assets

On June 26, 1995, the Consortium comprising the Company (successor of Multishopping Empreendimentos Imobiliários S.A.) and Bozano, Simonsen Centros Comerciais S.A., Pinto de Almeida Engenharia S.A., and In Mont Planejamento Imobiliário e Participações Ltda. advanced the amount of R$6,000 to Clube de Regatas do Flamengo to be deducted from the income earned by the Club after the opening of the shopping center located in Gávea, which was the object of the Consortium. However, the project was canceled, and Clube de Regatas do Flamengo did not return the amount advanced. The Consortium members decided to file a lawsuit claiming the Club's reimbursement of the amount advanced.

On March 18, 2016, the Consortium signed a Private Transaction Instrument with Clube de Regatas do Flamengo, which was dully authorized by its Advisory Board on April 15, 2016. According to this Instrument, Clube agreed to pay the consortium the amount of R$ 61,500. Of this amount, the Club had already paid to the Consortium the amount of R$ 14,469 in 2012 and 2013, by releasing the amounts deposited in Court, still remaining a balance payable of R$47,031, fully settled in the second quarter of 2016.

Consequently, a petition was filed in the proceeding informing about the fulfillment of the agreement, and requiring the extinguishment of the foreclosure, granted by the Judge on June 1, 2016, subject to the issuance of an official letter to third-parties that were depositing in tax assessment notices, aiming at informing them about the liens.

On June 14, 2016, a certificate of judicial deposit was attached to the records, resulting from an attachment of credit existing in favor of the Club.

17.2 Judicial deposits

	Parent company			
Judicial deposits	**December 31, 2016**	**Additions**	**Write-offs**	**March 31, 2017**
PIS and COFINS (a)	5,007	-	(3,191)	1,816
Civil deposits	5,139	1,039	-	6,178
Labor deposits	4,503	-	-	4,503
Other	447	-	-	447
	15,096	1,039	(3,191)	12,944

	Consolidated			
Judicial deposits	**December 31, 2016**	**Additions**	**Write-offs**	**March 31, 2017**
PIS and COFINS (a)	5,728	-	(3,191)	2,537
Civil deposits	6,210	1,041	-	7,251
Labor deposits	4,824	23	-	4,847
Other	1,003	-	-	1,003
	17,765	1,064	(3,191)	15,638

(a) The amount of R$ 3,191 refers to the settlement of requests for conversion into income and collection of judicial deposits from the discussion reported in note 17.1, item a. The remaining balance primarily refers to a deposit made to suspend the payment of PIS and COFINS debts and to obtain the Debt Clearance Certificate. Currently, the issue is awaiting distribution and judgment.

18 Deferred income and costs

	March 31, 2017		December 31, 2016	
	arent company	**Consolidated**	**Parent company**	**Consolidated**
Income from Key Money	60,448	94,633	65,698	103,042
Unallocated cost of sales (a)	(66,139)	(108,724)	(67,602)	(109,193)
Other income	1,310	1,310	1.323	1.323
	(4,381)	(12,781)	(581)	(4,828)
Current assets	(19,948)	(34,618)	(24,080)	(33,381)
Non-current assets	(46,191)	(74,106)	(43,522)	(75,812)
Current liabilities	25,810	33,603	23,427	33,336
Non-current liabilities	35,948	62,340	43,594	71,029

(a) Refers to cost related to brokerage of key money and tenant allowance. The tenant allowance is an incentive offered by the Company to a few storeowners for them to establish in a property of Multiplan Group.

19 Shareholders' equity

a. Capital

On January 9, 2017, the Board of Directors approved the Company’s capital increase, observing the limit of authorized capital, through private subscription, in the amount of R$ 600,000, by means of issuance of 10,256,411 common shares, all nominative, book-entry and with no par value of issuance by the Company (“Shares”), at the issue price of R$ 58.50 per share (“Capital Increase”). Capital increase was carried out at March 8, 2017.

As of March 31, 2017, the Company's capital is represented by 200,253,625 common and preferred shares (189,997,214 common and preferred shares as at December 31, 2016) registered and book-entry, with no par value, distributed as follows:

	Number of shares					
	March 31, 2017			December 31, 2016		
Shareholder	**Common**	**Preferred**	**Total**	**Common**	**Preferred**	**Total**
Multiplan Planejamento. Participações e Administração S.A.	42,123,783	-	42,123,783	42,123,783	-	42,123,783
1700480 Ontário Inc.	42,947,201	11,858,347	54,805,548	42,947,201	11,858,347	54,805,548
José Isaac Peres	9,745,691	-	9,745,691	9,745,691	-	9,745,691
FIM Multiplus Investimento no Exterior Credito Privado	1,086,680	-	1,086,680	194,100	-	194,100
Maria Helena Kaminitz Peres	2,459,756	-	2,459,756	2,459,756	-	2,459,756
Outstanding shares	88,849,895	-	88,849,895	79,367,486	-	79,367,486
Board of directors and Executive Board	157	-	157	157	-	157
Total outstanding shares	187,213,163	11,858,347	199,071,510	176,838,174	11,858,347	188,696,521
Shares in treasury	1,182,115	-	1,182,115	1,300,693	-	1,300,693
	188,395,278	11,858,347	200,253,625	178,138,867	11,858,347	189,997,214

b. Shares in treasury

The Company acquired 6,608,500 common shares up to March 31, 2017 (6,608,500 up to December 31, 2016). Up to March 31, 2017, 5,426,385 shares were used to settle the exercise of stock options. As of December 31, 2017, Shares in treasury totaled 1,182,115 shares (1,300,693 shares as at December 31, 2016). See note 20 for further details.

As at March 31, 2017, the percentage of outstanding shares (outstanding and Board of Directors and Executive Board shares) is 44.37% (41.77% as at December 31, 2016). The Shares in treasury were acquired at a weighted average cost of R$ 48.13 (value in reais), a minimum cost of R$ 9.80 (value in reais) and a maximum cost of R$59.94 (value in reais). The share trading price calculated based on the last price quotation before period end was R$ 66.30 (value in reais).

c. Dividends and Interest on shareholders' equity

Under the article 39, item (c) of the Company's bylaws, the minimum annual compulsory dividend corresponds to 25% of net income, as adjusted pursuant to the Brazilian Corporate Law. Distribution of dividends or Interest on shareholders' equity is specifically approved by the Company's Board of Directors, as set forth in the laws and article 22 item (g) of the Company's Bylaws.

Under article 39, §3 of the Company's Bylaws, the minimum compulsory dividend will not be paid in the year in which the Company's bodies inform to the Annual Shareholders' Meeting that such payment is incompatible with the Company's financial condition, it being understood that the Supervisory Board, if any, will issue an opinion thereon. Dividends so retained will be paid when the financial condition permits.

Interest on shareholders' equity approved in 2016

On June 27, 2016, the Board of Directors approved the payment of Interest on shareholders' equity on the gross amount of R$ 95,000 assigned to the Company's shareholders registered as such on June 30, 2016, corresponding to R$ 0.50496447854 per share, before the withholding of 15% of withholding income tax, except for those shareholders who are tax-exempt or tax-immune as set forth in the applicable laws. This amount will be paid to the Company's shareholders by May 31, 2017.

The total amount of Interest on shareholders' equity is within the limits set forth in Paragraph 1, Article 9 of Law No. 9.249/95.

	2016
Net income for the year	311,542
Allocation to legal reserve	(15,577)
Net income after deduction of the legal reserve	295,965
Minimum compulsory dividends	73,991
Interest on shareholders' equity approved, net of taxes	81,343

20 Share-based payments

a. Stock option plan program (to be settled in membership certificates)

The Special Shareholders' Meeting held on July 6, 2007 approved a Stock Option Plan to its management, employees and service providers or those of other entities under the Company's control.

Such plan is managed by the Board of Directors, and the Chief Executive Officer is responsible for determining the holders of the stock options.

Options granted, under the Stock Option Plan approved in 2007, do not confer on their holders the right to buy shares based on a number of shares exceeding 7% of the Company's capital at any time. The dilution corresponds to the percentage represented by the number of stock options divided by the total number of shares issued by the Company.

The issuance of our shares through the exercise of stock options under the Stock Option Plan would result in a dilution for our shareholders since the stock options to be granted under the Stock Option Plan can confer acquisition rights on a volume of shares of up to 5% of our capital, not considering the options of the CEO or 7% considering it.
As of March 31, 2017, the percentage of stock options granted is 4.7430% of capital, without considering the CEO's options, and 5.7945% when the CEO's options are considered.

The beneficiaries eligible to the Stock Option Plan can exercise their options within up to six years as from the grant date. Each stock option granted can be converted into a Company common share at the time of exercise of the option or settled in cash. The grace period will be of up to four years, with redemption of 33.4% after the second anniversary, 33.3% after the third anniversary, and 33.3% after the fourth anniversary.

The option price shall be based on the average price of the Company's shares of the same class and type over the last 20 (twenty) trading sessions on the São Paulo Stock Exchange (Bovespa) immediately prior to the option grant date, weighted by the trading volume, adjusted for inflation based on the IPCA, or based on any other index determined by the Board of Directors, through the option exercise date.

The Company offered nine stock option grants from 2007 to March 31, 2017, which satisfy the maximum limit of 7% provided for in the plan:

The vesting periods to exercise the options are as follows:

Grace periods counted as of grant date	% of options released to be exercised	Maximum number of shares (1)	Quantity of options exercised up to March 31, 2017
Program 1			
180 days after the Initial Public Offering - 01/26/2008	100%	1,497,773	1,497,773
Program 2			
As from the second anniversary - 12/20/2009	33.4%	32,732	32,732
As from the third anniversary - 12/20/2010	33.3%	32,634	32,634
As from the fourth anniversary - 12/20/2011	33.3%	32,634	32,634
Program 3			
As from the second anniversary - 06/04/2010	33.4%	312,217	312,217
As from the third anniversary - 06/04/2011	33.3%	311,288	311,288
As from the fourth anniversary - 06/04/2012	33.3%	311,295	311,295
Program 4			
As from the second anniversary - 04/13/2011	33.4%	419,494	419,494
As from the third anniversary - 04/13/2012	33.3%	418,246	418,246
As from the fourth anniversary - 04/13/2013	33.3%	418,260	418,258
Program 5			
As from the second anniversary - 03/04/2012	33.4%	322,880	322,879
As from the third anniversary - 03/04/2013	33.3%	321,927	321,926
As from the fourth anniversary - 03/04/2014	33.3%	316,290	316,288
Program 6			
As from the second anniversary - 03/23/2013	33.4%	433,203	433,203
As from the third anniversary - 03/23/2014	33.3%	425,254	425,254
As from the fourth anniversary - 03/23/2015	33.3%	415,271	415,271
Program 7			
As from the second anniversary - 03/07/2014	33.4%	443,532	361,074
As from the third anniversary - 03/07/2015	33.3%	432,220	287,040
As from the fourth anniversary - 03/07/2016	33.3%	432,228	156,374
Program 8			
As from the second anniversary - 05/14/2015	33.4%	516,030	-
As from the third anniversary - 05/14/2016	33.3%	514,485	-
As from the fourth anniversary - 05/14/2017	33.3%	514,485	-
Plan 9 (2)			
As from the second anniversary - 04/16/2016	33.4%	713,090	68,308
As from the third anniversary - 04/16/2017	33.3%	710,955	14,985
As from the fourth anniversary - 04/16/2018	33.3%	710,955	14,985

(1) Net value of shares canceled due to the termination of the Company's employees before the minimum option exercise term.

(2) In relation to the Program 9, it was approved the change in the grace period of 45,000 options.

The average weighted fair value of call options on grant dates, as described below, was estimated using the Black-Scholes option pricing model, based on the assumptions listed below:

	Strike price (R$)	Price on the grant date (1)	Index of adjustment	Quantity
Program 1	9.80	R$ 25.00 (2)	IPCA	1,497,773
Program 2	22.84	R$ 20.00	IPCA	114,000
Program 3	20.25	R$ 18.50	IPCA	1,003,400
Program 4	15.13	R$ 15.30	IPCA	1,300,100
Program 5	30.27	R$ 29.65	IPCA	966,752
Program 6	33.13	R$ 33.85	IPCA	1,297,110
Program 7	39.60	R$ 39.44	IPCA	1,347,960
Program 8	56.24	R$ 58.80	IPCA	1,689,550
Program 9	48.03	R$ 48.90	IPCA	2,214,550

(1) Closing price on the last day used in the pricing of the stock option plan

(2) Issue price upon the Company's going public on June 27, 2007

	Volatility	Risk-free rate	Average maturity	Fair value
Program 1	48.88%	12.10%	3.25 years	R$ 16.40
Program 2	48.88%	12.50%	4.50 years	R$ 7.95
Program 3	48.88%	12.50%	4.50 years	R$ 7.57
Program 4	48.79%	11.71%	4.50 years	R$ 7.15
Program 5	30.90%	6.60%	3.00 years	R$ 7.28
Program 6	24.30%	6.30%	3.00 years	R$ 7.03
Program 7	23.84%	3.69-4.40%	3.00 years	R$ 6.42
Program 8	20.58%	2.90-3.39%	3.00 years	R$ 9.95
Program 9	18.15%	5.22-6.09%	3.00 years	R$ 8.55

The volatility used in the model was based on the standard deviation of historical MULT3, or in a panel of companies of the sector, in accordance with the stock fluctuation availability and consistency presented in the market and in the appropriate period. The dividend yield was based on Company's internal models considering the maturity of each option. The Company did not consider the option's anticipated exercise and any market condition other than the assumptions above.

Addition information on the stock option plan:

	Quantity (1)	Price (2) (R$)
Total expired stock options		
December 31, 2012	7,398,395	23.76
December 31, 2013	9,028,970	34.99
December 31, 2014	11,133,550	39.45
December 31, 2015	11,133,550	43.72
December 31, 2016	11,009,443	46.40
March 31, 2017	11,009,443	46.79
Options granted in 2012	1,347,960	41.34
Options granted in 2013	1,669,550	57.76
Options granted in 2014	2,174,550	49.73
Options granted in 2015	-	-
Options granted in 2016	-	-
Options granted during the first quarter 2017	-	-
Total stock options exercised		
December 31, 2012	3,514,828	18.01
December 31, 2013	4,274,179	20.00
December 31, 2014	5,283,715	23.42
December 31, 2015	5,890,153	25.25
December 31, 2016	6,805,580	28.83
March 31, 2017	6,924,158	29.22
Stock options exercised in 2012	1,083,556	24.80
Stock options exercised in 2013	759,351	29.23
Stock options exercised in 2014	1,009,536	37.89
Stock options exercised in 2015	606,438	41.15
Stock options exercised in 2016	915,427	51.88
Options exercised during the first quarter of 2017	118,578	51.71
Total stock options exercised		
December 31, 2012	3,704,313	18.36
December 31, 2013	4,868,254	21.45
December 31, 2014	6,049,707	25.68
December 31, 2015	7,531,446	31.95
December 31, 2016	9,103,018	37.68
March 31, 2017	9,102,947	37.81
Options expired stock options in the year - 2012	1,039,140	25.89
Options expired stock options in the year - 2013	1,163,941	31.53
Options expired stock options in the year - 2014	1,181,453	42.87
Options expired stock options in the year - 2015	1,481,739	56.47
Options expired stock options in 2016	1,616,618	62.34
Options matured during the first quarter of 2017	-	-
Total not exercised		
December 31, 2012	3,883,567	35.50
December 31, 2013	4,754,791	45.83
December 31, 2014	5,849,835	50.85
December 31, 2015	5,243,397	57.76
December 31, 2016	4,203,863	63.30
March 31, 2017	4,085,214	64.17

(1) Net value of shares canceled due to the termination of the Company's employees before the minimum option exercise term.

(2) Price set by the end of the period or the date of exercise.

For share options exercised during 2013, the weighted average market price of shares was R$ 58.21. In 2014, the weighted average market price of the shares was R$ 53.21. In 2015, the weighted average market price of the shares was R$ 55.79. In 2016, the weighted average market price of the shares was R$ 58.81. In the first three months of 2017, the weighted average market price of the shares was R$ 65.92.

The effect of the recognition of the share-based payment in the Shareholders' equity and in Income (loss), in the quarter ended March 31, 2017, was R$ 1,372 (R$ 2,571 as of March 31, 2016) of which R$ 668 (R$1,219 in 2016) refers to the management's portion.

b. Phantom Stock Option Program

In Board of Directors' meeting held on July 29, 2015, the Company's First Long-Term Incentive Plan was approved; it establishes the terms and conditions for payment of a cash premium referred to valuation of shares issued by the Company to certain managers, employees and service providers or other companies under its control. Right to receive this premium is represented by units of investment, and the Board of Directors is responsible for electing participants and for authorizing the granting of investment units.

As of July 29, 2015, the Board of Directors approved the granting, in 2015, of 2,500,983 units of investment to elected participants. Of this total, 16,000 investment units were granted to employees that left the Company before minimum period for redeeming investment units.

As of September 21, 2016, the Board of Directors approved the granting, in 2016, of 2,500,750 units of investment to elected participants.

These units of investment may be redeemed by participants in three distinct tranches, within maximum period of six years as from respective grant date. The vesting period for the redemption of investment units is two years, with redemption of 33.4% after the fourth anniversary, 33.3% after the third anniversary, and 33.3% after the fourth anniversary.

Cash value to be disbursed in relation to investment units is based on the increase in share price of the Company between the grant date and redemption period.

Details of liabilities deriving from units of investment are as follows:

	Consolidated
In thousands of reais	**March 31, 2017**
Book value of liabilities from units of investment	33,492

(i) Measurement of fair value

Weighted average fair value of units of investment was estimated using options pricing model Black-Scholes. The dividend yield was based on Company's internal models considering the maturity of each unit of investment. The Company did not consider the option's anticipated investment units and any market condition other than the assumptions below.

Fair value in the grant date was calculated considering the following assumptions:

	Fair value in the grant date							
	Referential value (R$) (1)	**Share price (R$) (2)**	**Index of adjustment**	**Quantity**	**Volatility MULT3 (3)**	**Risk-free rate**	**Average maturity**	**Fair value**
Phantom 1	46.71	46.27	IPCA	2,500,983	5.5-5.8%	11.3-12.3%	3.00 years	R$ 5.68
Phantom 2	61.38	61.47	IPCA	2,500,750	5.9-6.5%	10.7-11.5%	3.00 years	R$ 7,85

(1) Investment units' reference value on grant date corresponds to average quotation of the Company's shares in BM&FBOVESPA, calculated by division of financial volume by the number of traded shares accumulated in 20 trading sessions immediately prior to their calculation base date.

(2) Share price corresponds to average of 20 sessions prior to the closing date of the quarter.

(3) Volatility used in this model was based on MULT3 historic standard deviation in proper period.

The fair value on the date of the financial statements was calculated assuming the following assumptions:

	Fair value as of December 31, 2016							
	Referential value (R$)	**Share price (R$)**	**Index of adjustment**	**Quantity**	**Volatility MULT3**	**Risk-free rate**	**Average maturity**	**Fair value**
Phantom 1	52.12	65.68	IPCA	2,484,983	5.3--6.5%	8.9-10.5%	1.33 years	R$ 15,80
Phantom 2	62.60	65.68	IPCA	2,500,750	6.0-6.3%	8.8-9.1%	2.48 years	R$ 7,84

Additional information to investment units' Long-Term Incentive Plan:

	Quantity	**Price (1) (R$)**
Total balance of units of investment granted on December 31, 2016	4,940,250	57.51
Units of investment were canceled in the 1Q17.	-	-
Units of investment exercised in the 1Q17.	-	-
Units of investment were canceled in the 1Q17.	-	-
Total not redeemed as of March 31, 2017	4,940,250	57.51

(*) Price set by the end of the period or the date of exercise.

As of March 3,1, 2017, only 45,483 investment units could be redeemed and redeemed in October 2016. Remaining investment units were in grace period and, therefore, could not be redeemed.

(ii) Expense recognized in income (loss)

On March 31, 2017, amount recognized in income was R$ 24,776.

21 Net operating revenue

	March 31, 2017		March 31, 2016	
	Parent company	**Consolidated**	**Parent company**	**Consolidated**
Gross operating income from sales and services:				
Stores leased	176,480	233,467	170,659	212,844
Parking	23,341	44,869	22,239	45,585
Services	26,835	25,059	37,923	37,133
Key Money	1,008	1,939	1,629	3,189
Sale of property	(998)	(2,243)	-	3,930
Other	651	1,252	992	1,310
	227,317	304,343	233,442	303,991
Taxes and Contributions on sales and services	(21,667)	(30,564)	(22,386)	(30,047)
Net operating revenue	205,650	273,779	211,056	273,944

22 Breakdown of costs and expenses by nature

During the periods ended March 31, 2017 and 2016, the Company incurred in the following costs and expenses:

Costs: arising from the interest in the civil condominiums of shopping malls in operation, costs on depreciation of investment properties and cost of properties sold.

	Cost of services rendered and properties sold			
	March 31, 2017		March 31, 2016	
	Parent company	**Consolidated**	**Parent company**	**Consolidated**
Services	(562)	(533)	(759)	(589)
Parking	-	(2,520)	(132)	(4,307)
Leases (a)	(2,367)	(2,378)	(2,223)	(2,234)
Properties (charges, IPTU, rental, common area maintenance)	(6,669)	(9,484)	(5,270)	(7,488)
Occupancy cost	-	(9)	-	(6)
Other costs	(5,450)	(10,836)	(5,744)	(11,253)
Cost of properties sold	817	1,565	(421)	(2,148)
Depreciation and amortization	(24,245)	(41,845)	(24,840)	(35,798)
Total	(38,476)	(66,040)	(39,389)	(63,823)
Costs:				
Services rendered	(39,293)	(67,605)	(38,968)	(61,675)
Real estate sold	817	1,565	(421)	(2,148)
Total	(38,476)	(66,040)	(39,389)	(63,823)

The breakdown of these expenses in their main categories is as follows:

- Headquarters: Expenses on personnel (administrative, operational and development) of the Multiplan group's Headquarters and branches, in addition to expenditures on corporate marketing, outsourcing and travel.

- Properties: expenses on civil condominium of properties in operation.

- Lease projects: Pre-operating expenses linked to real estate projects and shopping malls' expansion.

- Projects for sale: Pre-operating expenses arising from real estate projects for sale.

	Administrative and project expenses			
	March 31, 2017		**March 31, 2016**	
	Parent company	**Consolidated**	**Parent company**	**Consolidated**
Payroll	(17,283)	(17,509)	(17,433)	(17,919)
Services	(5,900)	(6,921)	(6,186)	(7,238)
Parking	-	(24)	-	(54)
Marketing	(1,980)	(2,299)	(1,455)	(2,058)
Travels	(830)	(856)	(843)	(966)
Properties (charges, IPTU, rental, common area maintenance)	(447)	(2,808)	(526)	(4,951)
Occupancy cost	(2,319)	(2,696)	(1,899)	(2,260)
Other	(3,226)	(5,632)	(4,429)	(5,535)
Total	(31,985)	(38,745)	(32,771)	(40,981)
Expenses on:				
Administrative expenses - Headquarters	(29,672)	(31,773)	(30,775)	(31,873)
Administrative expense - Properties	(1,933)	(4,846)	(1,605)	(6,744)
Expenses on projects for lease	(99)	(1,129)	(195)	(1,493)
Expenses on projects for sale	(281)	(997)	(196)	(871)
Total	(31,985)	(38,745)	(32,771)	(40,981)

23 Net financial income (loss)

	March 31, 2017		March 31, 2016	
	Parent company	**Consolidated**	**Parent company**	**Consolidated**
Yield on interest earning bank deposits	20,794	21,888	8,985	11,053
Interest and monetary restatement on loans, financing and debentures	(69,132)	(81,554)	(52,054)	(67,041)
Interest on real estate projects	536	2,593	1,181	3,850
Bank fees and other charges	(2,868)	(3,423)	(1,351)	(1,903)
Monetary restatement - assets	1,054	1,463	1,212	1,484
Fines and interest on lease and key money - shopping mall	2,021	2,501	1,773	2,042
Fines and interest on tax assessment notices	(252)	(271)	(69)	(80)
Interest on related party transactions	471	489	562	603
Interest and monetary restatement on Property acquisition payable	-	(1,795)	-	-
Other	376	878	590	1,411
Total	(47,000)	(57,231)	(39,171)	(48,581)

24 Segment information

For management purposes, the Company recognizes four business segments that account for its income and expenses. Segment reporting is required since margins, income and expense recognition and deliverables are different among them. Profit or loss was calculated considering only the Company's external clients.

Properties for lease

This refers to the Company's share in the civil condominium of shopping malls and their respective parking lots, as well like real estates for rental. This is the Multiplan's major income-generating segment, accounting for 91.45% of its gross operating income recognized during the quarter ended March 31, 2017. The determining factor for the amount of income and expenses in this segment is the company's share in each venture. The income and expenses are described below:

Rental income

This refers to amounts collected by mall owners (the Company and its shareholders) in connection with the areas leased in their shopping malls and commercial projects. The revenue includes four types of rental: minimum Rental (based on a commercial agreement indexed to the IGP-DI), Supplementary Rental (percentage of sales made by storeowners), Merchandising (rental of an area in the mall) and straight-line rental income (exclude the volatility and seasonality of minimum rental income).

Parking income

Income from payments made by clients for the time their vehicles are parked in the parking lot.

Expenses

Include expenses on vacant areas, contributions to the promotion fund, legal fees, lease, parking, brokerage fees, and other expenses arising from the interest held in the projects.

As owners of the properties in which they are the shopping malls in which the Company owns (or situations which ownership of the property stems from the lease), the Company is subject to the payment of any extraordinary expenses that are not routine and therefore, condominium liability. The Company is also subject to costs and costs of legal actions necessary for the collection of past due rents, lawsuits in general (eviction, lease renewal, revisional, among others). The expenses on the maintenance and operation expenses (common condominium expenses) of the project will be borne by the storeowners.

Other

Includes depreciation expenses.

The shopping mall assets substantially comprise investment properties of operational shopping centers and commercial towers operating and rental receivable and parking lots.

Real estate for sale

Real estate operations include income and expenses from the sale of properties normally built in the surroundings of the shopping mall. As previously mentioned, this activity contributes to generating client flows to the shopping mall, thus increasing its income. Additionally, the appreciation and convenience brought by a shopping mall to its neighborhood enable the Company to minimize risks and increase income from properties sold. Income derives from the sale of real estate and their related construction costs. Both are recognized based on the percentage of completion (POC) of the construction work. Expenses arise mainly from brokerage and marketing activities.

Finally, the "Other" mainly concerns a real estate project that has been recognized in the balance sheet and income (loss) by "Investment" and "Share of profit of equity-accounted investees (loss)" respectively.

Assets of this segment are concentrated in the inventory of land and property completed and under construction of the Company and in accounts receivable.

Projects

The operation of projects includes income and expenses arising from the development of shopping mall and real estate project for lease. Development costs are recorded in the balance sheet, but expenses on marketing, brokerage, property taxes, feasibility studies and other items are recorded to the Company’s income (loss). In the same way, the company believes that most of its income from Key Money derives from projects initiated over the last 5 years (average period to recognize income from key money), thus resulting from the lease of stores during the construction process.

By developing its own projects, the company is able to ensure the quality of the properties that will compose its portfolio.

Project assets mainly comprise investment properties that have a construction in progress and accounts receivable (Key Money) from leased stores.

Management and other

The Company provides management services to its shareholders and storeowners in consideration for a service fee. Additionally, the Company charges brokerage fees from its shareholders for the lease of stores. The management of its shopping malls is essential for the Company's success and is a major area of concern in the company. On the others hand, the Company incurs in expenses on the Headquarters for these services and others, which are considered in this segment. This also includes taxes, financial income and expenses and others income and expenses that depend on the company's structure and not only on the operation of each segment previously described. For this reason this segment presents loss.

This segment's assets mainly comprise the Company's cash, deferred taxes and intangible assets.

	March 31, 2017 (consolidated)				
	Properties for lease	**Real estate for sale**	**Projects**	**Management and other**	**Total**
Gross income	278,335	(2,243)	1,939	26,312	304,343
Costs	(67,605)	1,565	-	-	(66,040)
Expenses	(4,846)	(997)	(1,129)	(57,921)	(64,893)
Other	(25,929)	5,073	(10,008)	(59,174)	(90,038)
Income before income and social contribution taxes	179,955	3,398	(9,198)	(90,783)	83,372
Operating assets	6,057,127	657,785	616,461	1,319,456	8,650,829

	March 31, 2016 (consolidated)				
	Properties for lease	**Real estate for sale**	**Projects**	**Management and other**	**Total**
Gross income	258,429	3,930	3,189	38,442	303,990
Costs	(61,675)	(2,148)	-	-	(63,823)
Expenses	(6,744)	(871)	(1,493)	(37,187)	(46,295)
Other	(28,971)	5,172	(8,100)	(52,277)	(84,176)
Income before income and social contribution taxes	161,039	6,083	(6,404)	(51,022)	109,696
Operating assets	5,284,870	539,376	419,204	850,798	7,094,248

25 Financial instruments and risk management

25.1 Capital risk management

The Company and its subsidiaries manage its capital in order to ensure the continuity of its normal operations, at the same time, maximizing the return of its operations to all interested parties, through the optimization of the use of debt instruments and capital.

The capital structure of the Company and its subsidiaries is comprised by the net debt (loans and financing, debentures and Property acquisition payable detailed in notes 12, 14 and 15, respectively, less cash and cash equivalents and short-term investments (detailed in note 3) restricted short-term investments (recorded as other non-current assets), and the Company's shareholders' equity (which includes the capital and reserves explained in note 19).

25.1.1 Indebtedness ratio

Indebtedness ratio is as follows:

	Parent company		Consolidated	
	03/31/2017	**12/31/2016**	**03/31/2017**	**12/31/2016**
Debt (a)	2,277,039	2,270,727	3,006,752	2,923,110
Cash and cash equivalents and investment	(52,532)	(408,485)	(101,397)	(467,368)
Net debt	2,224,507	1,862,242	2,905,355	2,455,742
Shareholders' equity (b)	5,107,292	4,450,170	5,114,371	4,456,360
Net debt ratio	43.56%	41.85%	56.81%	55.11%

(a) Debt is defined as short- and long-term loans and financing, debentures and liabilities for acquisition of assets, detailed in notes 12, 14 and 15.

Of total defined in item (a) above, R$ 311,578 refers to the amount classified in the parent company and maturing in the short-term on March 31, 2017 (R$ 292,024 on December 31, 2016) and R$1,965,461 classified in the long term on March 31, 2017 (R$ 1,978,703 on December 31, 2016). In the consolidated financial statements, as of March 31, 2017, R$ 476,450 is classified as short term (R$ 409,643 - December 31, 2016) and R$2,530,302 as long term as of March 31, 2017 (R$ 2,513,465 as of December 31, 2016).

(b) Shareholders' equity includes the paid-in capital and the reserves.

25.2 Market risk

In the sector in which the Company operates, the principal market risks are financial risks related to interest, credit inherent in the provision of services and credit derived from its cash investments.

25.3 Objectives of financial risk management

The Company's main strategies to protect its equity against market risks are as follows: (a) the compatibility significantly between its assets and liabilities, aligning time, cost, indexing, and other currencies; (b) the diversification of its income and receivables between the different properties of the Company and the different retail segments derived from the assortment of the stores; (c) the application of liquidity on a conservative basis, in investments with immediate liquidity and low credit risk.

The Company, based on its strategy of protecting its equity against market risks, understands that to date there was no need to contract any hedging instrument. This position may be reviewed if, in the future, we observe any inconsistency that could cause risks to the financial and operating income (loss) of the Company.

According to CVM Resolution 550 issued on October 17, 2008, which provides for the submission of information on derivative financial instruments in the notes, the Company has not contracted derivative financial instruments; there is no risk from a potential exposure associated with such instruments.

25.4 Interest rate risk management

Interest rate risk refers to:

- Possibility of fluctuations in the fair value of loans and financing pegged to fixed interest rates, if such rates do not reflect current market conditions. The Company performs ongoing monitoring of these indexes. The Company has not verified yet the need to enter into financial instruments to hedge against interest rate risks;

- Possibility of unfavorable change in interest rates, which would result in increase in financial expenses as a result of the debt portion pegged to variable interest rate; and

- Possibility of variations in the fair value of its investment properties, due to effects of variations in the interest rate in the indicators of risk and return used in the calculation of the discount rate, including beta index, country risk and inflation estimates. The Company performs ongoing monitoring of these indexes.

25.5 Credit risk related to service rendering

This risk is related to the possibility of the Company and its subsidiaries posting losses resulting from difficulties in collecting amounts from lease, property sales, Key Money, management fees and brokerage fees.

25.6 Credit risk

This risk is related to the possibility of the Company and its subsidiaries posting losses resulting from difficulties in realizing short and long-term financial investments.

25.7 Sensitivity analysis

In order to analyze the sensitivity of financial asset and financial liability index to which the Company is exposed as of March 31, 2017, five different scenarios were defined and a sensitivity analysis to fluctuations in the indexes of such instruments was prepared. Based on the FOCUS report dated March 31, 2017, the IGP-DI, IGP-M and IPCA indexes and TJLP, projections for 2017 was extracted from the BNDES's official website, the indexes CDI and the TR rate were extracted from the CETIP's and BM&F BOVESPA's official websites, Such index and rates were considered as probable scenario and increases and decreases of 25% and 50% were calculated.

Indexes of financial assets and financial liabilities:

Index	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
CDI	6.13%	9.19%	12.25%	15.31%	18.38%
IGP-DI	2.15%	3.22%	4.29%	5.36%	6.44%
IGP - M	2.18%	3.27%	4.36%	5.45%	6.54%
IPCA	2.05%	3.08%	4.10%	5.13%	6.15%
TJLP	3.75%	5.63%	7.50%	9.38%	11.25%
TR	0.95%	1.43%	1.90%	2.38%	2.85%

Financial assets

The gross income was calculated for each scenario as of March 31, 2017, based on one-year projection and not taking into consideration any tax levied on earnings. The sensitivity for each scenario is analyzed below.

Sensitivity of income - 2017

Parent company

		Balance at 03/31/2017	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Cash and cash equivalents and interest earning bank deposits							
Cash and cash equivalents	N/A	52,532	N/A	N/A	N/A	N/A	N/A
Financial Instruments	100% of CDI	966,911	59,223	88,835	118,447	148,058	177,670
		1,019,443	59,223	88,835	118,447	148,058	177,670
Accounts receivable							
Trade accounts receivable - store lease	IGP-DI	84,534	1,813	2,720	3,626	4,533	5,440
Straight line effect	IGP-DI	31,241	670	1,005	1,340	1,675	2,010
Trade accounts receivable - Key Money	IGP-DI	22,125	475	712	949	1,186	1,424
Trade accounts receivable - sale of completed units	IGP-M + 12%	34,736	4,926	5,304	5,683	6,061	6,440
Other trade accounts receivables	N/A	18,973	N/A	N/A	N/A	N/A	N/A
		191,609	7,884	9,741	11,598	13,455	15,314
Related party transactions							
Shopping Center Associations	110% of CDI	11,069	N/A	N/A	N/A	N/A	N/A
Shopping Center Condominiums	110% of CDI	4,279	N/A	N/A	N/A	N/A	N/A
Parkshopping Canoas	N/A	193	N/A	N/A	N/A	N/A	N/A
Parkshopping Jacarepaguá	N/A	37	N/A	N/A	N/A	N/A	N/A
Loans - Other	N/A	145	N/A	N/A	N/A	N/A	N/A
Others	N/A	16	N/A	N/A	N/A	N/A	N/A
		15,739	-	-	-	-	-
Total		1,226,790	67,107	98,576	130,045	161,513	192,984

Consolidated

		Balance at 03/31/2017	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Cash and cash equivalents and interest earning bank deposits							
Cash and cash equivalents	N/A	101,397	N/A	N/A	N/A	N/A	N/A
Financial Instruments	100% of CDI	1,003,917	61,490	92,235	122,980	153,725	184,470
		1,105,314	61,490	92,235	122,980	153,725	184,470
Accounts receivable							
Trade accounts receivable - store lease	IGP-DI	102,953	2,208	3,313	4.417	5,521	6.625
Straight line effect	IGP-DI	51,249	1,099	1,649	2,199	2,748	3,298
Trade accounts receivable - Key Money	IGP-DI	25,884	555	833	1,110	1,388	1,666
Trade accounts receivable - sale of completed properties	IGP-M + 12%	34,736	4,926	5,304	5,683	6,061	6,440
Trade accounts receivable - sale of completed properties	IGP-M + 11%	93,919	12,378	13,402	14,426	15,450	16,473
Other trade accounts receivables	N/A	42,338	N/A	N/A	N/A	N/A	N/A
		351,079	21,166	24,501	27,835	31,168	34,502
Related party transactions							
Shopping Center Associations		11,603	N/A	N/A	N/A	N/A	N/A
Shopping Center Condominiums		4,279	N/A	N/A	N/A	N/A	N/A
Loans - Other	N/A	145	N/A	N/A	N/A	N/A	N/A
		16,027	-	-	-	-	-
Total		1,472,420	82,656	116,736	150,815	184,893	218,972

Financial liabilities

For each scenario the Company calculated the gross financial expense, not taking into account the taxes levied and the flow of maturities for each contract scheduled for 2017. The base date used was March 31, 2017 projecting indices for one year and verifying their sensitivity in each scenario.

Financial expenses projection - 2017

Parent company

	Remuneration rate	Balance at 03/31/2017	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Loans and financing							
Santander BHS Exp V	TR + 8.70%	38,359	3,702	3,884	4,067	4,249	4,432
Banco Itaú PSC	TR + 9.35%	88,240	9,090	9,509	9,929	10,348	10,768
Banco Itaú VLG	TR + 9.35%	232,392	23,939	25,044	26,149	27,254	28,359
CCB Itaú 325M	108% of CDI	326,438	21,594	32,391	43,188	53,985	64,782
CCB Itaú 100M	108.5% of CDI	101,666	6,756	10,135	13,513	16,891	20,269
CCB Itaú 80M	106% of CDI	83,378	5,413	8,120	10,827	13,533	16,240
Bradesco MTE	CDI + 1.00%	314,864	22,434	32,077	41,719	51,362	61,005
CCB - BB 175M	110% of CDI	112,595	7,586	11,379	15,172	18,965	22,758
CCB - BB 50M	110% of CDI	50,553	3,406	5,109	6,812	8,515	10,218
CCB - BB 150M	110% of CDI	151,658	10,218	15,327	20,436	25,545	30,654
BB - BRS Exp. VII	TR + 8.90%	82,946	8,171	8,565	8,960	9,354	9,749
Funding costs	N/A	(29,273)	N/A	N/A	N/A	N/A	N/A
Cia Real de Distribuição	N/A	443	N/A	N/A	N/A	N/A	N/A
		1,554,259	122,309	161,540	200,772	240,001	279,234
Property acquisition obligations							
Other	N/A	269	N/A	N/A	N/A	N/A	N/A

	Remuneration rate	Balance at 03/31/2017	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Debentures							
3rd Issuance of Debentures	CDI + 0.87%	424,949	29,725	42,739	55,753	68,767	81,781
Funding cost		(1,777)	N/A	N/A	N/A	N/A	N/A
4th Issuance of debentures (CRI)	95% of CDI	309,087	17,985	35.970	35.970	44,963	53,955
Funding cost		(9,749)	N/A	N/A	N/A	N/A	N/A
		722,510	47,710	78,709	91,723	113,730	135,736
Total		2,277,038	170,019	240,249	292,495	353,731	414,970

Consolidated

	Remuneration rate	Balance at 03/31/2017	Decrease of 50%	Decrease of 25%	Probable scenario	Increase of 25%	Increase of 50%
Loans and financing							
BNDES JDS - A	TJLP +3.38%	30,155	2,150	2,715	3,281	3,846	4,412
BNDES JDS	TJLP +1.48%	315	12	18	24	30	35
BNDES JDS - C	TJLP	1,359	71	97	122	148	173
BNDES-CGS (A)	TJLP+3.32%	25,194	1,781	2,254	2,726	3,198	3,671
BNDES-CGS (B)	IPCA + 7.27%	11,418	1,064	1,181	1,298	1,415	1,532
BNDES-CGS (C)	TJLP	324	12	18	24	30	36
BNDES-CGS	TJLP + 1.42%	614	32	43	55	66	78
Santander BHS Exp V	TR + 8.70%	38,359	3,702	3,884	4,067	4,249	4,432
Banco Itaú PSC	TR + 9.35%	88,240	9,090	9,509	9,929	10,348	10,768
Banco Itaú VLG	TR + 9.35%	232,392	23,939	25,044	26,149	27,254	28,359
Banco Itaú	108.50% of CDI	326,438	21,594	32,391	43,188	53,985	64,782
Banco Itaú 325M	108% of CDI	101,666	6,756	10,135	13,513	16,891	20,269
Banco Itaú 80M	106% of CDI	83,378	5,413	8,120	10,827	13,533	16,240
Bradesco MTE	CDI + 1.00%	314,864	22,434	32,077	41,719	51,362	61,005
Banco do Brasil 175M	110% of CDI	112,595	7,586	11,379	15,172	18,965	22,758
Banco do Brasil 50M	110% of CDI	50,553	3,406	5,109	6,812	8,515	10,218
Banco do Brasil 150M	110% of CDI	151,658	10,218	15,327	20,436	25,545	30,654
Banco do Brasil BRS Exp VII	TR + 8.90%	82,946	8,171	8,565	8,960	9,354	9,749
Morumbi Corporate - DTIY	TR+8.70%	443	N/A	N/A	N/A	N/A	N/A
Morumbi Corporate - GTIY	TR+8.70%	171,591	16,560	17,376	18,192	19,008	19,824
Bradesco - Canoas	TR+9.25%	166,925	16,110	16,904	17,697	18,491	19,285
Funding costs	N/A	219,819	22,424	23,469	24,514	25,559	26,605
Cia Real de Distribuição	N/A	(42,918)	N/A	N/A	N/A	N/A	N/A
		2,168,328	182,525	225,615	268,705	311,792	354,885
Property acquisition obligations							
Land Quadra H	General Market Price Index + 2%	1,477	62	78	94	110	126
Land Canoas	IGPM	14,481	887	1,330	1,774	2,217	2,661
Land jacarepaguá	100% of CDI	15,444	337	505	673	842	1,010
Construction Potential - Barra	100% of CDI	84,244	317	475	633	792	950
Other	N/A	269	N/A	N/A	N/A	N/A	N/A
		115,915	1,603	2,388	3,174	3,961	4,747
Debentures							
3rd Issuance of Debentures	CDI + 0.87%	424,949	29,725	42,739	55,753	68,767	81,781
Funding cost		(1,777)	N/A	N/A	N/A	N/A	N/A
4th Issuance of debentures (CRI)	95% of CDI	309,087	17,985	26,978	35.970	44,963	53,955
Funding cost		(9,749)	N/A	N/A	N/A	N/A	N/A
		722,510	47,710	69,717	91,723	113,730	135,736
Total		3,006,753	231,838	297,720	363,602	429,483	495,368

Part of the Company's financial assets and liabilities are linked to interest rates and indexes which may vary representing a market risk for the Company.

In the quarter ended March 31, 2017, the Company's financial assets and liabilities generated a net financial loss of R$ 57,231.

The Company understands that an increase in the interest rates, in the indexes or in both may cause an increase in the financial expenses negatively impacting the Company's net financial result. In the same way, a decrease in the interest rates, in the indexes or in both may cause a reduction in the financial income negatively impacting the Company's net financial income.

25.8 Liquidity risk management

The Management of the Company and its subsidiaries manages its liquidity risk keeping adequate reserves, bank credit lines and credit lines to raise loans and financing, through the continuous monitoring of forecasted and realized cash flows and combination of the maturity profiles of financial assets and liabilities.

The following table shows in detail the remaining contractual maturity of financial assets and liabilities of the Company and the contractual amortization terms. This table was prepared in accordance with the undiscounted cash flows of financial liabilities based on the nearest date on which the Company shall settle the respective obligations:

	Parent company			
		Years:		
March 31, 2017	**Up to 1**	**1-3**	**>3**	**Total**
Financial Instruments	966,911	-	-	966,911
Loans and financing	277,273	810,645	466,342	1,554,259
Property acquisition payable	269	-	-	269
Debentures	34,036	199,112	489,363	722,510
Total	1,278,489	1,009,757	955,705	3,243,949

	Consolidated			
		Years:		
March 31, 2017	**Up to 1**	**1-3**	**>3**	**Total**
Financial Instruments	1,003,917	-	-	1,003,917
Loans and financing	370,793	940,403	857,131	2,168,326
Property acquisition payable	71,621	44,294	-	115,915
Debentures	34,036	199,112	489,363	722,510
Total	1,480,367	1,183,809	1,346,494	4,010,668

25.9 Category of the main financial instruments

	Parent company		Consolidated	
	03/31/2017	**12/31/2016**	**03/31/2017**	**12/31/2016**
Financial assets available for sale				
Financial Instruments	966,911	357,944	1,003,917	361,721
Financial assets classified as loans and receivables at amortized cost				
Accounts receivable	191,609	239,030	351,079	412,231
Accounts receivable from related parties	15,739	16,604	16,028	16,975
Financial assets classified as loans and receivables at amortized cost				
Loans and financing	1,554,259	1,569,844	2,168,326	2,181,674
Property acquisition payable	269	269	115,915	40,820
Debentures	423,172	700,615	423,172	700,615

Valuation techniques and assumptions applied for purposes of fair value calculation

The estimated fair values of financial assets and liabilities of the Company and its subsidiaries have been determined using available market information and appropriate valuation methodologies in conformity with the quarterly information for the period ended March 31, 2017.

Financial instruments measured at fair value are grouped into specific categories (level 1, 2 and 3) according to the corresponding observable level of fair value:

- Measurements of the fair value of level 1 are obtained from quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Measurements of the fair value of level 2 are obtained by means of the variables in addition to the quoted prices included the level 1 that are observed for the asset or liability either directly (as prices) or indirectly (derived from prices).

- Measurements of the fair value of level 3 are obtained from non-observable market variables.

The Management understands that the fair values applicable to the Company's financial instruments fall into Level 2.

26 Earnings per share

The table below shows information on profit and shares used to calculate basic and diluted earnings per share:

		March 31, 2017		March 31, 2016	
		Parent company	**Consolidated**	**Parent company**	**Consolidated**
A	Weighted average number of shares issued	193,416,018	193,416,018	189,997,214	189,997,214
B	Weighted average of Shares in treasury	2,088,258	2,088,258	2,088,258	2,088,258
C= A - B	Average shares	195,504,276	195,504,276	187,908,956	187,908,956
D	Dilutive	119,748	119,748	1	1
E	Net income for the period attributable to Company's shareholders	54,163	54,277	69,658	70,079
E/C	Earnings per share	0.2819	0.2825	R$ 0.3707	R$ 0.3729
E/(C+D)	Adjusted earnings per share	0.2817	0.2823	R$ 0.3707	R$ 0.3729