LOJAS RENNER S.A.

RENNER CAMICADO YOUCOM

Earnings Conference Call

4Q15 & 2015

Friday, February 5th, 2016
Time: 1:00 p.m. (Brazil) / 10 a.m. (US-EST)

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Access to the Webcast:
http://webcast.neo1.net/Cover.aspx?PlatformId=yNN3q%2FzjdB8%2BBWSq28prZw%3D%3D

February, 2015



4Q15 Results

	4Q15	Var. %
Net Revenue from Merchandise Sales (MM)	**R$ 1,837.4**	***10.0%***
Growth in Same Store Sales (%)	***4.5%***	
Gross Profit from Merchandise Sales (MM)	**R$ 1,022.8**	***10.0%***
Gross Margin from Retailing Operation (%)	***55.7%***	0.0p.p.
Operating Expenses (SG&A) (MM)	**R$ 529.6**	***13.3%***
As a % over Net Revenue from Merchandise Sales (%)	***28.8%***	0,8p.p.
Adjusted EBITDA from Retailing Operation (MM)	**R$ 453.2**	***7.0%***
Adjusted EBITDA Margin from Retailing Operation (%)	***24.7%***	-0.7p.p.
Result from Financial Products (MM)	**R$ 38.4**	***-8.6%***
% Over Total Adjusted EBITDA (%)	***7.8%***	-1,2p.p.
Adjusted Total EBITDA (Retail + Financial Products) (MM)	**R$ 491.7**	***5.6%***
Adjusted Total EBITDA Margin (%)	***26.8%***	-1.1p.p.
Net Income (MM)	**R$ 251.5**	***15.0%***
Net Margin (%)	***13.7%***	0.6p.p.

2015 Results

	2015	Var. %
Net Revenue from Merchandise Sales (MM)	**R$ 5,450.9**	***17.4%***
Growth in Same Store Sales (%)	***10.8%***	
Gross Profit from Merchandise Sales (MM)	**R$ 2,984.7**	***19.4%***
Gross Margin from Retailing Operation (%)	***54.8%***	1.0p.p.
Operating Expenses (SG&A) (MM)	**R$ 1,859.1**	***18.4%***
As a % over Net Revenue from Merchandise Sales (%)	***34.1%***	0.3p.p.
Adjusted EBITDA from Retailing Operation (MM)	**R$ 1,038.8**	***24.3%***
Adjusted EBITDA Margin from Retailing Operation (%)	***19.1%***	1.1p.p.
Result from Financial Products (MM)	**R$ 208.4**	***-4.2%***
% Over Total Adjusted EBITDA (%)	***16.7%***	-4.0p.p.
Adjusted Total EBITDA (Retail + Financial Products) (MM)	**R$ 1,247.2**	***18.4%***
Adjusted Total EBITDA Margin (%)	***22.9%***	0.2p.p.
Net Income (MM)	**R$ 578.8**	***22.8%***
Net Margin (%)	***10.6%***	0.4p.p.

Breakdown by Business Model



	4Q15	2015
Net Revenues (MM)	R$ 1,716.9	R$ 5,114.4
Growth	8.6%	16.5%
Gross Margin	56.1%	55.2%
Store Inauguration	11	27
Total Number of Stores	275	275

- Great acceptance of the new collection
- Well-honed strategy to product allocation in the stores
- Efficient execution of retailing operation
- Adequate inventory management
- Efficient commercial strategy
- Important growth of the e-commerce business

Breakdown by Business Model



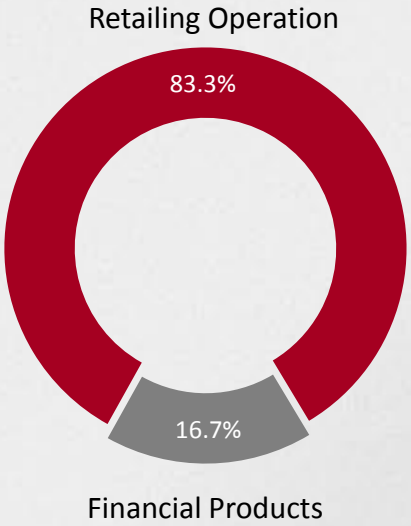


- Good sales performance
- Gross Margin growth
- Product mix and visual merchandise improvements
- Net Income in 2015

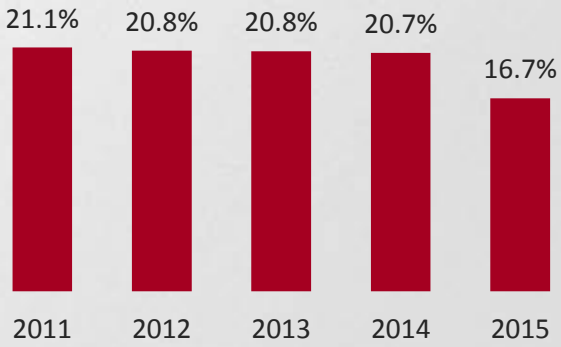
- Sales growth
- Gross Margin increase
- Improvement of product development, visual merchandising and operational management of stores

Financial Products 2015

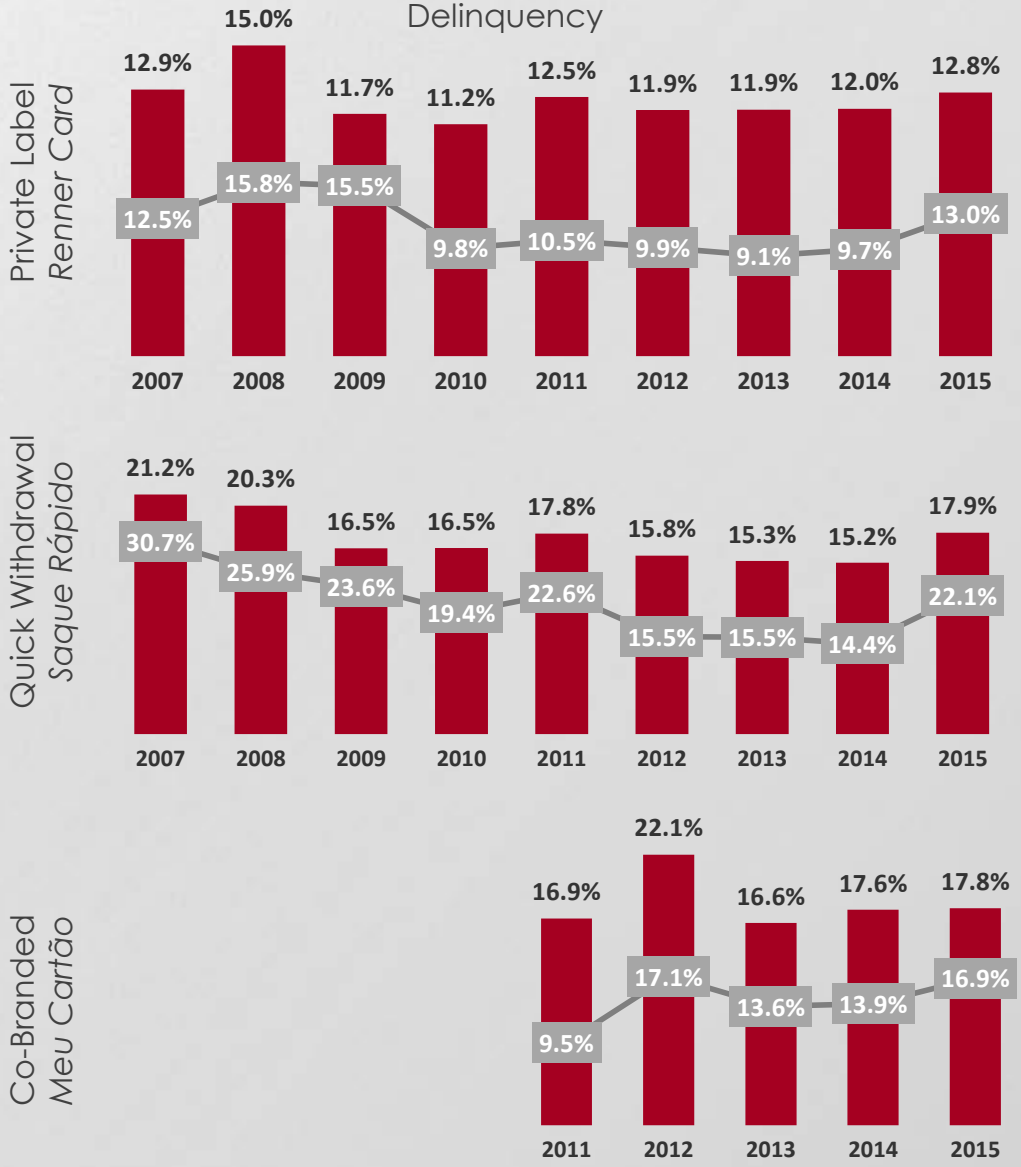
Contribution on Total Adjusted EBITDA



Financial Products Contribution on Total Adjusted EBITDA



Delinquency



Credit Losses Over the Total Portfolio, Net of Recoveries

Percentage of Past Dues Over the Total Portfolio

2016 Outlook

- R$ 550 million of CAPEX to be invested on the inauguration of 25 Renner stores, 15 Camicado and 20 Youcom, as well as some store refurbishments and IT & systems, with special attention to the ERP updates (commercial, credit and *back office*).

- Continuity of the main projects under development: new *logistics implementation with push-pull*, Reactivity Project and Suppliers' Development Program as well as initiatives for productivity improvements.

- Net Sales and SSS more moderate than in 2015, based on market share gains, store maturation and competitive differentials.

- Operating improvements to mitigate FX impacts on Gross Margin and absolute control over operational expenses in order to offset inflationary pressures and the impacts of higher taxes on payroll and PIS/COFINS over financial products revenues.



THANK YOU!

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1a CORPORAÇÃO BRASILEIRA ANO 10

LREN3 NOVO MERCADO BM&FBOVESPA

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