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COMPANY DATE / COMPOSITION OF CAPITAL STOCK

QUANTITY OF SHARES (In Thousand)	CURRENT QUARTER 03/31/2015
PAID-UP CAPITAL	
COMMON – ON	127,395
PREFERRED - PN	0
TOTAL	127,395
TREASURY SHARES	
COMMON – ON	0
PREFERRED – PN	0
TOTAL	0

COMPANY DATE / DIVIDENDS DECLARED AND/OR PAID OUT DURING AND AFTER QUARTER

EVENT	APPROVAL	TYPE	BEGINNING PAYMENT	SHARE'S TYPE	SHARE'S CLASS	AMOUNT PER SHARE
Board of Directors Meeting	03/18/2014	Interest on Capital	04/24/2015	ON		0.13790
Board of Directors Meeting	06/17/2014	Interest on Capital	04/24/2015	ON		0.14120
Board of Directors Meeting	09/17/2014	Interest on Capital	04/24/2015	ON		0.14480
Board of Directors Meeting	12/17/2014	Interest on Capital	04/24/2015	ON		0.14630
Shareholders General Meeting	04/16/2015	Dividend	04/24/2015	ON		0.91574
Board of Directors Meeting	03/18/2015	Interest on Capital		ON		0.18680

INDIVIDUAL STATEMENTS / BALANCE SHEETS - ASSETS

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	Current quarter 03/31/2015	Prior end of year 12/31/2014
1	**TOTAL ASSETS**	**4,159,641**	**4,360,895**
1.01	**CURRENT ASSETS**	**2,054,023**	**2,270,205**
1.01.01	**CASH AND CASH EQUIVALENTS**	**677,346**	**709,403**
1.01.03	**ACCOUNTS RECEIVABLE**	**680,383**	**968,611**
1.01.03.01	CUSTOMERS	569,929	908,389
1.01.03.02	OTHER ACCOUNTS RECEIVABLE	28,794	30,664
1.01.03.03	DERIVATIVES	81,660	29,558
1.01.04	**INVENTORIES**	**625,406**	**536,625**
1.01.06	**RECOVERABLE TAXES**	**60,404**	**50,431**
1.01.06.01	CURRENT RECOVERABLE TAXES	60,404	50,431
1.01.07	**PREPAID EXPENSES**	**10,484**	**5,135**
1.02	**NONCURRENT ASSETS**	**2,105,618**	**2,090,690**
1.02.01	**LONG -TERM ASSETS**	**285,146**	**319,022**
1.02.01.03	**ACCOUNTS RECEIVABLE**	**8,564**	**7,487**
1.02.01.03.02	OTHER ACCOUNTS RECEIVABLE	8,564	7,487
1.02.01.06	**DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION**	**47,003**	**77,931**
1.02.01.06.01	DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION	47,003	77,931
1.02.01.07	**PREPAID EXPENSES**	**5,869**	**6,341**
1.02.01.07.01	PREPAID EXPENSES	5,869	6,341
1.02.01.09	**OTHER NONCURRENT ASSETS**	**223,710**	**227,263**
1.02.01.09.03	JUDICIAL DEPOSITS	5,215	6,790
1.02.01.09.04	RECOVERABLE TAXES	36,055	38,473
1.02.01.09.05	FIDC LOJAS RENNER	182,000	182,000
1.02.01.09.05	DERIVATIVES	440	-
1.02.02	**INVESTMENTS**	**388,748**	**344,224**
1.02.02.01	**INVESTMENTS IN SUBSIDIARIES**	**388,748**	**344,224**
1.02.02.01.02	INVESTMENTS IN SUBSIDIARIES	388,685	344,161
1.02.02.01.04	OTHER INVESTMENTS IN SUBSIDIARIES	63	63
1.02.03	**PROPERTY, PLANT AND EQUIPMENT – NET**	**1,237,932**	**1,226,156**
1.02.03.01	PROPERTY, PLANT AND EQUIPMENT IN OPERATION	1,064,761	1,053,568
1.02.03.02	PROPERTY, PLANT AND EQUIPMENT LEASED	29,347	29,502
1.02.03.03	PROPERTY, PLANT AND EQUIPMENT ON GOING	143,824	143,086
1.02.04	**INTANGIBLE – NET**	**193,792**	**201,288**
1.02.04.01	**INTANGIBLE**	**193,792**	**201,288**
1.02.04.01.01	INTANGIBLE LEASED	26,756	30,964
1.02.04.01.02	OTHER	167,036	170,324

INDIVIDUAL STATEMENTS / BALANCE SHEETS - LIABILITIES AND SHAREHOLDERS' EQUITY

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	Current quarter 03/31/2015	Prior end of year 12/31/2014
2	**TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY**	**4,159,641**	**4,360,895**
2.01	**CURRENT LIABILITIES**	**1,185,648**	**1,492,575**
2.01.01	**SOCIAL AND LABOR OBLIGATIONS**	**142,043**	**134,779**
2.01.01.01	**SOCIAL OBLIGATIONS**	**16,412**	**16,267**
2.01.01.01.01	SOCIAL CHARGES	16,412	16,267
2.01.01.02	**LABOR OBLIGATIONS**	**125,631**	**118,512**
2.01.01.02.01	SALARIES PAYABLE	125,631	118,512
2.01.02	**SUPPLIERS**	**366,967**	**493,581**
2.01.02.01	NATIONAL SUPPLIERS	366,967	493,581
2.01.03	**FISCAL OBLIGATIONS**	**85,396**	**307,975**
2.01.03.01	**FEDERAL FISCAL OBLIGATIONS**	**31,941**	**171,506**
2.01.03.01.01	INCOME TAX AND SOCIAL CONTRIBUTION	9,082	78,679
2.01.03.01.02	OTHER FEDERAL FISCAL OBLIGATIONS	22,859	92,827
2.01.03.02	**STATE FISCAL OBLIGATIONS**	**50,661**	**134,635**
2.01.03.03	**MUNICIPAL FISCAL OBLIGATIONS**	**2,794**	**1,834**
2.01.04	**LOANS AND FINANCING**	**293,124**	**278,796**
2.01.04.01	**LOANS AND FINANCING**	**114,685**	**94,129**
2.01.04.01.01	NATIONAL CURRENCY	114,685	94,129
2.01.04.02	DEBENTURES	173,739	180,537
2.01.04.03	**FINANCING LEASE**	**4,700**	**4,130**
2.01.04.03.01	FINANCING LEASE	4,700	4,130
2.01.05	**OTHER OBLIGATIONS**	**274,575**	**253,763**
2.01.05.02	**OTHER**	**274,575**	**253,763**
2.01.05.02.01	DIVIDENDS AND INTEREST ON EQUITY PAYABLE	83,622	63,113
2.01.05.02.02	MINIMUN DIVIDEND MANDATORY PAYABLE	49,542	49,542
2.01.05.02.04	RENTS PAYABLE	28,749	37,024
2.01.05.02.05	OTHER OBLIGATIONS	73,573	86,334
2.01.05.02.06	STATUTORY PARTICIPATIONS	11,657	11,657
2.01.05.02.07	OBLIGATIONS WITH CARD ADMINISTRATORS	27,432	6,093
2.01.06	**PROVISIONS**	**23,543**	**23,681**
2.01.06.01	**FISCAL, LABOR, SECURITY AND CIVIL PROVISIONS**	**23,543**	**23,681**
2.01.06.01.04	CIVIL PROVISIONS	14,087	14,859
2.01.06.01.05	LABOR RISK PROVISIONS	9,456	8,822
2.02	**NONCURRENT LIABILITIES**	**1,029,309**	**1,013,052**
2.02.01	**LOANS AND FINANCING**	**994,896**	**981,810**
2.02.01.01	**LOANS AND FINANCING**	**58,869**	**44,111**
2.02.01.01.01	NATIONAL CURRENCY	58,869	44,111
2.02.01.02	DEBENTURES	894,010	887,839
2.02.01.03	**FUNDING FINANCING LEASE**	**42,017**	**49,860**
2.02.01.03.01	FUNDING FINANCING LEASE	42,017	49,860
2.02.02	**OTHER OBLIGATIONS**	**6,274**	**5,614**
2.02.02.01	**RELATED PARTIES LIABILITIES**	**6,274**	**5,218**
2.02.02.01.02	SUBSIDIARIES DEBT	6,274	5,218
2.02.02.02	**OTHER**	**-**	**396**
2.02.02.02.04	OTHER OBLIGATIONS	-	396
2.02.04	**PROVISIONS**	**28,139**	**25,628**
2.02.04.01	**FISCAL, LABOR, SECURITY AND CIVIL PROVISIONS**	**28,139**	**25,628**
2.02.04.01.01	FISCAL PROVISIONS	28,139	25,628
2.03	**SHAREHOLDERS' EQUITY**	**1,944,684**	**1,855,268**
2.03.01	**CAPITAL**	**750,853**	**750,853**
2.03.02	**CAPITAL RESERVES**	**252,327**	**245,860**
2.03.02.02	PREMIUM RESERVE	118,165	118,165
2.03.02.04	OPTIONS GRANTED	134,162	127,695
2.03.04	**REVENUE RESERVES**	**839,257**	**839,257**
2.03.04.01	LEGAL RESERVE	63,523	63,523
2.03.04.08	ADDITIONAL DIVIDEND PROPOSED	67,118	67,118
2.03.04.10	RESERVES FOR INVESTMENTS AND EXPANSION	708,616	708,616
2.03.05	**RETAINED EARNINGS/ACCUMULATED DEFICIT**	**49,393**	**-**
2.03.06	**CARRYING VALUE ADJUSTMENTS**	**52,854**	**19,298**

INDIVIDUAL STATEMENTS / STATEMENTS OF INCOME

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	Current quarter 01/01/2015 to 03/31/2015	Prior quarter 01/01/2014 to 03/31/2014
3.01	**NET REVENUE SALES OF GOODS AND FINANCIAL PRODUCTS AND SERVICES**	**1,059,702**	**859,907**
3.01.01	NET REVENUE SALES OF GOODS	948,612	766,770
3.01.02	NET REVENUE SALES FINANCIAL PRODUCTS AND SERVICES	111,090	93,137
3.02	**COST OF GOODS SOLD AND FINANCIAL PRODUCTS AND SERVICES**	**(439,397)**	**(369,918)**
3.02.01	COST OF GOODS SOLD	(427,804)	(365,886)
3.02.02	COST OF FINANCIAL PRODUCTS AND SERVICES	(11,593)	(4,032)
3.03	**GROSS PROFIT**	**620,305**	**489,989**
3.04	**OPERATING (EXPENSES) INCOME**	**(493,285)**	**(406,624)**
3.04.01	SELLING	(281,542)	(235,674)
3.04.02	GENERAL AND ADMINISTRATIVE	(93,340)	(75,419)
3.04.03	LOSS ON RECEIVABLES, NET	(31,924)	(20,847)
3.04.04	OTHER OPERATING REVENUES	9,674	1,497
3.04.05	OTHER OPERATING EXPENSES	(102,802)	(76,502)
3.04.06	EQUITY IN THE RESULTS OF INVESTEES	6,649	321
3.05	**OPERATING PROFIT BEFORE FINANCIAL RESULTS AND TAXES**	**127,020**	**83,365**
3.06	**FINANCIAL RESULTS**	**(27,436)**	**(14,389)**
3.06.01	FINANCIAL INCOME	26,528	19,132
3.06.02	FINANCIAL EXPENSES	(53,964)	(33,521)
3.07	**PROFIT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION TAXES**	**99,584**	**68,976**
3.08	**INCOME TAX AND SOCIAL CONTRIBUTION**	**(26,394)**	**(17,783)**
3.08.01	CURRENT	(12,689)	(9,380)
3.08.02	DEFERRED	(13,705)	(8,403)
3.09	**NET RESULTS OF CONTINUED OPERATIONS**	**73,190**	**51,193**
3.11	**NET INCOME (LOSS) FOR THE PERIOD**	**73,190**	**51,193**
3.99	EARNINGS PER SHARE (REAIS / SHARE)		
3.99.01	EARNINGS PER SHARE - BASIC		
3.99.01.01	ON	0.5745	0.4044
3.99.02	EARNINGS PER SHARE - DILUTED		
3.99.02.01	ON	0.5734	0.4011

INDIVIDUAL STATEMENTS / STATEMENTS OF COMPREHENSIVE INCOME

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	Current quarter 01/01/2015 to 03/31/2015	Prior quarter 01/01/2014 to 03/31/2014
4.01	**NET INCOME FOR THE PERIOD**	**73,190**	**50,907**
4.02	**OTHER COMPREHENSIVE INCOME**	**33,556**	**(11,508)**
4.02.01	CASH FLOW HEDGE	50,656	(17,279)
4.02.02	PORTION OF OTHER COMPREHENSIVE INCOME OF SUBSIDIARIES	46	(104)
4.02.03	TAXES RELATED TO COMPONENTS OF COMPREHENSIVE INCOME	(17,223)	5,875
4.02.04	CUMULATIVE TRANSLATION ADJUSTMENTS	77	-
4.03	**TOTAL COMPREHENSIVE INCOME FOR THE PERIOD**	**106,746**	**39,399**

INDIVIDUAL STATEMENTS / STATEMENTS OF CASH FLOW – INDIRECT METHOD

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	Current quarter 01/01/2015 to 03/31/2015	Prior quarter 01/01/2014 to 03/31/2014
6.01	**NET CASH FROM OPERATING ACTIVITIES**	**54,075**	**40,852**
6.01.01	**CASH FLOW FROM OPERATING ACTIVITIES**	**152,086**	**120,635**
6.01.01.01	NET INCOME FOR THE YEAR	73,190	50,907
6.01.01.02	DEPRECIATION AND AMORTIZATION	57,779	45,816
6.01.01.03	RESULT ON DISPOSAL OR WRITE-OFF OF FIXED ASSETS	260	139
6.01.01.04	TRANSACTION COSTS OF DEBENTURES	259	258
6.01.01.05	INTEREST EXPENSE OF BORROWING, FINANCING AND DEBENTURES	39,309	30,439
6.01.01.06	STOCK OPTION PLAN	6,467	2,883
6.01.01.07	EQUITY IN THE RESULTS OF INVESTEES	(6,649)	(321)
6.01.01.08	PROVISION FOR TAX, CIVIL AND LABOR RISKS	2,373	1,408
6.01.01.09	DEFERRED AND CURRENT TAXES	26,394	17,783
6.01.01.10	GAIN (LOSS) ON DERIVATIVE	(1,885)	4,321
6.01.01.11	NET FOREIGN EXCHANGE VARIATION	1,147	(1,774)
6.01.01.12	REVERSAL FOR ADJUSTMENT TO NET REALIZABLE VALUE	(15,775)	(11,020)
6.01.01.13	REVERSAL FOR LOSS ON ASSETS	(30,783)	(20,204)
6.01.02	**CHANGES IN ASSETS AND LIABILITIES**	**25,853**	**24,952**
6.01.02.01	ACCOUNTS RECEIVABLE	362,611	272,804
6.01.02.02	INVENTORIES	(66,635)	(57,784)
6.01.02.04	OTHER ASSETS	(11,640)	26,750
6.01.02.05	JUDICIAL DEPOSITS	1,575	(50)
6.01.02.07	FINANCING – FINANCIAL SERVIVCES OPERATIONS	11,976	(9,385)
6.01.02.08	FINANCING – IMPORTS	-	13,886
6.01.02.09	SUPPLIERS	(127,500)	(116,710)
6.01.02.10	SALARIES AND VACATIONS	7,119	2,293
6.01.02.11	TAXES AND CONTRIBUTIONS PAYABLE	(152,616)	(108,008)
6.01.02.12	OBLIGATIONS WITH CARD ADMINISTRATORS	21,339	7,370
6.01.02.13	OTHER PAYABLES	(13,157)	(58)
6.01.02.14	RENTS PAYABLE	(8,275)	(7,157)
6.01.02.16	INTERCOMPANY PAYABLES	1,056	1,001
6.01.03	**OTHERS**	**(123,864)**	**(104,735)**
6.01.03.02	PAYMENT OF INCOME TAX AND SOCIAL CONTRIBUTION	(85,796)	(73,959)
6.01.03.03	PAYMENT OF INTEREST ON LOANS, FINANCING AND DEBENTURES	(38,068)	(30,776)
6.02	**NET CASH FROM INVESTING ACTIVITIES**	**(100,071)**	**(85,119)**
6.02.01	ACQUISITIONS OF PROPERTY, PLANT AND EQUIPMENT	(53,633)	(67,907)
6.02.02	ACQUISITIONS INTANGIBLE ASSETS	(8,697)	(1,457)
6.02.05	PROCEEDS FROM DISPOSAL OF FIXED ASSETS	23	-
6.02.06	INVESTMENTS IN SUBSIDIARIES	(37,764)	(15,755)
6.03	**NET CASH FROM FINANCING ACTIVITIES**	**13,939**	**(7,492)**
6.03.01	BORROWINGS	22,374	-
6.03.03	REPAYMENT OF LOANS	-	(3,035)
6.03.05	INSTALLMENT LEASE FINANCING	(8,435)	(4,457)
6.05	**INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**	**(32,057)**	**(51,759)**
6.05.01	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	709,403	789,086
6.05.02	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	677,346	737,327

INDIVIDUAL STATEMENTS / STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY 01/01/2015 TO 03/31/2015

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	CAPITAL	CAPITAL RESERVES	REVENUE RESERVES	RETAINED EARNINGS	CARRYING VALUE ADJUSTMENT	TOTAL
5.01	**OPENING BALANCES**	**750,853**	**245,860**	**839,257**	**-**	**19,298**	**1,305,683**
5.03	**BALANCES ADJUSTED**	**750,853**	**245,860**	**839,257**	**-**	**19,298**	1,855,268
5.04	**CAPITAL TRANSACTIONS WITH STOCKHOLDERS**	**-**	**6,467**	**-**	**(23,797)**	**-**	(17,330)
5.04.03	OPTIONS GRANTED RECOGNIZED	-	6,467	-	-	-	6,467
5.04.07	INTEREST ON CAPITAL	-	-	-	(23,797)	-	(23,797)
5.05	**TOTAL COMPREHENSIVE INCOME**	**-**	**-**	**-**	**73,190**	**33,556**	106,746
5.05.01	NET INCOME FOR THE PERIOD	-	-	-	73,190	-	73,190
5.05.02	**OTHER COMPREHENSIVE INCOME**	**-**	**-**	**-**	**-**	**33,556**	**33,556**
5.05.02.01	CARRYING VALUE ADJUSTMENTS	-	-	-	-	33,479	33,479
5.05.02.02	CUMULATIVE TRANSLATION ADJUSTMENTS	-	-	-	-	77	77
5.07	**BALANCES AS OF MARCH 31, 2015**	**750,853**	**252,327**	**839,257**	**49,393**	**52,854**	**1,944,684**

INDIVIDUAL STATEMENTS / STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY 01/01/2014 TO 03/31/2014

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	CAPITAL	CAPITAL RESERVES	REVENUE RESERVES	RETAINED EARNINGS	CARRYING VALUE ADJUSTMENT	TOTAL
5.01	**OPENING BALANCES**	**719,735**	**220,907**	**547,794**	**-**	**4,817**	**1,493,253**
5.03	**BALANCES ADJUSTED**	**719,735**	**220,907**	**547,794**	**-**	**4,817**	1,493,253
5.04	**CAPITAL TRANSACTIONS WITH STOCKHOLDERS**	**-**	**2,883**	**-**	**(17,361)**	**-**	**(14,478)**
5.04.03	OPTIONS GRANTED RECOGNIZED	-	2,883	-	-	-	2,883
5.04.07	INTEREST ON CAPITAL	-	-	-	(17,361)	-	(17,361)
5.05	**TOTAL COMPREHENSIVE INCOME**	**-**	**-**	**-**	**50,907**	**(11,508)**	**39,399**
5.05.01	NET INCOME FOR THE PERIOD	-	-	-	50,907	-	50,907
5.05.02	**OTHER COMPREHENSIVE INCOME**	**-**	**-**	**-**	**-**	**(11,508)**	**(11,508)**
5.05.02.01	CARRYING VALUE ADJUSTMENTS	-	-	-	-	(11,508)	(11,508)
5.07	**BALANCES AS OF MARCH 31, 2014**	**719,735**	**223,790**	**547,794**	**33,546**	**(6,691)**	**1,518,174**

INDIVIDUAL STATEMENTS / STATEMENTS OF VALUE ADDED

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	Current quarter 01/01/2015 to 03/31/2015	Prior quarter 01/01/2014 to 03/31/2014
7.01	**REVENUES**	**1,367,195**	**1,105,608**
7.01.01	**SALES OF GOODS, FINANCIAL PRODUCTS AND SERVICES**	**1,387,613**	**1,125,135**
7.01.01.01	SALE OF GOODS	1,274,214	1,025,560
7.01.01.02	FINANCIAL PRODUCTS/SERVICES	113,399	99,575
7.01.02	**OTHER RESULTS**	**(20,418)**	**(19,527)**
7.01.02.01	OTHER OPERATING INCOME	11,777	1,457
7.01.02.02	LOSSES ON RECEIVABLES, NET	(31,924)	(20,847)
7.01.02.03	RESULT ON DISPOSAL OR WRITE-OFF OF FIXED ASSETS	(271)	(137)
7.02	**INPUT PURCHASED FROM THIRD PARTIES**	**(683,769)**	**(577,959)**
7.02.01	COST OF SALES OF GOODS, FINANCIAL PRODUCTS AND SERVICES (INCLUDING TAXES)	(470,120)	(406,016)
7.02.02	MATERIALS, ENERGY, OUTSIDES SERVICES AND OTHER	(200,167)	(158,798)
7.02.03	LOSSES ON THE COLLECTION OF ASSETS	(13,482)	(13,145)
7.03	**GROSS VALUE ADDED**	**683,426**	**527,649**
7.04	**RETENTIONS**	**(57,779)**	**(45,816)**
7.04.01	DEPRECIATION AND AMORTIZATION	(57,779)	(45,816)
7.05	**NET VALUE ADDED PRODUCED**	**625,647**	**481,833**
7.06	**VALUE ADDED RECEIVED IN TRANSFER**	**33,177**	**19,453**
7.06.01	EQUITY IN THE RESULTS OF INVESTEES	6,649	321
7.06.02	FINANCIAL REVENUES	26,528	19,132
7.07	**VALUE ADDED TO DISTRIBUTE**	**658,824**	**501,286**
7.08	**DISTRIBUTED VALUE ADDED**	**658,824**	**501,286**
7.08.01	**PERSONNEL EXPENSES**	**147,496**	**119,903**
7.08.01.01	COMPENSATION	107,928	88,795
7.08.01.02	BENEFITS	20,817	17,699
7.08.01.03	GOVERNMENT SEVERANCE INDEMNITY FUND FOR EMPLOYEES (FGTS)	9,989	8,493
7.08.01.04	OTHER	8,762	4,916
7.08.01.04.01	STOCK OPTION PLAN	6,467	2,883
7.08.01.04.02	COMPENSATION OF OFFICERS	2,295	2,033
7.08.02	**TAXES AND CONTRIBUTIONS**	**315,207**	**239,887**
7.08.02.01	FEDERAL TAXES	117,372	90,626
7.08.02.02	STATE TAXES	190,402	143,366
7.08.02.03	MUNICIPAL EXPENSES	7,433	5,895
7.08.03	**INTEREST ON THIRD PARTIES' CAPITAL**	**122,931**	**90,589**
7.08.03.02	RENTALS EXPENSES	68,967	57,068
7.08.03.03	OTHER	53,964	33,521
7.08.03.03.01	FINANCIAL EXPENSES	53,964	33,521
7.08.04	**INTEREST ON CAPITAL**	**73,190**	**50,907**
7.08.04.01	PROPOSED INTEREST ON CAPITAL	23,797	17,361
7.08.04.03	RETAINED EARNINGS	49,393	33,546

CONSOLIDATED STATEMENTS / BALANCE SHEETS - ASSETS

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	Current quarter 03/31/2015	Prior end of year 12/31/2014
1	**TOTAL ASSETS**	**5,083,749**	**5,321,540**
1.01	**CURRENT ASSETS**	**3,281,904**	**3,499,343**
1.01.01	**CASH AND CASH EQUIVALENTS**	**748,236**	**834,340**
1.01.03	**ACCOUNTS RECEIVABLE**	**1,739,128**	**1,981,179**
1.01.03.01	CUSTOMERS	1,610,505	1,908,518
1.01.03.02	OTHER ACCOUNTS RECEIVABLE	40,546	39,337
1.01.03.03	DERIVATIVES	88,077	33,324
1.01.04	**INVENTORIES**	**705,073**	**612,300**
1.01.06	**RECOVERABLE TAXES**	**80,577**	**68,127**
1.01.06.01	CURRENT RECOVERABLE TAXES	80,577	68,127
1.01.07	**PREPAID EXPENSES**	**8,890**	**3,397**
1.01.08	**OTHERS**	**-**	**-**
1.01.08.01	FIDC LOJAS RENNER	-	-
1.02	**NONCURRENT ASSETS**	**1,801,845**	**1,822,197**
1.02.01	**LONG -TERM ASSETS**	**119,915**	**149,985**
1.02.01.03	**ACCOUNTS RECEIVABLE**	**8,576**	**7,498**
1.02.01.03.02	OTHER ACCOUNTS RECEIVABLE	8,576	7,498
1.02.01.06	**DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION**	**68,031**	**95,670**
1.02.01.06.01	DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION	68,031	95,670
1.02.01.08	**RECEIVABLES WITH RELATED PARTIES**	**-**	**-**
1.02.01.08.02	RECEIVABLES WITH SUBSIDIARIES	-	-
1.02.01.09	**OTHER NONCURRENT ASSETS**	**43,308**	**46,817**
1.02.01.09.03	JUDICIAL DEPOSITS	5,267	6,833
1.02.01.09.04	RECOVERABLE TAXES	37,601	39,984
1.02.01.09.05	DERIVATIVES	440	-
1.02.01.09.05	FIDC LOJAS RENNER	-	-
1.02.02	**INVESTMENTS**	**63**	**63**
1.02.02.01	**INVESTMENTS IN SUBSIDIARIES**	**63**	**63**
1.02.02.01.02	INVESTMENTS IN SUBSIDIARIES	-	-
1.02.02.01.04	OTHER INVESTMENTS IN SUBSIDIARIES	63	63
1.02.03	**PROPERTY, PLANT AND EQUIPMENT – NET**	**1,320,473**	**1,304,065**
1.02.03.01	PROPERTY, PLANT AND EQUIPMENT IN OPERATION	1,135,964	1,124,371
1.02.03.02	PROPERTY, PLANT AND EQUIPMENT LEASED	29,347	29,501
1.02.03.03	PROPERTY, PLANT AND EQUIPMENT ON GOING	155,162	150,193
1.02.04	**INTANGIBLE – NET**	**361,394**	**368,084**
1.02.04.01	**INTANGIBLE**	**244,715**	**251,405**
1.02.04.01.01	INTANGIBLE LEASED	26,756	30,964
1.02.04.01.02	OTHER	217,959	220,441
1.02.04.02	GOODWILL	116,679	116,679

CONSOLIDATED STATEMENTS / BALANCE SHEETS - LIABILITIES AND SHAREHOLDERS' EQUITY

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	Current quarter 03/31/2015	Prior end of year 12/31/2014
2	**TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY**	**5,083,749**	**5,321,540**
2.01	**CURRENT LIABILITIES**	**1,694,770**	**2,037,362**
2.01.01	**SOCIAL AND LABOR OBLIGATIONS**	**149,145**	**142,015**
2.01.01.01	**SOCIAL OBLIGATIONS**	**17,483**	**17,353**
2.01.01.01.01	SOCIAL CHARGES	17,483	17,353
2.01.01.02	**LABOR OBLIGATIONS**	**131,662**	**124,662**
2.01.01.02.01	SALARIES PAYABLE	131,662	124,662
2.01.02	**SUPPLIERS**	**407,225**	**561,480**
2.01.02.01	NATIONAL SUPPLIERS	407,225	561,480
2.01.03	**FISCAL OBLIGATIONS**	**96,546**	**320,582**
2.01.03.01	**FEDERAL FISCAL OBLIGATIONS**	**38,386**	**178,476**
2.01.03.01.01	INCOME TAX AND SOCIAL CONTRIBUTION	11,541	79,735
2.01.03.01.02	OTHER FEDERAL FISCAL OBLIGATIONS	26,845	98,741
2.01.03.02	**STATE FISCAL OBLIGATIONS**	**54,798**	**139,845**
2.01.03.03	**MUNICIPAL FISCAL OBLIGATIONS**	**3,362**	**2,261**
2.01.04	**LOANS AND FINANCING**	**598,384**	**559,537**
2.01.04.01	**LOANS AND FINANCING**	**419,945**	**374,870**
2.01.04.01.01	NACIONAL CURRENCY	394,161	340,127
2.01.04.01.02	FOREIGN CURRENCY	25,784	34,743
2.01.04.02	DEBENTURES	173,739	180,537
2.01.04.03	**FUNDING FINANCING LEASE**	**4,700**	**4,130**
2.01.04.03.01	FUNDING FINANCING LEASE	4,700	4,130
2.01.05	**OTHER OBLIGATIONS**	**419,545**	**429,750**
2.01.05.02	**OTHER**	**419,545**	**429,750**
2.01.05.02.01	DIVIDENDS AND INTEREST ON EQUITY PAYABLE	83,622	63,113
2.01.05.02.02	MINIMUN DIVIDEND MANDATORY PAYABLE	49,542	49,542
2.01.05.02.04	RENTS PAYABLE	33,305	41,266
2.01.05.02.05	OTHER OBLIGATIONS	65,126	67,184
2.01.05.02.06	STATUTORY PARTICIPATIONS	11,657	11,657
2.01.05.02.07	OBLIGATIONS WITH CARD ADMINISTRATIONS	176,293	196,988
2.01.06	**PROVISIONS**	**23,925**	**23,998**
2.01.06.01	**FISCAL, LABOR, SECURITY AND CIVIL PROVISIONS**	**23,925**	**23,998**
2.01.06.01.04	CIVIL PROVISIONS	14,218	14,974
2.01.06.01.05	LABOR RISK PROVISIONS	9,707	9,024
2.02	**NONCURRENT LIABILITIES**	**1,444,295**	**1,428,910**
2.02.01	**LOANS AND FINANCING**	**1,409,027**	**1,395,469**
2.02.01.01	**LOANS AND FINANCING**	**473,000**	**457,770**
2.02.01.01.01	NATIONAL CURRENCY	473,000	457,770
2.02.01.02	DEBENTURES	894,010	887,839
2.02.01.03	**FINANCING LEASE**	**42,017**	**49,860**
2.02.01.03.01	FINANCING LEASE	42,017	49,860
2.02.02	**OTHER OBLIGATIONS**	**6,476**	**7,182**
2.02.02.02	**OTHER**	**6,476**	**7,182**
2.02.02.02.03	TAX AND CONTRIBUTION PAYABLE	268	300
2.02.02.02.04	OTHER OBLIGATIONS	6,208	6,882
2.02.04	**PROVISIONS**	**28,792**	**26,259**
2.02.04.01	**FISCAL, LABOR, SECURITY AND CIVIL PROVISIONS**	**28,792**	**26,259**
2.02.04.01.01	FISCAL PROVISIONS	28,792	26,259
2.03	**SHAREHOLDERS' EQUITY**	**1,944,684**	**1,855,268**
2.03.01	CAPITAL	750,853	750,853
2.03.02	**CAPITAL RESERVES**	**252,327**	**245,860**
2.03.02.02	PREMIUM RESERVE	118,165	118,165
2.03.02.04	OPTIONS GRANTED	134,162	127,695
2.03.04	**REVENUE RESERVES**	**839,257**	**839,257**
2.03.04.01	LEGAL RESERVE	63,523	63,523
2.03.04.08	ADDITIONAL DIVIDEND PROPOSED	67,118	67,118
2.03.04.10	RESERVES FOR INVESTMENTS AND EXPANSION	708,616	708,616
2.03.05	**RETAINED EARNINGS/ACCUMULATED DEFICIT**	**49,393**	**-**
2.03.06	**CARRYING VALUE ADJUSTMENTS**	**52,854**	**19,298**

CONSOLIDATED STATEMENTS / STATEMENTS OF INCOME

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	Current quarter 01/01/2015 to 03/31/2015	Prior quarter 01/01/2014 to 03/31/2014
3.01	**NET REVENUE SALES OF GOODS AND FINANCIAL PRODUCTS AND SERVICES**	**1,173,947**	**938,900**
3.01.01	NET REVENUE SALES OF GOODS	1,010,895	814,516
3.01.02	NET REVENUE SALES FINANCIAL PRODUCTS AND SERVICES	163,052	124,384
3.02	**COST OF GOODS SOLD AND FINANCIAL PRODUCTS AND SERVICES**	**(472,175)**	**(396,542)**
3.02.01	COST OF GOODS SOLD	(460,582)	(392,224)
3.02.02	COST OF FINANCIAL PRODUCTS AND SERVICES	(11,593)	(4,318)
3.03	**GROSS PROFIT**	**701,772**	**542,358**
3.04	**OPERATING (EXPENSES) INCOME**	**(571,197)**	**(458,622)**
3.04.01	SELLING	(307,292)	(256,198)
3.04.02	GENERAL AND ADMINISTRATIVE	(100,353)	(81,634)
3.04.03	LOSS ON RECEIVABLES, NET	(45,737)	(29,171)
3.04.04	OTHER OPERATING REVENUES	10,199	2,192
3.04.05	OTHER OPERATING EXPENSES	(128,014)	(93,811)
3.04.06	EQUITY IN THE RESULTS OF INVESTEES	-	-
3.05	**OPERATING PROFIT BEFORE FINANCIAL RESULTS AND TAXES**	**130,575**	**83,736**
3.06	**FINANCIAL RESULTS**	**(27,985)**	**(15,246)**
3.06.01	FINANCIAL INCOME	31,735	19,520
3.06.02	FINANCIAL EXPENSES	(59,720)	(34,766)
3.07	**PROFIT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION TAXES**	**102,590**	**68,490**
3.08	**INCOME TAX AND SOCIAL CONTRIBUTION**	**(29,400)**	**(175,310)**
3.08.01	CURRENT	(19,007)	(169,581)
3.08.02	DEFERRED	(10,393)	(5,729)
3.09	**NET RESULTS OF CONTINUED OPERATIONS**	**73,190**	**(106,820)**
3.11	**NET INCOME (LOSS) FOR THE PERIOD**	**73,190**	**(106,820)**
3.99	EARNINGS PER SHARE (REAIS / SHARE)		
3.99.01	EARNINGS PER SHARE - BASIC		
3.99.01.01	ON	0.5745	0.4044
3.99.02	EARNINGS PER SHARE - DILUTED		
3.99.02.01	ON	0.5734	0.4011

CONSOLIDATED STATEMENTS / STATEMENTSOF COMPREHENSIVE INCOME

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	Current quarter 01/01/2015 to 03/31/2015	Prior quarter 01/01/2014 to 03/31/2014
4.01	**NET INCOME FOR THE PERIOD**	**73,190**	**50,907**
4.02	**OTHER COMPREHENSIVE INCOME**	**33,556**	**(11,508)**
4.02.01	CASH FLOW HEDGE	50,726	(17,437)
4.02.03	TAXES RELATED TO COMPONENTS OF COMPREHENSIVE INCOME	(17,247)	5,929
4.02.04	CUMULATIVE TRANSLATION ADJUSTMENTS	77	-
4.03	**TOTAL COMPREHENSIVE INCOME FOR THE PERIOD**	**106,746**	**39,399**

CONSOLIDATED STATEMENTS / STATEMENTS OF CASH FLOW – INDIRECT METHOD

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	Current quarter 01/01/2015 to 03/31/2015	Prior quarter 01/01/2014 to 03/31/2014
6.01	**NET CASH FROM OPERATING ACTIVITIES**	**(17,986)**	**36,653**
6.01.01	**CASH FLOW FROM OPERATING ACTIVITIES**	**167,165**	**123,896**
6.01.01.01	NET INCOME FOR THE YEAR	73,190	50,907
6.01.01.02	DEPRECIATION AND AMORTIZATION	61,385	48,304
6.01.01.03	RESULT ON DISPOSAL OR WRITE-OFF OF FIXED ASSETS	367	139
6.01.01.04	TRANSACTION COSTS OF DEBENTURES	259	258
6.01.01.05	INTEREST EXPENSE OF BORROWING, FINANCING AND DEBENTURES	43,941	30,439
6.01.01.06	STOCK OPTION PLAN	6,467	2,883
6.01.01.08	PROVISION FOR TAX, CIVIL AND LABOR RISKS	2,460	1,447
6.01.01.09	DEFERRED AND CURRENT TAXES	29,400	17,583
6.01.01.10	GAIN (LOSS) ON DERIVATIVE	(4,467)	4,638
6.01.01.11	NET FOREIGN EXCHANGE VARIATION	577	(1,834)
6.01.01.12	REVERSAL FOR ADJUSTMENT TO NET REALIZABLE VALUE	(15,775)	(11,020)
6.01.01.13	REVERSAL FOR LOSS ON ASSETS	(30,639)	(19,848)
6.01.02	**CHANGES IN ASSETS AND LIABILITIES**	**(56,373)**	**20,669**
6.01.02.01	ACCOUNTS RECEIVABLE	321,393	245,864
6.01.02.02	INVENTORIES	(70,000)	(65,427)
6.01.02.04	OTHER ASSETS	(17,847)	23,430
6.01.02.05	JUDICIAL DEPOSITS	1,566	(50)
6.01.02.07	FINANCING – FINANCIAL SERVIVCES OPERATIONS	47,545	22,599
6.01.02.08	FINANCING – IMPORTS	(4,547)	14,376
6.01.02.09	SUPPLIERS	(154,571)	(112,010)
6.01.02.10	SALARIES AND VACATIONS	7,000	2,149
6.01.02.11	TAXES AND CONTRIBUTIONS PAYABLE	(155,524)	(111,687)
6.01.02.12	OBLIGATIONS WITH CARD ADMINISTRATORS	(20,695)	184
6.01.02.13	OTHER PAYABLES	(2,732)	8,731
6.01.02.14	RENTS PAYABLE	(7,961)	(7,490)
6.01.03	**OTHERS**	**(128,778)**	**(107,912)**
6.01.03.02	PAYMENT OF INCOME TAX AND SOCIAL CONTRIBUTION	(90,710)	(77,136)
6.01.03.03	PAYMENT OF INTEREST ON LOANS, FINANCING AND DEBENTURES	(38,068)	(30,776)
6.02	**NET CASH FROM INVESTING ACTIVITIES**	**(71,470)**	**(77,359)**
6.02.01	ACQUISITIONS OF PROPERTY, PLANT AND EQUIPMENT	(60,468)	(73,799)
6.02.02	ACQUISITIONS INTANGIBLE ASSETS	(11,025)	(3,698)
6.02.05	PROCEEDS FROM DISPOSAL OF FIXED ASSETS	23	138
6.03	**NET CASH FROM FINANCING ACTIVITIES**	**3,275**	**(7,492)**
6.03.01	BORROWINGS	22,373	-
6.03.03	REPAYMENT OF LOANS	(10,663)	(3,035)
6.03.05	INSTALLMENT LEASE FINANCING	(8,435)	(4,457)
6.04	**EXCHANGE VARIATION ON CASH AND CASH EQUIVALENTS**	**77**	**-**
6.05	**INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**	**(86,104)**	**(48,198)**
6.05.01	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	834,340	801,592
6.05.02	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	748,236	753,394

CONSOLIDATED STATEMENTS / STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY 01/01/2015 TO 03/31/2015

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	CAPITAL	CAPITAL RESERVES	REVENUE RESERVES	RETAINED EARNINGS	CARRYING VALUE ADJUSTMENT	TOTAL
5.01	**OPENING BALANCES**	**750,853**	**245,860**	**839,257**	**-**	**19,298**	**1,305,683**
5.03	**BALANCES ADJUSTED**	**750,853**	**245,860**	**839,257**	**-**	**19,298**	1,855,268
5.04	**CAPITAL TRANSACTIONS WITH STOCKHOLDERS**	**-**	**6,467**	**-**	**(23,797)**	**-**	(17,330)
5.04.03	OPTIONS GRANTED RECOGNIZED	-	6,467	-	-	-	6,467
5.04.07	INTEREST ON CAPITAL	-	-	-	(23,797)	-	(23,797)
5.05	**TOTAL COMPREHENSIVE INCOME**	**-**	**-**	**-**	**73,190**	**33,556**	106,746
5.05.01	NET INCOME FOR THE PERIOD	-	-	-	73,190	-	73,190
5.05.02	**OTHER COMPREHENSIVE INCOME**	**-**	**-**	**-**	**-**	**33,556**	**33,556**
5.05.02.01	CARRYING VALUE ADJUSTMENTS	-	-	-	-	33,479	33,479
5.05.02.02	CUMULATIVE TRANSLATION ADJUSTMENTS	-	-	-	-	77	77
5.07	**BALANCES AS OF MARCH 31, 2015**	**750,853**	**252,327**	**839,257**	**49,393**	**52,854**	**1,944,684**

CONSOLIDATED STATEMENTS / STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY 01/01/2014 TO 03/31/2014

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	CAPITAL	CAPITAL RESERVES	REVENUE RESERVES	RETAINED EARNINGS	CARRYING VALUE ADJUSTMENT	TOTAL
5.01	**OPENING BALANCES**	**719,735**	**220,907**	**547,794**	**-**	**4,817**	**1,493,253**
5.03	**BALANCES ADJUSTED**	**719,735**	**220,907**	**547,794**	**-**	**4,817**	1,493,253
5.04	**CAPITAL TRANSACTIONS WITH STOCKHOLDERS**	**-**	**2,883**	**-**	**(17,361)**	**-**	**(14,478)**
5.04.03	OPTIONS GRANTED RECOGNIZED	-	2,883	-	-	-	2,883
5.04.07	INTEREST ON CAPITAL	-	-	-	(17,361)	-	(17,361)
5.05	**TOTAL COMPREHENSIVE INCOME**	**-**	**-**	**-**	**50,907**	**(11,508)**	**39,399**
5.05.01	NET INCOME FOR THE PERIOD	-	-	-	50,907	-	50,907
5.05.02	**OTHER COMPREHENSIVE INCOME**	**-**	**-**	**-**	**-**	**(11,508)**	**(11,508)**
5.05.02.01	CARRYING VALUE ADJUSTMENTS	-	-	-	-	(11,508)	(11,508)
5.07	**BALANCES AS OF MARCH 31, 2014**	**719,735**	**223,790**	**547,794**	**33,546**	**(6,691)**	**1,518,174**

CONSOLIDATED STATEMENTS / STATEMENTS OF VALUE ADDED

(IN THOUSANDS OF REAIS - R$)

CODE	DESCRIPTION	Current quarter 01/01/2015 to 03/31/2015	Prior quarter 01/01/2014 to 03/31/2014
7.01	**REVENUES**	**1,488,594**	**1,191,082**
7.01.01	**SALES OF GOODS, FINANCIAL PRODUCTS AND SERVICES**	**1,522,213**	**1,218,239**
7.01.01.01	SALE OF GOODS	1,349,420	1,083,086
7.01.01.02	FINANCIAL PRODUCTS/SERVICES	172,793	135,153
7.01.02	**OTHER RESULTS**	**(33,619)**	**(27,157)**
7.01.02.01	OTHER OPERATING INCOME	12,496	2,151
7.01.02.02	LOSSES ON RECEIVABLES, NET	(45,737)	(29,171)
7.01.02.03	RESULT ON DISPOSAL OR WRITE-OFF OF FIXED ASSETS	(378)	(137)
7.02	**INPUT PURCHASED FROM THIRD PARTIES**	**(753,150)**	**(629,901)**
7.02.01	COST OF SALES OF GOODS, FINANCIAL PRODUCTS AND SERVICES (INCLUDING TAXES)	(511,561)	(435,936)
7.02.02	MATERIALS, ENERGY, OUTSIDES SERVICES AND OTHER	(227,159)	(180,548)
7.02.03	LOSSES ON THE COLLECTION OF ASSETS	(14,430)	(13,417)
7.03	**GROSS VALUE ADDED**	**735,444**	**561,181**
7.04	**RETENTIONS**	**(61,385)**	**(48,304)**
7.04.01	DEPRECIATION AND AMORTIZATION	(61,385)	(48,304)
7.05	**NET VALUE ADDED PRODUCED**	**674,059**	**512,877**
7.06	**VALUE ADDED RECEIVED IN TRANSFER**	**31,735**	**19,520**
7.06.02	FINANCIAL REVENUES	31,735	19,520
7.07	**VALUE ADDED TO DISTRIBUTE**	**705,794**	**532,397**
7.08	**DISTRIBUTED VALUE ADDED**	**705,794**	**532,397**
7.08.01	**PERSONNEL EXPENSES**	**169,152**	**135,289**
7.08.01.01	COMPENSATION	127,682	102,603
7.08.01.02	BENEFITS	21,876	18,656
7.08.01.03	GOVERNMENT SEVERANCE INDEMNITY FUND FOR EMPLOYEES (FGTS)	10,832	9,114
7.08.01.04	OTHER	**8,762**	**4,916**
7.08.01.04.01	STOCK OPTION PLAN	6,467	2,883
7.08.01.04.02	COMPENSATION OF OFFICERS	2,295	2,033
7.08.02	**TAXES AND CONTRIBUTIONS**	**329,129**	**250,510**
7.08.02.01	FEDERAL TAXES	125,921	97,559
7.08.02.02	STATE TAXES	194,490	145,735
7.08.02.03	MUNICIPAL EXPENSES	8,718	7,216
7.08.03	**INTEREST ON THIRD PARTIES' CAPITAL**	**134,323**	**95,691**
7.08.03.02	RENTALS EXPENSES	74,603	60,925
7.08.03.03	**OTHER**	**59,720**	**34,766**
7.08.03.03.01	FINANCIAL EXPENSES	59,720	34,766
7.08.04	**INTEREST ON CAPITAL**	**73,190**	**50,907**
7.08.04.01	PROPOSED INTEREST ON CAPITAL	23,797	17,361
7.08.04.03	RETAINED EARNINGS	49,393	33,546

MANAGEMENT REPORT / BUSINESS PERFORMANCE ANALYSIS

HIGHLIGHTS FOR 1Q15

- Net Revenue from Merchandise Sales with growth of 24.1%
- Same Store Sales +16.5%
- Gross Margin from the Retailing Operation of 54.4% (+2.6p.p.)
- Operational Expenses represented 40.3% of Net Revenue (-1.2 p.p.)
- Adjusted EBITDA from the Retailing of R$ 130.7 million (+77.5%)
- Total Adjusted EBITDA of R$ 198.8 million (+47.2%)
- Net Income of R$ 73.2 million (+43.8%)

MANAGEMENT COMMENTS

The first quarter of 2015 saw the same pace of sales as in the final quarter of 2014, the Company reporting growth of 24.1% in Net Revenue from Merchandise Sales. This again exceeded the PMC (the IBGE's Monthly Retailing Survey) in January and February (-1.0%) based on data already published. Same Store Sales reported a 16.5% improvement.

Gross Profit from the Retailing Operation was R$ 550.3 million, a year-on-year growth of 30.3% in relation to 1Q14. Gross Margin from the Retailing Operation recorded an expansion of 2.6 p.p. to 54.4%.

Operating Expenses (Selling, General and Administrative) were diluted by 1.2 p.p. at 40.3% of Net Revenue from Merchandise Sales, benefiting principally from good sales growth and a rigid control over expenses.

Adjusted EBITDA from the Retailing Operation posted an expansion of 77.5%, reaching R$ 130.7 million and equivalent to an EBITDA Margin from the Retailing Operation of 12.9% against 9.0% in 1Q14.

The Company's Results from Financial Products registered a 10.9%, growth to R$ 68.1 million in the period. Lower growth rates reflected higher funding costs and additional provisions in line with increased sales volume reported in 1Q15. Losses on the Renner Card, Net of Recoveries were 2.4%.

Total Adjusted EBITDA reached R$ 198.8 million, a growth of 47.2% compared with 1Q14. Total Adjusted EBITDA Margin for the quarter was 19.7% compared with 16.6% in 1Q14.

In the light of the foregoing, Renner reported a Net Income of R$ 73.2 million, a growth of 43.8% and a Net Margin of 7.2%, a 1.0 p.p. year-on-year improvement.

In 1Q15, the Company's investments in fixed assets were R$ 71.4 million compared with R$ 77.4 million in 1Q14.

CONSOLIDATED INFORMATION

(R$ MM)	1Q15	1Q14	Var. %
Net Revenue from Merchandise Sales	1,010.9	814.5	24.1%
Growth in Same Store Sales (%)	16.5%	5.4%	-
Gross Profit from Merchandise Sales	550.3	422.3	30.3%
Gross Margin from Retailing Operation (%)	54.4%	51.8%	+2.6p.p.
Operating Expenses (SG&A)	(407.7)	(337.8)	20.7%
SG&A as a % of Net Revenue from Merchandise Sales (%)	40.3%	41.5%	-1.2p.p.
Ajusted EBITDA from Retailing Operation	130.7	73.6	77.5%
Ajusted EBITDA Margin from Retailing Operation (%)	12.9%	9.0%	+3.9p.p.
Financial Products Result	68.1	61.4	10.9%
Ajusted Total EBITDA (Retail + Financial Products)	198.8	135.0	47.2%
Ajusted Total EBITDA Margin (%)	19.7%	16.6%	+3.1p.p.
Net Income	73.2	50.9	43.8%
Net Margin (%)	7.2%	6.2%	+1.0p.p.
ROIC (%)	3.3%	2.8%	+0.5p.p.

Businesses Breakdown - 1Q15	RENNER	CAMICADO	YOUCOM
Stores in Operation	249	58	25
Selling Area (thousand m²)	459.7	26.7	3.3
Net Revenue (R$ MM)	948.6	56.7	5.6
% of Growth	23.7%	25.0%	134.4%
Gross Margin (%)	54.9%	46.7%	54.6%

Net Revenue from Merchandise Sales was **R$ 1,010.9 million** in **1Q15,** a year-on-year growth of **24.1%**, reflecting the positive customer response given to the fall-winter collection and a well-honed strategy for product allocation in the stores. **Same Store Sales** registered growth of **16.5%** against an increase of 5.4% in 1Q14.

Gross Profit from Merchandise Sales was **R$ 550.3 million, 30.3%** greater than the same period in the preceding year. Consequently, **Gross Margin from the Retailing Operation** amounted to **54.4%,** a **2.6p.p.** evolution relative to 1Q14, driven by good inventory management and product distribution. Improved margins at Camicado and Youcom also contributed to this result.

Operational Expenses (R$ MM)	1Q15	1Q14	Var. %
Operational Expenses (SG&A)	**(407.7)**	**(337.8)**	**20.7%**
% Over Net Revenue from Merchandise Sales	**40.3%**	**41.5%**	**-1.2p.p**
Selling Expenses	(307.3)	(256.2)	**19.9%**
General and Administrative Expenses	(100.4)	(81.6)	**22.9%**
Other Operating Expenses	**(11.9)**	**(10.8)**	**10.5%**
Management Remuneration	(2.3)	(2.0)	**12.9%**
Tax Expenses	(9.4)	(6.6)	**42.1%**
Employee Profit Sharing	(6.8)	(4.4)	**55.3%**
Recovery of Tax Credits	10.2	0.7	**1338.5%**
Other Operating Expenses	(3.7)	1.5	**-348.1%**
Total Operational Expenses	**(419.6)**	**(348.6)**	**20.3%**

In the context of **Operational Expenses,** Renner's **Selling Expenses** were **R$ 307.3 million,** representing **30.4%** of Revenue from Merchandise Sales, a 1.1p.p. dilution in relation to 1Q14. In turn, **General and Administrative Expenses** were **R$ 100.4 million, 9.9%** of Revenue from Merchandise Sales against 10.0% for the same period in 2014. This result was largely due to good sales growth, a rigid budgetary control and the postponement of certain expenses. **Other Operating Expenses** totaled **R$ 11.9 million**, an increase of **10.4%** over the same period in the preceding year, this item positively affected by the recovery of tax credits.

A combination of higher sales, wider gross margins and the dilution of expenses as a percentage of revenue, all contrived to produce an **Adjusted EBITDA from the Retailing Operation** of **R$ 130.7 million,** a year-on-year rise of **77.5%** in the period. The **Adjusted EBITDA Margin from the Retailing Operation** was **12.9%** against 9.0% in 1Q14.

FINANCIAL PRODUCTS RESULT

Financial Products Result Breakdown (R$ MM)	1Q15	1Q14	Var. %
Revenues, Net of Funding and Taxes	**151.5**	**120.1**	**26.1%**
Renner Card (Private Label)	81.5	72.1	13.0%
Co-branded Card Meu Cartão	43.5	24.3	78.9%
Quick Withdrawal and Insurances	26.5	23.6	12.0%
Credit Losses, Net of Recoveries	**(45.7)**	**(29.2)**	**56.8%**
Renner Card (Private Label)	(24.8)	(15.0)	64.9%
Co-branded Card Meu Cartão	(13.8)	(8.3)	65.9%
Quick Withdrawal	(7.2)	(5.8)	22.7%
Operating Expenses *(Cards and Other Products)*	**(37.6)**	**(29.5)**	**27.6%**
Financial Products Result	**68.1**	**61.4**	**10.9%**
% of Company's Total Adjusted EBITDA	34.3%	45.5%	11.2p.p.

The Company reported a total **1Q15 Result from Financial Products** of **R$ 68.1 million**, **10.9%** up on the R$ 61.4 million posted in 1Q14.

The more moderate growth in the Financial Products, when compared to the Retailing, is due largely to higher funding costs, and greater expenses for provisioning proportional to the higher sales volume in the period.

Revenue, Net of Funding and Taxes was **R$ 151.5 million** in **1Q15**, a **26.1%** increase over the same period in 2014, principally due to the growth in revenue from Meu Cartão. Conversely, revenue from the Private Label card was negatively impacted by higher funding costs and by a reduction in the average term for receivables due to changes in collection strategy introduced in 2Q14.

Credit Losses, Net of Recoveries amounted to **R$ 45.7 million,** a growth of 56.8% compared with 1Q14, given the greater need for provisions on the Private Label business - reflecting the higher level of sales in the period - and also the Meu Cartão Co-branded card maturation process.

In **March,** the total number of **Renner Cards** issued amounted to 24.7 million with a 47.7% of sales penetration in **1Q15** versus 49.0% in 1Q14. Of this share, 38.2% of sales originated from the use of the **interest-free 0+5 installment credit plan** and 9.5%, **the interest-bearing 0+8 installment credit plan.**

The **Average Renner Card Ticket** was **R$ 165.73** in **1Q15**, 6.5% higher than the R$ 155.62 registered in 1Q14. In turn, **the Company's average ticket**, was **R$ 119.44**, **7.5%** higher than the R$ 111.13 in 1Q14, reflecting the higher store traffic and the increase in the number of new customers who do not immediately use the Card.

Losses, Net of Recoveries on the Renner Card were **2.4%** for the total portfolio in **1Q15** against 1.7% in 1Q14 due to greater provisioning due to the sales volumes in the period and a slight increase in the past due portfolio, principally in the recently overdue segment.

At month-end March 2015, Renner had issued a total of **1.5 million *Meu Cartão* credit cards able to buy,** a growth of **67.4%** in the portfolio, reaching **R$ 348.2 million.** Quarterly revenue from this product was **R$ 43.5 million, 78.9%** greater than recorded in the same period in the preceding year. **Net Losses on the total Co-branded portfolio** were **4.0%** - in line with the situation prevailing in the same period in 2014.

The total *Saque Rápido* (Quick Withdrawal) portfolio totaled **R$ 181.9 million** at the end of March 2015 (R$ 124.3 million when adjusted to present value) against R$ 155.8 million in 1Q14. **Losses from the *Saque Rápido* product, Net of Recoveries**, were **3.9%** of the total portfolio, practically unchanged from the 3.7% in the same period for the preceding year.

Operating Expenses on Financial Products, posted a growth of 27.6% in relation to 1Q14, at **R$ 37.6 million,** mainly reflecting the anticipation of communication campaigns with customers for propagating the use of the Renner Card.

On **March 31, 2015**, the **Accounts Receivable** totaled **R$ 1,610.5 million**, **19.5%** more than the position in March 2014. This increase is in line with sales growth in the period and breaks down into R$ 925.0 million for the Renner Card (Private Label), R$ 335.5 million for *Meu Cartão* (Co-Branded), R$ 153.6 million for *Saque Rápido,* as well as R$ 196.4 million for Third Party Cards and other accounts.

Accounts Receivable (R$ MM)	Mar.15	Dec.14	Mar.14
Renner Card (Private Label) - Total Portfolio (Adjusted to Present Value)	**1,019.7**	**1,205.3**	**901.2**
Renner Card (Private Label) - Net Portfolio	**925.0**	**1,088.2**	**856.0**
On Due Receivable	843.7	1,094.0	751.8
Overdue Receivable	200.4	144.4	170.1
Present Value Adjustment	(24.3)	(33.1)	(20.6)
Allowance for Doubtfull Accounts	(49.6)	(58.9)	(43.9)
Others	(45.1)	(58.2)	(1.4)
Meu Cartão (Co-Branded) - Total Portfolio	**348.2**	**338.0**	**207.9**
Meu Cartão (Co-Branded) - Net Portfolio	**335.5**	**326.1**	**200.6**
On Due Receivable	267.8	281.0	169.0
Overdue Receivable	80.4	57.0	38.9
Allowances for Doubtfull Accounts	(12.7)	(11.9)	(7.4)
Quick Withdrawal - Total Portfolio	**181.9**	**168.9**	**155.8**
Quick Withdrawal - Net Portfolio	**153.6**	**141.7**	**131.9**
Fees and Transactions Receivable	181.9	168.9	155.8
Allowances for Doubtfull Accounts	(28.2)	(27.2)	(23.9)
Total Third-Party Credit Card Companies	**192.0**	**347.6**	**158.2**
Other Accounts Receivable	**4.4**	**4.9**	**1.3**
Total Credit Portfolio, Net	**1,610.5**	**1,908.5**	**1,347.9**

TOTAL ADJUSTED EBITDA: RETAIL + FINANCIAL PRODUCTS

EBITDA Reconciliation (R$ MM)	1Q15	1Q14
Net Income	**73.2**	**50.9**
(+)Income and Social Contribution Taxes	29.4	17.6
(+)Financial Result, Net	28.0	15.2
(+)Depreciation and Amortization	61.4	48.3
Total EBITDA	**192.0**	**132.0**
(+) Stock Option Plan	6.5	2.9
(+) Result on Disposal or Write-Off of Fixed Assets	0.3	0.1
Adjusted Total EBITDA*	**198.8**	**135.0**
Adjusted Total EBITDA Margin	19.7%	16.6%

In the light of the factors already mentioned - generating important increases in the Retailing Operation - in conjunction with the Result from Financial Products, **Total Adjusted EBITDA** rose by **47.2%** to **R$ 198.8 million**, while the **Total Adjusted EBITDA Margin** was **19.7%, a 3.1p.p.** improvement on the 1Q14 margin.

**Pursuant to Article 4 of CVM instruction 527, the Company has chosen to show its Adjusted EBITDA as in the above table in order to provide the information that best reflects the gross operational cash generation from its activities. These adjustments are based on: a) the Stock Option Plan – corresponding to the fair value of the respective financial instruments recorded "pro rata temporis", during the period services are rendered and offset by the Equity Capital Reserve and thus not representing a cash outflow; b) Statutory Participations are of a contingent nature and are related to the generation of profits pursuant to Article 187 of Law 6.404/76; and c) the Write-off of Fixed Assets relates to the results recorded from the divestment or write-off of fixed assets, largely without a cash.*

NET FINANCIAL RESULT

Finance Result, Net (R$ MM)	1Q15	1Q14	Var. %
Finance Income	**14.0**	**15.2**	**-8.0%**
Gains on Cash Equivalents	13.9	15.1	**-8.3%**
Other finance income	0.1	0.1	**51.2%**
Finance Costs	**(47.4)**	**(33.6)**	**40.9%**
Interest on Loans, Debentures and Borrowings	(42.5)	(29.5)	**43.9%**
Other Finance Costs	(4.9)	(4.1)	**19.2%**
Exchange Variation, Net	**(0.6)**	**1.8**	**-131.5%**
Hedge Operations (Debt Swap), Net	**6.0**	**1.3**	**350.0%**
Financial Result, Net	**(28.0)**	**(15.2)**	**83.6%**

In **1Q15**, the Company reported a **negative Net Financial Result** of **R$ 28.0 million** compared with a negative R$ 15.2 million in 1Q14, largely a reflection of higher interest rates in the quarter in relation to the same quarter in 2014.

NET DEBT

Net Debt (R$ MM)	Mar.15	Dec.14	Mar.14
Borrowings and Financing	**(1,158.9)**	**(1,142.2)**	**(1,056.6)**
Current	(206.0)	(210.2)	(36.6)
Noncurrent	(952.9)	(932.0)	(1,020.0)
Cash and Cash Equivalents	**748.2**	**834.3**	**753.4**
Net Debt	**(410.7)**	**(307.9)**	**(303.2)**
Net Debt / Total Adjusted EBITDA (12M)	*0,37x*	*0,29x*	*0,34x*

Operational Financing	**(801.8)**	**(758.8)**	**(720.7)**
Current	(387.7)	(345.2)	(720.7)
Noncurrent	(414.1)	(413.7)	-
Net Debt (Including Operational Financing)	**(1,212.5)**	**(1,066.7)**	**(1,023.9)**

On **March 31, 2015, Renner's Net Debt** stood at **R$ 410.7 million**.

This debt is a consequence of capital management decisions and it is currently composed by the Debentures issued in the last few years, by loans raised with BNDES and Banco do Nordeste (Development Banks) as well as working capital lines for Camicado. Debt servicing overheads are booked to the Net Financial Result.

Other liabilities consist of operational debt for the financing of Financial Products and imports, the cost of which is reflected in the operational result.

NET INCOME

The Company's **1Q15 Net Income** was **R$ 73.2 million,** a year-on-year **growth of 43.8%** while **Net Margin** increased from 6.2% in 1Q14 to **7.2%** in **1Q15.**

INVESTMENTS (CAPEX)

CAPEX Summary (R$ MM)	1Q15	1Q14
New Stores	32.8	37.7
Remodeling of Installations	25.3	16.4
IT Equipament & Systems	8.5	0.3
Distribution Centers	4.3	21.5
Others	0.5	1.5
Total	**71.4**	**77.4**

In **1Q15**, i**nvestments** in fixed assets totaled **R$ 71.4 million** against R$ 77.4 million in 1Q14. Of this amount, R$ 32.8 million was dedicated to the opening of new stores, R$ 25.3 million to store modernization, R$ 8.5 million to IT Systems and Equipment as well as investments of R$ 4.3 million in Distribution Centers and R$ 0.5 million in Others. During the quarter, one new Renner store was opened while operations at one Camicado store were discontinued.

In **March 2015**, **Renner** operated **249 stores** and **Youcom, 25 stores**, with a total selling area of **459.7 thousand m²** and **3.3 thousand m²**, respectively. In turn, **Camicado**, had **58 stores** with an aggregate selling area of **26.7 thousand m²**.

Depreciation and Amortization expenses totaled **R$ 61.4 million** in **1Q15**, a year-on-year variation of 27.1%. This increase is related largely to a greater number of stores in line with the implementation of the current expansion program.

DIVIDENDS

In **1Q15**, Lojas Renner credited its Shareholders with dividends in the form of **Interest on Capital** of **R$ 23.8 million** or **R$ 0.1868 per share**.

EXPLANATORY NOTES

(All amounts in thousands of reais unless otherwise stated)

1 Operations

Lojas Renner S.A. (the "Parent Company") is principally engaged in retail sales of clothing, sportswear, accessories and perfumery in the domestic market. The Parent Company and its subsidiaries (together, "the Company" or Consolidated) are also engaged in the retail business of household appliances, bedding and bath, furniture and home decor products, import of goods, investments in other companies, exercising control or investing on a permanent basis with significant investment in its capital, as a partner or shareholder, as well as the administration of its own assets and the realization of various projects, either alone or jointly with other companies, intermediation of financial services, such as personal loans, financing of purchases, insurance and capitalization certificates, private label credit card, and other activities.

The Parent Company is a corporation with head office in Porto Alegre, state of Rio Grande do Sul, listed on the São Paulo Futures, Commodities and Securities Exchange ("BM&FBOVESPA": LREN3).

2 Basis of preparation of the interim financial statements

The interim financial information included in the Quarterly Information Form - ITR, are prepared in accordance with technical pronouncement CPC 21 (R1) - Interim Financial Reporting and with IAS 34 - Interim Financial Reporting, issued by International Accounting Standards Board (IASB), and presented in accordance with the rules issued by the Brazilian Securities Commission (CVM), applicable to the preparation of Quarterly Information - ITR. These interim financial statements include:

- Individual interim financial statements of the parent company prepared and presented according to accounting practices adopted in Brazil and the International Financial Reporting Standards – IFRS issued by the International Accounting Standards Board (IASB) ("BRGAAP" and "IFRS"), as described in note no. 2.1; and

- Consolidated interim financial statements of the Company prepared and presented according to the International Financial Reporting Standards – IFRS and also to accounting practices adopted in Brazil ("BRGAAP"), as described in note no. 2.2.

The preparation of interim financial statements requires, IFRS or BRGAAP, the Company's management to use estimates and assumptions that affect the reported amounts of assets, liabilities and other transactions. Since Management's judgment involves the determination of estimates related to the probability of future events, actual results may differ from these estimates (for further details, see note 3.16).

Except in relation to assets acquired via a business combination (note no. 11) and certain financial instruments measured at their fair values, the interim financial statements were prepared considering the historical cost as a basis of value (notes no. 3.4, 3.10 and 3.14).

These interim financial statements were approved by the Company's management on April 16, 2015.

2.1 Parent Company financial statements

The parent company financial statements have been prepared and are being presented in accordance with accounting practices adopted in Brazil (BRGAAP), considering the pronouncements, guidance and interpretations issued by the Brazilian Accounting Pronouncements Committee (CPC), approved by the Brazilian Securities Commission (CVM), and the provisions included in the Brazilian Corporation Law.

As from 2014, the accounting practices adopted in Brazil applicable to the parent company financial statements do not differ from IFRS applicable to separate financial statements.

2.2 Consolidated financial statements

The consolidated financial statements have been prepared in accordance with accounting practices adopted in Brazil (BRGAAP), considering the pronouncements, guidance and interpretations issued by the Brazilian Accounting Pronouncements Committee (CPC), approved by the Brazilian Securities Commission (CVM), and the provisions included in the Brazilian Corporation Law, and also in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

3 Summary of significant accounting practices

The main accounting practices presented below are equally applicable to the parent company and the consolidated financial statements. These practices have been consistently applied in all periods presented.

3.1 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Company's chief operating

decision-maker.

The chief operating decision-maker, responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors, which makes major strategic decisions.

3.2 Foreign currency translation

Functional and presentation currency

Items included in the Company's interim financial statements are measured using the currency of the primary economic environment in which the Parent Company and all its subsidiaries operate (the functional currency). The consolidated interim financial statements are presented in Brazilian reais ("R$"), which is the functional currency of the parent company and of all its subsidiaries, and also the presentation currency of the Company.

For the purposes of presenting these consolidated interim financial statements, the assets and liabilities of the Company's overseas operations are translated into Reais, using the exchange rates in force at the end of the period, and changes in shareholders' equity at historical rates. Results are translated using the average exchange rates of the period, unless the exchange rates have fluctuated significantly during the period; in this case, the exchange rates of the transaction date are used instead. The foreign exchange variations resulting from those translations, if any, were classified in other comprehensive income and accumulated in the shareholders' equity.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the dates of valuation in which items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income, except when deferred in equity as qualifying cash flow hedges.

Currently, the Company carries out the following transactions in foreign currency: goods import order; Import Financing (FINIMP), borrowings denominated in foreign currency and derivatives.

3.3 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating revenues between consolidated entities.

The Company recognizes revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will result from the transaction and when specific criteria have been met for each of the Company's activities as described below:

Sales of products - retail

The Company operates with a chain of retail outlets to trade its goods. Revenue from sales of goods is recognized in income upon the effective delivery of the goods to the customer. Sales are payable at sight, in cash or by credit card, or through financing granted (Note 30).

Sales of financial products and services

The Company carries out and intermediates customer credit financing, personal loans, and sales financing by financial institutions. The results of these operations are appropriated to income, based on the effective interest rate method, over the period of effectiveness of the contracts (Note 30).

Finance income

Financial income is recognized in accordance with the elapsed time at the accrual basis using the effective interest rate method.

3.4 Non-derivative financial assets

Management determines the classification of its financial assets at initial recognition, when they become part of the instrument's contractual provisions, in one of the following categories in accordance with their nature and purpose: i) financial assets at fair value through profit or loss, which include the instruments classified as "held for trading" or "at fair value upon initial recognition"; and ii) loans and receivables. The subsequent measurement of financial assets is made in accordance with their classification in one of the two categories.

The main accounting practices adopted in the preparation and presentation of the Company's financial assets, as well as their categories, in accordance with their nature and purpose, are as follows:

Cash and cash equivalents

These comprise cash, bank demand deposits, short-term high liquid investments (the redemption of which may be carried out in a period of less than 90 days from the investment date, which is readily convertible into a known amount of cash and is not subject to a relevant risk of change in value). There is also the income from investments in the Credit Rights Investment Fund (FIDC) - Lojas Renner (Parent Company subordinated quota), which is recorded in amounts similar to the market values. The Consolidated also includes the balance of the financial investments on FIDC - Lojas Renner, whose use is restricted for acquisition of receivables arising from the Parent Company's operations.

Cash equivalents are classified in the category "loans and receivables", being measured, after initial recognition, at fair value, plus earnings accrued up to the reporting date. In practice, the fair value and the amortized cost are equivalent, considering, by definition, the characteristics of the cash equivalents.

Any losses or gains are recognized in profit/loss.

Accounts receivable

Trade accounts receivable correspond to the amounts receivable for the sale of goods, through the use of the branded card at the network of affiliated stores ("Meu Cartão" - My Card), and for the amounts of personal loans granted to its customers by financial institutions. If the payment term is equivalent to one year or less, accounts receivable are classified in current assets, otherwise, are presented in non-current assets.

Trade accounts receivable are classified in the category of "loans and receivables", initially recognized at amortized cost using the effective interest method, minus any impairment loss (Note 6).

Allowance for losses to the realizable value is formed with a basis on the analysis of the portfolio of customers, in an amount considered sufficient by management to cover any losses in the recovery of receivables. As regards personal loans and branded card, allowance for losses in receivables is formed with a basis on the risk rating of operations, similar to the rating criteria of credit operations defined by the Brazilian Central Bank.

The Parent Company carries out accounts receivable securitization operations through the Fundo de Investimentos em Direitos Creditórios Lojas Renner ("FIDC Lojas Renner" – Credit Rights Investment Fund), according to note 7.

Loans and receivables are measured at amortized cost using the effective interest method, minus any impairment loss (Note 6).

Effective interest rate method

The effective interest rate method is used for calculating the amortized cost of a financial instrument and of allocating the interest income or interest expense over the relative period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount on the initial recognition date.

The interest income or interest expense is recognized based on the effective interest for the financial instruments that are not characterized as financial assets at fair value through profit or loss.

Derecognition of financial assets

Financial assets are derecognized when the rights to receive cash flows have expired or have been transferred. In case of transfer, the financial assets are derecognized, provided that the Company has substantially transferred all the risks and rewards of ownership.

Offsetting of financial instruments

When there is a legal right to offset the financial assets and liabilities, these amounts are offset and the net amount is reported in the balance sheet if there is an intention to settle them on a net basis, or realize the asset and settle the liability simultaneously.

Evaluation of recoverability of non-derivative financial assets

Financial assets are appraised on each balance sheet date to identify the recoverability of assets (impairment). These financial assets are considered as non-recoverable assets when there are evidences that one or more events occurred after the initial recognition of the financial asset and that resulted in adverse effects on the estimated future cash flow of the investment.

3.5 Adjustment to present value

Purchases and sales on credit at fixed rates were discounted to their present value on the date of the transactions, according to their terms, based on the estimated rate of the cost of Company´s capital, plus credit risk, in the case of customers. The interest rate used for calculating the discount to present value of credit sales was 1.84% p.m. (1.85% p.m. in 2014) and reflects, according to management's assessment, the cost and specific risks of the receivables portfolio. The interest rate used for calculating the discount to present value of credit purchases was 0.99% p.m. (1.0% p.m. in 2014).

The discount of purchases to present value is recorded within suppliers and inventories. The realization of the discount in inventories is recorded in cost of sales as those inventories are sold, and the discount in suppliers is reversed over the term of the payables. The discount to present value for credit sales is recorded in accounts receivable (Note 6), and its reversal is recorded in revenue from sales over the term of the receivables.

3.6 Inventories

Inventories are stated at average cost of acquisition, less a provision to adjust them to their probable realizable values, when applicable. Inventory costs include the transfer from equity of any gains/losses of cash flow hedges settled and related to the purchase of imported goods.

3.7 Property, plant and equipment and intangible assets

Property, plant and equipment are recorded at the cost of acquisition, formation or installation, less accumulated depreciation or amortization. Depreciation or amortization is calculated using the straight-line method at rates that take into consideration the estimated economic useful lives of the assets as detailed in Note 11. The Company reviews its property, plant and equipment items to identify evidence of impairment, as described in Note 3.8. The Company reviews periodically the economic useful lives of its property, plant and equipment items.

3.8 Impairment of non-financial assets

Assets with indefinite life, such as goodwill, are not subject to amortization and are tested annually to identify any need for impairment adjustment.

Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units CGU). Non-financial assets other than goodwill that were adjusted due to impairment are subsequently reviewed for possible reversal of the impairment at the balance sheet date.

3.9 Provisions

A provision is recognized in the balance sheet when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions for tax, civil and labor contingencies are recognized based on the best estimates of the risk involved, in amounts considered sufficient by management to cover probable losses, and are updated through each reporting date considering the nature of each contingency and based on the opinion of the Company's attorneys.

3.10 Non-derivative financial liabilities

Debt instruments are classified in accordance with the nature of the contractual agreement and the definitions of the financial liabilities.

Borrowings, financing and debentures

The balances of borrowings and financing, financial services operations, finance lease and debentures are initially recognized at fair value, upon receipt of funds. Then they are measured at their amortized cost, including charges, interest based on the effective rate and monetary and exchange variations and amortizations as established in the agreement, incurred up to the balance sheet dates. The balances of these accounts are classified in the "financial liabilities measured at amortized cost" category.

The paid loan rates are recognized as costs of the loan transaction. When there is no evidence that it is probable that some or all of a facility will be drawn down, the respective fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Accounts payable to suppliers

Accounts payable to suppliers are obligations to pay for goods or services that have been acquired from suppliers in the ordinary course of business, being classified as current liabilities.

Accounts payable to suppliers are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method (Note 17). Suppliers are classified as "other financial liabilities measured at amortized cost".

3.11 Current and deferred income tax and social contribution

Current taxes

The provision for income tax and social contribution is based on the taxable profit for the period. The provision for income tax and social contribution is calculated individually for each company based on the rates prevailing at the end of the period.

Deferred taxes

Deferred income tax and social contribution taxes are recognized on temporary differences at the end of each period between the balances of assets and liabilities accounted in the financial statements and the corresponding tax bases used in the calculation of taxable income, including tax losses balances, where applicable. Deferred tax liabilities are generally recognized on all taxable temporary differences and deferred tax assets are recognized on all deductible temporary differences, only when it is probable that the Company will be able to present future taxable income in a sufficient amount so as the deductible temporary differences can be utilized. Deferred tax assets and liabilities are not recognized on temporary differences arising from goodwill or from the initial recognition (except for a business combination) of other assets and liabilities in a transaction that does not affect the taxable profit or the accounting profit.

The recovery of the balance of deferred tax assets is reviewed at the end of each year and, when it is no longer probable that future taxable profit will be available against which the balance can be fully or partially utilized, the balance is written down to the expected recoverable amount.

Deferred tax assets and liabilities are measured by tax rates applicable in the year in which it is expected that the liability is settled or the asset is realized, based on rates provided for in the tax law at the end of each period, or when a new law has been substantially approved. The measurement of deferred tax liabilities and assets reflects the tax consequences that would result from the manner in which the Company expects, at the end of each period, to recover or settle the carrying amount of these assets and liabilities. The balance of deferred income tax and social contribution is presented net in the financial statements.

The current and deferred taxes are recognized in the statement of income, except when they refer to items recorded in "Other comprehensive income", or directly in equity. When the current and deferred taxes result from the initial recognition of a business combination, the tax effect is considered in the accounting for the business combination.

3.12 Benefits to officers, executives and employees

The Company grants to its officers, executives and employees various benefits which are usual in the market. To meet the interests of officers, executives and employees, the Company approved a stock option plan, aiming to align the Company's objectives with those of the beneficiaries, as follows:

Stock option plan

The Company approved a stock option plan for its officers and employees, through which it offers them the possibility of acquiring the Company's shares under the conditions described in the plan. The fair value of the stock options granted is calculated on the date of the respective grant based on the Black&Scholes valuation model. This model uses assumptions such as the market value of the share on the grant date, the exercise price of the option, the volatility of the Company's share price, the risk-free interest rate, and the vesting period. The expense is recorded on a "pro rata temporis" basis, which starts on the grant date and continues to the date on which the option becomes vested.

Profit sharing

The Company recognizes a liability and an expense whose main assumptions for the recognition of payments are related to reaching goals for sales, operating results, activated cards, among others.

3.13 Distribution of dividends and interest on capital

The Company's bylaws and the corporate law establish that at least 25% of the annual adjusted profit be distributed as dividends. Therefore, the Company records a provision, at the end of each fiscal year, in the amount of the compulsory minimum dividend that has not yet been distributed, if this limit has not been reached by interim payments. Dividends exceeding this limit are featured in a specific account in equity named "Additional dividend proposed". When declared by management, interest on capital is

considered part of the dividends for the year.

The tax benefit of interest on capital is recognized in the statement of income (Note 9.3).

3.14 Derivative financial instruments

The transactions with derivative financial instruments, contracted by the Company and its subsidiaries, are: NDF (Non-Deliverable Forward) and swap. Derivatives are recognized at fair value on the date that a derivative contract is entered into and are subsequently remeasured at their fair value at the end of the period. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, in the case of adoption of hedge accounting, and if so, the nature of the item being hedged. The Company adopts the hedge accounting procedure and designates certain derivatives as either: hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction (cash flow hedge).

The Company documents at the inception of each transaction the relationship between the hedging instruments and the hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair value of derivative instruments is disclosed in Note 24.6. Changes in cash flow hedge amounts are shown in the "Statement of comprehensive income". The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Cash flow hedges

The Company only applies cash flow hedge accounting to protect itself from foreign exchange risks arising from commitments to import goods. Non-deliverable forwards are used in these hedges.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges, and unsettled, is recognized in equity within "Carrying value adjustments". This portion is realized upon the elimination of the risk for which the derivative was contracted. When the financial instruments are settled, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognized in cost of goods sold in the case of inventory or in depreciation in the case of property, plant and equipment.

Financing of imports

The Company applies fair value option accounting (liabilities measured at fair value through profit or loss) in its transactions for financing of imports (Note 16). In order to hedge the foreign exchange risk associated to these transactions, the Company may use U.S. dollar call options and forward contracts - Non-deliverable forward (NDF). The Import Financing (FINIMP) balance is measured at initial recognition at fair value and the respective gains or losses are recognized in the cost.

Changes in the fair value of NDF derivatives that are designated and qualify as fair value options through profit or loss are recorded in the statement of income as cost.

3.15 Lease transactions

Lease agreements in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (Note 34).

The lease agreements for assets destined for the Company maintenance of activities and its subsidiaries are classified as finance leases whenever the terms of the agreement substantially transfers all the risks and rewards of the ownership to the lessee. The classification of lease agreements is made at the time of the engagement.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of income on the accrual basis over the period of the lease.

For finance lease contracts, a fixed/intangible asset and financing liabilities are recognized in the balance sheet at the lower of the fair value of the leased asset and the present value of the minimum lease payments, and the assets are subject to depreciation/amortization during the useful economic life of the asset (Notes 11 and 14) or in accordance with the term of the lease, if lower.

Finance lease installments paid are allocated partly to liabilities and partly to financial charges in the statement of income. The corresponding obligations are classified as current and non-current liabilities according to the term of the contract.

3.16 Critical accounting estimates and assumptions

Management evaluates as critical accounting practices not only those that are significant to present the financial position and the results of operations but also those that require more difficult, subjective or complex judgments, usually as a result of the necessity of estimates involving the impact of inherently uncertain matters. These judgments become more subjective and complex as the number of variables and assumptions that affect the possible future resolution of the uncertainty increases. In the preparation of the consolidated financial statements, the Company has adopted variables and assumptions that are derived from historical experience and other factors that it believes are reasonable and relevant. Even though these estimates and assumptions may be revised by the Company in the ordinary course of its business, the balance sheet and the statement of income frequently require the use of judgment regarding the effects of inherently uncertain matters that affect the book values of its assets and liabilities. The actual results may vary from the estimates under different variables, assumptions and conditions.

The main operations and evaluations that were significantly affected by estimates refer to provisions for tax, civil and labor contingencies (Note 18), the provision for losses on loan operations (Note 6), determination of the discount rate used to calculate the adjustment to present value (Notes 6, 8 and 17), determination of fair value of the stock options (Note 28), determination of the fair value of derivative instruments (Note 24), provision for inventory losses (Note 8), estimate of realization of deferred income tax assets (Note 9), estimate of useful lives of property, plant and equipment and intangible assets (Note 11), and assessment of impairment of intangible assets with indefinite useful life (Note 12).

3.17 Accounting practices applicable only to the consolidated financial statements

Subsidiaries and consolidation principles

Subsidiaries are all entities directly and indirectly controlled by the Company. Control is considered to exist when Lojas Renner holds, directly or indirectly, the majority of the voting rights or has the power to govern the financial and operating policies of an entity, in order to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is transferred to the Company.

Balances and transactions between the consolidated entities, including balances and unrealized gains and losses on these transactions, when applicable, were eliminated. The accounting practices used by the subsidiaries were adjusted to ensure consistency with the accounting practices used by the Company.

As established by CVM Instruction 408/04, the Company consolidates the financial statements of FIDC Lojas Renner, because the latter represents a Special purpose entity whose activities are substantially conducted according to the operational necessities of the Company, which is exposed to most of the risks and benefits related to this Fund as it is the owner of all the Fund's subordinated quotas.

Certain assets and liabilities and gains and losses on operations between the Company and the Fund were eliminated in the consolidation of FIDC Lojas Renner.

On March 31, 2015, the Company's consolidated financial statements include the following subsidiaries:

		03/31/2015		12/31/2014	
Companies	**Host country**	**Direct interest %**	**Indirect interest %**	**Direct interest %**	**Indirect interest %**
Dromegon Participações Ltda. (“Dromegon”)	Brazil	99.99%	0.01%	99.99%	0.01%
Renner Administradora de Cartões de Crédito Ltda. (“RACC”)	Brazil	99.99%	0.01%	99.99%	0.01%
Maxmix Comercial Ltda. (“Camicado”)	Brazil	99.999%	0.001%	99.999%	0.001%
Fashion Business Comércio de Roupas Ltda. ("Youcom")	Brazil	99.99%	0.01%	99.99%	0.01%
(*) Lojas Renner Shanghai Trading Co. Ltd ("LRS")	China	100.00%	-	-	-
Specific Purpose Company					
Credit Rights Investment Fund (FIDC Lojas Renner)	Brazil	100.00%	-	100.00%	-

(*) In 2015, Lojas Renner S.A. paid in capital in Lojas Renner Shanghai Trading Co. Ltd. (“LRS”) (see Note 10.1).

3.18 Added Value Statement (DVA)

The purpose of this statement is to disclose the wealth created by the Company and its distribution during a certain reporting period, and is presented by the Company, as required by the Brazilian Corporate Law for publicly-held companies, as an integral part of its parent company financial statements, and as additional disclosure in the consolidated financial statements, since this statement is not required by the IFRS.

The statement of added value was prepared based on information obtained from the same accounting records used to prepare the financial statements and pursuant to the provisions of CPC 09 Added Value Statement.

4 Standards, amendments and interpretations of standards

The following new standards and interpretations of standards were issued by the IASB but are not in force for the year 2015. The early adoption of standards, although encouraged by the IASB, is not allowed in Brazil by the Committee of Accounting Pronouncements (CPC).

- IFRS 9, "Financial instruments", issued in November, 2009, IFRS 9 introduces new requirements for classifying and measuring financial assets: amortized cost, fair value through other comprehensive income, and fair value through profit or loss. It also adds a new model of expected credit losses, which replaces the current model of incurred losses. IFRS 9 not only brings more flexibility as regards the hedging effectiveness requirements, but it also demands the existence of an economic relationship between the hedged item and the hedging instrument, and that the hedging ratio be the same as that used by management for risk-management purposes. The standard is applicable as from January 1, 2018. The Company is assessing the impacts of the application of IFRS 9.

- IFRS 15, "Revenues from contracts with customers", issued in May 2014. The objective of IFRS 15 is to establish the principles that an entity shall apply to report useful information about the nature, amount, timing, and estimates of revenue and cash flows arising from a contract with a customer. The standard is applicable as from January 1, 2017. The Company is assessing the impact of the application of this standard.

- Amendments to IAS 16/CPC 27 and IAS 38/CPC 04, "Clarification of depreciation and amortization methods", revision issued in May 2014. This standard has the purpose of clarifying about depreciation and amortization methods, in accordance with the concept of expected future economic benefits by using the asset throughout its economic useful life. The standard is applicable as from January 1, 2016. The Company is assessing the impact of the application of this standard.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

5 Cash and cash equivalents

The Company's cash and cash equivalent may only be invested in top-tier financial institutions, as those with grade rating classified as Investment Grade. On March 31, 2015 the Company had investments in the following financial institutions: Banco Bradesco S.A., HSBC Bank Brasil S.A., Banco Santander (Brazil) S.A., Banco do Brasil S.A., Banco do Nordeste S.A., Banco do Estado do Rio Grande do Sul S.A. and Banco Itaú BBA S.A., as shown in the table below:

	Parent Company		Consolidated	
	03/31/2015	12/31/2014	03/31/2015	12/31/2014
Cash and banks	49,889	83,862	60,300	92,261
CDB (a)	228,997	139,803	229,296	140,511
Repurchase agreements backed by debentures (b)	350,412	448,781	360,319	497,546
Fixed-income Fund FIDC (c)	-	-	97,262	98,818
Short-term FIDC investments (d)	47,377	33,526	-	-
Investment fund - BACEN Jude (e)	60	92	60	92
CDB (f)	611	3,339	999	5,112
Total	**677,346**	**709,403**	**748,236**	**834,340**

(a) Bank Deposit Certificates (CDB), with average yield of 101,29% of the Interbank Deposit Certificate (CDI) in the Parent Company and in the Consolidated (100.35% in the Parent Company and Consolidated on December 31, 2014).

(b) Repurchase agreements, which represent the sale of a security with the commitment by the seller (bank) to repurchase the security in the future, and by the purchaser to resell it in the future, with average yield of 101.03% of the CDI in the Parent Company and 101.01% in the Consolidated (101.03% in the Parent Company and 100.94% in the Consolidated on December 31, 2014).

(c) The financial investments of the FIDC Lojas Renner are applied in the Fundo FI Referenciado DI TRF with the purpose of providing to its quotaholders profitability according to the CDI variations. The CDI-linked average profitability was equivalent to 99.56% of the CDI (99.58% on December 31, 2014).

(d) Balance of investments of the Parent Company in FIDC Lojas Renner redeemable at any time, according to the fund regulations described in Note 7.

(e) Investment fund created for the deductions made by the Brazilian Central Bank (BACEN), when necessary, with average annual yield of 61.27% of CDI in the Parent Company and Consolidated (59.91% in the Parent Company and Consolidated on December 31, 2014), 100% backed by Financial Treasury Bills, net of Management fees.

(f) Bank Deposit Certificates (CDB), related to automatic applications (product Aplic Aut Itaú), with average yield of 10% of the monthly CDI rate (10% of the monthly CDI rate on December 31, 2014).

The Company's exposure to interest rate risk for the financial assets and liabilities is disclosed in Note 23.1.1.

6 Accounts receivable

Private label - Renner	03/31/2015	12/31/2014
Not yet due		
Falling due within 1 to 30 days	255,486	235,414
Falling due within 31 to 60 days	225,588	256,898
Falling due within 61 to 90 days	150,076	204,403
Falling due within 91 to 120 days	94,221	151,756
Falling due within 121 to 150 days	64,962	120,425
Falling due within 151 to 180 days	29,354	61,051
Falling due over 180 days	23,978	64,012
Overdue		
Overdue from 1 to 30 days	94,807	54,135
Overdue from 31 to 60 days	38,045	21,249
Overdue from 61 to 90 days	22,712	17,206
Overdue from 91 to 180 days	44,802	51,818
	1,044,031	**1,238,367**
Less:		
Adjustment to present value	(24,323)	(33,055)
Provision for losses on receivables - Retail	(49,619)	(58,878)
Accounts receivable - FIDC Lojas Renner	(559,011)	(543,705)
Unappropriated income - securities assigned – FIDC Lojas	(44,357)	(57,835)
Credit balance positions	(767)	(371)
Total private label - Renner	**365,954**	**544,523**
Third-party credit card managers		
Falling due within 1 to 30 days	103,387	194,541
Falling due within 31 to 60 days	46,947	84,601
Falling due over 60 days	24,241	49,469
Adjustment to present value - third-party cards	(11,764)	(18,975)
Total third-party credit card managers	**162,811**	**309,636**
Personal loans		
Commissions and transactions receivable	42,658	38,885
Provision for losses on receivables - Personal loans	(28,240)	(27,189)
Total personal loans	**14,418**	**11,696**
Accounts receivable - co-branded card	25,410	42,303
Other accounts receivable	1,336	231
Total Parent Company	**569,929**	**908,389**
Third-party credit card administrators - Camicado		
Falling due within 1 to 30 days	14,117	17,938
Falling due within 31 to 60 days	7,243	8,308
Falling due over 60 days	7,866	11,709
Total third-party credit card administrators - Camicado	**29,226**	**37,955**
Personal loans - RACC		
Commissions and transactions receivable	139,221	130,000
Total personal loans - RACC	**139,221**	**130,000**
Co-branded card - RACC		
Not yet due	267,839	281,017
Overdue	80,355	56,988
Provision for losses on receivables - co-branded card	(12,697)	(11,926)
Total co-branded card - RACC	**335,497**	**326,079**
Other receivables		
Accounts receivable - FIDC Lojas Renner	559,011	543,705
Accounts receivable - co-branded card - associates	(25,410)	(42,303)
Other	3,031	4,693
Total other accounts receivable	**536,632**	**506,095**
Total Consolidated	**1,610,505**	**1,908,518**

Provision for impairment of accounts receivable

Accounts receivable past-due for over 180 days are written off from the balance of accounts receivable against the provision for losses on accounts receivable, as shown in the table below:

	At 1/1/2014	(-) Provisions/ (+) Reversals	Write-offs	At 12/31/2014	(-) Provisions/ (+) Reversals	Write-offs	At 03/31/2015
Provision for losses on receivables - Retail	(55,832)	(181,171)	178,125	(58,878)	(38,655)	47,914	(49,619)
Provision for losses on receivables - Personal loans	(22,889)	(39,095)	34,795	(27,189)	(10,544)	9,493	(28,240)
Total Parent Company	**(78,721)**	**(220,266)**	**212,920**	**(86,067)**	**(49,199)**	**57,407**	**(77,859)**
Provision for losses on receivables - Co-branded card	(6,170)	(63,306)	57,550	(11,926)	(19,312)	18,541	(12,697)
Total consolidated	**(84,891)**	**(283,572)**	**270,470**	**(97,993)**	**(68,511)**	**75,948**	**(90,556)**

Accounts receivable are adjustment to present value at the effective interest rate on the transaction date (Note 3.5), and presented net of the impairment provision (Note 3.4).

The credit policies and procedures throughout the cycle, from initiation to recovery, provide security in the origination and management of credit, generating low levels of loss. In the Consolidated, the Company has credit risk provisions for all customers with past due receivables, in accordance with the history of loss in each maturity level, amounting to R$ 90,556, which corresponds to approximately 28.77% of the total amount past due. The Company, based on historical recovery of debts, on credit and collection process and analysis of default indicators understands that the remaining 71.23% without provision will be received in the normal course of operations.

The Company's exposure to credit risk is disclosed in Note 23.1.2.

Commercial Partenrship Agreement (“Agreement”) - Meu Cartão

In the Meeting on the Board of Directors' November 18, 2014, the members approved the Commercial Partnership Agreement ("Agreement"), entered into by the Company and Banco Indusval S.A. ("BI&P"), in summary, the Agreement has the purpose of establishing a commercial partnership in which BI&P will be able to exploit, together with the Company, the activities of issuing, managing, offering and selling credit cards of the "Visa" or "Mastercard" brands (co-branded card - Meu Cartão) to the Company's customer base, through its physical stores, the Internet or other virtual channels and any other trading channels used for the sale of the Company's products and services ("Partnership").

In accordance with the applicable legal and regulatory provisions, BI&P will become responsible for the issuance and management of credit cards subject of the partnership, acting as payment institution issuer of postpaid instrument.

The partnership will last for at least 2 (two) years from the start of its activities, which will occur as certain conditions established in the agreement are implemented. On the closing date of these financial statements, such conditions had not yet been implemented.

7 Credit Rights Investment Fund

In May 2014, the operations of FIDC Lojas Renner started, which, according to its articles of incorporation, has the objective to invest in credit rights as a closed-end fund, governed by CVM Resolution 2,907/2001 and CVM Instructions 356/01 and 531/13, its articles of incorporation and other applicable legal and regulatory provisions, with the specific purpose of acquiring credit rights originated from purchases on credit made by the Company's customers, through a customer credit financing without charges, extended by the Company, or financing with charges, granted by Banco Itaú S.A. FIDC Lojas Renner has a defined operational life, which will end on May 12, 2019.

The equity structure of FIDC Lojas Renner on March 31, 2015 is subdivided into: 16,800 thousand senior quotas held by third parties amounting to R$ 426,641, which represent 65.03% of the equity of FIDC Lojas Renner; and 7,279 thousand subordinated quotas held by the Parent Company, amounting to R$ 229,377 (of which R$ 47,377 is being presented as cash equivalents and R$ 182,000 is being presented as FIDC Lojas Renner in non-current assets).

The articles of incorporation of FIDC Lojas Renner define that the subordinated quotas should represent at least 30% of the fund's equity. If this percentage is below 30%, the subordinated quotas should be paid-up by Lojas Renner S.A. immediately, to stay within the minimum ratio. On March 31, 2015, the subordinated quotas represent 34.97% of the equity of FIDC Lojas Renner. The subordinated quotas do not have remuneration goals.

The Parent Company acts as the agent for collection in case of default of the Credit Rights, keeping continuing administration of the portfolio after its transfer to FIDC Lojas Renner.

The credit receivables securitization operations performed by the parent company for FIDC Lojas Renner (represented by sales with payment in installments and financing of delinquent customers) total R$ 559,011 on March 31, 2015.

The balance of costs incurred by the parent company for the issuance of FIDC Lojas Renner totals R$ 7,755 on March 31, 2015, and will be recorded in profit/loss (cost of financial services) over the duration of the fund, according to the internal rate of return (IRR) of the funding of. In the individual interim financial statements, this cost is presented in the balance sheet as prepaid expenses and in the consolidated statement as a reducer of the financings.

On March 31, 2015, the balance sheet of FIDC Lojas Renner is as follows:

Assets	**03/31/2015**	**12/31/2014**
Cash equivalents	97,262	98,818
Accounts receivable	559,011	543,705
Total assets	**656,273**	**642,523**
Liabilities		
Accounts payable	255	243
Equity	656,018	642,280
Total liabilities and equity	**656,273**	**642,523**

The target remuneration of senior quotas is calculated based on the CDI rate plus a spread of 1.08% p.a., as provided in the Fund's regulations. On March 31, 2015, the balance redeemable is R$ 426,641.

The FIDC Lojas Renner was consolidated in these financial statements, as detailed in Note 3.17.

8 Inventories

	Parent Company		**Consolidated**	
	03/31/2015	**12/31/2014**	**03/31/2015**	**12/31/2014**
Goods for resale	569,083	468,608	641,108	540,398
Adjustment to present value	(12,269)	(11,840)	(12,269)	(11,840)
Provision for losses	(8,688)	(31,263)	(9,017)	(32,219)
Goods for resale, net	**548,126**	**425,505**	**619,822**	**496,339**
Imports in transit	73,461	108,658	80,384	112,514
Advances to suppliers	70	70	70	70
Auxiliary materials and warehouse	3,749	2,392	4,797	3,377
Total	**625,406**	**536,625**	**705,073**	**612,300**

The cost of goods sold recognized in the statement of income during three months period ended in March 31, 2015 amounted to R$ 427,804 (R$ 365,886 on March 31, 2014) in the Parent Company and R$ 460,582 (R$ 392,224 on March 31, 2014) in the Consolidated.

Changes in the provision for losses are shown in the table below:

	Parent Company	**Consolidated**
At 01/01/2014	**(14,379)**	**(15,240)**
(+/-) (Provision) reversal for losses	(54,012)	(57,158)
(-) Actual loss	37,128	40,179
At 12/31/2014	**(31,263)**	**(32,219)**
(+/-) (Provision) reversal for losses	(13,482)	(14,430)
(-) Actual loss	36,057	37,632
At 03/31/2015	**(8,688)**	**(9,017)**

9 Income tax and social contribution recoverable

9.1 Changes in deferred income tax and social contribution

Deferred income tax and social contribution recognized in non-current assets are recorded to reflect the future tax effects attributable to tax losses, social contribution losses and the corresponding temporary differences between the carrying amount and tax base of assets and liabilities.

The realization of the book value of deferred tax assets is reviewed annually by the Company and the related adjustments have not been material in relation to management's initial estimate.

Changes in income tax and social contribution assets and liabilities, at standard rates, are comprised as follows:

	Parent Company						
Deferred tax assets	**On 1/1/2014**	**Recognized in profit (loss)**	**Recognized in other comprehensive income (loss)**	**On 12/31/2014**	**Recognized in profit (loss)**	**Recognized in other comprehensive income (loss)**	**On 03/31/2015**
Provision for impairment of trade receivables	26,765	2,498	-	29,263	(2,791)	-	26,472
Adjustment to present value	16,688	4,161	-	20,849	(5,363)	-	15,486
Provision for tax risks	9,090	(701)	-	8,389	48	-	8,437
Provision for civil and labor risks	5,909	2,142	-	8,051	(46)	-	8,005
Provision for losses on inventories	4,889	5,740	-	10,629	(7,675)	-	2,954
Other provisions	6,681	6,627	-	13,308	1,930	-	15,238
Total	70,022	20,467	-	90,489	(13,897)	-	76,592
Deferred tax liabilities							
Carrying value adjustment - hedge	(2,477)	-	(7,412)	(9,889)	-	(17,224)	(27,113)
Finance leases	(3,242)	909	-	(2,333)	540	-	(1,793)
Other provisions	-	(336)	-	(336)	(347)	-	(683)
Total	(5,719)	573	(7,412)	(12,558)	193	(17,224)	(29,589)
Total deferred taxes, net balance	**64,303**	**21,040**	**(7,412)**	**77,931**	**(13,704)**	**(17,224)**	**47,003**

	Consolidated							
Deferred tax assets	**On 1/1/2014**	**Recognized in profit (loss)**	**Recognized in other comprehensive income (loss)**	**Deferred tax write-off**	**On 12/31/2014**	**Recognized in profit (loss)**	**Recognized in other comprehensive income (loss)**	**On 03/31/2015**
Provision for impairment of trade receivables	28,863	4,455	-	-	33,318	(2,529)	-	30,789
Adjustment to present value	16,688	4,161	-	-	20,849	(5,363)	-	15,486
Goodwill on acquisition of equity interest	14,690	(6,795)	-	-	7,895	(1,699)	-	6,196
Provision for tax risks	9,801	(463)	-	-	9,338	125	-	9,463
Provision for civil and labor risks	5,948	2,211	-	-	8,159	(24)	-	8,135
Provision for losses on inventories	5,182	5,772	-	-	10,954	(7,888)	-	3,066
Income tax and social contribution losses	14,347	13,756	-	(11,929)	16,174	5,605	-	21,779
Other provisions	6,564	7,012	-	-	13,576	2,096	-	15,672
Total	102,083	30,109	-	(11,929)	120,263	(9,677)	-	110,586
Deferred tax liabilities								
Appreciation of assets	(11,433)	474	-	-	(10,959)	111	-	(10,848)
Carrying value adjustments - hedge	(2,482)	-	(7,460)	-	(9,942)	-	(17,248)	(27,190)
Finance leases	(3,243)	910	-	-	(2,333)	540	-	(1,793)
Other provisions	-	(1,359)	-	-	(1,359)	(1,365)	-	(2,724)
Total	(17,158)	25	(7,460)	-	(24,593)	(714)	(17,248)	(42,555)
Total deferred taxes, net balance	**84,925**	**30,134**	**(7,460)**	**(11,929)**	**95,670**	**(10,391)**	**(17,248)**	**68,031**

9.2 Realization of deferred income tax and social contribution

Based on the past realization of the assets and liabilities which give rise to the deferred income tax and social contribution, as well as the projected results for the following years, we expect they will be used as the schedule below:

Period	Parent Company	Consolidated
2015	39,703	41,809
2016	1,718	3,175
2017	1,718	3,728
2018	1,718	4,666
2019 onwards	2,146	14,653
Total	**47,003**	**68,031**

9.3 Analysis of the effective income tax and social contribution rate

The reconciliation of the expense calculated by applying the combined tax rate and the income tax and social contribution expense charged to the statement of income is as follows:

	Parent Company		Consolidated	
	03/31/2015	03/31/2014	03/31/2015	03/31/2014
Profit before income tax and social contribution	**99,584**	**68,690**	**102,590**	**68,490**
Combined tax rate	34%	34%	34%	34%
Tax expense at nominal rate	**(33,859)**	**(23,355)**	**(34,881)**	**(23,287)**
Permanent (additions) exclusions				
Share-based compensation expenses	(2,199)	(980)	(2,199)	(980)
Equity in the results of subsidiaries	2,261	109	-	-
Interest on capital	8,091	5,903	8,091	5,903
Tax incentives (Worker's Meal Program (PAT))	233	169	233	169
Income tax and social contribution differences of subsidiaries	-	-	292	272
Other (additions) deductions	(927)	365	(948)	328
Tax calculated on the exempt portion of the 10% surtax	6	6	12	12
Income tax and social contribution in the result for the period	**(26,394)**	**(17,783)**	**(29,400)**	**(17,583)**
Current	(12,690)	(9,380)	(19,009)	(12,682)
Deferred	(13,704)	(8,403)	(10,391)	(4,901)

9.4 Tax Incentives

The Company made use of R$ 265 (R$ 169 on March 31, 2014) of tax incentives of income tax deduction, with R$ 32 relating to the National Program for Support to Oncology Care and R$ 233 (R$ 169 on March 31, 2014) relative to the Workers' Food Program (PAT).

9.5 Composition of taxes recoverable

	Parent Company		Consolidated	
	03/31/2015	12/31/2014	03/31/2015	12/31/2014
Income tax and social contribution	14,107	9,858	14,764	10,501
PIS/COFINS	3,103	3,687	3,516	3,904
ICMS	43,271	37,101	62,067	53,637
Other taxes recoverable	434	296	739	596
Provision for losses	(511)	(511)	(511)	(511)
Current assets	**60,404**	**50,431**	**80,575**	**68,127**
ICMS - PPE	35,074	37,198	36,620	38,709
PIS/COFINS	981	1,275	981	1,275
Non-current assets	**36,055**	**38,473**	**37,601**	**39,984**

10 Investments

10.1 Changes in investments in subsidiaries

	Renner Adm. Cartões de Crédito	Dromegon Participações	Fashion Business Comércio de Roupas (Youcom)	Maxmix Comercial (Camicado)	Lojas Renner Shanghai Trading Co.	Goodwill on readjustment of assets	Other	Total
On January 1, 2014	**29,600**	**10,421**	**20,755**	**241,565**	**-**	**1,441**	**63**	**303,845**
Equity in the results of subsidiaries	22,431	6,137	(10,560)	(3,634)	-	-	-	14,374
Carrying value adjustments	-	-	-	93	-	-	-	93
Capital payment/increase	-	-	22,005	10,000	-	-	-	32,005
Dividends	-	(6,043)	-	-	-	-	-	(6,043)
Realization of goodwill on readjustment of assets	-	-	-	-	-	(50)	-	(50)
On December 31, 2014	**52,031**	**10,515**	**32,200**	**248,024**	**-**	**1,391**	**63**	**344,224**
Equity in the results of subsidiaries	11,484	1,143	(3,305)	(2,658)	(15)	-	-	6,649
Carrying value adjustments	-	-	-	46	77	-	-	123
Capital payment/increase (i)	-	-	6,250	30,000	1,514	-	-	37,764
Realization of goodwill on readjustment of assets	-	-	-	-	-	(12)	-	(12)
On March 31, 2015	**63,515**	**11,658**	**35,145**	**275,412**	**1,576**	**1,379**	**63**	**388,748**

(i) In 2015, the Company paid in capital in its subsidiaries Fashion Business Comércio de Roupas Ltda. ("Youcom"), Maxmix Comercial Ltda. ("Camicado") and Lojas Renner Shanghai Trading Co. Ltd, respectively, in the amount of R$ 6,250, R$ 30,000 and R$ 1,514 in cash. Lojas Renner Shanghai Trading Co. Ltd. started operating in February 2015.

10.2 Summarized financial information of subsidiaries

The table below presents a summary of the main financial information of subsidiaries on March 31, 2015:

	On 03/31/2015					On 12/31/2014			
	Renner Adm. Cartões de Crédito	Dromegon Participações	Fashion Business Comércio de Roupas (Youcom)	Maxmix Comercial (Camicado)	Lojas Renner *Shanghai Trading Inc* Co.	Renner Adm. Cartões de Crédito	Dromegon Participações	Fashion Business Comércio de Roupas (Youcom)	Maxmix Comercial (Camicado)
Current	556,843	1	10,161	142,200	1,590	551,220	1	12,488	157,959
Non-current	6,738	11,826	31,988	227,136	-	4,113	10,821	30,246	222,548
Total assets	563,581	11,827	42,149	369,336	1,590	555,333	10,822	42,734	380,507
Current	496,909	168	7,003	89,940	13	499,866	306	10,533	126,332
Non-current	3,150	-	-	3,983	-	3,431	-	-	6,149
Total liabilities	500,059	168	7,003	93,923	13	503,297	306	10,533	132,481
Equity	63,522	11,659	35,146	275,413	1,577	52,036	10,516	32,201	248,026
Net revenue	51,962	1,354	5,580	56,703	-	154,914	7,168	19,821	233,411
Profit (loss) for the period	11,486	1,143	(3,305)	(2,658)	(15)	22,433	6,138	(10,560)	(3,634)
Interest in total capital	99.99%	99.99%	99.99%	99.999%	100.00%	99.99%	99.99%	99.99%	99.999%
Common shares/number of shares (thousands)	7	9,562	52,500	308,545	1,514	7	9,562	46,250	278,545

10.3 Additional information on subsidiaries

Renner Administradora de Cartões de Crédito Ltda. - (RACC)

Renner Administradora de Cartões de Crédito Ltda. (RACC) offers financial services of personal loans, through an agreement for loans with financial institutions, providing Renner's customers with conditions to obtain this type of borrowing. RACC also operates with the co-branded card denominated "Meu Cartão".

Dromegon Participações Ltda. - (Dromegon)

Dromegon Participações Ltda. is the owner of some of the properties used in the commercial operations of the Company and its revenues are limited to the rent of these properties to Lojas Renner.

Maxmix Comercial Ltda. - (Camicado)

Maxmix Comercial Ltda. is engaged in the retail of household appliances, bedding, bath, tableware, and home decor products.

Fashion Business Comércio de Roupas Ltda. - (Youcom)

Fashion Business Comércio de Roupas Ltda. is engaged in the specialized retail of clothing and footwear, perfumes, cosmetics, personal hygiene, watches and sporting goods.

Lojas Renner Shanghai Trading Co. Ltd. – (LRS)

The business purpose of Lojas Renner Shanghai Trading Co. Ltd. consists of performing the duties of purchasing, quality control and sample development, and also acting as a vehicle for building up relationships with business partners and to provide support in the prospecting of new suppliers.

11 Property, plant and equipment and intangible assets

The summary of changes in property, plant and equipment in the Parent Company and Consolidated is as follows:

11.1 Property, plant and equipment

	Parent Company										
Cost	On 1/1/2014	Additions	Additions finance lease	Transfer	Write-offs	On 12/31/2014	Additions	Additions finance lease	Transfer	Write-offs	On 03/31/2015
Land	287	-	-	-	-	287	-	-	-	-	287
Properties	31,000	-	-	-	-	31,000	-	-	-	-	31,000
Furnishings, equip, facilities and improvements	1,371,398	82,246	-	185,857	(2,694)	1,636,807	11,567	-	38,366	(670)	1,686,070
Vehicles	1,128	1,014	-	-	(256)	1,886	-	-	-	(39)	1,847
Computers and peripherals	111,722	12,700	507	5,704	(2,578)	128,055	1,302	-	1,659	(1,042)	129,974
Construction in progress	69,884	264,907	-	(191,561)	(144)	143,086	40,764	-	(40,025)	(1)	143,824
Total	**1,585,419**	360,867	507	-	(5,672)	**1,941,121**	53,633	-	-	(1,752)	**1,993,002**
Depreciation											
Properties	(878)	(620)	-	-	-	(1,498)	(155)	-	-	-	(1,653)
Furnishings, equip, facilities and improvements	(502,879)	(130,230)	-	17	1,803	(631,289)	(37,047)	-	-	521	(667,815)
Vehicles	(498)	(244)	-	-	175	(567)	(89)	-	-	39	(617)
Computers and peripherals	(68,489)	(14,819)	(437)	(17)	2,151	(81,611)	(4,162)	(125)	-	913	(84,985)
Total	**(572,744)**	(145,913)	(437)	-	4,129	**(714,965)**	(41,453)	(125)	-	1,473	**(755,070)**
Net balance											
Land	287	-	-	-	-	287	-	-	-	-	287
Properties	30,122	(620)	-	-	-	29,502	(155)	-	-	-	29,347
Furnishings, equip, facilities and improvements	868,519	(47,984)	-	185,874	(891)	1,005,518	(25,480)	-	38,366	(149)	1,018,255
Vehicles	630	770	-	-	(81)	1,319	(89)	-	-	-	1,230
Computers and peripherals	43,233	(2,119)	70	5,687	(427)	46,444	(2,860)	(125)	1,659	(129)	44,989
Construction in progress	69,884	264,907	-	(191,561)	(144)	143,086	40,764	-	(40,025)	(1)	143,824
Total	**1,012,675**	214,954	70	-	(1,543)	**1,226,156**	12,180	(125)	-	(279)	**1,237,932**

	Consolidated										
Cost	On 1/1/2014	Additions	Additions finance lease	Transfer	Write-offs	On 12/31/2014	Additions	Additions finance lease	Transfer	Write-offs	On 03/31/2015
Land	287	-	-	-	-	287	-	-	-	-	287
Buildings	12,588	-	-	-	-	12,588	-	-	-	-	12,588
Properties	31,000	-	-	-	-	31,000	-	-	-	-	31,000
Furnishings, equip, facilities and improvements	1,420,919	84,259	-	217,234	(4,754)	1,717,658	12,043	-	40,303	(1,069)	1,768,935
Vehicles	1,128	1,015	-	-	(255)	1,888	-	-	-	(39)	1,849
Computers and peripherals	114,722	12,872	507	5,943	(2,578)	131,466	1,336	-	1,667	(1,042)	133,427
Construction in progress	75,780	297,843	-	(223,177)	(253)	150,193	47,089	-	(42,119)	(1)	155,162
Total	**1,656,424**	395,989	507	-	(7,840)	**2,045,080**	60,468	-	(149)	(2,151)	**2,103,248**
Depreciation											
Buildings	(5,350)	(257)	-	-	-	(5,607)	(64)	-	-	-	(5,671)
Properties	(878)	(620)	-	-	-	(1,498)	(155)	-	-	-	(1,653)
Furnishings, equip, facilities and improvements	(516,281)	(136,320)	-	17	2,837	(649,747)	(38,965)	-	149	812	(687,751)
Vehicles	(498)	(244)	-	-	175	(567)	(89)	-	-	39	(617)
Computers and peripherals	(70,069)	(15,224)	(437)	(17)	2,151	(83,596)	(4,276)	(125)	-	914	(87,083)
Total	**(593,076)**	(152,665)	(437)	-	5,163	**(741,015)**	(43,549)	(125)	149	1,765	**(782,775)**
Net balance											
Land	287	-	-	-	-	287	-	-	-	-	287
Buildings	7,238	(257)	-	-	-	6,981	(64)	-	-	-	6,917
Properties	30,122	(620)	-	-	-	29,502	(155)	-	-	-	29,347
Furnishings, equip, facilities and improvements	904,638	(52,061)	-	217,251	(1,917)	1,067,911	(26,922)	-	40,452	(257)	1,081,184
Vehicles	630	771	-	-	(80)	1,321	(89)	-	-	-	1,232
Computers and peripherals	44,653	(2,352)	70	5,926	(427)	47,870	(2,940)	(125)	1,667	(128)	46,344
Construction in progress	75,780	297,843	-	(223,177)	(253)	150,193	47,089	-	(42,119)	(1)	155,162
Total	**1,063,348**	243,324	70	-	(2,677)	**1,304,065**	16,919	(125)	-	(386)	**1,320,473**

The table below presents the average depreciation rates for property, plant and equipment:

	Parent Company and Consolidated
Buildings	3%
Furnishings, equip, facilities and improvemen	10%
Vehicles	20%
Computers and peripherals	20%

The Company carried out annual review tests of the carrying amount of its assets and did not identify the need for impairment, and

it does not have occurrence of revaluation or the existence of idle fixed assets in the year and has no assets not in use that are not classified as held for sale.

11.2 Intangible assets

	Parent Company								
Cost	**On 1/1/2014**	**Additions**	**Additions finance lease**	**Write-offs**	**On 12/31/2014**	**Additions**	**Additions finance lease**	**Write-offs**	**On 03/31/2015**
IT systems	291,460	66,602	23,967	(93)	381,936	8,697	-	(13)	390,620
Right to use properties	47,323	4,700	-	-	52,023	-	-	-	52,023
Trademarks and patents	228	2,289	-	-	2,517	-	-	-	2,517
Total	**339,011**	73,591	23,967	(93)	**436,476**	8,697	-	(13)	**445,160**
Amortization									
IT systems	(147,500)	(38,980)	(13,334)	61	(199,753)	(11,426)	(4,083)	9	(215,253)
Right to use properties	(33,036)	(2,316)	-	-	(35,352)	(680)	-	-	(36,032)
Trademarks and patents	(83)	-	-	-	(83)	-	-	-	(83)
Total	**(180,619)**	(41,296)	(13,334)	61	**(235,188)**	(12,106)	(4,083)	9	**(251,368)**
Net balance									
IT systems	143,960	27,622	10,633	(32)	182,183	(2,729)	(4,083)	(4)	175,367
Right to use properties	14,287	2,384	-		16,671	(680)	-	-	15,991
Trademarks and patents	145	2,289	-	-	2,434	-	-	-	2,434
Total	**158,392**	32,295	10,633	(32)	**201,288**	(3,409)	(4,083)	(4)	**193,792**

	Consolidated									
Cost	**On 1/1/2014**	**Additions**	**Additions finance lease**	**Write-offs**	**On 12/31/2014**	**Additions**	**Additions finance lease**	**Transfer**	**Write-offs**	**On 03/31/2015**
IT systems	306,359	72,688	23,967	(93)	402,921	10,543	-	149	(13)	413,600
Right to use properties	56,132	6,449	-	-	62,581	480	-	-	-	63,061
Trademarks and patents	28,356	2,439	-	-	30,795	2	-	-	-	30,797
Intangible - others	3,500	-	-	-	3,500	-	-	-	-	3,500
Goodwill - Camicado	116,679	-	-	-	116,679	-	-	-	-	116,679
Total	**511,026**	81,576	23,967	(93)	**616,476**	11,025	-	149	(13)	**627,637**
Amortization										
IT systems	(153,486)	(42,411)	(13,334)	61	(209,170)	(12,506)	(4,083)	(19)	9	(225,769)
Right to use properties	(33,329)	(3,243)	-	-	(36,572)	(947)	-	(130)	-	(37,649)
Trademarks and patents	(83)	-	-	-	(83)	-	-	-	-	(83)
Intangible - others	(1,925)	(642)	-	-	(2,567)	(175)	-	-	-	(2,742)
Total	**(188,823)**	(46,296)	(13,334)	61	**(248,392)**	(13,628)	(4,083)	(149)	9	**(266,243)**
Net balance										
IT systems	152,873	30,277	10,633	(32)	193,751	(1,963)	(4,083)	130	(4)	187,831
Right to use properties	22,803	3,206	-	-	26,009	(467)	-	(130)	-	25,412
Trademarks and patents	28,273	2,439	-	-	30,712	2	-	-	-	30,714
Intangible - others	1,575	(642)	-	-	933	(175)	-	-	-	758
Goodwill - Camicado	116,679	-	-	-	116,679	-	-	-	-	116,679
Total	**322,203**	35,280	10,633	(32)	**368,084**	(2,603)	(4,083)	-	(4)	**361,394**

The table below presents the average amortization rates for the intangible assets:

	Parent Company and Consolidated
IT systems	20%
Right to use properties	10%

The features added to fixed assets and intangible assets correspond mainly to investments in opening new stores, reforms, logistics infrastructure and technology, in line with the expansion plan.

12 Impairment of goodwill and intangible assets with indefinite life

For the purposes of the impairment test, the goodwill and the brand acquired through business combinations (as detailed in Note 11), were appropriated to the cash-generating unit (CGU) Maxmix Comercial Ltda. ("Camicado").

The carrying amount of the goodwill and the brand appropriated to the cash-generating unit of Camicado is R$ 144,741 on March 31, 2015 (R$ 144,741 on December 31, 2014).

The Company's management carried out the impairment test of these assets on December 31, 2014, in accordance with the accounting policy presented in Note 3.8. For this analysis, the Company's management considered Camicado as a cash-

generating unit (CGU).

To determine the recoverable value of Camicado, the Company used cash flow projections, before income tax and social contribution, based on financial budgets approved by management for a 10-year period. Measures such as improvement of the product mix, opening of an increasing number of stores in synergy with the parent company, aligned with the brand value proposition and cost dilution, brought about by growth, are signs that sustain the business plan of Camicado, approved by the parent company.

The Company conducted annual review tests of the recoverable value of its assets, and concluded that there are no signs of the need to perform the recoverability test of goodwill and other long-lived assets for the quarter ended March 31, 2015.

13 Borrowings, financing and debentures

13.1 Balances broken down by type

Modalities	Currency	Annual charges	Parent Company		Consolidated	
			03/31/2015	12/31/2014	03/31/2015	12/31/2014
Banco do Nordeste	BRL	Note 13.1 (a)	12,462	5,777	12,462	5,777
National Bank for Economic and Social Dev elopment (BNDES)	BRL	Note 13.1 (b)	56,776	40,123	56,776	40,123
Debentures	BRL	Note 13.2	1,067,749	1,068,376	1,067,749	1,068,376
Working capital - Loan 4131	USD	Note 13.1 (c)	-	-	21,889	26,301
Other	BRL	-	-	-	-	1,619
Total			**1,136,987**	**1,114,276**	**1,158,876**	**1,142,196**
Current liabilities			184,108	182,326	205,997	210,246
Non-current liabilities			952,879	931,950	952,879	931,950
Total			**1,136,987**	**1,114,276**	**1,158,876**	**1,142,196**

(a) The Company signed a loan agreement with Banco do Nordeste through FNE (Northeast Constitutional Financing Fund) on November 6, 2014 to fund the expansion of its group of stores in that region, in the amount of R$ 18,284, secured by a guarantee letter. The first three instalments in the total amount of R$ 12,479, on which interest has already been paid, were released by March 31, 2015. During the grace period interest will be paid quarterly, while the amounts of principal and interest will be paid monthly during the amortization period. The weighted average charge is 8.2% p.a., and in case of default on the payment of the charges, the Company will receive a bonus of 15% on the amount of the charges on each installment. The financing has an amortization period of 7 years.

(b) The Company entered into a financing operation of the Prodesign facility of BNDES (National Bank for Social and Economic Development) on October 27, 2014, through an accredited financial institution, to fund the development of the 2014/2015 collection, in the amount of R$ 65,426 to be released in instalments, against proof of expenses for subsequent reimbursement. The amount of R$ 40,000 was released in 2014, and the amount of R$ 15,692 in 2015, totaling R$ 55,692 relating to partial expenses already incurred. The financing has a total term of 3 years and a grace period of 1 year. During the grace period interest will be paid quarterly, while the amounts of principal and interest will be paid monthly during the amortization period. The credit facility has 50% of its cost in Selic + 2.5% p.a. and the remaining 50% in TJLP (long-term interest rate)+ 2.5% p.a.

(c) The Company has two loan agreements with Banco Santander (Brazil) S/A Grand Cayman Branch, signed on June 11 and 24, respectively, in the amounts of US$ 2,241 and US$ 4,500, totaling US$ 6,741, with date of settlement scheduled for June 2015. Such financings are earmarked for the working capital and for the investments of the expansion plan of Camicado. The contracts also have a swap, having as an asset leg foreign exchange variation and interest of 1.77% p.a., (weighted average cost) and as a liability leg the variation of the CDI (interbank deposit certificate), which were taken out to eliminate the risk of foreign exchange variation (Note 24.6.2).

13.2 Debentures

Type of issue	Issue value	Outstanding (quantity)	Issue	Maturity	Annual charges %	Unit price (in R$)	Parent Company and Consolidated			
							Current		Non-current	
							03/31/2015	12/31/2014	03/31/2015	12/31/2014
4th issue - 1st series	215,100	21,510	07/15/2011	2015 - 2016	CDI + 1.1% p.a	10	113,115	119,680	107,550	107,550
4th issue - 2nd series (*)	84,900	8,490	07/15/2011	2015 - 2017	IPCA + 7.8% p.a	10	41,629	38,197	71,388	68,870
5th issue - 1st series	220,000	22,000	06/15/2012	2016 - 2018	CDI + 0.97% p.a	10	7,886	1,148	220,000	220,000
5th issue - 2nd series	80,000	8,000	06/15/2012	2017 - 2019	IPCA + 5.7% p.a	10	4,351	2,904	96,251	92,857
6th issue - 1st series	400,000	40,000	1/8/2013	2017 - 2018	CDI + 0.85% p.a	10	7,795	19,645	400,000	400,000
Structuring costs	-	-	-	-			(1,037)	(1,037)	(1,179)	(1,438)
Total							**173,739**	**180,537**	**894,010**	**887,839**

(i) In February 2014, Lojas Renner S.A contracted an interest rate swap in which it receives (asset leg) an interest rate based on the IPCA (amplified consumer price index)+ 7.8%, and pays (liability leg) an interest rate of 116.25% of the CDI. This swap was contracted to mitigate the risk of the interest rate of the 2nd series of the 4th debenture issue (see note no. 24.6.2).

(ii) In March 2015, Lojas Renner S.A contracted an interest rate swap in which it receives (asset leg), an interest rate based on the IPCA + 5.7% and pays (liability leg), an interest rate of 98.7% of the CDI. This swap was contracted to mitigate the risk of the interest rate of the 2nd series of the 5th debenture issue (see note no. 24.6.2).

The covenants are described in Note 23.1.3.

13.3 Maturity schedule

The payment schedule for the long-term portion of borrowings, financing and debentures is as follows:

Period	Parent Company and Consolidated
2016	237,775
2017	367,941
2018	307,019
2019	33,826
2020 onwards	6,318
Total	**952,879**

14 Financing - commercial leasing

On March 31, 2015, the Company held commitments deriving from commercial leasing contracts of computer systems, with a 25-month term and weighted average rate of 12.68% p.a. (12.41% p.a. in 2014). Licenses may be acquired at the end of contracts for a guaranteed residual value.

In July 2012, the Company signed a property lease agreement (Administrative Office), with fixed term of 50 years, corrected based on annual cumulative variation of the National Consumer Price Index (INPC). At the end of the contract the Company has the preference in acquiring the property upon notification.

On March 31, 2015, the finance lease liabilities are due as follows:

	Parent Company and Consolidated	
Minimum lease payments	**03/31/2015**	**12/31/2014**
Less than 1 year	9,971	9,450
Between 1 and 5 years	135,378	28,730
Over 5 years	35,419	145,263
	180,768	**183,443**
(-) Less future financial charges	(134,051)	(129,453)
Present value of minimum payments	**46,717**	**53,990**

On March 31, 2015 the balances of property, plant and equipment and intangible assets, net of depreciation/amortization, consider leased assets amounting to R$ 56,103 (R$ 60,465 on December 31, 2014).

15 Financing - financial services operations

On March 31, 2015 the Company had financing for financial services operations (financial products) with the following financial institutions: Banco Santander (Brasil) S.A., Banco Alfa S.A., Banco Bradesco S.A. and Banco Itaú Unibanco S.A.

Current liabilities

	Average monthly charges - %	Parent Company		Consolidated	
		03/31/2015	12/31/2014	03/31/2015	12/31/2014
Financing - sales and invoice installment (a)	5.9% p.m. To 9.9% p.m	11,799	29,263	24,803	37,153
Financing - personal loans (b)	10.85% p.m	-	-	135,955	127,434
Financing - guaranteed account (c)	16.6% p.m / 18.6% p.m	5,666	8,663	131,428	112,848
Financing - vendor (d)	18.6% p.m	86,851	54,414	86,851	54,414
Senior quotas – FIDC Lojas Renner (e)	-	-	-	6,641	6,754
Structuring cost - FIDC Lojas Renner (g)		-	-	(1,886)	(1,884)
		104,316	**92,340**	**383,792**	**336,719**

Non-current liabilities

	Average annual charges - %	Consolidated	
		03/31/2015	12/31/2014
Senior quotas – FIDC Lojas Renner (f)	CDI + 1.08% p.a	420,000	420,000
Structuring cost - FIDC Lojas Renner (g)	-	(5,869)	(6,341)
Total		**414,131**	**413,659**

(a) The values of "Financing - sale invoice installment" refer to amounts funded to the Company's customers by financial institutions through CDCI/Vendor, on purchases made on the condition of payment between seven and eight monthly installments at Lojas Renner SA, and within twelve installments for purchases at merchants Mastercard and Visa ("Meu Cartão"). The Company is jointly liable for the payment.

(b) The values of "Financing - personal loans" correspond to the amounts of personal loans granted to customers by bank controlled and mediated by the RACC. The Company is the guarantor of transactions.

(c) The amounts under "Financing - guaranteed account" are used to finance the overdue, draw-down and refinancing portfolios of "Meu Cartão" and to finance the overdue portfolio of virtual store, beauty department and Camicado products.

(d) The values of "Financing - vendor" are performed by the Covenant for a Financing - Electronic Vendor, with Itaú Unibanco, a credit facility to finance delinquent customers. The Company provides guarantee to Itaú Unibanco of these transactions, assuming as the guarantor and principal payer of the customer's obligations.

(e) Represents the monetary restatement of the subscription of senior quotas of FIDC Lojas Renner, for which redemption occurs in up to 90 days.

(f) Represents the balance of senior quotas issued by FIDC Lojas Renner (Note 7) in a public distribution under the terms of CVM Instruction 400/03, with priority in amortization and redemption in relation to subordinated quotas. This amount will be settled upon termination of FIDC Lojas Renner in May 2019.

(g) Refers to costs incurred to structure FIDC Lojas Renner, which will be recognized in results (cost of financial services) over the life of the fund, according to the internal rate of return (IRR) of the fund raising.

16 Financing of imports

The Company finances part of its imports (FINIMP) through financial institutions in Brazil (Banco Bradesco S.A. and Banco HSBC S.A.). FINIMP is denominated in U.S. dollars and euros, subject to "all in" average interest of 2.34% p.a., (2.06% p.a. on December 31, 2014) consisting of LIBOR, banking spreads and income tax withholding. The maturity of the interest and principal is within 180 days. On March 31, 2015, the total amount of financing import (FINIMP) is R$ 3,895 in the Consolidated (R$ 8,442 in the Consolidated on December 31, 2014).

17 Suppliers

Suppliers are as follows:

	Parent Company		Consolidated	
	03/31/2015	12/31/2014	03/31/2015	12/31/2014
Trade suppliers	295,041	405,269	326,375	461,838
Adjustment to present v alue	(2,809)	(2,548)	(2,809)	(2,548)
Suppliers - use and consumption	74,735	90,860	83,659	102,190
Total	**366,967**	**493,581**	**407,225**	**561,480**

On March 31, 2015, the amount of payments advanced to suppliers, the original maturity of which was subsequent to March 31, 2015 totaled R$ 133,990 (R$ 231,361 on December 31, 2014). Discounts obtained with prepayments are recorded as a reduction of cost of sales, since they are directly related to the contract for supply of goods.

18 Provision for tax, civil and labor risks

The Company and its subsidiaries are party to lawsuits and administrative proceedings with various courts and government agencies, in the normal course of its operations, involving tax, labor and civil matters.

Management, based on information from its legal counsel, recorded a provision in an amount considered sufficient to cover losses expected to arise from lawsuits in progress. For tax proceedings classified as possible losses, the Company provisions amounts estimated for court and lawyers' fees. The amounts provided for on March 31, 2015 are as follows:

18.1 Provisions

		Parent Company		Consolidated	
Tax		03/31/2015	12/31/2014	03/31/2015	12/31/2014
ICMS - Complementary Law 102/2000	(a.1)	5,033	4,501	5,033	4,501
ICMS - suppliers not idoneous	(a.2)	10,145	10,233	10,145	10,233
ICMS - returs	(a.3)	3,919	4,583	3,919	4,583
IRPJ/CSLL - Law 11,196/2005	(a.4)	8,365	8,259	8,365	8,259
FAP/SAT	(a.5)	-	-	2,363	2,160
Others	(a.6)	9,390	7,206	10,043	7,837
(-) Judicial deposits	(a.7)	(8,713)	(9,154)	(11,076)	(11,314)
		28,139	**25,628**	**28,792**	**26,259**
Civil	(b)	14,087	14,859	14,218	14,974
Labor	(c)	9,456	8,822	9,707	9,024
TOTAL		**51,682**	**49,309**	**52,717**	**50,257**
Current liabilities		**23,543**	**23,681**	**23,925**	**23,998**
Non-current liabilities		**28,139**	**25,628**	**28,792**	**26,259**

Tax provisions

(a.1) ICMS Complementary Law 102/2000 – Refers mainly to the challenging of the application of Complementary Law 102/2000 as regards to ICMS credit in the consumption of power, telecommunications and also to credit in acquisitions of fixed assets. The proceedings are underway, and there is no forecast of a disbursement of resources, in view of a judicial deposit of the amounts being legally disputed.

(a.2) ICMS –Suppliers not idoneous– Refers to proceedings related to supposed undue crediting of ICMS related to the acquisition of goods from suppliers considered disreputable by the tax authorities. The proceedings are underway and no date has been set for the disbursement of these resources.

(a.3) ICMS – Returns – Refers to tax assessment notices resulting from the disallowance of ICMS credits vis-à-vis the understanding of SEFAZ/RJ that the return goods invoices issued by the Company did not fulfill the accessory formalities. The proceedings are underway and no date has been set for the disbursement of these resources.

(a.4) IRPJ (corporate income tax)/CSLL (social contribution on net income) - Law 11,196/2005 – Refers to the amount of the benefit calculated by the Company, but not yet confirmed by the Ministry of Science and Technology. The Company has no set a date for the disbursement of these resources.

(a.5) FAP/SAT –Refers to the writ of mandamus challenging the increase in the rate of Workplace Accident Insurance (SAT), from 1% to 3%, and the Accident Prevention Factor (FAP). The remaining balance corresponds to amounts that were deposited in court.

(a.6) Other Provisions – These are related to sundry proceedings, addressing subject matters such as social security contributions, application of ex-officio fine on spontaneous payment of debts, accessory obligations, disallowance of adjustments in the taxable income base, IRPJ and CSLL, and others, whose losses are estimated by our legal consultants according to the criteria used for the other items, highlighted in this note.

(a.7) Judicial deposits were made to continue with the litigation involving tax proceedings, which total, on March 31, 2015, R$ 13,928 at the Parent Company and R$ 16,343 in the Consolidated statement (R$ 15,944 and R$ 18,147 on December 31, 2014, respectively). The balances of filed deposits whose proceedings have provision for tax risks, in the amount of R$ 8,713 at the Parent Company and R$ 11,076 in the Consolidated statement, on March 31, 2015 (R$ 9,154 and R$ 11,314 on December 31, 2014, respectively), are being submitted after deducting the amount of the corresponding liabilities. The other balances of judicial deposits, in the amount of R$ 5,215 at the Parent Company and R$ 5,267 in the Consolidated statement (R$ 6,790 and R$ 6,833 on December 31, 2014, respectively), are presented in noncurrent assets.

Classification of tax provisions

The classification of the tax provisions in accordance with the risk of likelihood of loss assessed by the Company's management and its legal advisors on March 31, 2015 is as follows:

	Parent Company			Consolidated		
Main matters	**Probable**	**Possible**	**Total**	**Probable**	**Possible**	**Total**
ICMS - Compl.Law 102	4,356	677	5,033	4,356	677	5,033
ICMS - Suppliers not idoneous	-	10,145	10,145	-	10,145	10,145
ICMS - Returns	-	3,919	3,919	-	3,919	3,919
IRPJ/CSLL - Law 11,196/2005	-	8,365	8,365	-	8,365	8,365
FAP/SAT	-	-	-	-	2,363	2,363
Others provisions	1,747	7,643	9,390	2,235	7,808	10,043
Total	**6,103**	**30,749**	**36,852**	**6,591**	**33,277**	**39,868**

Civil provisions

(b) The Company and its subsidiaries are parties to civil lawsuits in the consumer area with various matters. The provisions are reviewed periodically, considering the progress of the lawsuits and the history of amounts effectively settled.

Labor provisions

(c) The Company and its subsidiaries are parties to labor lawsuits with various matters. The provisions are reviewed periodically, considering the progress of the lawsuits and the history of amounts effectively settled.

18.2 Contingent liabilities

Contingent liabilities

The main contingent liabilities are related to the tax matters mentioned in the table above "Classification of tax provisions", for which management believes that the likelihood of disbursement is individually low (lawsuits classified as possible loss), but it is probable that, in the set of lawsuits of the same nature, there is a need to disburse the amounts recorded, mainly due to the court and lawyers' fees.

Other contingent liabilities

The Company is discussing a legal claim started by Banco Renner, for the association of the brand "Renner" in the financial products and services operations, except those related to the Credit Card "Renner" and support services related to it, as well as insurance. The discussion is on appealing and is rated as probable loss in respect to the use of the brand "Renner" and remote loss in respect to an eventual compensation, and in both cases no amount has been specified in the lawsuit and there is no estimate of disbursement.

18.3 Changes in the provision for tax, civil and labor risks

Changes in the provision for tax, civil and labor risks on March 31, 2015 were as follows:

Nature	Parent Company				Consolidated			
	On 1/1/2015	(+/-) Additions Reversals	(+) Charges	On 03/31/2015	On 1/1/2015	(+/-) Additions Reversals	(+) Charges	On 03/31/2015
Civil	14,859	(772)	-	14,087	14,974	(756)	-	14,218
Labor	8,822	634	-	9,456	9,024	683	-	9,707
Tax	34,782	1,674	396	36,852	37,573	1,877	418	39,868
(-) Judicial deposits	(9,154)	441	-	(8,713)	(11,314)	238	-	(11,076)
Total	**49,309**	**1,977**	**396**	**51,682**	**50,257**	**2,042**	**418**	**52,717**

19 Other liabilities

Other obligations, in current and non-current liabilities, are comprised as follows:

Current liabilities

	Parent Company		Consolidated	
	03/31/2015	12/31/2014	03/31/2015	12/31/2014
Advances from financial institutions (a)	1,585	1,587	6,195	5,074
Obligations with customers (b)	13,207	15,892	24,816	28,410
Obligations related to the transactions with insurance and capitalization bonds (c)	13,846	14,333	13,964	14,454
Obligations with former controlling stockholders - Camicado (d)	-	-	3,835	3,762
Other obligations (e)	44,935	54,522	16,316	15,484
Total other obligations - current liabilities	**73,573**	**86,334**	**65,126**	**67,184**

Non-current liabilities

	Parent Company		Consolidated	
	03/31/2015	12/31/2014	03/31/2015	12/31/2014
Advances from financial institutions (a)	-	396	3,102	3,781
Obligations with former controlling stockholders - Camicado (d)	-	-	3,106	3,101
Total other obligations - non-current liabilities	**-**	**396**	**6,208**	**6,882**

(a) Refer basically to advances of revenues from intermediation of financial services, related to finance sales and co-branded transactions.

(b) Refer to credits of customers, which can be used as payment for future purchases from the Company and products bought from the wedding gift lists, but not yet delivered.

(c) Advances on insurance transactions related to exclusivity contract and insurance premiums paid by customers to be transferred to the insurance company, as well as capitalization certificates.

(d) Accounts payable to the former controlling stockholders of Maxmix Comercial Ltda.

(e) Accounts payable corresponding to acquisition of ICMS credits, freights, royalties, payroll loans, and derivatives, among others.

20 Taxes and contributions payable

	Parent Company		Consolidated	
	03/31/2015	12/31/2014	03/31/2015	12/31/2014
Income tax and social contribution	9,082	78,679	11,541	79,735
ICMS payable	50,661	134,635	54,798	139,846
Social charges	16,412	16,267	17,483	17,353
PIS/COFINS	14,366	74,443	17,633	79,591
Other taxes	11,287	20,218	12,574	21,410
Total current liabilities	**101,808**	**324,242**	**114,029**	**337,935**
Other taxes	-	-	268	300
Total non-current liabilities	**-**	**-**	**268**	**300**

21 Equity

21.1 Share capital

The Company's authorized capital limit is 225,000,000 (two hundred twenty-five million) common shares , all without par value. Within the limits authorized in the Articles of Association, the Company will be able to increase the capital independently of statutory reform. The Board of Directors will determine the conditions for the share issue, including price and timeframe for payment.

The Company's paid-up capital on March 31, 2015 is R$ 750,853 (R$ 750,853 on December 31, 2014), represented by 127,394,565 (one hundred twenty-seven million, three hundred ninety-four thousand, five hundred sixty-five) nominative common shares with no par value. According to art. 42 of the Company By-laws, any person or group of shareholders that acquires or becomes the holder of shares issued by the Company (Purchasing Shareholder) in a quantity greater than or equal to 20% of the total shares issued, shall, within 60 days after the date of acquisition, hold a Public Offering (PO) for the acquisition of all the shares, complying with provisions of CVM regulations, of the regulations of *BM&FBovespa* and of the Company By-laws. On March 31, 2015, no shareholder individually holds ownership interest greater than or equal to 20%.

Each common share corresponds to the right to one vote in the deliberations of the General Meeting, as well as the right to participate in the allocation of income, in the form of dividends, proposed in compliance with the Company's By-laws and in accordance with articles 190 and 202 of Law 6,404/76, which establish a minimum compulsory dividend equivalent to 25% of the adjusted net income.

On April 16, 2015 the participants of an Ordinary General Meeting approved the allocation of 50% of the balance of the Revenue Reserve to Investment and Expansion for Capital, in the total amount of R$ 354.3 million.

21.2 Capital reserves

Goodwill reserves

These refer to the goodwill arising from the upstream merger of JC Penney Brasil Investments Ltda. (R$ 106,660) and JC Penney Brasil Comercial Ltda. (R$ 11,505), which occurred on December 3, 1999 and May 25, 2005, respectively.

Stock option plan reserve

This refers to the corresponding entry of stock option plan expenses, as described in Note 28. The appropriation of capital reserves depends on the approval of an Extraordinary General Stockholders Meeting. The balance on March 31, 2015 is R$ 134,162 (R$ 127,695 on December 31, 2014).

21.3 Revenue reserves

Reserve for investment and expansion

This reserve is formed according to the intended use decided on by the management bodies, to cover investments in the Company's expansion plan, as provided for in art. 34, item (c) of the Company's by-laws. The balance on March 31, 2015 is R$ 708,616 (R$ 708,616, on December 31, 2014).

Legal reserve

In conformity with Article 193 of Law 6,404/76 and Article 34, item (a), of the Company's bylaws, the legal reserve should be recorded at the equivalent of 5% of the profit for each year. The balance on March 31, 2015 is R$ 63,523 (R$ 63,523 on December 31, 2014).

Additional dividend proposed

This refers to the proposed dividend in addition to the mandatory minimum dividends, which is submitted to the Annual General Meeting (AGM) for approval.

21.4 Carrying value adjustment

Cumulative translation adjustments to foreign currency and unrealized results with derivative financial instruments classified as cash flow hedge accounting are presented as equity valuation adjustments. The amount of adjustments recorded represents earnings, net of tax, in the amount of R$ 52,854 on March 31, 2015 (R$ 19,298 of earnings, net of taxes, on December 31, 2014) and will be reversed upon the settlement of the abovementioned financial instruments, with impacts on income/loss according to the accrual basis of accounting.

22 Earnings per share

Basic earnings per share are calculated by dividing profit attributable to the Company's stockholders by the weighted average number of common shares issued during the period.

Diluted earnings per share is calculated through adjustment of the weighted average number of outstanding common shares assuming the conversion of all share purchase options into potentially dilutive common shares, determining the number of shares that could have been acquired at fair value (based on the annual average market price of the Company's share), in order to compute the monetary value of the subscription rights linked to the outstanding share purchase options.

The number of shares calculated as above is compared to the number of shares that would have been issued, assuming the exercise of the share options.

Basic and diluted earnings per share on March 31, 2015 are presented below:

	Parent Company and Consolidated	
	03/31/2015	03/31/2014
Basic numerator		
Profit for the period	73,190	50,907
Weighted average number of common shares	127,395	125,895
Basic earnings per share	**0.5745**	**0.4044**
Diluted numerator		
Profit for the year	73,190	50,907
Weighted average number of common shares	127,395	125,895
Potential increase in common shares due to the stock option plan	253	1,031
Diluted earnings per share	**0.5734**	**0.4011**

23 Risk management

Overview

In the ordinary course of its business, the Company is exposed to the following risks related to its financial instruments: (i) market risk (including foreign exchange risk and interest rate risk); (ii) credit risk; (iii) liquidity risk; (iv) capital risk, and (v) socio-environmental risks.

The Company's risk management is performed by a multidisciplinary structure, which enables the board of directors to evaluate if the business management is in line with the policies and guidelines defined by management. In April 2012, the Company's Board of Directors created the Audit and Risk Management Committee, whose purpose is to identify and monitor the Company's main risk factors.

23.1 Risk management

23.1.1Market risk

Foreign exchange risk

Foreign exchange risk arises from future and current commercial transactions, generated mainly by the import of goods with prices denominated in U.S. dollars and euro and obtaining of borrowing in foreign currency. The policy of foreign exchange risk management defined by the Company's management is to hedge up to 100% of the imports through hedge operations comprised

of Non-Deliverable Forward (NDF) currency transactions and of up to 100% of the amount of the borrowing obtained in foreign currency.

The net exposure and sensitivity analysis related to purchase orders Import Financing (FINIMP) and SWAP on March 31, 2015 are as follows:

				Consolidated			
				Currency appreciation		Currency depreciation	
Derivatives for hedge accounting		**Nocional** *US$* **e €**	**Probable (*)** *US$* **1 = R$ 3,28** **€ 1= R$ 3,53**	**Possible +25%** *US$* **1 = R$ 4,10** **€ 1= R$ 4,41**	**Remote 50%** *US$* **1 = R$ 4,92** **€ 1= R$ 5,30**	**Possible -25%** *US$* **1 = R$ 2,46** **€ 1= R$ 2,65**	**Remote -50%** *US$* **1 = R$ 1,64** **€ 1= R$ 1,77**
Hedge transactions	Orders issued	(181,036)	17,190	(121,662)	(260,590)	156,196	295,123
Hedge instrument	*NDF*	181,036	(16,462)	122,636	261,734	(155,560)	(294,658)
Net Exposure - Import orders		**-**	**728**	**974**	**1,144**	**636**	**465**
Exposure - Import cost	Estimated cost - import	(72,414)	6,876	(48,665)	(104,236)	62,478	118,049
		(72,414)	**6,876**	**(48,665)**	**(104,236)**	**62,478**	**118,049**
Derivatives not for hedge accounting							
Transaction	Financing of imports (Finimp)	(1,193)	(40)	(1,022)	(2,003)	942	1,923
Instrument	*NDF*	1,193	40	1,009	1,979	(930)	(1,900)
Net exposure - Finimp		**-**	**-**	**(13)**	**(24)**	**12**	**23**
Transaction	Borrowings	(6,741)	(231)	(5,644)	(11,057)	5,181	10,594
Instrument	Swap	6,741	232	5,668	11,105	(5,204)	(10,640)
Net exposure - Swap		**-**	**1**	**24**	**48**	**(23)**	**(46)**
Total net exposure/effect			**7,605**	**(47,680)**	**(103,068)**	**63,103**	**118,491**
Decrease in profit/loss, net of tax effects			**5,019**	**(31,469)**	**(68,025)**	**41,648**	**78,204**

(*) To define the U.S. dollar and the euro rates used in the expected scenario, the Company uses the projections of the BM&FBovespa futures exchange for June 30, 2015. It is important to mention that the net effective exposure is mainly related to estimated future cash flows, for which there is the possibility to adjust the composition of sales price, to cover eventual cost reflections in case of occurrence of deterioration scenarios in dollar and euro rates. Considering that, mostly, effective impacts will only be noted in the statement of income upon settlement of the import purchase orders and import financing (corresponding to inventory realization) and swap.

Interest rate risk

The risk related to interest rates arises from the operations of cash equivalents, short-term highly liquid investments, financial service operations, debentures and swap. The debentures and financing operations regarding financing services expose the Company to the risk of fair value associated to interest rate. The Company's policy is to maintain 100% of its loans allocated in the fixed income market, with payment at fixed interest rates, linked to CDI, TJLP, SELIC, LIBOR and variation of the inflation indexes. The maintenance of financial assets indexed at CDI, as well as the short term of realization of the receivables restated at fixed interest rates, grant to the Company a low risk level associated to the variations of the interest rates.

The Company analyzes its interest rate exposure in a dynamic manner. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions and natural hedging. Based on these scenarios, the Company calculates the impact on profit or loss of a defined interest rate shift. Contracted rates against effective rates in the market are permanently monitored.

On March 31, 2015, as required by IN CVM no. 475/08, the Company conducted sensitivity tests for adverse and favorable scenarios of interest (CDI, TJLP, Selic and IPCA at 25% or 50% higher or lower than the probable scenario), considering the following assumptions: scenario expected for interest rate of the CDI, TJLP, Selic and IPCA for the next disclosure (indicators and sensitivity for June 30, 2015) of, respectively, 13.01% p.a., 5.5% p.a., 13.06% p.a. and 7.54% p.a. These estimates are based on projections of the future market *BM&FBovespa* (except for TJLP extracted from BNDES). We present below the sensitivity analysis of the risk of interest rates on March 31, 2015:

		Consolidated				
			Interest increase		Interest decrease	
Financial instruments	**On 03/31/2015**	**Probable scenario**	**Possible (+) 25% - R$**	**Remote (+) 50% - R$**	**Possible (-) 25% - R$**	**Remote (-) 50% - R$**
Cash equivalents	687,936	21,514	26,893	32,271	16,136	10,757
Borrowings, financing and debentures	(1,158,876)	(36,439)	(45,548)	(54,659)	(27,329)	(18,220)
(*) *Swap*	7,782	290	362	435	218	145
Financing - financial services operations	(797,923)	(10,645)	(13,306)	(15,967)	(7,983)	(5,322)
Decrease in result for the year	**(1,261,081)**	**(25,280)**	**(31,599)**	**(37,920)**	**(18,958)**	**(12,640)**
Impact on result, net of taxes		**(16,685)**	**(20,855)**	**(25,027)**	**(12,512)**	**(8,342)**

(*) Informations according to note 24.6.2

23.1.2 Credit risk

The Company's credit risk arises mainly from cash equivalents, accounts receivable and derivative financial instruments.

Cash equivalents

According to the Company's financial policy, cash equivalents (marketable securities) can only be invested at financial institutions with low credit risk and with recognized solidity in the market, which have a global and national rating classified, respectively, with the investment grade on March 31, 2015 at A-3 and brAA-1 in the amount of R$ 627,457 at the parent company and R$ 687,936 in the consolidated statement (on December 31, 2014, A-3 and brAA-1 in the amount of R$ 625,541 at the Parent Company and R$ 742,079 in the Consolidated statement).

Accounts receivables

The Company's sales and credit granting policies are subject to the credit policies established by its management, supported by technological systems and state-of-the-art processes, linked to the risk and fraud area in the financial products unit, and are intended to minimize problems arising from the default of its customers. This objective is achieved by the Company's management, by means of a strict selection of the customer portfolio, which considers the ability to pay (credit analysis) and diversification of operations (risk dispersion).

The credit quality of the most representative portfolios is as follows: CCR (Private Label) and third-party cards represent 96.62% of the balance of the Parent Company and 70.19% in the Consolidated (97.58% in the Parent Company and 76% in the Consolidated, on December 31, 2014). Based on the portfolio risk analysis on March 31, 2015, the credit quality is broken down as follows:

	Parent Company		Consolidated	
Classification of credit quality risk	**03/31/2015**	**12/31/2014**	**03/31/2015**	**12/31/2014**
Low - (a)	774,847	1,053,068	804,073	1,091,023
Medium low - (b)	360,831	418,901	360,831	418,901
Medium - (c)	49,569	56,921	49,569	56,921
Medium high - (d)	6,788	7,731	6,788	7,731
High - (e)	26,571	30,357	26,571	30,357
Total	**1,218,606**	**1,566,978**	**1,247,832**	**1,604,933**

The internal classification of the credit risk quality of the receivables portfolio is as follows:

(a) Low - customers with accounts for more than six months, with an average default lower than 15 days; and receivables from credit card administrators.

(b) Medium low - customers with accounts for up to six months.

(c) Medium - customers with accounts for more than six months, with an average default between 15 and 29 days.

(d) Medium to high - customers with accounts for more than six months, with an average default between 30 and 59 days.

(e) High - customers with accounts for more than six months, with an average default superior to 60 days.

The customers of the personal loan portfolio and the co-branded card denominated "Meu Cartão" originate from the CCR portfolio and, therefore, present a level of risk and credit quality similar to that observed in the private label portfolio and represent only 3.38% of the total portfolio in the Parent Company and 29.81% in the Consolidated (2.42% in the Parent Company and 24% in the Consoldated on December 31, 2014).

Receivables are originated in the retail operations, mostly to individuals, with individual credit analysis, low average ticket, characterized by the pulverization of the credit risk and the absence of guarantee instrument, so that the amounts recorded in accounts receivable reflect the appropriate dimension of the Company's exposure to credit risk. In the process of managing the recovering debts, the Company does not perform the renewal of debt and therefore the aging recorded in receivable reflects the original conditions of the contracts.

Derivatives

Based on the Company's financial policy, the use of derivative financial instruments "NDF" and "swap" is performed only with financial institutions with recognized strength in the market, which have global and national rating of investment grade ("A-3" and "brA-1" at March 31, 2015, and"A-2 "and" brA-1" on December 31, 2014), based on the Standard and Poor's rating. The balance of derivative assets is R$ 82,100 in the Parent Company and R$ 88,517 in the Consolidated (R$ 29,558 in the Parent Company and R$ 33,324 in the Consolidated on December 31, 2014).

23.1.3 Liquidity risk

The liquidity risk refers to the possibility that the Company may not comply with its contractual obligations on the expected dates or find difficulty to meet the needs of the due cash flows.

The Company has defined the management of cash based on the strategy to maintain a strategic minimum cash amount, based on the retail segment cash cycle, as well as the minimum capital required to support the credit operations. Management's main objectives for the administration of strategic minimum cash are: precaution for uncertainty periods on the liquidity of the economy, ensure the implementation of investment strategy and expansion of the Company, ensuring the maintenance/expansion of financial products operations in times of constraint credit, support the repayment of debt and ensure the continued policy of distributing dividends.

Management monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs. The overall credit facility limits provide sufficient headroom on its undrawn committed borrowing facilities to minimize the risk of exceeding such limits or violating loan covenants. Such forecasts take into consideration the Company's borrowing plans.

The Company has loans with covenants for which require the maintenance of financial indicators with the main operation with clauses such Debentures, and the 4th issue issued on July 15, 2011, the 5th issue issued on June 15, 2012 and the 6th emission issued on 1 August 2013. The summary of the covenant financial ratios required in this operation, according to the "Public Offering Document" registered in CVM are:

- Fourth issue of debentures of July 15, 2011:

(i) Consolidated Net debt/EBIDTA less or equal to 2.5;
(ii) EBITDA/Consolidated financial results higher or equal to 2.0 or less than zero.

- Fifth issue of debentures of June 15, 2012:

(i) Consolidated Net debt/EBIDTA less or equal to 3.0;
(ii) EBITDA/Consolidated net financial results higher or equal to 2.0 or less than zero, whereas in the latter case the EBITDA must be greater than zero.

- Sixth issue of debentures of August 1, 2013:

(iii) Consolidated Net debt/EBIDTA less or equal to 3.0;
(iv) EBITDA/Consolidated net financial results higher or equal to 2.0 or less than zero, whereas in the latter case the EBITDA must be greater than zero.

The Company monitors those covenants periodically and has been in compliance with them with reasonable security margin.

The Company invests surplus cash in interest-bearing financial assets (Note 5), choosing instruments with appropriate maturities or sufficient liquidity to provide an adequate safety margin as determined by the above-mentioned forecasts. On March 31, 2015, the cash equivalents held by the Company have immediate liquidity and are considered in the liquidity risk management.

The contractual cash flows of financial liabilities are as follows:

Parent Company

On March 31, 2015	Accounting Balance	Less than 3 months	From 3 to 6 months	From 6 to 12 months	From 1 to 2 years	From 2 to 5 years	Over 5 years
Financial liabilities							
Borrowings, financing and debentures	1,136,987	12,918	161,908	9,282	245,175	701,825	5,879
Financing - financial services operations	104,316	94,283	9,035	998	-	-	-
Finance lease	46,717	(2,203)	(100)	7,003	8,200	(1,602)	35,419
Suppliers	366,967	366,967	-	-	-	-	-
Obrigations with credit card administrators	27,432	27,432	-	-	-	-	-
Total	**1,682,419**	**499,397**	**170,843**	**17,283**	**253,375**	**700,223**	**41,298**
On Deceber 31, 2014							
Financial liabilities							
Borrowings, financing and debentures	1,114,276	31,488	2,498	148,340	234,908	694,152	2,890
Finance lease	53,990	6,153	(938)	(1,085)	8,224	6,713	34,923
Financing - financial services operations	92,340	68,907	18,397	5,036	-	-	-
Obrigations with credit card administrators	6,093	6,093	-	-	-	-	-
Suppliers	493,581	493,581	-	-	-	-	-
Total	**1,760,280**	**606,222**	**19,957**	**152,291**	**243,132**	**700,865**	**37,813**

Consolidated

On March 31, 2015	Accounting Balance	Less than 3 months	From 3 to 6 months	From 6 to 12 months	From 1 to 2 years	From 2 to 5 years	Over 5 years
Financial liabilities							
Borrowings, financing and debentures	1,158,876	34,807	161,908	9,282	245,175	701,825	5,879
Financing - financial services operations	797,923	181,160	173,919	28,713	(1,894)	416,025	-
Financing of imports	3,895	3,410	485	-	-	-	-
Finance lease	46,717	(2,203)	(100)	7,003	8,200	(1,602)	35,419
Suppliers	407,225	407,225	-	-	-	-	-
Obrigations with credit card administrators	176,293	145,744	23,300	7,249	-	-	-
Total	**2,590,929**	**770,143**	**359,512**	**52,247**	**251,481**	**1,116,248**	**41,298**
On Deceber 31, 2014							
Financial liabilities							
Borrowings, financing and debentures	1,142,196	41,413	20,493	148,340	234,908	694,152	2,890
Finance lease	53,990	6,153	(938)	(1,085)	8,224	6,713	34,923
Financing - financial services operations	750,378	148,255	159,017	29,447	(1,892)	415,551	-
Financing of imports	8,442	5,201	2,844	397	-	-	-
Obrigations with credit card administrators	196,988	156,048	31,123	9,817	-	-	-
Suppliers	561,480	561,480	-	-	-	-	-
Total	**2,713,474**	**918,550**	**212,539**	**186,916**	**241,240**	**1,116,416**	**37,813**

Additionally, the rating agency Standard & Poor's classified the credit rating of the Company as brAA+ in the national scale category (Brazil).

23.1.4 Capital management

The Company uses its own capital and third parties to finance its activities, aiming the optimization of the capital structure. The Company monitors debt levels in relation to its capacity to generate cash flow (EBITDA) and its capital structure and on March 31, 2015 are as follow:

	Parent Company		Consolidated	
	03/31/2015	12/31/2014	03/31/2015	12/31/2014
Borrowings and financing				
Current	(184.108)	(182.326)	(205.997)	(210.246)
Non-current	(952.879)	(931.950)	(952.879)	(931.950)
Cash and cash equivalents	677.346	709.403	748.236	834.340
Net debt	**(459.641)**	**(404.873)**	**(410.640)**	**(307.856)**
Operational financing				
Current	(104.316)	(92.340)	(387.687)	(345.161)
Non-current	-	-	(414.131)	(413.659)
Net debt, including operational financing	**(563.957)**	**(497.213)**	**(1.212.458)**	**(1.066.676)**

Seasonality in the generation of income and in the equity positions originating from the operation is inherent to the Company's business. In the three-month period ended March 31, 2015, the Company recorded a reduction in the balance of cash and cash equivalents, due mainly to the payments of liabilities contracted in the fourth quarter of the previous year, resulting from the seasonality of its operations (reduction of positions of suppliers and taxes payable) and to the acquisitions of fixed assets and intangible assets arising from its investment activities.

The balance of net debt is a consequence of the capital management decisions and the debt service is accounted in the Financial Result.

The other liabilities with the financial system regards to operating funding, most of which directly linked to the financing of the receivables from financial product with, funding costs charged to operating profit (loss). The net debt including operational financing reflects the Company's total exposure to the financial system.

23.1.5 Socio-environmental risks

(a) Environmental risks

In order to mitigate the environmental impacts arising from its operations, Lojas Renner has been intensely acting in the management of its solid waste since 2010. Waste generated by the stores (paper, cardboard, lamps, cosmetics bottles, merchandising materials and other) are disposed of, through reverse logistics, in the Company's distribution centers, where they are sorted out and sent to the final destination. The Solid Waste Management Program is implemented according to Law 12,305/10, which establishes the Solid Waste National Policy. This policy determines the prevention and reduction of residue generation, as well as the environmentally-appropriate disposal of the waste (that is, residue that cannot be recycled or reused). More than 90% of the waste generated in 2014 was destined for recycling or reuse.

(b) Impact on the communities

Given the close relationship maintained with its suppliers, the Company is able to recognize the difficulties posed on the textile segment when it comes to hiring specialized professionals. In order to minimize this difficulty and the interruption of its suppliers' production, Lojas Renner, in partnership with the suppliers, runs a workforce training program, the purpose of which is to promote the employment of women and to contribute to the development of the fashion industry in the country.

(c) Contracted suppliers

In order to make sure that no supplier employs any form of forced labor, promotes slavery-like practices, offers unsafe work environment or promotes discrimination or harassment, Lojas Renner requires that all of its suppliers sign a "Commitment Term - Responsible Conduct", in which they formalize their compliance with the Company's Code of Conduct and Ethics, and a Commercial Agreement, in which they commit to fully abide by the applicable labor laws.

Furthermore, Lojas Renner only selects resale suppliers that are certified by the Brazilian Association of Textile Retail (Abvtex), and, in addition to that, the Company invests in the periodical monitoring and assessment of 100% of its textile suppliers, by carrying out Social Responsibility audits, performed either by its own audit team or by an internationally renowned company, with a focus on the labor conditions of the suppliers' production chain.

24 Financial instruments

24.1 Financial instruments by category

All of the financial instrument and derivative transactions are recognized in the financial statements of the Company and its subsidiaries on March 31, 2015, as shown in the table below:

	Parent Company		Consolidated	
Assets	**03/31/2015**	**12/31/2014**	**03/31/2015**	**12/31/2014**
Fair value through profit or loss (held for trading)				
Derivatives	82,100	29,558	88,517	33,324
Loans and receivables				
Cash and cash equivalents	677,346	709,403	748,236	834,340
Accounts receivable	569,929	908,389	1,610,505	1,908,518
FIDC Lojas Renner	182,000	182,000	-	-
Liabilities				
Financial liabilities at amortized cost				
Borrowings, financing and debentures	1,136,987	1,114,276	1,158,876	1,142,196
Financing - financial services operations	104,316	92,340	797,923	750,378
Finance lease	46,717	53,990	46,717	53,990
Suppliers	366,967	493,581	407,225	561,480
Obrigations with credit card administrators	27,432	6,093	176,293	196,988
Fair value through profit or loss				
Financing of imports	-	-	3,895	8,442

During the period ended March 31, 2015, there was no reclassification among the categories shown in the table above.

24.2 Criteria, assumptions and limitations used in the fair value calculation

24.2.1 Fair value

Fair value versus book value

The fair value of the financial assets and liabilities, together with the book values presented in the balance sheet on March 31, 2015 are as follows:

	Parent Company				Consolidated			
	03/31/2015		12/31/2014		03/31/2015		12/31/2014	
Assets	**Book value**	**Fair value**	**Book value**	**Fair value**	**Book value**	**Fair value**	**Book value**	**Fair value**
Cash and cash equivalents	677,346	677,346	709,403	709,403	748,236	748,236	834,340	834,340
Accounts receivable	569,929	569,929	908,389	908,389	1,610,505	1,610,505	1,908,518	1,908,518
FIDC Lojas Renner	182,000	182,000	182,000	182,000	-	-	-	-
Derivatives	82,100	82,100	29,558	29,558	88,517	88,517	33,324	33,324
Total	**1,511,375**	**1,511,375**	**1,829,350**	**1,829,350**	**2,447,258**	**2,447,258**	**2,776,182**	**2,776,182**
Liabilities								
Financing - financial services operations	104,316	115,971	92,340	98,701	797,923	810,731	750,378	755,685
Borrowings, financing and debentures	1,136,987	1,118,952	1,114,276	1,107,396	1,158,876	1,140,841	1,142,196	1,135,316
Financing of imports	-	-	-	-	3,895	3,895	8,442	8,442
Obrigations with credit card administrators	27,432	27,432	6,093	6,093	176,293	176,293	196,988	196,988
Suppliers	366,967	366,967	493,581	493,581	407,225	407,225	561,480	561,480
Finance lease	46,717	46,952	53,990	54,421	46,717	46,952	53,990	54,421
Total	**1,682,419**	**1,676,274**	**1,760,280**	**1,760,192**	**2,590,929**	**2,585,937**	**2,713,474**	**2,712,332**

24.2.2 Criteria, assumptions and limitations used in the calculation of market value

Cash and cash equivalents

The interest rates on the Company's cash equivalents at the period end approximate the market rates for transactions of similar nature, terms and risks and, therefore, the carrying amounts of cash equivalents approximate the market values.

Accounts receivable

Accounts receivable correspond to the amounts receivable for the sale of goods through the "Meu Cartão" credit operations and the amounts of personal loans granted to customers by the financial institutions, in which the company acts as a mediator.

Accounts receivable are initially recognized at fair value and subsequently adjusted by effective interest rate considering the effects of recognition and measurement of present value.

Credit Rights Investment Fund (FIDC)

The Credit Rights Investment Fund (FIDC) corresponds to the subordinated quotas owned by Lojas Renner. The subordinated quotas do not have remuneration goals, and may only be redeemed after the full redemption of the senior quotas.

Borrowings, financing and debentures

Borrowings and financing are usually entered into under market conditions and, therefore, their book value approximate the market values for transactions with a similar term, origin and risks. For long-term loan operations (debentures), although the latter are obtained at rates which are similar to market rates, considering the materiality of the amounts and the impact of changes in rates in the long term, the differences between the fair value and the book value were calculated and presented.

Financing of financial service operations

The transactions to fund financial products refer, in the Parent Company, to the face values of obligations assumed by the clients, of which the Company is a guarantor; therefore, considering the short-term nature of these obligations, the book values approximate the market values. In the Consolidated financial statements, it also includes the amounts referring to the senior shares of the Lojas Renner Credit Rights Investment Fund (FIDC), adjusted at rates similar to the market rates for transactions with a similar term, origin and risks.

Financing of imports

Financing of imports is initially designated and qualified as fair value through profit or loss (fair value option).

Financing - commercial lease

The commercial leases of IT systems are contracted at fixed market rates. In case of fluctuations in the current interest rates in the market, and considering the long-term payment of these obligations, differences between the fair value and the book value of these financings are calculated.

Obligations with credit card administrators

In the Parent Company, these obligations refer to amounts received by clients "Meu Cartão" to be transferred to Renner Administradora de Cartões de Crédito. In the Consolidated, they refer to the amounts to be transferred to the "Visa and Mastercard" systems for the use of "Meu Cartão" by customers. Considering the short-term realization of these liabilities, the fair value is similar to the book value recorded.

Suppliers

Suppliers are initially recognized at fair value and subsequently adjusted by effective interest rate considering the effects of recognition and measurement of present value.

Derivatives

The criterion for determining the fair value of derivative financial instruments is based on the use of market curves of each derivative on the calculation date, as well as methodologies used and generally accepted by the market, as detailed below:

- Currency forward (NDF) - the method used to estimate the fair value of the NDF operations consisted of calculating the differences between the contracted value and the market benchmark adjusted to present value, based on information obtained from the BM&FBovespa.

- Swap - The method used to estimate the fair value of the swap operations consisted of calculating the differences between the derivative asset and liability discounted to present value, based on information obtained from the BM&FBovespa.

24.3 Fair value hierarchy

According to the definition of fair value, the contracted financial instruments correspond to a Level 2 hierarchy. The definition of fair value hierarchy, as CPC 40/IAS 39 is as follows:

- Level 2 - Used for financial instruments that are not negotiated in active markets (for example, over-the-counter derivatives), whose assessment is based on techniques which, other than quoted prices included in Level 1, use other information adopted by the market for the asset or liability, directly (that is, as prices) or indirectly (that is, based on prices).

On March 31, 2015, the financial instruments measured at fair value fall within Level 2 of the fair value hierarchy, as shown in the table below:

	Parent Company				Consolidated			
Assets	**03/31/2015**	**Level 2**	**12/31/2014**	**Level 2**	**03/31/2015**	**Level 2**	**12/31/2014**	**Level 2**
Derivatives	82,100	82,100	29,558	29,558	88,517	88,517	33,324	33,324
Total	**82,100**	**82,100**	**29,558**	**29,558**	**88,517**	**88,517**	**33,324**	**33,324**
Liabilities								
Financing of imports	-	-	-	-	3,895	3,895	8,442	8,442
Total	**-**	**-**	**-**	**-**	**3,895**	**3,895**	**8,442**	**8,442**

24.4 Impairment losses

In Note 6 (accounts receivable), the Company shows the composition of provision for impairment losses in accordance with management's recoverability assessment.

24.5 Guarantees

The Company presents this in Note 29 - Guarantees and responsibilities.

24.6 Derivative financial instruments

The Management of these instruments is performed through operating strategies, aimed at liquidity, profitability and security. The

Company and its subsidiaries do not invest in derivatives or any other financial instruments on a speculative basis.

Derivative financial instruments are entered into as defined by an internal policy approved by the Management, in order to hedge the foreign exchange risk taken in import orders, import financing and borrowings, as well as to hedge interest rate risk, as described in Note 3.14.
The Company has been using US dollar and euro futures contracts of the Non-Deliverable Forward (NDF) type to hedge its exposure to changes in the prices of foreign currencies.

As presented in the table for the net exposure and sensitivity analysis of transactions subject to foreign exchange variation in the "Currency Risk" item (Note 23.1.1), the information on derivative transactions on March 31, 2015 are segregated between transactions designated for hedge accounting (cash flow hedge) and transactions not designated for hedge accounting.

In the table below, we present the breakdown of derivatives on March 31, 2015 in the Parent Company and Consolidated financial statements:

24.6.1 Derivatives designated to hedge accounting

The derivatives designated for cash flow hedge accounting, which have forward currency contracts (NDFs) as the hedging instrument and foreign exchange variations on the cash flow from import orders as the hedged item, are broken down as follows:

	Parent Company		Consolidated	
	03/31/2015	**12/31/2014**	**03/31/2015**	**12/31/2014**
Designated for hedge accounting				
Currency forward contracts (NDF request)	79,742	29,085	79,965	29,240
Total	79,742	29,085	79,965	29,240
Not designed for hedge accounting				
Interest rate swap (4th emission 2nd series)	2,313	473	2,313	473
Interest rate swap (5th emission 2nd series)	45	-	45	-
Interest rate swap (working capital - 4131)	-	-	5,424	3,005
Currency forward contracts (NDF Finimp)	-	-	770	606
Total	2,358	473	8,552	4,084
Total - Derivatives	**82,100**	**29,558**	**88,517**	**33,324**
Current assets	81,660	29,558	88,077	33,324
Non-current asset	440	-	440	-
Total	**82,100**	**29,558**	**88,517**	**33,324**

NDF (*Non-Deliverable Forward*)

Hedge instrument				Hedge transaction	
Maturity	**Transaction**	**Nocional (US$)**	**(*) Fair value**	**Transaction**	**Estimated maturity**
From 4/1/2015 to 6/30/2015	NDF	43,798	31,919	Import orders	From 4/1/2015 to 6/30/2015
From 7/1/2015 to 9/30/2015	NDF	47,265	23,090	Import orders	From 7/1/2015 to 9/30/2015
From 10/01/2015 to 12/31/2015	NDF	50,390	11,826	Import orders	From 10/01/2015 a 12/31/2015
From 01/01/2016 to 3/31/2016	NDF	38,401	12,467	Import orders	From 1/1/2016 to 3/31/2016
From 4/01/2016 to 6/30/2016	NDF	618	440		From 4/1/2016 to 6/30/2016
Total Parent Company		**180,472**	**79,742**	Import orders	
From 4/1/2015 to 6/30/2015	NDF	258	137	Import orders	From 4/1/2015 to 6/30/2015
From 7/1/2015 to 9/30/2015	NDF	306	86	Import orders	From 7/1/2015 to 9/30/2015
Total Consolidated		**181,036**	**79,965**		

(*) Non-Deliverable Forwards are priced under the discounted cash flow method, using projections from BM&FBovespa.

During the year, the NDF transactions used to hedge the cash flow risk of import orders were effective and complied with the levels established by accounting pronouncement CPC 40/IAS 39.

24.6.2 Derivatives not designated to hedge accounting

The derivatives not designated for hedge accounting correspond to the forward currency contracts of the NDF type and the swap, the purpose of which is to mitigate the impact of foreign exchange variations arising from Import Financing (FINIMP), the interest rate risk of the 2nd series of the 4th and 5th issue of debentures and the currency risk of the loan taken out by Maxmix Comercial Ltda. in foreign currency.

NDF (*Non-Deliverable Forward*) – FINIMP

Instrument					Transaction	
Maturity	**Transaction**	**Nocional (US$)**	**Nocional (€)**	**(*) Fair value**	**Transaction**	**Estimated maturities**
From 4/1/2015 to 6/30/2015	NDF	922	122	652	Financing imports	From 4/1/2015 to 6/30/2015
From 7/1/2015 to 9/30/2015	NDF	149	-	118	Financing imports	From 7/1/2015 to 9/30/2015
Total Consolidated		**1,071**	**122**	**770**		

(*) Non-Deliverable Forwards are priced under the discounted cash flow method, using projections from BM&FBovespa.

Swap

In February 2014, Lojas Renner S.A. entered into an interest rate swap whereby it receives an interest rate based on the Extended Consumer Price Index (IPCA) + 7.8% (asset leg) and pays interest at 116.25% of the Interbank Deposit Certificate (CDI) rate (liability leg). The notional amount of this contract is R$ 97,581 and the maturity dates coincide with the repayment dates of the debt incurred in connection with the 2nd series of the 4th issue of debentures.

In March 2015, Lojas Renner S.A. entered into an interest rate swap whereby it receives interest based on the IPCA + 5.7% (asset leg) and pays interest at 98.7% of the CDI rate (liability leg). The notional amount of this contract is R$ 95,513 and the maturity dates coincide with the repayment dates of the debt incurred in connection with the 2nd series of the 5th issue of debentures.

These swaps were entered into to mitigate the interest rate risk of the 2nd series of the 4th and 5th issue of debentures. The fair value of the swaps in the quarter ended March 31, 2015 corresponds to a gain of R$ 1,885, recorded with a corresponding entry to finance income (costs). The counterparties of these transactions are Banco Bradesco S.A and Banco Santander S.A., respectively. The balance of the swap at March 31, 2015 is R$2,358 (R$ 473 at December 31, 2014).

On June 11 and 24, the subsidiary Maxmix Comercial Ltda. ("Camicado") entered into a swap whereby it receives interest based on the interest rates established in the contract and exchange rate variation (asset leg) and pays interest at 108.5% of the CDI (liability leg). The notional amount of these contracts is US$ 6,741 and their settlement is in June 2015. This swap was entered into to mitigate foreign exchange risk. The fair value of the swap in the quarter ended March 31, 2015 corresponds to a gain of R$ 2,419, recorded with a corresponding entry to finance income (costs). The counterparty of this transaction is Banco Santander S.A. The balance of the swap at March 31, 2015 is R$5,424 (R$ 3,005 at December 31, 2014).

Cash flow

The table below shows the expected cash flow the from import orders of future operations exposed to foreign currency hedged by derivatives, using as reference the US dollar exchange rate expected for the next reporting date (June 30, 2015) of R$ 3.28:

	2Q15	3Q15	4Q15	1Q16	2Q16	Total
Free on Board (FOB) - resale goods import orders (a)	144,886	156,199	165,456	134,267	10,206	**611,014**
Notional amount - R$ thousand	144,886	156,199	165,456	134,267	10,206	**611,014**
Notional amount - US$ thousand	44,056	47,571	50,390	38,401	618	**181,036**

(a) The cash flows related to import orders of merchandise for resale are initially recorded in the cost of inventories and subsequently in profit or loss as the inventories are realized in the normal course of operations.

25 Related parties

The Company, its subsidiaries and related parties carry out certain intercompany transactions for financial, commercial, and operational purposes. We describe below the most significant transactions:

25.1 Consolidated context

Compensation of the members of the Board of Directors and Executive Board (the "Management")

Pursuant to Corporation Law and the Company's bylaws, it is the responsibility of shareholders, at a General Shareholders' Meeting, to set the total amount of the annual management fees. It is up to the Board of Directors to distribute the allowance among the managers after considering the Committee of Persons. During the quarter ended March 31, 2015, management compensation amounted to R$ 2,294 (R$ 2,033 at March 31, 2014) and was presented as other operating results (Note 31).

At the Annual Shareholders' Meeting held on April 16, 2015, the shareholders approved a maximum limit of R$ 15,000 for management compensation in 2015.

Stock option plan

The Company has a stock option plan whereby the members of the management can acquire Company shares in the form and under the conditions set forth in the plan (note 28). In the quarter ended March 31, 2015, the expense incurred with the stock option plan for the management totaled R$ 4,169 (R$ 2,317 at March 31, 2014).

Statutory profit sharing

Statutory profit sharing refers to the profit sharing attributed to the members of management, as defined in the sole paragraph of Article 34 of the Company's bylaws, and must be approved by the shareholders at a General Meeting.

25.2 Parent company's context

Lease agreements

In 2009, the Company renewed the lease agreement with the subsidiary Dromegon, from which it rents the building of the store located in the city of Porto Alegre. The amount of the lease of this property is always the higher of the following: (i) the equivalent to 4.29% of the gross monthly sales made by the store, or (ii) R$ 175 per month. The aforementioned agreement is effective for ten years, subject to renewal.

In May 2012, the Company entered into lease agreements with the subsidiary Dromegon referring to the buildings of the stores located in Santa Maria and Pelotas. The amount of the lease of the store located in the city of Santa Maria is always the higher of either the equivalent to 4% of the gross monthly sales made by the store or R$ 60 per month, whereas the amount of the lease of the store in the city of Pelotas is always the higher of either the equivalent to 4% of the gross monthly sales made by the store or R$ 54 per month. These agreements are effective for ten years and may be renewed.

Personal loan extension service agreement

The Company offers personal loan financial services through its subsidiary Renner Administradora de Cartões de Crédito Ltda. (RACC) by means of agreements for loan extension by financial institutions, providing conditions for Renner customers to obtain personal loans. RACC also operates with cards under the brand Meu Cartão. Lojas Renner is a party in the transaction through its operating infrastructure and serves as guarantor.

Use of Renner Card and "Meu Cartão" in Camicado

One of the main synergy drivers pointed out by management in the Camicado integration process is the acceptance of Renner Card (CCR) and "Meu Cartão" in Camicado stores. As of October 2011 Renner Card and "Meu Cartão" customers were able to use them for purchases from Camicado.

Agreement to apportion corporate costs and expenses

As a means of optimizing the corporate structure made available to management, Lojas Renner and its subsidiaries entered into agreements among themselves to share their structures, mainly focused on sharing back-office and corporate structure (see note 25.3 for further details).

25.3 Balances and transactions with related parties

The main asset and liability balances on March 31, 2015 and the amounts recorded in the statement of income for the period, related to transactions with related parties, arise from transactions carried out under contractual and usual market conditions for the related types of transactions and are summarized below:

Balances with related parties

	Parent Company					
Assets (liabilities)	**Rents**				**Current account**	**Current account**
Companies	**payable**	**Meu cartão**	**Personal loan**	**CCR**	**Asset**	**Liability**
Renner Administradora de Cartões de Crédito Ltda. - (RACC)	-	(1,324)	(21,213)	-	7,073	-
Dromegon Participações Ltda.	(6,274)	-	-	-	-	-
Maxmix Comercial Ltda. - (Camicado)	-	-	-	(8,252)	441	-
Fashion Business Comércio de Roupas Ltda. - (Youcom)	-	-	-	-	238	-
Lojas Renner Shanghai Trading	-	-	-	-	-	(1)
Balance receivable (payable) on March 31, 2015	**(6,274)**	**(1,324)**	**(21,213)**	**(8,252)**	**7,752**	**(1)**
Balance receivable (payable) on December 31, 2014	**(5,218)**	**36,564**	**(29,920)**	**(9,684)**	**8,959**	**(51)**

Transactions with Related Parties

	Parent Company			
Revenue (Expense)	**Rents**		**Shared expense**	
Companies	**03/31/2015**	**12/31/2014**	**03/31/2015**	**12/31/2014**
Renner Administradora de Cartões de Crédito Ltda. - (RACC)	-	-	10,289	6,343
Dromegon Participações Ltda.	(1,354)	(1,265)	13	9
Maxmix Comercial Ltda. - (Camicado)	-	-	440	417
Fashion Business Comércio de Roupas Ltda. - (Youcom)	-	-	267	113
Impact in result, net of taxes	**(1,354)**	**(1,265)**	**11,009**	**6,882**

26 Insurance coverage

The Company and its subsidiaries have insurance policies with some of the main Brazilian insurance companies, which were defined based on the advice of specialists and taking into consideration the nature and degree of risk involved. On March 31, 2015, the Company and its subsidiaries had insurance coverage against civil liability and property insurance (basic coverage: fire, lightning, explosion and other coverage of the property insurance policy) and for inventories, as shown below:

	Consolidated	
	03/31/2015	**12/31/2014**
Civil liability and Directors & Officers (D&O)	88,400	88,400
Property and inventories	2,632,411	2,416,751
Vehicles	32,797	27,783

27 Agreements or other material obligations between the company and its officers

In conformity with Chapter IV, Article 13 of the Company's bylaws, Company's management is under the responsibility of the Board of Directors and Executive Officers. The appointment of these Officers is recorded in an appropriate book, signed by the person taking office, who also waives any guarantee, and through the previous signing of the Term of Consent of the Officers referred to in the New Market Listing Regulations.

The Board of Directors, elected at the Stockholders' Meeting, has a unified term of office of one (1) year, with reelection being permitted. The members of the Board of Directors in office will be considered automatically appointed for reelection by joint proposal of the members of the Board of Directors.

The Executive Officers, whose members are elected and may be removed at any time by the Board of Directors, have a term of office of two years, with reelection permitted, and are engaged under a service agreement, which includes fixed compensation updated annually by the INPC and variable compensation, based on the Company's financial performance. The terms of the service agreement are consistent with the respective elected term of each director, except for the service agreement with the CEO.

On March 5, 2014, the Company entered into a new service agreement with its Chief Executive Officer. The Agreement provides for tenure of at least three (3) years, which can be extended for additional two (2) years at the discretion of the Board of Directors. The compensation comprises a fixed amount annually adjusted based on the INPC index, and a variable amount reflecting the Company's financial performance. The CEO was also granted a new option grant to purchase shares (Note 28).

28 Stock option plan

The stock option plan approved at the Extraordinary General Meeting of the Company's stockholders, held on May 25, 2005, and modified by the stockholders at the Extraordinary General Meetings, held on April 10, 2007 and March 30, 2009, is supervised by the People Committee ("Committee"), created according to the Company's bylaws, comprising independent members of the Company's Board of Directors ("Board"). The members of the Committee cannot obtain benefits from the shares included in the plan.

Main characteristics of the stock option plan

The programs provide that 50% of the options will become exercisable after three years from their grant date, and the rest after four years (considering only the options of a same grant). The programs also provide the right to exercise the option, in case of death, retirement or permanent disability of the participant. As from the 3rd grant, in the event of an obligation to carry out a public offering pursuant to articles 39, 40, 41 and 42 of the bylaws, or in the event of success of a public offering for acquisition of control of the Company, if any of these cases results in dismissal without cause of the Plan participant at the Company's initiative, all options granted to the related participant and those not yet available for exercise will become automatically exercisable. After an option becomes exercisable, the beneficiary (Officers and selected Executives) can exercise it at any time, at his/her sole discretion, up to the end of the period of six (6) years from the option grant date. The contractual grant of options to the Chief Executive Officer, dated March 30, 2009, provides that the exercise of the options will be subject to a total vesting period of six years from the grant date and as from the second anniversary of the grant date, the early exercise of 20% per year will be permitted, providing that the value of the Company increases based on Total Shareholder Return (TSR) goals established by the Board of Directors. On March 5, 2014, a new contractual grant of options to the Chief Executive Officer was approved, providing that the exercise of the options will be subject to a total vesting period of six years from the grant date, and, as from the second and third anniversaries from the grant date, the early exercise of 30% of the options will be permitted in each anniversary, and the remaining 40% can be exercised as from the last quarter of the fourth year from the agreement signing date, providing that the value of the Company increases based on Total Shareholder Return (TSR) goals established by the Board of Directors.

Each option entitles the holder to subscribe one share of the Company. On March 31, 2015, there were 4,117 thousand options (3,396 thousand on December 31, 2014), representing in the aggregate approximately 2.67% of the 127,395 thousand shares of the Company.

28.1 Summary of the changes in the stock option plan

			Number of shares - Parent Company and Consolidated						
Option plan	Grant date	Exercise amount	On 1/1/2014	(-) Exercised	(-) Canceled	(+) Granted	On 12/31/2014	(+) Granted	On 03/31/2015
5th grant	1/19/2009	15.15	77	(77)	-	-	-	-	-
Contractual grant	3/30/2009	14.44	1,094	(1,094)	-	-	-	-	-
6th grant A	1/18/2010	38.65	339	(218)	-	-	121	-	121
7th grant	2/16/2011	51.42	468	(112)	(15)	-	341	-	341
8th grant	02/06/2012	55.15	557	-	(48)	-	509	-	509
9th grant	2/22/2013	78.06	499	-	(45)	-	454	-	454
10th grant	2/19/2014	56.18	-	-	(48)	769	721	-	721
Contractual grant	03/05/2014	55.88	-	-	-	1,250	1,250	-	1,250
11th grant	02/12/2015	72.88	-	-	-	-	-	721	721
			3,034	**(1,501)**	**(156)**	**2,019**	**3,396**	**721**	**4,117**

The closing price of the Company's shares on March 31, 2015 is R$ 90.78 (R$ 76.47 on December 31, 2014).

Considering the exercise of 4,117 thousand in the money options (6th, 7th, 8th, 9th,10th and 11th grants and contractual grants), we present below the effects on the Company's equity value per share and the related percentage reduction in the ownership interest of the current stockholders on March 31, 2015 (December 31, 2014):

	Parent Company and Consolidated	
	03/31/2015	12/31/2014
Equity	1,944,684	1,855,268
Number of shares - thousand	127,395	127,395
Book v alue per share - R$	15.26	14.56
Equity, considering the in the Money options exercised	2,140,761	2,015,906
Number of shares, considering the in the Money options exercised	131,512	130,337
Book v alue of the share, considering the in the Money options exercised	16.28	15.47
% of decrease in the ownership interest of current stockholders, considering the in the Money options exercised	3.13%	2.26%

28.2 Assumptions to determine the fair value of the stock options

The fair value of share options granted is calculated on the date of the related grant based on the Black & Scholes valuation model. This model uses assumptions such as the market value of the share on the grant date, the exercise price of the option, the volatility of the Company's share price, the risk-free interest rate, and the vesting period. The expense is recorded on a "pro rata temporis" basis, which starts on the grant date and continues to the date on which the option becomes vested. In the three months period ended March 31, 2015, the stock option plan expenses totaled R$ 6,467 (R$ 2,883 on March 31, 2014).

The table below shows the assumptions used to determine the fair value of the grants in progress on March 31, 2015:

							Parent Company and Consolidated	
Option plan	**Grant date**	***Dividend yield***	**Share price volatility**	**Risk-free interest-rate**	**Validity period**	**Number of options**	**Fair value on grant date per share (R$)**	**Exercise price per share (R$)**
6th grant A	1/18/2010	3.07%	33.65%	12.12%	0.73	256	20.53	38.65
7th grant	2/16/2011	3.65%	42.84%	11.80%	1.82	186	29.87	51.42
8th grant	6/2/2012	3.37%	29.38%	10.54%	2.81	194	32.09	55.15
9th grant	2/22/2013	2.77%	22.40%	9.05%	3.87	105	30.20	78.06
10th grant	2/19/2014	3.97%	24.11%	12.20%	4.88	162	26.35	56.18
Contractual grant	5/3/2014	3.72%	26.77%	11.89%	4.91	1,250	29.91	55.88
11th grant	12/2/2015	2.25%	27.82%	11.77%	5.87	721	24.89	72.88

29 Guarantees and responsibilities

As of September 2008, the Company made available overdraft credit facilities to its customers, in order to cover its portfolio in arrears, withdrawals and refinancing of "Meu Cartão", as well as for late payments to its virtual store, beauty division and Camicado, assuming responsibility for settlement of such liabilities. The respective amounts are stated under the current liabilities item financing – financial service transactions, which on March 31, 2015 totaled R$ 5,666 in the Parent Company and R$ 131,421 in the Consolidated (R$ 8,663 and R$ 112,848 on December 31, 2014 respectively), see note 15.

As of August 2005 the Company started offering its customers interest-bearing installment payments intermediated by financial institutions (consumer loan/vendor), whereby the Company acts as guarantor and chief payer, jointly responsible for all the liabilities arising from these transactions. On March 31, 2015 the amounts yet to mature of installment sales guaranteed by the Company totaled R$ 11,799 in the Parent Company and R$ 24,803 in the Consolidated (R$ 29,263 and R$ 37,153 on December 31, 2014 respectively), see note 15.

As of December 2010, the Company started providing its customers with a credit facility to fund non-performing customers, by means of the Itaú Unibanco Electronic Vendor Loan Extension Agreement. The Company guarantees Itaú Unibanco in these transactions, serving as guarantor and chief payer of the liabilities assumed by customers. Loans granted to customers under this form of credit are stated under the current liabilities item financing – financial services transactions, which on March 31, 2015 totaled R$ 86,851 in the Parent company and Consolidated (R$ 54,414 on December 31, 2014 respectively), see note 15.

In April 2006 the Company and its subsidiary RACC entered into a "Personal Loan Extension Service Agreement" for Renner customers with Banco Safra S.A., and as of March 2010 with Banco Alfa S.A. As part of this transaction, Lojas Renner S.A. acted as guarantor and chief payer to the bank for the principal and ancillary liabilities assumed by Renner customers in their personal loans extended under this agreement. On March 31, 2015 the amount yet to mature of guaranteed personal loans totaled R$ 135,955 (R$ 127,434 on December 31, 2014) in the Consolidated, pursuant to note 15).

In June 2014, the subsidiary Maxmix Comercial Ltda. obtained a foreign currency loan from the Grand Cayman branch of Banco Santander (Brasil) S.A., with Lojas Renner S.A. serving as guarantor. The guarantee was in the form of a promissory note, which on March 31, 2015 totaled R$ 21,889 (R$ 26,301 on December 31, 2014), see note 13.1.

30 Revenues

Net operating revenue has the following composition:

	Parent Company		Consolidated	
	03/31/2015	12/31/2014	03/31/2015	12/31/2014
Gross operating revenue	**1,387,613**	**1,125,135**	**1,522,213**	**1,218,239**
Sales of products	1,274,214	1,025,560	1,349,420	1,083,086
Financial products and services	113,399	99,575	172,793	135,153
(-) Deductions	**(327,911)**	**(265,228)**	**(348,266)**	**(279,339)**
Taxes on sales	(325,602)	(258,790)	(338,525)	(268,570)
Taxes on financial products and services	(2,309)	(6,438)	(9,741)	(10,769)
Net operating revenue	**1,059,702**	**859,907**	**1,173,947**	**938,900**

The Company has no outstanding sales returns, because according to their policy of product return, the customer receives on the act of return a bonus the same exchange-value of merchandise returned for later use in a new purchase.

31 Other operating results

We present below the breakdown of other operating results:

	Parent Company		Consolidated	
	03/31/2015	03/31/2014	03/31/2015	03/31/2014
Management remuneration	(2,294)	(2,033)	(2,294)	(2,033)
Tax expenses	(8,352)	(5,890)	(9,380)	(6,601)
Financial product/service expenses	(16,968)	(15,368)	(37,620)	(29,478)
Disposal of property, plant and equipment	(271)	(137)	(378)	(137)
Depreciation and amortization	(57,779)	(45,816)	(61,385)	(48,304)
Stock option plan	(6,467)	(2,883)	(6,467)	(2,883)
Other operating (expenses) income	(3,878)	1,364	(3,697)	1,483
Recovery of tax credits	9,674	133	10,199	709
Employee profit sharing (a)	(6,793)	(4,375)	(6,793)	(4,375)
Other operating results	**(93,128)**	**(75,005)**	**(117,815)**	**(91,619)**

(a) Refers to expenses with the Profit Sharing Program, which is structured in conformity with Law 10,101/2000.

32 Finance result

Finance income recorded in financial results is mainly derived from the gains earned on investments classified as "Cash equivalents", which are subject to usual market rates (Note 5) and, therefore, resemble the fair value or market value for the assets. Finance expenses arise mainly from the cost of debentures and borrowing and financing at market rates (Notes 13 and 14) and therefore resemble the fair value for instruments with similar maturity and risk.

The breakdown of finance result is as follows:

	Parent Company		Consolidated	
	03/31/2015	03/31/2014	03/31/2015	03/31/2014
Finance income	**26,528**	**19,132**	**31,735**	**19,520**
Gains on cash equivalents	13,385	14,861	13,891	15,147
Interest received	139	6	144	8
Foreign exchange gains	11,132	2,519	11,761	2,610
Monetary variation gains	(13)	65	(14)	66
Gain on hedge transactions settled	-	-	1,649	-
Gain on hedge transactions - accrual	1,885	1,677	4,304	1,677
Other finance income	-	4	-	12
Finance expense	**(53,964)**	**(33,521)**	**(59,720)**	**(34,766)**
Interest on borrowings, financing and debentures	(37,872)	(29,544)	(42,504)	(29,544)
Interest - finance lease	(1,437)	(895)	(1,437)	(895)
Interest payable	(177)	(215)	(193)	(266)
Foreign exchange losses	(12,279)	(745)	(12,338)	(776)
Monetary variation losses	(396)	(617)	(556)	(890)
Loss on hedge transactions - accrual	-	(354)	-	(354)
Other finance expenses	(1,803)	(1,151)	(2,692)	(2,041)
Finance result, net	**(27,436)**	**(14,389)**	**(27,985)**	**(15,246)**

33 Segment information

Management defined the Company's operating segments based on reports used for strategic decision-making, reviewed by the Board of Directors (Note 3.1).

The Company's segment reporting is segregated into:

- **Retail:** trade of clothing articles (for women, men and kids), perfumery, cosmetic products, hygiene products, byproducts, watches and other department-store related items, as well as the home and decor segment;

- **Financial products:** financial services, with intermediation of financial service operations with charges, personal loans, capitalization certificates and insurance brokerage.

The results per business segment are as follows:

Consolidated

	Retail		Financial Products		Total	
	03/31/2015	03/31/2014	03/31/2015	03/31/2014	03/31/2015	03/31/2014
Net operating revenue	1,010,895	814,516	163,052	124,384	1,173,947	938,900
Cost of sales	(460,582)	(392,224)	(11,593)	(4,318)	(472,175)	(396,542)
Gross profit	**550,313**	**422,292**	**151,459**	**120,066**	**701,772**	**542,358**
Selling	(307,292)	(256,198)	-	-	(307,292)	(256,198)
General and administrative	(100,353)	(81,634)	-	-	(100,353)	(81,634)
Losses on receivables, net	-	-	(45,737)	(29,171)	(45,737)	(29,171)
Other operating results	(11,965)	(10,817)	(37,620)	(29,478)	(49,585)	(40,295)
Results from segments	**130,703**	**73,643**	**68,102**	**61,417**	**198,805**	**135,060**
Supplementary information						
Depreciation and amortization	(61,210)	(48,247)	(175)	(57)	(61,385)	(48,304)

The segment result presented in the table above does not deduct expenses with depreciation and amortization, the stock option plan, the officers' profit-sharing and disposal of property, plant and equipment. The exclusion of these expenses from the calculation of the segment result is in line with the way management evaluates the performance of each business and its contribution to the Company's cash generation.

The Company does not record finance result per segment, because it believes that its formation is more related to the corporate decisions of capital structure than to the nature of the result of each business segment.

The sums of the total assets and total liabilities of the retail and financial product segments are R$ 5,083,749 (R$ 5,321,540 on December 31, 2014) and R$ 3,139,065 (R$ 3,466,272 on December 31, 2014), respectively.

34 Property rental agreements of units in operation

On March 31, 2015 the Company had 358 rental agreements for its retail, logistics and administrative units, of which 268 agreements related to the Parent Company's activities, 66 to Camicado's operations and 24 agreements to Youcom's operations (on December 31, 2014 there were 343 agreements, of which 257 related to the Parent Company, 62 to Camicado and 24 related to Youcom). The Company reviewed said agreements and concluded that with the exception of its head office agreement (see note 14), all the others were classed as operational leasing.

Most lease agreements of commercial units (stores) provide for a variable rent depending on sales and/or a minimum value, and is mandatory for the Company to pay the higher value. The minimum contractual amounts are readjusted annually in accordance with the changes in the main inflation indices.

Rental agreements for the logistics and administrative areas are based on contractual amounts with annual readjustments according to changes in the main inflation indices.

Rental agreements are assessed and recognized as expenses based on a store's performance.

For the quarter ended on March 31, 2015, from the Parent Company's viewpoint and including the rental agreement with Dromegon mentioned in note 25.3, rental expenses net of recoverable taxes totaled R$ 55,992 (R$ 48,365 on March 31, 2014). The balance of rental payable on March 31, 2015 is R$ 28,749 (R$ 37,024, on December 31, 2014).

For the quarter ended on March 31, 2015, from the Parent Company's viewpoint and excluding the rental agreement with Dromegon mentioned in note 25.3, rental expenses net of recoverable taxes totaled R$ 60,321 (R$ 51,551 on March 31, 2014). The balance of rental payable on March 31, 2015 is R$ 33,305 (R$ 41,266, on December 31, 2014).

Future liabilities arising from these agreements on March 31, 2015 totaled a minimum of R$ 1,373,354, allocated as shown below:

	Total	2015	2016	2017	2018	2019	2020 onwards
Rentals	1,373,354	155,694	203,801	188,568	172,829	157,472	494,990

35 Expenses by nature

The Company's statements of income are presented by function. Expenses by nature are as follows:

	Parent Company		Consolidated	
	03/31/2015	03/31/2014	03/31/2015	03/31/2014
Cost of sales, and financial services	(439,397)	(370,204)	(472,175)	(396,542)
Personnel	(149,136)	(122,111)	(160,339)	(131,054)
Occupancy	(79,263)	(69,243)	(88,754)	(76,789)
Depreciation and amortization	(57,779)	(45,816)	(61,385)	(48,304)
Third-party servicese	(37,638)	(28,873)	(40,113)	(30,993)
Utilities and services	(28,619)	(20,811)	(30,267)	(22,262)
Promotions	(31,879)	(27,281)	(34,834)	(29,487)
Losses on receivables, net	(31,924)	(20,847)	(45,737)	(29,171)
Financial products and services	(16,968)	(15,368)	(37,620)	(29,478)
Other expenses	(66,728)	(56,595)	(72,148)	(61,084)
Total	**(939,331)**	**(777,149)**	**(1,043,372)**	**(855,164)**
Classified as:				
Cost of sales, and financial product services	(439,397)	(370,204)	(472,175)	(396,542)
Selling expenses	(281,542)	(235,674)	(307,292)	(256,198)
General and administrative expenses	(93,340)	(75,419)	(100,353)	(81,634)
Losses on receivables, net	(31,924)	(20,847)	(45,737)	(29,171)
Other operating results	(93,128)	(75,005)	(117,815)	(91,619)
Total	**(939,331)**	**(777,149)**	**(1,043,372)**	**(855,164)**

36 Distribution of income

The Annual Shareholders' Meeting held on April 16, 2015 approved a dividend payout of R$ 188,721 (R$ 1.48594 per share, of which R$ 72,061 as interest on shareholders' equity capital) for the 2014 year. Payment will take place within 10 days of the respective resolution by the Shareholders' Meeting.

Interest on capital

The Company's Management proposed in the Board of Directors meeting held on March 18, 2015, payment of interest on own capital as part of the mandatory dividends for the 2015 year, of a gross amount of R$ 23,797 (R$ 0.1868 per share). This dividend payout will be submitted for approval to the Annual Shareholders' Meeting to be held by April 2016.

Interest on own capital is originally stated in the accounting and tax books as financial expenses, when appropriating the amounts payable to shareholders. Nonetheless, when preparing such financial statements, the transaction's essence is employed and therefore such amounts are considered as dividends and do not appear in the income figures. As a consequence, in these statements the previously mentioned entries are restated, i.e. interest paid or interest payable on own capital is stated as a charge to retained earnings. The amount stated was fully deducted when calculating income tax and social contribution on net profit, and the tax benefits arising from this deduction were of roughly R$ 8,091 on March 31, 2015 (R$ 5,903 on March 31, 2014), pursuant to note 9.3.

* * *

OPINION AND STATEMENTS

UNQUALIFIED OPINION

Report on the review of quarterly information

To the Board Members and Shareholders of
Lojas Renner S.A.
Porto Alegre – RS

Introduction
We have reviewed the interim, individual and consolidated accounting information of Lojas Renner S.A. ("Company"), included in the quarterly financial information – ITR, for the quarter ended March 31, 2015, which comprises the balance sheet as of March 31, 2015, and related statements of income, comprehensive income, changes in shareholders' equity and cash flows for the three month periods then ended, including the explanatory notes.

Management is responsible for the preparation of the individual an consolidated interim accounting information in accordance with Technical Pronouncement CPC 21 (R1) – Interim Statement and with international standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board – IASB, as well as for the presentation of this information in a manner consistent with the standards issued by the Securities Commission, applicable to the preparation of the Quarterly Information – ITR. Our responsibility is to express a conclusion on this interim information based on our review.

Scope of the review
Our review was carried out in accordance with the Brazilian and international review standards for interim information (NBC TR 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 – Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists in asking questions, chiefly to the persons in charge of financial and accounting affairs, and in applying analytical procedures and other review procedures. The scope of a review is significantly lower than that of an audit held in accordance with auditing rules, and as a result we were unable to ascertain whether we became aware of all the significant matters likely to be detected in an audit. Therefore, we do not express an opinion on the information disclosed.

Conclusion on the interim accounting information
Based on our review, we are not aware of any facts that would lead us to believe that the individual and consolidated interim accounting information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of Quarterly Information - ITR, and presented in a manner consistent with the standards issued by the Securities Commission.

Other issues
Statements of added value
We also reviewed the individual and consolidated statement of added value for the three-month period ended March 31, 2015, prepared by the Company's management, whose presentation in the interim information is required according to the standards issued by the CVM - Securities and Exchange Commission, applicable to the preparation of Quarterly Information – ITR and considered supplementary information by the IFRS, which do not require the presentation of the statement of added value. These statements were subjected to the review procedures previously described and, based on our review, we are not aware of any other event that make us believe that those were not prepared, in all material respects, in accordance with the individual and consolidated financial interim information taken as a whole.

Review of prior quarterly information amounts
The financial statements and interim accounting information, individual and consolidated, corresponding to the year ended December 31, 2014 and quarter ended March 31, 2014, submitted for comparative purposes were previously audited and reviewed, respectively, by other independent auditors that issued reports dated in February 11, 2015 and April 29, 2014, respectively, which did not contain any modification.

Porto Alegre, April 27, 2015

KPMG Auditores Independentes
CRC SP-014428/F-7

(Original report in Portuguese signed by)
Cristiano Jardim Seguecio
Accountant CRC SP-244525/O-9 T-RS