Quarterly Information (ITR)

EZ TEC Empreendimentos e Participações S.A. and Subsidiaries

March 31, 2014

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Company Information/Capital Breakdown

(In thousands of reais)

Number of shares (units) of paid-in capital	Current quarter 03/31/2014
Common	146,724,120
Preferred	-
Total	146,724,120
Treasury shares	
Common	-
Preferred	-
Total	-

Individual financial statements / Balance sheet - assets

(In thousands of reais)

Account code	Account description	Current quarter 03/31/2014	Prior year 12/31/2013
1	Total assets	2,576,100	2,439,243
1.01	Current assets	169,865	116,238
1.01.01	Cash and cash equivalents	2,341	2,925
1.01.02	Short-term investments	163,716	109,503
1.01.02.02	Short-term investments measured at amortized cost	163,716	109,503
1.01.08	Other current assets	3,808	3,810
1.02	Noncurrent assets	2,406,235	2,323,005
1.02.01	Long-term receivables	50,421	56,199
1.02.01.08	Related-party receivables	8,374	9,778
1.02.01.09	Other noncurrent assets	42,047	46,421
1.02.01.09.03	Taxes recoverable	13,070	17,492
1.02.01.09.04	Securities receivable	14,618	14,618
1.02.01.09.05	Other receivables	14,359	14,311
1.02.02	Investments	2,344,676	2,255,500
1.02.03	Property and equipment	5,108	5,335
1.02.04	Intangible assets	6,030	5,971

Individual financial statements / Balance sheet – liabilities and equity

(In thousands of reais)

Account code	Account description	Current quarter 03/31/2014	Prior year 12/31/2013
2	Total liabilities and equity	2,576,100	2,439,243
2.01	Current liabilities	375,393	333,993
2.01.01	Social and labor liabilities	6,229	4,797
2.01.01.02	Social and labor liabilities	6,229	4,797
2.01.02	Trade accounts payable	1,695	12,981
2.01.03	Tax liabilities	41	33
2.01.05	Other liabilities	363,941	314,325
2.01.05.01	Related-party payables	224,769	175,152
2.01.05.02	Other	139,172	139,173
2.01.05.02.02	Minimum mandatory dividend payable	139,172	139,172
2.01.05.02.04	Accounts payable	-	1
2.01.06	Provisions	3,487	1,857
2.01.06.02	Other provisions	3,487	1,857
2.01.06.02.04	Provision for investment losses	3,487	1,857
2.02	Noncurrent liabilities	3,774	3,774
2.02.04	Provisions	3,774	3,774
2.02.04.01	Tax, social security, labor and civil provisions	3,774	3,774
2.02.04.01.05	Provision for contingencies	3,774	3,774
2.03	Equity	2,196,933	2,101,476
2.03.01	Paid-in capital	1,050,000	1,050,000
2.03.02	Capital reserves	38,297	38,297
2.03.04	Income reserves	1,013,179	1,013,179
2.03.05	Retained earnings (accumulated losses)	95,457	-

Individual Financial Statements / Income statement

(In thousands of reais)

Account code	Account description	YTD- current year 01/01/2014 to 03/31/2014	YTD- prior-year quarter 01/01/2013 to 03/31/2013
3.04	Operating income (expenses)	91,967	149,249
3.04.02	General and administrative expenses	(16,744)	(12,452)
3.04.02.01	General and administrative expenses	(14,920)	(10,979)
3.04.02.02	Key management personnel compensation	(1,824)	(1,473)
3.04.05	Other operating expenses	(3,623)	(844)
3.04.05.01	Provision for investment losses	(1,630)	(456)
3.04.05.02	Tax expenses	(277)	(285)
3.04.05.03	Other expenses	(1,716)	(103)
3.04.06	Equity pickup	112,334	162,545
3.05	Income before financial income (expenses) and taxes	91,967	149,249
3.06	Financial income (expenses)	3,490	1,479
3.06.01	Financial income	3,593	1,498
3.06.02	Financial expenses	(103)	(19)
3.07	Income before income taxes	95,457	150,728
3.09	Net income from continuing operations	95,457	150,728
3.11	Net income for the period	95,457	150,728
3.99	Earnings per share – (Reais/Share)		
3.99.01	Basic earnings per share (in R$)		
3.99.01.01	ON	0.65000	1.03000

Individual financial statements / Statement of comprehensive income

(In thousands of reais)

Account code	Account description	YTD- current year 01/01/2014 to 03/31/2014	YTD- prior-year quarter 01/01/2013 to 03/31/2013
4.01	Net income for the period	95,457	150,728
4.03	Comprehensive income for the period	95,457	150,728

Individual financial statements / Cash flow statement – indirect method

(In thousands of reais)

Account code	Account description	YTD- current year 01/01/2014 to 03/31/2014	YTD- prior-year quarter 01/01/2013 to 03/31/2013
6.01	Net cash - operating activities	42,523	91,812
6.01.01	Cash generated by operations	(16,199)	(10,905)
6.01.01.01	Net income for the period	95,457	150,728
6.01.01.02	Interest and monetary variation, net	(3,550)	(1,098)
6.01.01.03	Depreciation and amortization	2,598	1,553
6.01.01.04	Equity pickup	(112,334)	(162,545)
6.01.01.05	Provision for investment losses	1,630	457
6.01.02	Changes in assets and liabilities	58,722	102,717
6.01.02.01	Acquisition of Certificate for Potential Additional Construction (CEPAC)	-	(10,152)
6.01.02.02	Other assets	4,722	(378)
6.01.02.03	Trade accounts payable	(11,286)	684
6.01.02.04	Other liabilities	1,439	903
6.01.02.05	Dividends received from subsidiaries	63,847	111,660
6.02	Net cash - investing activities	(94,128)	(85,652)
6.02.01	Acquisition of financial securities	(60,010)	(40,499)
6.02.02	Redemption of financial securities	9,001	22,085
6.02.03	Capital payment in subsidiaries	(42,391)	(60,525)
6.02.04	Acquisition of property and equipment and intangible assets	(728)	(1,343)
6.02.05	Goodwill upon investment acquisition	-	(5,370)
6.03	Net cash - financing activities	51,021	(2,588)
6.03.01	Related parties	51,021	(2,588)
6.05	Increase (decrease) in cash and cash equivalents	(584)	3,572
6.05.01	Cash and cash equivalents at beginning of period	2,925	625
6.05.02	Cash and cash equivalents at end of period	2,341	4,197

Individual Financial Statements / statement of changes in equity (SCE) - 01/01/2014 to 03/31/2014

(In thousands of reais)

Account code	Account description	Paid-in capital	Capital reserves, stock options granted and treasury shares	Income reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity
5.01	Opening balances	1,050,000	38,297	1,013,179	-	-	2,101,476
5.03	Adjusted opening balances	1,050,000	38,297	1,013,179	-	-	2,101,476
5.05	Total comprehensive income	-	-	-	95,457	-	95,457
5.05.01	Net income for the period	-	-	-	95,457	-	95,457
5.07	Closing balances	1,050,000	38,297	1,013,179	95,457	-	2,196,933

Individual Financial Statements / statement of changes in equity (SCE) - 01/01/2013 to 03/31/2013

(In thousands of reais)

Account code	Account description	Paid-in capital	Capital reserves, stock options granted and treasury shares	Income reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity
5.01	Opening balances	1,050,000	38,297	566,364	-	-	1,654,661
5.03	Adjusted opening balances	1,050,000	38,297	566,364	-	-	1,654,661
5.05	Total comprehensive income	-	-	-	150,728	-	150,728
5.05.01	Net income for the period	-	-	-	150,728	-	150,728
5.07	Closing balances	1,050,000	38,297	566,364	150,728	-	1,805,389

Individual financial statements / statement of value added

(In thousands of reais)

Account code	Account description	YTD- current year 01/01/2014 to 03/31/2014	YTD- prior-year quarter 01/01/2013 to 03/31/2013
7.02	Inputs acquired from third parties	(7,891)	(3,692)
7.02.02	Materials, energy, third-party services and other expenses	(4,460)	(2,530)
7.02.04	Other	(3,431)	(1,162)
7.03	Gross value added	(7,891)	(3,692)
7.04	Retentions	(2,598)	(1,931)
7.04.01	Depreciation, amortization and depletion	(2,598)	(1,931)
7.05	Net value added generated	(10,489)	(5,623)
7.06	Value added received in transfer	115,927	164,043
7.06.01	Equity pickup	112,334	162,545
7.06.02	Financial income	3,593	1,498
7.07	Total value added to be distributed	105,438	158,420
7.08	Distribution of value added	105,438	158,420
7.08.01	Personnel	8,373	6,452
7.08.01.01	Direct compensation	6,246	4,760
7.08.01.02	Benefits	1,835	1,454
7.08.01.03	Unemployment compensation fund (FGTS)	292	238
7.08.02	Taxes, charges and contributions	1,498	1,214
7.08.02.01	Federal	1,325	1,028
7.08.02.03	Municipal	173	186
7.08.03	Debt remuneration	110	26
7.08.03.01	Interest	103	19
7.08.03.02	Rental	7	7
7.08.04	Equity remuneration	95,457	150,728
7.08.04.03	Retained earnings (accumulated losses) for the period	95,457	150,728

Consolidated financial statements / balance sheet - assets

(In thousands of reais)

Account code	Account description	Current quarter 03/31/2014	Prior year 12/31/2013
1	Total assets	3,006,808	2,849,400
1.01	Current assets	1,778,602	1,595,657
1.01.01	Cash and cash equivalents	51,400	62,808
1.01.02	Short-term investments	206,276	136,517
1.01.02.02	Short-term investments measured at amortized cost	206,276	136,517
1.01.03	Trade accounts receivable	921,326	876,492
1.01.03.01	Trade accounts receivable	921,326	876,492
1.01.04	Inventories	585,478	504,611
1.01.06	Taxes recoverable	1,639	1,618
1.01.06.01	Current taxes recoverable	1,639	1,618
1.01.08	Other current assets	12,483	13,611
1.01.08.03	Other	12,483	13,611
1.02	Noncurrent assets	1,228,206	1,253,743
1.02.01	Long-term receivables	820,531	855,465
1.02.01.03	Trade accounts receivable	384,484	406,026
1.02.01.03.01	Trade accounts receivable	384,484	406,026
1.02.01.04	Inventories	385,286	394,672
1.02.01.08	Related-party receivables	4,113	4,173
1.02.01.09	Other noncurrent assets	46,648	50,594
1.02.01.09.04	Taxes recoverable	13.070	17,492
1.02.01.09.05	Other	18,960	18,484
1.02.01.09.06	Securities receivable	14,618	14,618
1.02.02	Investments	395,974	386,458
1.02.03	Property and equipment	5,467	5,644
1.02.04	Intangible assets	6,234	6,176

Consolidated financial statements / balance sheet – liabilities and equity

(In thousands of reais)

Account code	Account description	Current quarter 03/31/2014	Prior year 12/31/2013
2	Total liabilities and equity	3,006,808	2,849,400
2.01	Current liabilities	412,841	403,573
2.01.01	Social and labor liabilities	14,256	11,677
2.01.01.02	Social and labor liabilities	14,256	11,677
2.01.02	Trade accounts payable	45,595	54,523
2.01.02.01	Domestic suppliers	45,595	54,523
2.01.03	Tax liabilities	41,539	40,681
2.01.03.01	Federal tax liabilities	41,539	40,681
2.01.03.01.02	Deferred taxes	35,624	34,833
2.01.03.01.03	Tax liabilities	5,915	5,848
2.01.04	Loans and financing	12,576	20,348
2.01.04.01	Loans and financing	12,576	20,348
2.01.05	Other liabilities	294,647	272,392
2.01.05.01	Related-party payables	3,858	1,002
2.01.05.02	Other	290,789	271,390
2.01.05.02.02	Minimum mandatory dividend payable	139,172	139,172
2.01.05.02.04	Accounts payable	8,489	7,091
2.01.05.02.05	Advances from customers	25,098	26,188
2.01.05.02.06	Land payable	118,030	98,939
2.01.06	Provisions	4,228	3,952
2.01.06.02	Other provisions	4,228	3,952
2.01.06.02.01	Provision for warranty	4,228	3,952
2.02	Noncurrent liabilities	390,257	335,361
2.02.01	Loans and financing	338,948	272,584
2.02.01.01	Loans and financing	338,948	272,584
2.02.02	Other liabilities	38,916	50,736
2.02.02.02	Other	38,916	50,736
2.02.02.02.03	Deferred taxes	16,623	16,438
2.02.02.02.04	Land payable	20,125	31,750
2.02.02.02.05	Other liabilities	2,168	2,548
2.02.04	Provisions	12,393	12,041
2.02.04.02	Other provisions	12,393	12,041
2.02.04.02.01	Provision for warranty	5,851	5,499
2.02.04.02.04	Provision for contingencies	6,542	6,542
2.03	Consolidated equity	2,203,710	2,110,466
2.03.01	Paid-in capital	1,050,000	1,050,000
2.03.02	Capital reserves	38,297	38,297
2.03.04	Income reserves	1,013,179	1,013,179
2.03.05	Retained earnings (accumulated losses)	95,457	-
2.03.09	Non-controlling interest	6,777	8,990

Consolidated financial statements / Income statement

(In thousands of reais)

Account code	Account description	YTD- current year 01/01/2014 to 03/31/2014	YTD- prior-year quarter 01/01/2013 to 03/31/2013
3.01	Revenue from sales	210,755	323,114
3.02	Cost of sales	(106,186)	(159,611)
3.03	Gross profit	104,569	163,503
3.04	Operating income (expenses)	(18,209)	(13,924)
3.04.01	Selling expenses	(9,019)	(13,693)
3.04.02	General and administrative expenses	(23,368)	(18,096)
3.04.02.01	General and administrative expenses	(21,353)	(16,449)
3.04.02.02	Key management personnel compensation	(2,015)	(1,647)
3.04.04	Other operating income	-	292
3.04.05	Other operating expenses	(3,883)	(2,200)
3.04.05.01	Tax expenses	(2,577)	(2,200)
3.04.05.02	Other expenses	(1,306)	-
3.04.06	Equity pickup	18,061	19,773
3.05	Income before financial income (expenses) and taxes	86,360	149,579
3.06	Financial income (expenses)	14,534	8,783
3.06.01	Financial income	14,994	14,018
3.06.02	Financial expenses	(460)	(5,235)
3.07	Income before income taxes	100,894	158,362
3.08	Income and social contribution taxes	(4,905)	(7,106)
3.08.01	Current	(4,435)	(4,605)
3.08.02	Deferred	(470)	(2,501)
3.09	Net income from continuing operations	95,989	151,256
3.11	Net income for the period	95,989	151,256
3.11.01	Attributed to controlling shareholders	95,457	150,728
3.11.02	Attributable to non-controlling shareholders	532	528
3.99	Earnings per share – (Reais/Share)		
3.99.01	Basic earnings per share (in R$)		
3.99.01.01	ON	0.65000	1.03000

Consolidated financial statements / Statement of comprehensive income

(In thousands of reais)

Account code	Account description	YTD- current year 01/01/2014 to 03/31/2014	YTD- prior-year quarter 01/01/2013 to 03/31/2013
4.01	Consolidated net income for the period	95,989	151,256
4.03	Consolidated comprehensive income for the period	95,989	151,256
4.03.01	Attributed to controlling shareholders	95,457	150,728
4.03.02	Attributable to non-controlling shareholders	532	528

Consolidated financial statements / Cash flow statement – indirect method

(In thousands of reais)

Account code	Account description	YTD- current year 01/01/2014 to 03/31/2014	YTD- prior-year quarter 01/01/2013 to 03/31/2013
6.01	Net cash - operating activities	3,998	52,008
6.01.01	Cash generated by operations	88,273	131,821
6.01.01.01	Net income for the period	95,989	151,256
6.01.01.02	Present value adjustment of trade accounts receivable	(776)	6,706
6.01.01.03	Interest and monetary variation, net t	4,007	(14,690)
6.01.01.04	Depreciation and amortization	2,209	1,214
6.01.01.05	Disposal of property and equipment items	-	2
6.01.01.06	Income and social contribution taxes – current and deferred	4,905	7,106
6.01.01.07	Equity pickup	(18,061)	(19,773)
6.01.02	Changes in assets and liabilities	(84,275)	(79,813)
6.01.02.01	Trade accounts receivable	(22,516)	(109,942)
6.01.02.02	Properties for sale	(62,623)	34,606
6.01.02.03	Other assets	12,485	(2,631)
6.01.02.04	Advances from customers	(1,090)	(4,244)
6.01.02.05	Trade accounts payable	(8,928)	23,520
6.01.02.06	Income and social contribution taxes paid	(4,585)	(5,753)
6.01.02.07	Interest paid	(6,968)	(6,754)
6.01.02.08	Other liabilities	7,804	6,696
6.01.02.09	Prepaid expenses	(7,026)	(12,084)
6.01.02.10	Acquisition of Certificate for Potential Additional Construction (CEPAC)	-	(10,152)
6.01.02.11	Dividends received from investees	9,172	6,925
6.02	Net cash - investing activities	(68,454)	(42,181)
6.02.01	Acquisition of securities	(95,107)	(90,239)
6.02.02	Redemption of securities	29,370	76,977
6.02.03	Acquisition of property and equipment and intangible assets	(796)	(1,348)
6.02.07	Goodwill on investment acquisition	-	(5,370)
6.02.08	Investment acquisition	(1,921)	(22,201)
6.03	Net cash - financing activities	53,048	(2,515)
6.03.01	Loans and financing raised	83,503	36,887
6.03.02	Amortization of loans and financing	(27,710)	(39,382)
6.03.03	Effect of noncontrolling interest in subsidiaries	(2,745)	(20)
6.05	Increase (decrease) in cash and cash equivalents	(11,408)	7,312
6.05.01	Cash and cash equivalents at beginning of period	62,808	38,470
6.05.02	Cash and cash equivalents at end of period	51,400	45,782

Consolidated Financial Statements / statement of changes in equity (SCE) - 01/01/2014 to 03/31/2014

(In thousands of reais)

Account code	Account description	Paid-in capital	Capital reserves, stock options granted and treasury shares	Income reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity	Noncontrolling interest	Consolidated equity
5.01	Opening balances	1,050,000	38,297	1,013,179	-	-	2,101,476	8,990	2,110,466
5.03	Adjusted opening balances	1,050,000	38,297	1,013,179	-	-	2,101,476	8,990	2,110,466
5.04	Capital transactions with shareholders	-	-	-	-	-	-	(2,745)	(2,745)
5.05	Total comprehensive income	-	-	-	95,457	-	95,457	532	95,989
5.05.01	Net income for the period	-	-	-	95,457	-	95,457	532	95,989
5.07	Closing balances	1,050,000	38,297	1,013,179	95,457	-	2,196,933	6,777	2,203,710

Consolidated Financial Statements / Statement of changes in equity (SCE) - 01/01/2013 to 03/31/2013

(In thousands of reais)

Account code	Account description	Paid-in capital	Capital reserves, stock options granted and treasury shares	Income reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity	Noncontrolling interest	Consolidated equity
5.01	Opening balances	1,050,000	38,297	566,364	-	-	1,654,661	8,088	1,662,749
5.03	Adjusted opening balances	1,050,000	38,297	566,364	-	-	1,654,661	8,088	1,662,749
5.04	Capital transactions with shareholders	-	-	-	-	-	-	(20)	(20)
5.05	Total comprehensive income	-	-	-	150,728	-	150,728	528	151,256
5.05.01	Net income for the period	-	-	-	150,728	-	150,728	528	151,256
5.07	Closing balances	1,050,000	38,297	566,364	150,728	-	1,805,389	8,596	1,813,985

Consolidated financial statements / statement of value added

(In thousands of reais)

Account code	Account description	YTD- current year 01/01/2014 to 03/31/2014	YTD- prior-year quarter 01/01/2013 to 03/31/2013
7.01	Revenues:	215,619	331,226
7.01.01	Sales of goods, products and services	215,619	330,933
7.01.02	Other revenues	-	293
7.02	Inputs acquired from third parties	(114,200)	(173,219)
7.02.01	Cost of sales	(95,468)	(151,847)
7.02.02	Materials, energy, third-party services and other expenses	(17,426)	(21,204)
7.02.04	Other	(1,306)	(168)
7.03	Gross value added	101,419	158,007
7.04	Retentions	(2,208)	(1,544)
7.04.01	Depreciation, amortization and depletion	(2,208)	(1,544)
7.05	Net value added generated	99,211	156,463
7.06	Value added received in transfer	33,055	33,791
7.06.01	Equity pickup	18,061	19,773
7.06.02	Financial income	14,994	14,018
7.07	Total value added to be distributed	132,266	190,254
7.08	Distribution of value added	132,266	190,254
7.08.01	Personnel	20,250	14,754
7.08.01.01	Direct compensation	15,769	11,448
7.08.01.02	Benefits	3,384	2,487
7.08.01.03	Unemployment compensation fund (FGTS)	1,097	819
7.08.02	Taxes, charges and contributions	15,560	19,001
7.08.02.01	Federal	12,873	17,290
7.08.02.03	Municipal	2,687	1,711
7.08.03	Debt remuneration	467	5,243
7.08.03.01	Interest	460	5,236
7.08.03.02	Rental	7	7
7.08.04	Equity remuneration	95,989	151,256
7.08.04.03	Retained earnings (accumulated losses) for the period	95,457	150,728
7.08.04.04	Noncontrolling interest in retained profit	532	528

Construindo qualidade de vida

«Trimestre» Earnings Release

«Trimestre»

EARNINGS RELEASE CONFERENCE CALL

English:
May 9th, 2014
10:30 a.m. (US EST)
11:30 a.m. (Brasília time)
Phone: +1 (412) 317-6776
Code: EZTEC
Replay: +1 (412) 317-0088
Code: 10043786

Portuguese:
May 9th, 2014
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EZTEC S.A.
ON (Bovespa: EZTC3)
Closing Price: R$25.55
shares: 146,724,120
Market Share: R$3,749MM
Date: 05/08/2014

For further information, please see page 27 of this document.



EZTEC begins the year with Net Income at R$95.5 million

Gross Margin at 49.6% and Backlog Margin at 54.1%

São Paulo, May 08, 2014 - EZTEC S.A. (BOVESPA: EZTC3) celebrates its 35th anniversary as one of the most profitable builders and developers in Brazil. The Company announces its results for the first quarter of 2014 (1Q14). Except where stated otherwise, EZTEC's operating and financial information is presented on a consolidated basis and in Brazilian real (R$), in accordance with Generally Accepted Accounting Principles in Brazil ("BR GAAP") and the International Financial Reporting Standards (IFRS) applicable to real estate developers in Brazil, as approved by the Accounting Pronouncement Committee (CPC), Securities and Exchange Commission of Brazil (CVM) and Federal Accounting Board (CFC).

Since January 1st, 2013, the rules of the IFRS 10 and IFRS 11 were taken into effect. These rules regard the projects with shared control. When adopting the norms of the CPC 19, a share of the Assets and Liabilities, Revenues and Expenses stop being consolidated proportionally to the Company´s stake. These changes won´t affect the Shareholder´s Equity and the Company´s Net Income.

OPERATING AND FINANCIAL HIGHLIGHTS

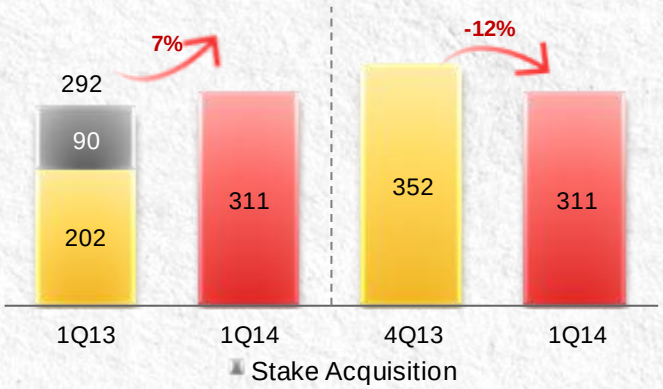
- **Net Revenue** reached R$210.8 million in the 1Q14, compared to R$323.1 million in the 1Q13;
- **Gross Profit** reached R$104.6 million in the 1Q14, with **Gross Margin** of 49.6%, compared to R$163.5 million in the 1Q13;
- **EBITDA** reached R$88.0 million in the 1Q14, for **EBITDA Margin** of 41.8%; compared to R$150.3 million in the 1Q13;
- **Net Income** reached R$95.5 million in the 1Q14, with Net Margin of 45.3%, representing an **Annualized ROE of 19.4%**. ;
- By the end of the 1Q14, EZTEC reported a **Cash Equivalents and Financial Investments** position of R$257.7 million. Excluding the Gross Debt of R$351.5 million (being exclusively of SFH financing and including *EZ Tower´s*), the Company's **Net Debt** stood at R$93.9 million, complemented by **Performed Receivables** from real estate projects of R$282.5 million, which are available for securitization and yield IGP-M + 12% p.a.;
- In the 1Q14, EZTEC launched, in March 27th, 2014, the last two phases of the *Cidade Maia* project, located in Guarulhos, in the São Paulo Metropolitan Area, with middle-end units. The *Botânica* phase has 2 residential towers, with a total of 566 middle-end units and R$182.8 million in own PSV. The *Reserva* phase 2 more residential towers, with a total of 224 middle-end units and R$128.5 million in own PSV. Therefore, the company launched 790 units for an own PSV of **R$311.2 million** in the first quarter of 2014.
- EZTEC's **Contracted Sales,** net of brokerage commissions, cancelations and rescissions, reached **R$142.7 million** in the 1Q14. It is important to point out the good sales performance of inventory units, R$130.1 million of launched units in previous quarters.
- As of March 31, 2014, EZTEC's **Land Bank** totaled **R$5.2 billion** in own PSV. The average Cost of Lot Acquisitions, including the costs associated with expanding construction potential, is equivalent to **12.6%** of PSV.

Highlights	1Q14	1Q13	Var.%	1Q14	4Q13	Var.%
Net Revenue (R$ '000)	210,755	323,114	-34.8%	210,755	287,867	-26.8%
Gross Profit (R$ '000)	104,569	163,503	-36.0%	104,569	150,719	-30.6%
Gross Margin	*49.6%*	*50.6%*	*-1.0 p.p.*	*49.6%*	*52.4%*	*-2.7 p.p.*
Net Income (R$ '000)	95,457	150,728	-36.7%	95,457	159,490	-40.1%
Net Margin	*45.3%*	*46.6%*	*-1.4 p.p.*	*45.3%*	*55.4%*	*-10.1p.p.*
EPS (R$ '000)	0.651	1.027	-36.7%	0.651	1.087	-40.1%
EBITDA (R$ '000)	88,037	150,265	-41.4%	88,037	151,140	-41.8%
EBITDA Margin	*41.8%*	*46.5%*	*-4.7 p.p.*	*41.8%*	*52.5%*	*-10.7 p.p.*
Number of Launched Developments	2	3	-33.3%	2	3	-33.3%
Launched Usable Area (in '000 sq.m)	77.2	29.0	166.2%	77.2	86.0	-10.2%
Launched Units	790	212	272.6%	790	1,179	-33.0%
PSV (R$ '000) (1)	444,638	292,137	52.2%	444,638	503,234	-11.6%
EZTEC´s Stake total Launches (%)	70%	100%	-30.0 p.p.	70%	70%	0.0 p.p.
EZTEC´s PVS (R$' 000) (2)	311,247	292,137	6.5%	311,247	352,264	-11.6%
EZTEC's Contracted Sales (R$ '000)	142,749	206,997	-31.0%	142,749	271,590	-47.4%

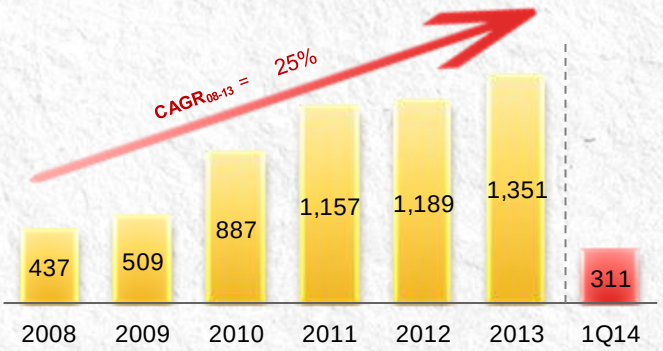
(1) Total PSV, regardless of the Company's share in the projects.
(2) Calculated by multiplying total PSV by the Company's share in the projects.

INDICATORS OF FINANCIAL AND OPERATING PERFORMANCE I

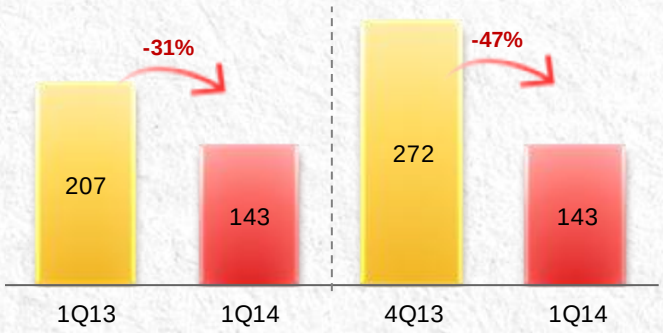
Launched PSV % EZTEC (R$ million)



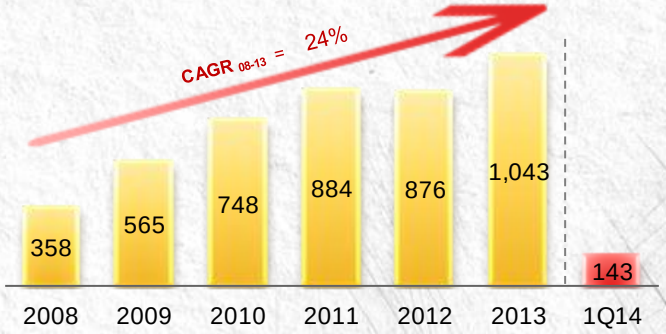
Cumulative Launched PSV % EZTEC (R$ million)



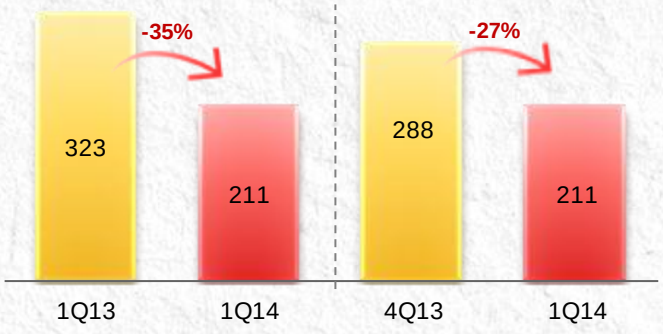
Contracted Sales % EZTEC (R$ million)



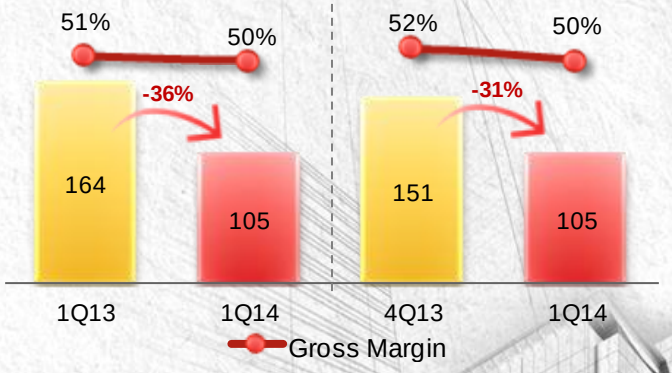
Cumulative Contracted Sales % EZTEC (R$ million)



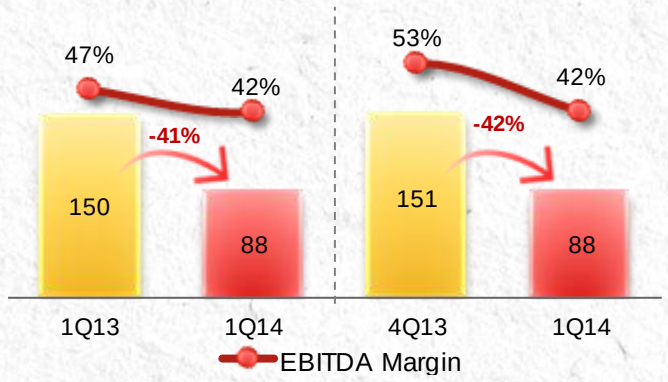
Net Revenue (R$ million)



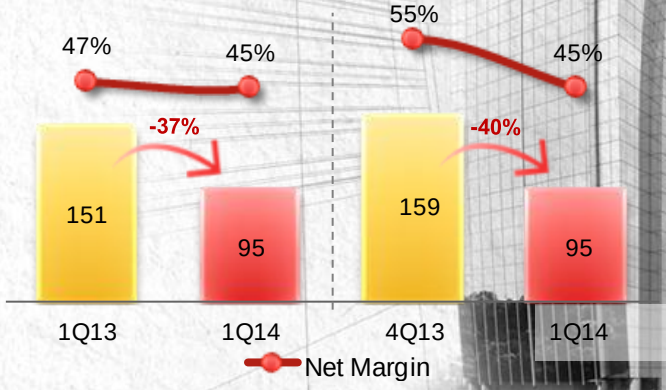
Gross Profit (R$ million)



EBITDA (R$ million)

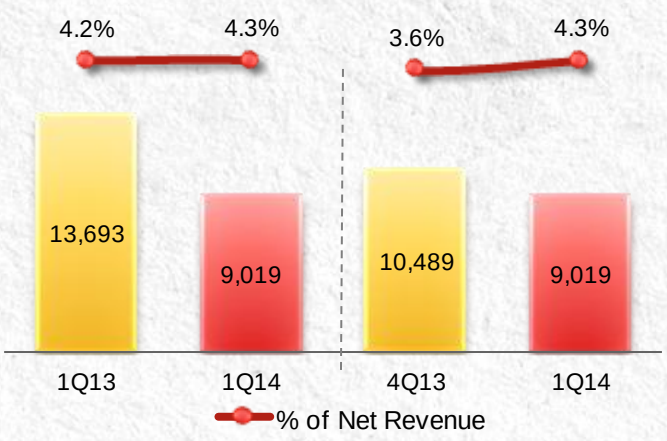


Net Income (R$ million)

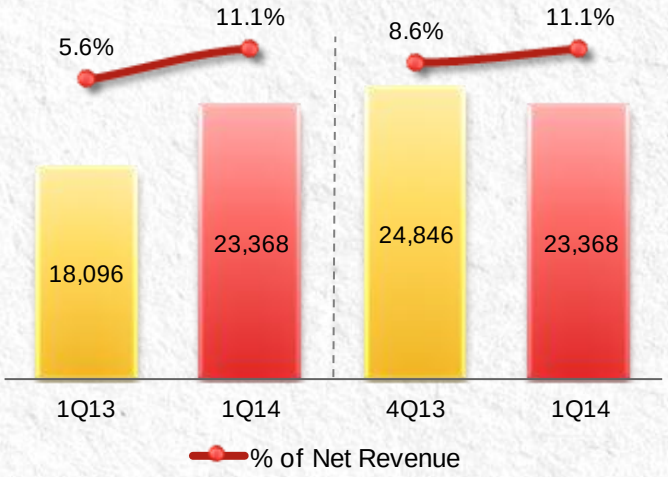


INDICATORS OF FINANCIAL AND OPERATING PERFORMANCE II

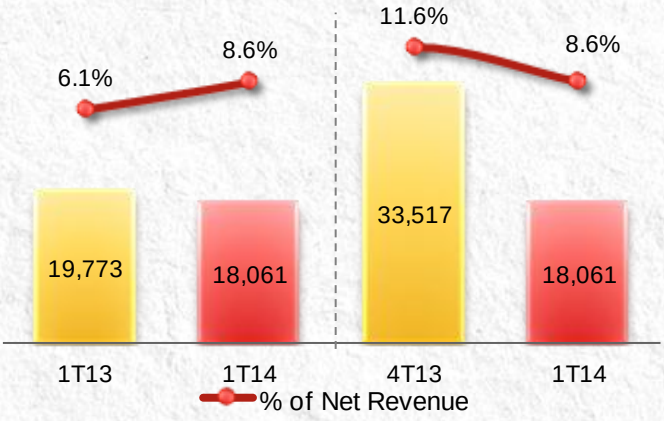
Selling Expenses (R$ '000)



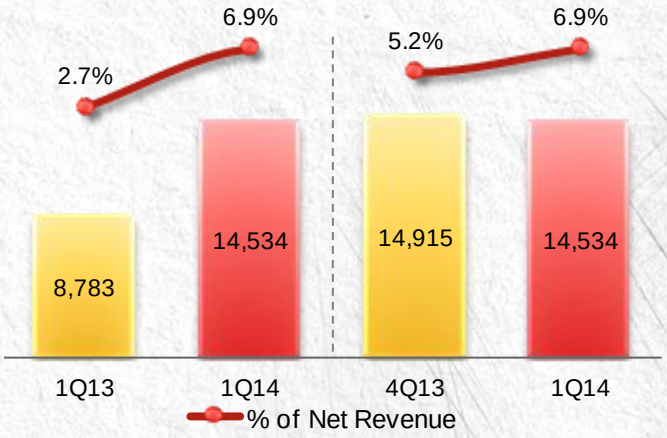
G&A (R$ '000)



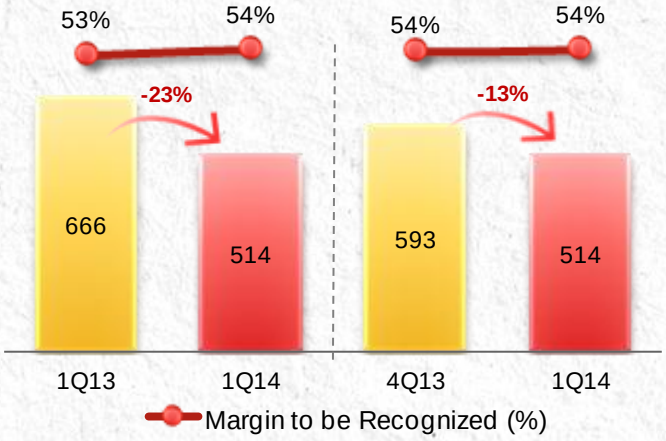
Equity Income (R$ '000)



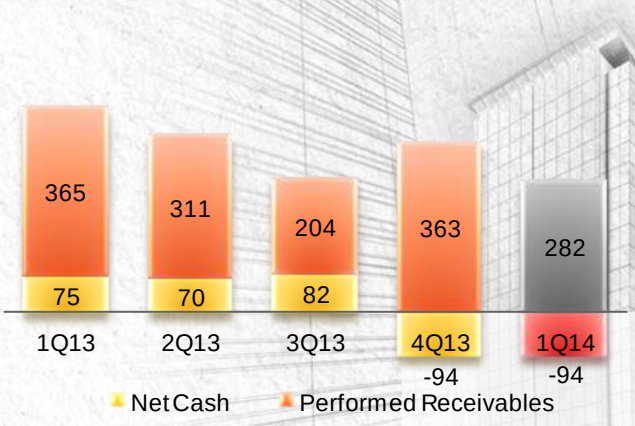
Financial Result (R$ '000)



Results to be Recognized (R$ million)



Net Cash + Performed Receivables (R$ MN)



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MANAGEMENT'S COMMENTS

EZTEC's Management announces the results for the first quarter of 2014, maintaining the Company one of the most profitable company in the sector and grant confidence to continue with the operation, even in the more challenging periods for development and housing sales.

In the 1Q14, EZTEC´s strategy was to focus its commercial efforts in inventory sales. Therefore out of the **R$142.7 million** sold in the period, net of brokerage commissions, 91% are related to units launched until 2013. The quarter´s inventory Speed of Sales was around 11%, similar to levels observed in quarters with strong sales performance, is an example of the resilience of markets in which EZTEC operates and of the quality and liquidity of its products, together with *TEC Vendas'* strength, responsible for 74% of the sold volume. This Speed of Sales allows EZTEC to rationally manage its inventory volumes, without compromising the profitability of its products.

The Company chose to launch new projects by the end of the quarter. The two new phases of the *Cidade Maia project*, located in Guarulhos, in the São Paulo Metropolitan Area, totaled an own PSV of R$311.2 million in the 1Q14, an increase of 6.5% compared to the same period last year. Right now, EZTEC is working in the development approval of future launches for the next months, 3 in the city of São Paulo: 2 in east side and 1 in the north side; and 1 in the Osasco city, in the SPMA, which, together, should account for approximately R$340 million in own PSV. The board understands that the operational level observed in the last years is sustainable, through the sales point of view, observing products launch in previous quarters liquidity; by the construction management point of view; and by the of ability to develop new projects point of view.

The ability to create new profitable projects is seen not only by the reported margins of recently launched projects, but also through EZTEC´s Landbank, ending the first quarter of 2014 with **R$5.2 billion** of own PSV, with an average Acquisitions Cost of **12.6%** of the PSV, 58% acquired in the last two years. In 2013, EZTEC made the largest Landbank acquisition of its history and continues, actively, searching for new land pieces and increase its Landbank, in order to yield the Company's capital structure at similar levels as the ones seen in the previous periods. The maintenance of a qualified Landbank, in line with the Company strategy, allows the Company to launch, during the next years, different projects, of several segments and regions, with the flexibility to choose the best period, aiming to take the best market possibilities, achieving the maximum possible profitability in every project.

About EZTEC´s projects under construction, 3 projects were delivered in the 1Q14, totaling over 700 units. Analyzing only the last two quarters, over 1,700 units were delivered, for an own PSV of R$868.3 million, proving, once again, the engineering´s capacity to operate under the budget guaranteeing the planned level of profitability for its products.

As for the financial results, it is important to point out that a relevant part of EZTEC results are originated through the construction evolution. Considering: [i] the high volume of delivered projects in the last few months; and [ii] the recently launched products, who´s constructions phases have not been initiated or are in their initial phases; the 1Q14´s Net Revenues reached R$210.8 million. It´s important to point out that Gross Profit levels reached R$104.6 million, while Gross Margin levels were maintained at 49.6%, levels which are higher than the Company´s historical goals. Considering the Operational Expenses, lower results coming from Equity Income, and lower construction volume progress, Net profit reached R$95.5 million, with Net Margin of 45.3%. Analyzing those results and comparing with previous quarters, it is important to point out: [i] the impact that the sale of *EZ Towers – Tower A* had over 2013´s results, mainly in the 1Q13, since, by the PoC method, 28.6% of the results were recognized in the quarter which it was sold, while in the in following quarters 5% to 9% were recognized; [ii] that the real estate development results are subject to sales´ cycles and variation in execution projects, which means the analysis of longer periods are likely to better reflect the financial and operational reality of this business cycle; and [iii] EZTEC increased, consistently, its launch volume, year by year, reaching R$1,35 billion (Exc. – EZ Towers) in 2013, whereas, due to the sector´s accounting system, the reflection of these launches on the results will only be observed in future years. Therefore, the Company continues confident in its operations which, year after year, allows the Company to maintain its profitability at high levels.

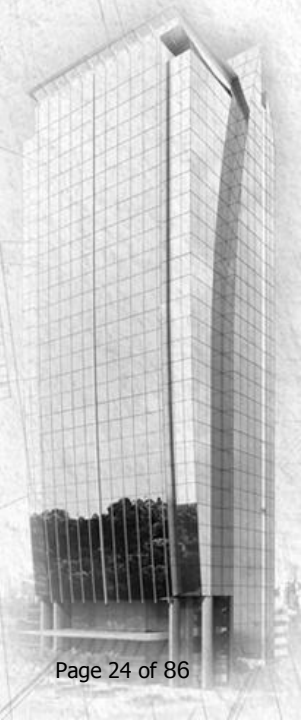
The Company´s Debt position, composed exclusively of dedicated Homebuilding Financial System (SFH) financing lines, end this quarter in the amount of R$351.5 million, which R$209.1 million corresponds to *EZ Towers* construction funding. Even so, the Net Debt position remained at R$93.8 million, with R$282.5 million of Performing Receivables, yielding IGP-M index + 12% p.a., which are qualified for securitization and convertible into Cash.

As Following Events, at the Ordinary Shareholders´ Meeting, held in April 30th, 2014, the following was approved: [i] management´s compensation limit at R$19.0 million for 2014; [ii] the payment of R$139.2 million as dividends related to the 2013´s results, representing almost R$0.95 per share, with ex-dividends data for May 2nd, 2014, which will be fully paid until November 30th, 2014; and [iii] the Audit Committee´s installation for a 1 year period, until the Ordinary Shareholders´ Meeting of 2014´s fiscal year.

Therefore, EZTEC´s supervisory board is composed as follows: as members [1] Mr. Paulo Chede Mattar, [2] Mr. Flavio Pedro de Moraes Nazarian and [3] Mr. Jorge Michel Lepeltier (elected by the minority shareholders); as alternate [1] Mr. Rogério Antonio Eduardo Abinader, [2] Mr. Sergio Eduardo Saad and [3] Mr. Massao Fábio Oya.

Therefore, EZTEC´s management maintains itself fully confident in its business model and with the adopted strategy, generating a sustainable operation, which maintains full production capacity and, in the long term, consistent results which generate value to its shareholders, clients, employees and suppliers.

EZTEC Management.



INCOME STATEMENT

Consolidated Income Statement Periods ended in March 31th In thousands of Brazilian Reais (R$)	1Q14	1Q13	Var. %	1Q14	4Q13	Var. %
Gross Operating Revenue	**244,433**	**342,589**	**-28.7%**	**244,433**	**321,634**	**-24.0%**
Revenue from Sale of Real Estate	241,883	340,299	-28.9%	241,883	314,489	-23.1%
Revenue from Services and Rental	2,550	2,290	11.4%	2,550	7,145	-64.3%
Gross Revenue	**244,433**	**342,589**	**-28.7%**	**244,433**	**321,634**	**-24.0%**
Deductions from Gross Revenue	**(33,678)**	**(19,475)**	**72.9%**	**(33,678)**	**(33,767)**	**-0.3%**
Cancelled Sales	(28,814)	(11,656)	147.2%	(28,814)	(26,552)	8.5%
Taxes on Sales, including Deferred Taxes	(4,864)	(7,819)	-37.8%	(4,864)	(7,215)	-32.6%
Net Revenue	**210,755**	**323,114**	**-34.8%**	**210,755**	**287,867**	**-26.8%**
Cost of Real Estate Sold, Rentals and Services	**(106,186)**	**(159,611)**	**-33.5%**	**(106,186)**	**(137,148)**	**-22.6%**
Gross Profit	**104,569**	**163,503**	**-36.0%**	**104,569**	**150,719**	**-30.6%**
Gross Margin	*49.6%*	*50.6%*	*-1.0 p.p.*	*49.6%*	*52.4%*	*-2.7 p.p.*
(Expenses) / Operational Revenues	**(18,209)**	**(13,924)**	**30.8%**	**(18,209)**	**2,007**	**-1007.3%**
Selling Expenses	(9,019)	(13,693)	-34.1%	(9,019)	(10,489)	-14.0%
Administrative Expenses	(21,353)	(16,449)	29.8%	(21,353)	(20,699)	3.2%
Management Fees	(2,015)	(1,647)	22.3%	(2,015)	(4,147)	-51.4%
Other Operating (Expenses) / Revenues	(3,883)	(1,908)	103.5%	(3,883)	3,825	-201.5%
Equity Income	18,061	19,773	-8.7%	18,061	33,517	-46.1%
Income from Operations before Financial Income	**86,360**	**149,579**	**-42.3%**	**86,360**	**152,726**	**-43.5%**
Operational Margin	*41.0%*	*46.3%*	*-5.3 p.p.*	*41.0%*	*53.1%*	*-12.1 p.p.*
Financial Income (Expenses)	**14,534**	**8,783**	**65.5%**	**14,534**	**14,915**	**-2.6%**
Financial Expenses	(460)	(5,235)	-91.2%	(460)	(384)	19.8%
Financial Income	14,994	14,018	7.0%	14,994	15,299	-2.0%
Operational Result	**100,894**	**158,362**	**-36.3%**	**100,894**	**167,641**	**-39.8%**
Income Before Income Tax & Soc. Contrib.	**100,894**	**158,362**	**-36.3%**	**100,894**	**167,641**	**-39.8%**
Income Tax and Social Contribution	**(4,905)**	**(7,106)**	**-31.0%**	**(4,905)**	**(6,975)**	**-29.7%**
(-) Current	(4,435)	(4,605)	-3.7%	(4,435)	(4,533)	-2.2%
(-) Deferred	(470)	(2,501)	-81.2%	(470)	(2,442)	-80.8%
Net Income	**95,989**	**151,256**	**-36.5%**	**95,989**	**160,666**	**-40.3%**
Attributable to Non-Controlling Interests	**(532)**	**(528)**	**0.8%**	**(532)**	**(1,176)**	**-54.8%**
Attributable to Controlling Interests	**95,457**	**150,728**	**-36.7%**	**95,457**	**159,490**	**-40.1%**
Net Margin	*45.3%*	*46.6%*	*-1.4 p.p.*	*45.3%*	*55.4%*	*-10.1 p.p.*

Throughout this release, the expression **Net Income refers to the **Net Income Attributable to the Controlling Shareholders.** This line excludes the interest of minority developers from the results of subsidiaries.*



BALANCE SHEET

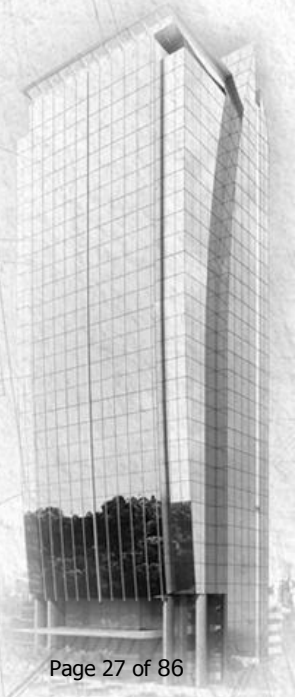
Balance Sheets Periods ended in March 31th In thousands of Brazilian Reais (R$)	1Q14	2013	Var. %
Assets	**3,006,808**	**2,849,400**	**5.5%**
Current Assets	**1,778,602**	**1,595,657**	**11.5%**
Cash and Cash Equivalents	51,400	62,808	-18.2%
Financial Investments	206,276	136,517	51.1%
Trade Accounts Receivable	921,326	876,492	5.1%
Provision for Doubtful Accounts	0	0	n.a.
Real Estate Held for Sale	585,478	504,611	16.0%
Recoverable Taxes	1,639	1,618	1.3%
Prepaid Taxes	0	0	n.a.
CEPAC	0	0	n.a.
Prepaid Expenses	0	0	n.a.
Other Receivables	12,483	13,611	-8.3%
Non-Current Assets	**1,228,206**	**1,253,743**	**-2.0%**
Trade Accounts Receivable	384,484	406,026	-5.3%
Real Estate Held for Sale	385,286	394,672	-2.4%
Recoverable Taxes	13,070	17,492	-25.3%
Prepaid Taxes	0	0	n.a.
Due from Related Parties	4,113	4,173	-1.4%
Notes receivable	14,618	14,618	0.0%
CEPAC	0	0	n.a.
Prepaid Expenses	0	0	n.a.
Other Receivables	18,960	18,484	2.6%
Investments	395,974	386,458	2.5%
Property and Equipment	5,467	5,644	-3.1%
Intangible	6,234	6,176	0.9%
Liabilities & Shareholder's Equity	**3,006,808**	**2,849,400**	**5.5%**
Current Liabilities	**412,841**	**403,572**	**2.3%**
Suppliers	45,595	54,523	-16.4%
Payroll Obligations	14,256	11,677	22.1%
Tax Obligations	5,915	5,848	1.1%
Loans and Financing	12,576	20,348	-38.2%
Trade Accounts Payable	8,489	7,090	19.7%
Reserve for Guarantee	4,228	3,952	7.0%
Advances from Customers	25,098	26,188	-4.2%
Land Payable	118,030	98,939	19.3%
Dividends Payable	139,172	139,172	0.0%
Due to Related Parties	3,858	1,002	285.0%
Deferred Taxes	35,624	34,833	2.3%
Non-Current Liabilities	**390,257**	**335,361**	**16.4%**
Loans and Financing	338,948	272,584	24.3%
Land Payable	20,125	31,750	-36.6%
Reserve for Guarantee	5,851	5,499	6.4%
Reserve for Contingencies	6,542	6,542	0.0%
Deferred Taxes	16,623	16,438	1.1%
Other Debts to Third Parties	2,168	2,548	-14.9%
Shareholder´s Equity	**2,203,710**	**2,110,467**	**4.4%**
Controlling Interests	**2,196,933**	**2,101,477**	**4.5%**
Capital	1,050,000	1,050,000	0.0%
Capital Reserve	38,297	38,297	0.0%
Earnings Reserves	1,013,179	1,013,180	0.0%
Income for the Period	95,457	0	n.a.
Non-Controlling Interests	**6,777**	**8,990**	**-24.6%**

INFORMATION BY SEGMENT

Results by Segment	Commercial			Residential		
(Amount expressed in thousands of Brazilian Reais - R$)	1Q14	1Q13	Var.%	1Q14	1Q13	Var.%
Net Revenue	89,585	182,975	-51.0%	121,170	140,139	-13.5%
Cost of Real Estate Sold and Services	(38,510)	(84,311)	-54.3%	(67,676)	(75,300)	-10.1%
Gross Profit	51,075	98,664	-48.2%	53,494	64,839	-17.5%
Gross Margin (%)	*57.0%*	*53.9%*	*3.1 p.p.*	*44.1%*	*46.3%*	*-2.1 p.p.*
Selling Expenses	(2,687)	(6,225)	-56.8%	(6,332)	(7,468)	-15.2%

Assets and Liabilities by Segment	Commercial			Residential		
(Amount expressed in thousands of Brazilian Reais - R$)	1Q14	1Q13	Var.%	1Q14	1Q13	Var.%
ASSETS						
Accounts Receivable	537,904	333,877	61.1%	767,906	738,228	4.0%
Real Estate Held for Sale	270,693	178,037	52.0%	700,071	398,912	75.5%
LIABILITIES						
Loans and Financing	209,125	23,124	804.4%	142,399	74,522	91.1%
Advances from Customers	10,187	16,749	-39.2%	14,911	12,168	22.5%

Operational Results by Segment	Commercial			Residential		
	1Q14	1Q13	Var.%	1Q14	1Q13	Var.%
Number of Launched Developments	0	1	-100.0%	2	3	-33.3%
PSV (R$ '000)	0	564,000	-100.0%	444,638	292,137	52.2%
Launched Usable Area (in thousands of sq.m)	0.0	47.0	-100.0%	77.2	29.0	166.2%
Launched Units (Units)	0	1	-100.0%	790	212	272.6%
Launched Units´Average Price (R$ '000)	0.0	564,000.0	-100.0%	562.8	1,378.0	-59.2%
Developments´Average Price (R$/sq.m)	0	12,000	-100.0%	5,761	10,077	-42.8%
EZTEC´s Stake Total Launches (%)	0.0%	100.0%	-100.0 p.p.	90.3%	100.0%	-9.7 p.p.
EZTEC´s PSV (R$ '000)	0	564,000	-100.0%	401,478	292,137	37.4%
EZTEC's Contracted Sales (R$ '000)	(652)	563,360	-100.1%	143,401	207,636	-30.9%
Contracted Sales (Units)	55	(6)	-1016.7%	443	592	-25.2%

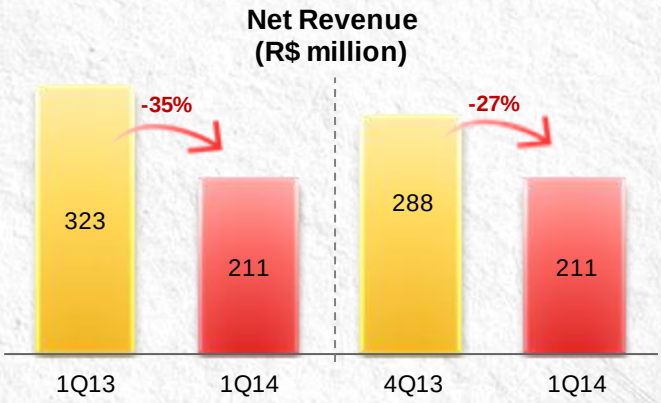


FINANCIAL PERFORMANCE

Financial Highlights		1Q14	1Q13	Var.%	1Q14	4Q13	Var.%
Gross Revenue (R$ '000)	-	244,433	342,589	-28.7%	244,433	321,634	-24.0%
Net Revenue (R$ '000)	*page 10*	210,755	323,114	-34.8%	210,755	287,867	-26.8%
Cost of Real Estate Sold and Services (R$ '000)	*page11*	(106,186)	(159,611)	-33.5%	(106,186)	(137,148)	-22.6%
Gross Profit (R$ '000)	*page11*	104,569	163,503	-36.0%	104,569	150,719	-30.6%
Gross Margin (%)		*49.6%*	*50.6%*	*-1.0 p.p.*	*49.6%*	*52.4%*	*-2.7 p.p.*
Selling Expenses (R$ '000)	*page12*	(9,019)	(13,693)	-34.1%	(9,019)	(10,489)	-14.0%
General and Administrative Expenses (R$ '000)	*page12*	(23,368)	(18,096)	29.1%	(23,368)	(24,846)	-5.9%
Other Operating (Expenses) / Revenues (R$ '000)	*page13*	(3,883)	(1,908)	103.5%	(3,883)	3,825	-201.5%
Equity Income (R$ '000)	*page13*	18,061	19,773	-8.7%	18,061	33,517	-46.1%
EBITDA (R$ '000)	*page14*	88,037	150,265	-41.4%	88,037	151,140	-41.8%
EBITDA Margin (%)		*41.8%*	*46.5%*	*-4.7 p.p.*	*41.8%*	*52.5%*	*-10.7 p.p.*
Financial Income (R$'000)	*page14*	14,534	8,783	65.5%	14,534	14,915	-2.6%
Income Tax and Social Contribution (R$'000)	*page14*	(4,905)	(7,106)	-31.0%	(4,905)	(6,975)	-29.7%
Net Income (R$ '000)	*page15*	95,457	150,728	-36.7%	95,457	159,490	-40.1%
Net Margin (%)		*45.3%*	*46.6%*	*-1.4 p.p.*	*45.3%*	*55.4%*	*-10.1 p.p.*
EPS (R$) [1]		**0.651**	**1.027**	**-36.7%**	**0.651**	**1.087**	**-40.1%**

Net Revenue

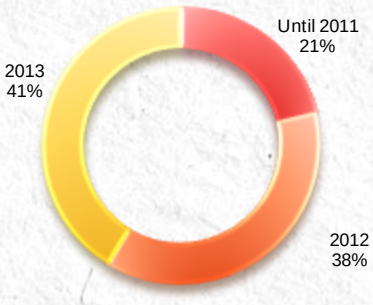
Revenues from the sale of real estate projects are calculated based on the percentage of completion (PoC) method. The PoC is measured based on the costs incurred in relation to the total budgeted cost of the units sold in the projects, in line with the procedure provided for in OCPC 04/12, and discounting "Adjustments to Present Value" (AVP), in accordance with CPC 12.



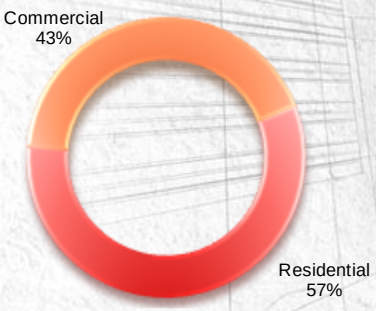
In the 1Q14, Net Revenue reached R$210.8 million, reduction of 34.8% compared to the 1Q13 and 26.8% compared to the 4Q14. The decrease in recognized Revenues in the first quarter of 2014 was mainly due to: [i] lower Sales results in the quarter, due to the inventory sales strategy for this period; [ii] a momentary decrease in construction execution volume, as a result of the delivery of 8 projects in the last six months, whereas the construction of part of the launched projects in 2013 have not started yet in 2014. As a real estate developer that works, preferably without swaps, an important part of its revenues are generated from the construction evolution of its projects under construction. Therefore, less projects in execution or many projects in initial stage, represents less results being recognized.

Managerial Data – 1Q14

Net Revenue by Launch's Year



Net Revenue by Standard



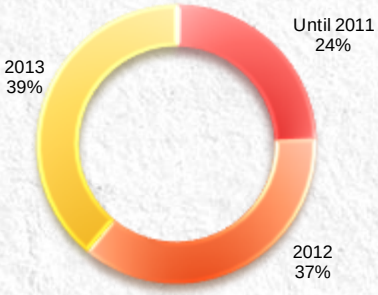
Cost of Properties Sold and Services Rendered

Cost of properties sold and services rendered essentially comprise the costs involving: [i] lot acquisition; [ii] project development; [iii] construction; [iv] maintenance (including provisions); and [v] financial charges related to production financing (SFH). In the 1Q14, the Cost of Properties Sold totaled R$106.2 million, versus R$137.1 million in the 4Q13 and R$159.6 million in the 1Q13. The decrease when comparing with previous quarters is a result of less projects in under construction. It is important to point out that in the 1Q13, *EZ Towers – Tower A* was sold, recognizing, at that one quarter, 28.6% of the project´s PoC. It's important to mention that EZTEC's operations are focused in the São Paulo Metropolitan Area, where the INCC construction cost index has proven to be a good indexation for costs inflation. Note that the Company has a specialized independent department for planning and controlling costs, schedule and quality of its projects, with all projects being audited on a biweekly to monthly basis. Any budget differences identified are immediately adjusted in the accounting books, with any cost savings considered only upon the year of the completion of the project. A breakdown of costs by type is presented below:

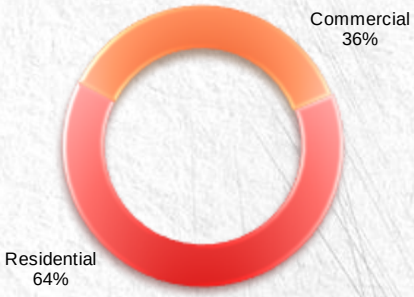
Cost by Nature (Amount expressed in thousands of Brazilian Reais - R$)	**1Q14**	**1Q13**	**Var.%**	**1Q14**	**4Q13**	**Var.%**
Cost of Construction / land	(97,052)	(156,733)	-38.1%	(97,052)	(133,213)	-27.1%
Capitalized Financial Charges	(8,375)	(1,666)	402.7%	(8,375)	(2,874)	191.4%
Maintenance / Guarantee	(759)	(1,212)	-37.4%	(759)	(1,061)	-28.5%
Total Costs	**(106,186)**	**(159,611)**	**-33.5%**	**(106,186)**	**(137,148)**	**-22.6%**

Managerial Data – 1Q14

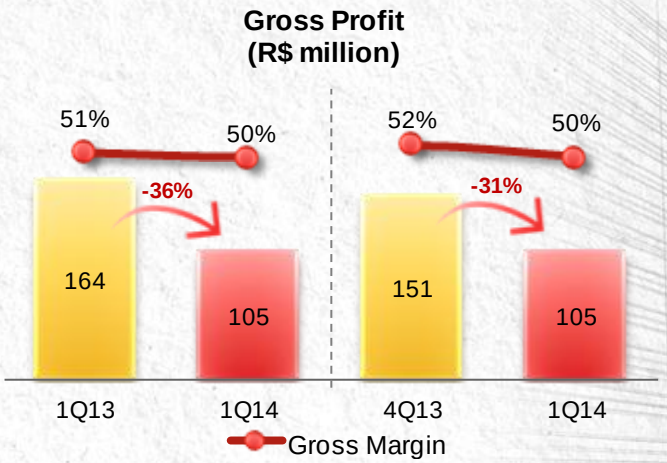
Cost of Properties Sold by Launch's Year



Cost of Properties Solds by Standard



Gross Profit



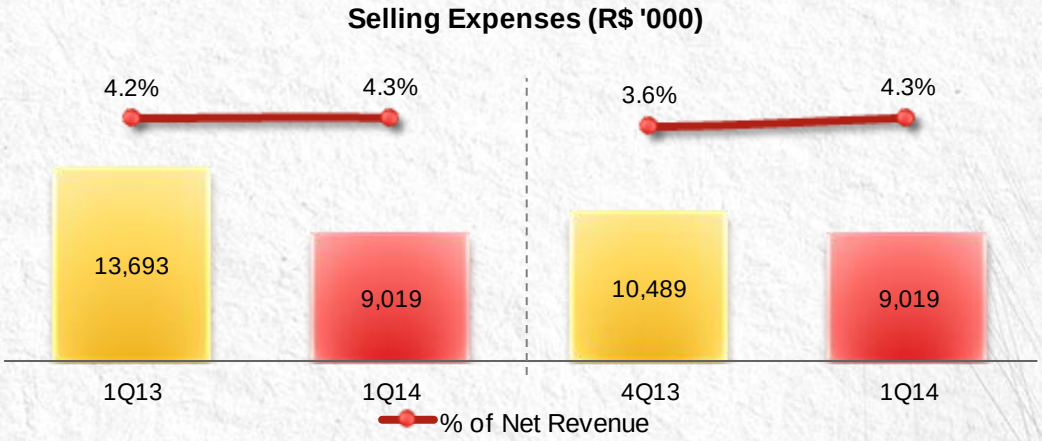
Gross Profit reached R$104.6 million in the 1Q14, reduction of 36.0% comparing with the 1Q13, for a Gross Margin of 49.6%. As previously explained, lower Sales results and less construction volume under execution, decreased revenues and cost recognition in the quarter, which lead to lower Gross Profit levels. However, it is important to point out that Gross Margins' level remained at similar levels as of previous quarters, which indicates the quality of the projects under construction who´s results are being recognized, as well as the construction progress in line with their original budgets.

Selling and Administrative Expenses

The following table presents a breakdown of Selling and Administrative Expenses as a percentage of Net Revenue:

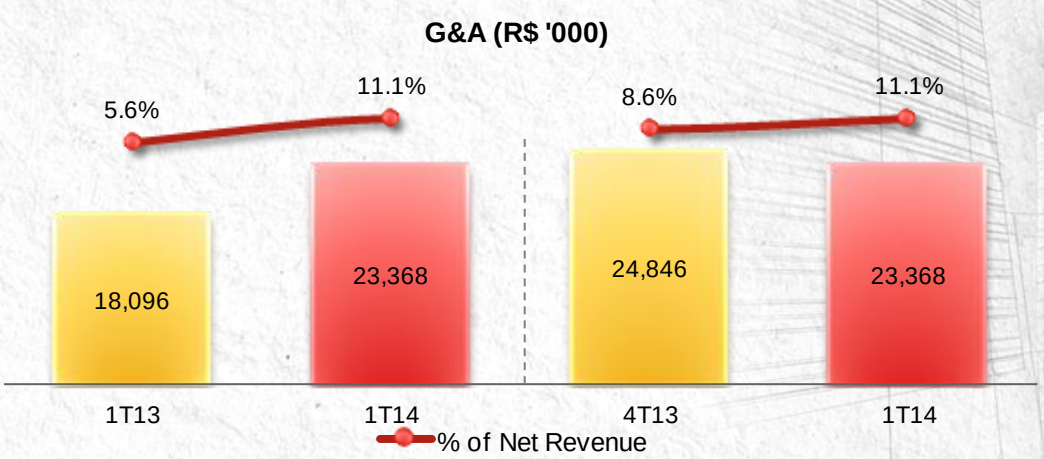
Selling, General and Administrative Expenses (SG&A) (Amount expressed in thousand of Brazilian Reais – R$)	1Q14	1Q13	Var.%	1Q14	4Q13	Var.%
Selling Expenses	**(9,019)**	**(13,693)**	**-34.1%**	**(9,019)**	**(10,489)**	**-14.0%**
% of Net Revenue	*4.3%*	*4.2%*	*0.0 p.p.*	*4.3%*	*3.6%*	*0.6 p.p.*
General and Administrative Expenses (G&A)	**(23,368)**	**(18,096)**	**29.1%**	**(23,368)**	**(24,846)**	**-5.9%**
% of Net Revenue	*11.1%*	*5.6%*	*5.5 p.p.*	*11.1%*	*8.6%*	*2.5 p.p.*
Administrative Expenses	(21,353)	(16,449)	29.8%	(21,353)	(20,699)	3.2%
Management Fees	(2,015)	(1,647)	22.3%	(2,015)	(4,147)	-51.4%
Total SG&A	**(32,387)**	**(31,789)**	**1.9%**	**(32,387)**	**(35,335)**	**-8.3%**
% of Net Revenue	*15.4%*	*9.8%*	*5.5 p.p.*	*15.4%*	*12.3%*	*3.1 p.p.*

The Company's **Selling Expenses** include all expenses related to tangible assets (sales stands, model apartments and related furniture), advertising costs and other expenses related to the marketing efforts of developments. Note that the Gross Revenue is recognized already net of brokerage expenses. **EZTEC fully recognizes all selling expenses, including those with Sales Stands, directly on its income statement as they occur.**



Selling Expenses change with the Company necessity of make campaigns or invest in new sales stands for the next launches. In the 1Q14, the increase in the relation of Selling Expenses / Net Revenue was affected by the less amount of Revenues recognized in the quarter.

Selling Expenses by Nature (Amount expressed in thousands of Brazilian	1Q14	1Q13	Var.%	1Q14	4Q13	Var.%
Advertising Expenses and Others	(6,013)	(10,151)	-40.8%	(6,013)	(8,967)	-32.9%
Expenses with stand	(3,006)	(3,542)	-15.1%	(3,006)	(1,522)	97.5%
Total Selling Expenses	**(9,019)**	**(13,693)**	**-34.1%**	**(9,019)**	**(10,489)**	**-14.0%**



Selling, General and Administrative Expenses totaled R$23.4 million in the first quarter of 2014. The Administrative Expense / Net Revenue ratio was 11.1% in 1Q14, increase of 2.5 p.p. comparing to 4Q13, due to the decrease in recognized Revenue in this period. Despite the rules of IFRS 10 and IFRS 11 and the norms of CPC 19, which say that Revenues from non-controlled projects are to be by Equity Income, the Expenses related to these projects are still fully recognized Company´s results.

Note that EZTEC's Administrative Expenses include all expenses related to the Company's integrated model. In the 1Q14, the **engineering** business unit was responsible for 15.4% of Administrative Expenses, while the **development** and **brokerage** units accounted for the remaining 84.6%.

G&A by Nature (Amount expressed in thousand of Brazilian Reais – R$)	1Q14	1Q13	Var.%	1Q14	4Q13	Var.%
Payroll and related taxes (1)	(9,349)	(6,972)	34.1%	(9,349)	(11,428)	-18.2%
Employee Benefits	(3,385)	(2,487)	36.1%	(3,385)	(3,202)	5.7%
Depreciation and Amortization	(915)	(958)	-4.5%	(915)	(866)	5.7%
Service expenses	(6,727)	(4,322)	55.6%	(6,727)	(5,724)	17.5%
Rentals and common area maintenance fees	(433)	(561)	-22.8%	(433)	(717)	-39.6%
Maintenance of properties	(129)	(244)	-47.1%	(129)	(109)	18.3%
Taxes and Fees	(461)	(915)	-49.6%	(461)	(343)	34.4%
Other expenses	(1,969)	(1,637)	20.3%	(1,969)	(2,457)	-19.9%
Total G&A	**(23,368)**	**(18,096)**	**29.1%**	**(23,368)**	**(24,846)**	**-5.9%**

(1) Including Board´s Fees.

Other Operating Revenue and Expenses

The following table presents a breakdown of the line "Other Operating Revenue and Expenses" as a percentage of Net Revenue:

Other Operating Revenue and Expenses (Amount expressed in thousand of Brazilian Reais – R$)	1Q14	1Q13	Var.%	1Q14	4Q13	Var.%
Total Other Operating Revenue and Expenses	**(3,883)**	**(1,908)**	**104%**	**(3,883)**	**3,825**	**-201.5%**
% of Net Revenue	*1.8%*	*0.6%*	*1.3 p.p.*	*1.8%*	*1.3%*	*0.5 p.p.*
Tax Expenses	(2,577)	(2,200)	17.1%	(2,577)	(2,094)	23.1%
Provision for contigence	-	-	n.a.	-	-	n.a.
Other Operating Revenue and Expenses	(1,306)	292	-547.3%	(1,306)	5,919	-122.1%
Equity Income	**18,061**	**19,773**	**-9%**	**18,061**	**33,517**	**-46.1%**
% of Net Revenue	*8.6%*	*6.1%*	*2.5 p.p.*	*8.6%*	*11.6%*	*-3.1 p.p.*

Tax Expenses include basically expenses with urban real estate tax (IPTU) and other taxes related to EZTEC's lots and units in our inventory.

Equity Income

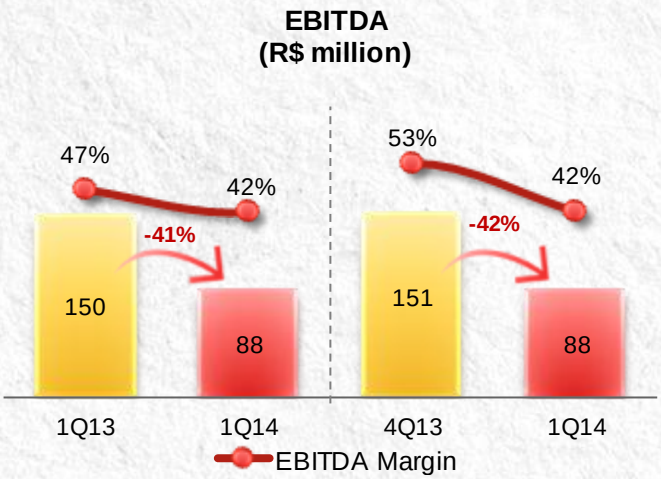
In 2013, the rules of the IFRS 10 and IFRS 11, regarding projects with shared control, were taken into effect. When adopting the norms of the CPC 19, the share of Assets and Liabilities, Revenues and Expenses in projects that are "not controlled" by EZTEC cease being consolidated proportionally to EZTEC´s stake.

The Company understands as a "non-controlled" project, a project which its operational and financial decisions are not taken exclusively by EZTEC.

The table below shows the sum of the results, proportional to the Company´s stake, of "non-controlled" projects which were subject to the Equity Income method:

Results for Shared Control projects (in R$ MN)	1Q14	1Q13	Var.%	1Q14	4Q13	Var.%
Gross Revenues	90.3	58.7	53.8%	90.3	107.2	-15.8%
Sales Cancellations	12.7	5.2	144.9%	12.7	5.1	149.1%
Taxes from Sales	1.8	1.2	52.3%	1.8	2.5	-27.0%
Net Revenues	75.7	52.3	44.9%	75.7	99.6	-24.0%
Cost of Real Estate Sold and Services	46.3	28.4	62.8%	46.3	56.4	-17.9%
Gross Profit	29.4	23.8	23.5%	29.4	43.2	-31.9%
Gross Margin (%)	*38.8%*	*45.6%*	*-6.7 p.p.*	*38.8%*	*43.4%*	*-4.5 p.p.*
Commercial Expenses	8.6	2.7	221.6%	8.6	8.0	7.7%
Net Income	18.1	19.8	-8.7%	18.1	33.5	-46.1%
Net Margin (%)	*23.9%*	*37.8%*	*-14.0 p.p.*	*23.9%*	*33.7%*	*-9.8 p.p.*
Average Control (as % Revenue)	*56.3%*	*47.6%*	*8.7 p.p.*	*56.3%*	*57.1%*	*-0.8 p.p.*

EBITDA



In the 1Q14, EBITDA reached R$88.0 million, decrease of 41.8% compared to the 4Q13; and a EBITDA Margin of 41.8%. The decrease in EBITDA, as previously explained, is due to the lower amount of revenue recognition. The following table shows in greater detail the EBITDA calculation adopted by EZTEC.

EBITDA (Amount expressed in thousand of Brazilian Reais – R$)	**1Q14**	**1Q13**	**Var.%**	**1Q14**	**4Q13**	**Var.%**
Net Income	**95,457**	**150,728**	**-36.7%**	**95,457**	**159,490**	**-40.1%**
Income Tax and Social Contribution	4,905	7,106	-31.0%	4,905	6,975	-29.7%
Net Financial Result	(14,534)	(8,783)	65.5%	(14,534)	(14,915)	-2.6%
Depreciation and Amortization	2,209	1,214	82.0%	2,209	(410)	-638.8%
EBITDA (1)	**88,037**	**150,265**	**-41.4%**	**88,037**	**151,140**	**-41.8%**
EBITDA Margin (%)	*41.8%*	*46.5%*	*-4.7 p.p.*	*41.8%*	*52.5%*	*-10.7 p.p.*

(1) EBITDA corresponds to net income before income and social contribution taxes, net financial result and expenses with depreciation and amortization. *EBITDA is not a financial statement line in accordance with BR GAAP and does not represent cash flow for the periods presented. EBITDA does not have a standardized meaning and the definition of EBITDA used by EZTEC may not be comparable with that used by other companies.*

Net Financial Result

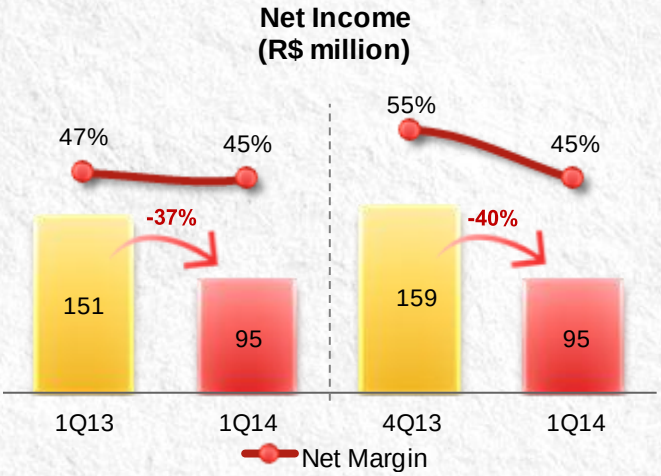
In the 1Q14, EZTEC registered Net Financial Result of R$14.5 million, R$8.9 million related to the “Interest Income on Trade Accounts Receivable” from our Performed Receivables portfolio, given the deliveries in the quarter. In the same quarter in the previous year, Net Financial Result reached R$8.8 million.

Financial Result by Nature (Amount expressed in thousand of Brazilian Reais – R$)	**1Q14**	**1Q13**	**Var.%**	**1Q14**	**4T13**	**Var.%**
Financial Revenues						
Financial Income	4,142	2,017	105.4%	4,142	5,002	-17.2%
Interest Income on Trade Accounts Receivable	9,309	11,155	-16.5%	9,309	8,888	4.7%
Other	1,543	846	82.4%	1,543	1,409	9.5%
Total Revenues	**14,994**	**14,018**	**7.0%**	**14,994**	**15,299**	**-2.0%**
Fianancial Expenses						
Interest and Inflation Adjustments Losses	-	-	n.a.	-	-	n.a.
Discounts on Trade Accounts Receivable	(184)	(4,959)	-96.3%	(184)	(149)	23.5%
Other	(276)	(276)	0.0%	(276)	(235)	17.4%
Total Expenses	**(460)**	**(5,235)**	**-91.2%**	**(460)**	**(384)**	**19.8%**
Net Financial Result	**14,534**	**8,783**	**65.5%**	**14,534**	**14,915**	**-2.6%**

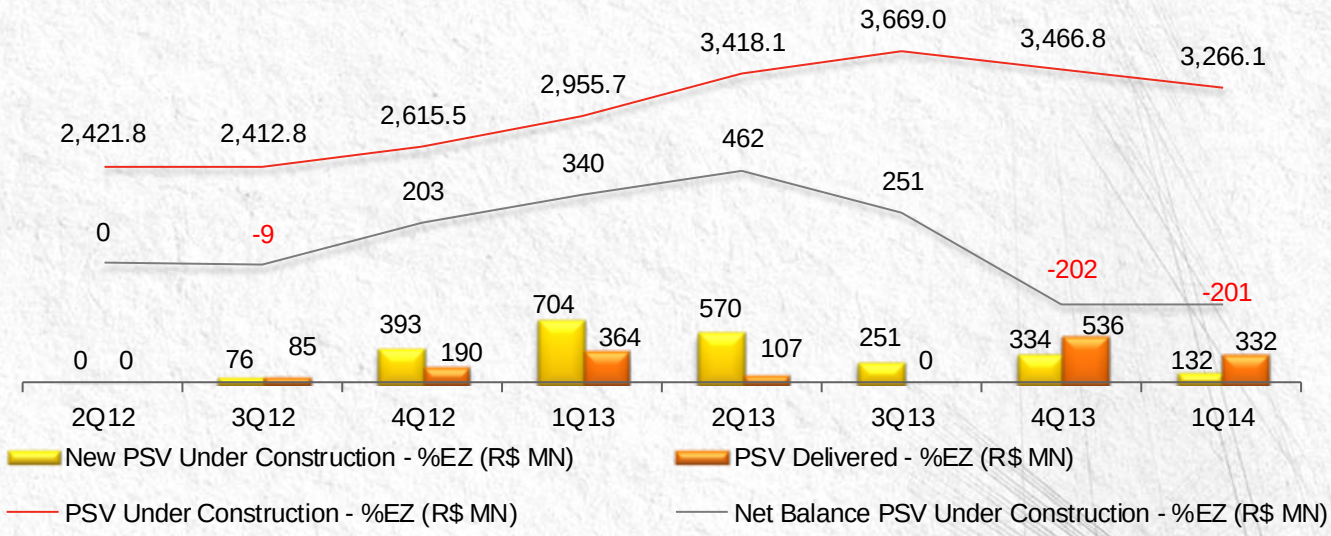
Income and Social Contribution Taxes

Income and Social Contribution Taxes amounted to R$4.9 million in the 1Q14, versus R$7.1 million in the 1Q13 which was impacted by the *MP°601* measures of December 2012. EZTEC adopts Risk Segregation structures for its projects, given its understanding that in addition to the tax benefits on Revenue generated by the tax rate of 4.0% (PIS+COFINS+IR+CSLL), the mechanism obligatorily segregates the cash of its projects, leading to lower use of production financing, better margins for the Company and, most importantly, conveying to clients, banks and suppliers a sense of security regarding the management of financial resources of projects.

Net Income



Net Income, in the 1Q14, reached R$95.5 million, and a decrease of 40.1% compared with the 4Q13 and a reduction of 36.7% compared to the 1Q13, and Net Margin of 45.3%. As mentioned before, the Company delivered 8 projects (3 "non-controlled" projects and 5 "controlled" {see "control" definition in Equity Income topic in page 14}) in the last 6 months, represented almost R$870 million of own PSV of when launched. Therefore, the decrease of Net Income was due to: [i] less Revenues being recognized, due to the recently delivered projects, without the Revenue reposition coming from the newest projects under construction; and [ii] the nominal stability of the commercial and administrative expenses, adequate to the Company´s operation, even in quarters with lower recognized results. The graph below demonstrates, quarterly, the amount of EZTEC´s own PSV under construction:

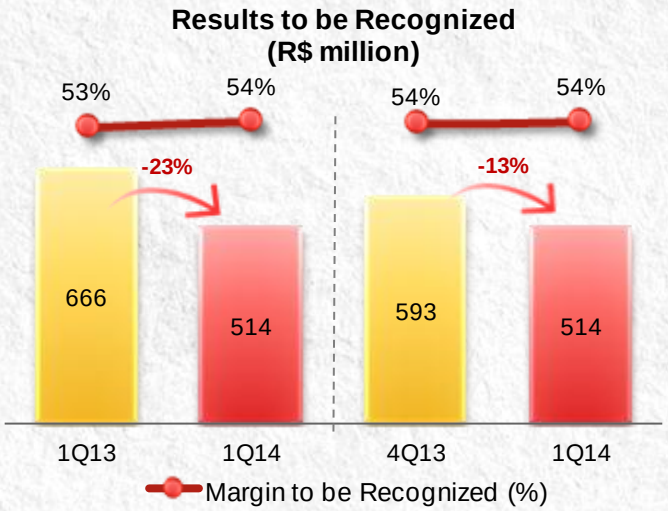


It is also important to point two other aspects: [i] projects in their initial construction phase have less simultaneous construction activities, which results in a smaller result´s recognition; and [ii] In the first quarter of 2013, the sale, for R$564 million, of the *EZ Tower – Tower A* was recognized proportionally to the percentage of the total incurred cost until that moment.

Deferred Revenue and Income

Deferred Revenue according to the percentage of conclusion (PoC) method was R$514.5 million in the 1Q14. The table below shows the Company's Deferred Revenue, costs and income, as well as the expected margin, which was 54.1% by the end of the 1Q14, related to the units which have been sold but are still to be constructed:

Revenues and Results to be Recognized (Amount expressed in thousand of Brazilian Reais – R$)	**1Q14**	**4Q13**	**Var.%**	**1Q14**	**1Q13**	**Var.%**
Revenues to be Recognized - end of the period	877,464	1,018,667	-13.9%	877,464	1,148,640	-23.6%
Present Value Adjustment - On-Balance	30,426	31,229	-2.6%	30,426	31,743	-4.1%
Present Value Adjustment - Off-Balance	43,741	55,468	-21.1%	43,741	73,801	-40.7%
Cost of Units Sold to be Recognized - end of the period	(437,159)	(512,584)	-14.7%	(437,159)	(588,088)	-25.7%
Result to be Recognized	**514,472**	**592,780**	**-13.2%**	**514,472**	**666,096**	**-22.8%**
Margin to be Recognized (%)	*54.1%*	*53.6%*	*0.4 p.p.*	*54.1%*	*53.1%*	*1.0 p.p.*



In the previous chart, the quarterly variation in Margin is a result of the product mix (commercial and residential) in each quarter. The current Margin level indicates the trend for future Gross Margin, changing according to the mix of products launched on each quarter. It is important to notice the regularity of EZTEC´s Margin to be Recognized and its proximity with the Gross Margins reported throughout the quarters.

Accounts Receivable

Accounts Receivable represent sales of residential and commercial development projects, with the outstanding balance of the contracts updated in accordance with the respective contractual clauses and a provision for doubtful credits created based on risk analysis and a meticulous evaluation by Management.

Monetary restatement of accounts receivable is recorded on the income statement under revenue from property sales up to the delivery of keys, and under financial income (interest) after the delivery of keys.

Trade Accounts Receivable (Amount expressed in thousand of Brazilian Reais – R$)	**1Q14**	**4Q13**	**Var.%**
Clients by Sales and Property Developments	1,305,810	1,282,518	1.8%
Short-Term	921,326	876,492	5.1%
Long-Term	384,484	406,026	-5.3%
Accounts Receivable Off-Balance Sheet	852,366	992,479	-14.1%
Short-Term	431,410	492,594	-12.4%
Long-Term	420,956	499,885	-15.8%
Total Trade Accounts Receivable	**2,158,176**	**2,274,997**	**-5.1%**

By March 31, 2014, the Receivables portfolio, excluding service revenues and provisions, totaled R$2,133.0 million, and the default rate (accounts overdue more than 90 days) represented 5.99% of the total portfolio. Of the amounts overdue at the end of 1Q14, approximately 83.5% refers to projects delivered in the last two quarters and their clients. These clients are under the bank´s analysis for taking out loans to settle ("transfer") the outstanding balance of their delivered units.

Total Performed Receivables, which means they are qualified for securitization, came to R$282.5 million and were adjusted by the IGP-M index + 12% p.a., as a results of the 1Q14´s deliveries.

The table below shows the calculation of our accounts receivable:

Receivables (Amount expressed in thousand of Brazilian Reais – R$)	**1Q14**	**4Q13**	**Var.%**
Total Account Receivables of Developments (Concluded)	1,305,771	1,280,657	2.0%
Receivables for Property Development - Completed Construction (1)	282,498	362,753	-22.1%
Receivables for Property Development - Construction in Progress (2)	1,023,273	917,904	11.5%
Total Accounts Receivable (Non-Concluded) (3)	852,366	992,479	-14.1%
Advance from Costumers (4)	(25,098)	(26,188)	-4.2%
Total Accounts Receivable	**2,133,039**	**2,246,948**	**-5.1%**

(1) The company finances a maximum of 80% of the purchase price for its clients once the project is delivered. The accounts receivable of units delivered is subject to monetary restatement based on the variation in the IGP-M inflation index published by the Getúlio Vargas Foundation (FGV) plus annual interest of 12%, which is booked on the quarterly income statement under the item "financial income".
(2) Represented by receivables from sales based on the percentage of completion (PoC) of projects. The amounts related to monetary restatement are booked on the quarterly income statement under the item "revenue from property sales" up to the delivery of keys.
(3) Represented by receivables from sales not recognized on the balance sheet due to the percentage of completion (PoC) criteria adopted for revenue recognition. The amounts related to monetary restatement are booked on the quarterly income statement under the item "revenue from property sales" up to the delivery of keys.
(4) Receivables from clients originating from the sales of units under construction are based on the percentage of completion (PoC), with amounts received exceeding the revenue recognized based on the POC method under current liabilities as advances from clients.

Net Cash and Indebtedness

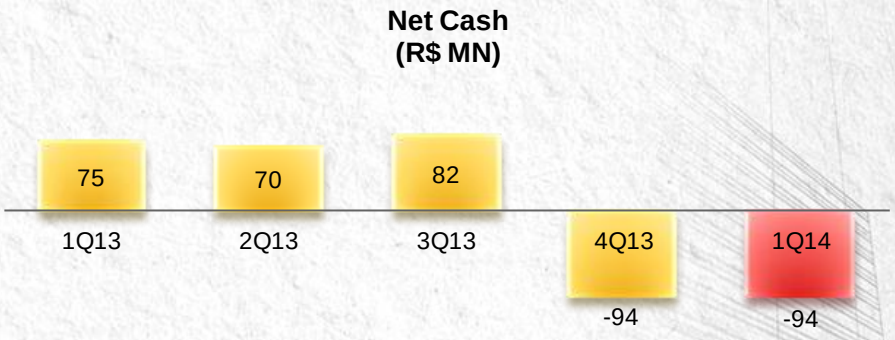
Meanwhile, the Company´s Debt position, composed exclusively of dedicated Homebuilding Financial System (SFH) financing lines, has kept stable compared to the end of 2013. By the end of the 1Q14, the number of units under construction was close to 11 thousand, increasing the amount of debt related to the construction of these projects. Aside from that, throughout the year, EZTEC has advanced the construction of the *EZ Towers'* corporate project construction which, by itself, represents R$209 million (in SFH lines) of the Company´s Gross Debt. It´s important to point out that interest rates in SFH lines are up to 2 percentage points lower than the current Brazilian SELIC rate.

In all, EZTEC reported a **Net Debt position of R$93.8 million** by the end of the quarter. The Net Debt position **doesn´t indicate any changed in EZTEC´s business model**, but only the consequence of recent operational growth and land acquisitions, without swaps agreements, done throughout 2013. If it were possible to segregate *EZ Towers´* construction debt, since this debt will be fully transferred to São Carlos S.A. after Tower A´s delivery, EZTEC would be reporting a Net Cash position of R$115.2 million.

It´s important to point out EZTEC´s liquidity is at a comfortable position, with R$282.5 million of Performing Receivables, yielding IGP-M index + 12% p.a., which are qualified for securitization and can be converted into Cash if needed; and R$257.7 million in Cash, Cash equivalents and Financial Investments.

EZTEC's debt is composed exclusively of financing lines for production, with rates ranging from 8.9% + TR p.a. to 10.5% + TR p.a..

Financial Debt (Amount expressed in thousand of Brazilian Reais – R$)	**1Q14**	**4Q13**	**Var.%**
Short-Term Debt	12,576	20,348	-38.2%
Long-Term Debt	338,948	272,584	24.3%
Cash and Cash Equivalents	(51,400)	(62,808)	-18.2%
Financial Investments	(206,276)	(136,517)	51.1%
Net (Cash) Debt	**93,848**	**93,607**	**0.3%**



OPERATIONAL INDICATORS

Operational Performance *(Ex-EZ Towers)*	1Q14	1Q13	Var.%	1Q14	4Q13	Var.%
Number of Launched Developments	2	3	-33.3%	2	3	-33.3%
PSV (R$ '000) (1)	444,638	201,906	120.2%	444,638	503,234	-11.6%
Launched Usable Area (in thousands of sq.m)	77.2	24.0	221.3%	77.2	86.0	-10.2%
Launched Units (Units)	790	212	272.6%	790	1,179	-33.0%
Launched Units´Average Price (R$ '000)	562.8	952.4	-40.9%	562.8	426.8	31.9%
Developments´Average Price (R$/sq.m)	5,761	8,404	-31.5%	5,761	5,853	-1.6%
EZTEC´s Stake Total Launches (%)	70%	100%	-30.0 p.p.	70%	70%	0.0 p.p.
EZTEC´s PVS (R$ '000) (2)	311,247	201,906	54.2%	311,247	352,264	-11.6%
Contracted Sales (R$ '000)	142,749	206,997	-31.0%	142,749	271,590	-47.4%
Contracted Sales (Units)	498	585	-14.9%	498	926	-46.2%

(1) Total PSV, regardlessy of the Company's interest in the projects.
(2) Calculated by multiplying total PSV by the company's interest in the projects.

Operations

EZTEC adopts a fully integrated business model, which is divided into three business units: **Development**, which prospects and develops projects that meet the Company's criteria for returns; **Engineering and Construction**, which assures quality during the execution of projects, timely delivery and the control of costs; and **Brokerage**, whose team of brokers is responsible for maintaining the rapid pace of sales of the Company's developments. EZTEC also offers financing directly to its clients with terms of up to 120 months and interest of IGP-M + 12% p.a. after delivery of keys.

EZTEC believes firmly in its vertical model, which provides efficient negotiations with suppliers, flexibility in the creation of products and operational excellence in development and construction processes.

The company has an internal development team that creates new EZTEC products based on the needs of its clients, working jointly with other development departments to anticipate trends and make the most of the area available, while maintaining high levels of social and environmental responsibility, in order to create value and support higher prices. The internal development team also saves the Company some money, since it reduces expenses with third-party services.

EZTEC has over 143 employees in its engineering, budget, planning and supplying departments, as well as 4,798 workers, including employees and outsourced personnel at its construction sites, which ensures the execution and delivery of all projects with the required level of controls and quality and within the established timetable. Given our focus in the São Paulo Metropolitan Area, EZTEC is able to maintain long-term partnerships with its materials and services suppliers, which helps ensuring deadlines are met and reducing the effects from labor shortage and construction costs inflation.

As of March 31, 2014, EZTEC had 32 sites under construction. Out of these, 24 sites were constructed by EZTEC and the other 8 were outsourced to partners. Together, they represent 10,938 units under construction.

The table below details the projects delivered throughout the 1Q14:

Project	Launch Date	Launch Total PSV (R$ MM)	% EZTEC	EZTEC PSV (R$ MM)	Total Units	% Units Sold
NeoCorporate Offices	Jan-11	182.0	100%	182.0	297	81%
Up Home Jd. Prudência	Feb-11	61.1	100%	61.1	156	99%
Trend Paulista Offices	Feb-11	178.5	50%	89.3	252	90%
Total		**421.6**		**332.4**	**705.0**	**88%**

Land Bank

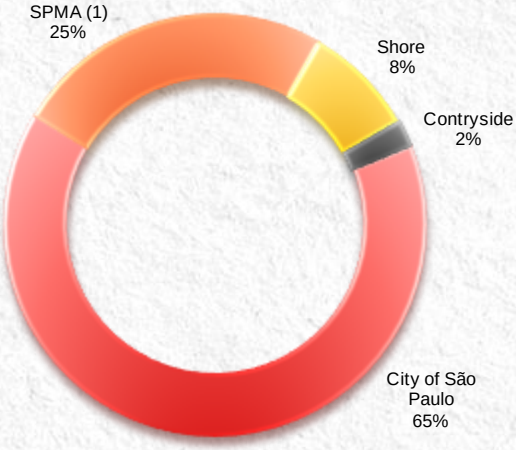
On March 31, 2014, EZTEC's Land Bank (ex-*EZ Towers*) totaled **R$5.2 billion** in own PSV. The average cost of the land bank, **including expenses related to increasing the ratio of floor space to lot area**, is equivalent to 12.6% of PSV. This quarter, EZTEC focused on the expansion of existing land pieces.

It´s important to point out that *EZ Towers – Tower B* is **not** included in the Company´s Land Bank. The amount of R$636 million related to this project is reflected in the NAV calculation.

More details on the location of EZTEC's sites and projects are available at www.eztec.com.br/ir in the section "Map of Projects".

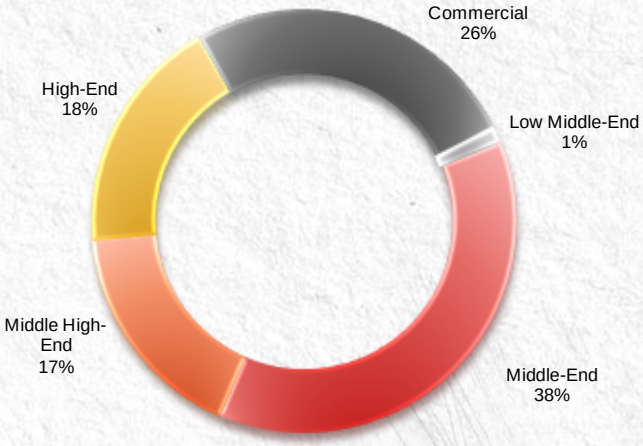
Managerial Data – 1Q14

Geographical Breakdown
% of EZTEC's PSV

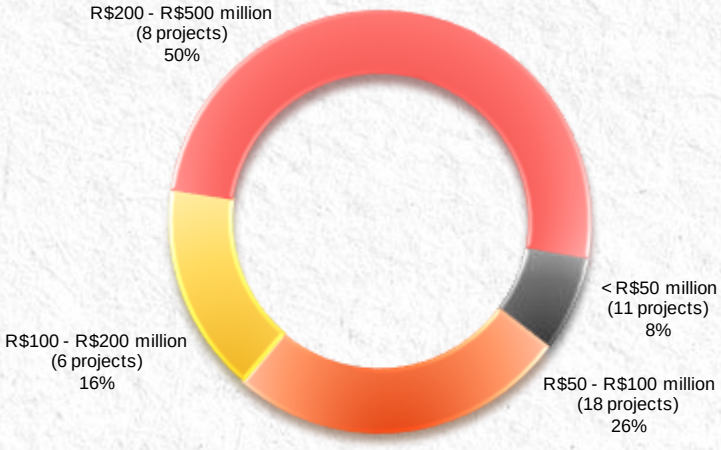


(1) Excludes the City of São Paulo, i.e. the other 38 municipalities in the São Paulo Metropolitan Area (SPMA).

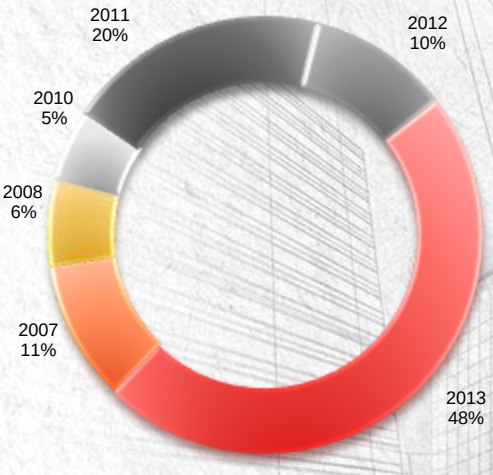
Allocation by Standard
% of EZTEC's PSV



Projects Size Breakdown
% of EZTEC's PSV

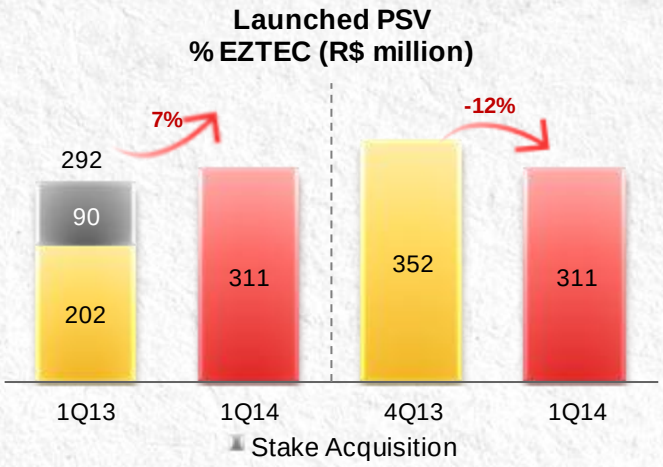


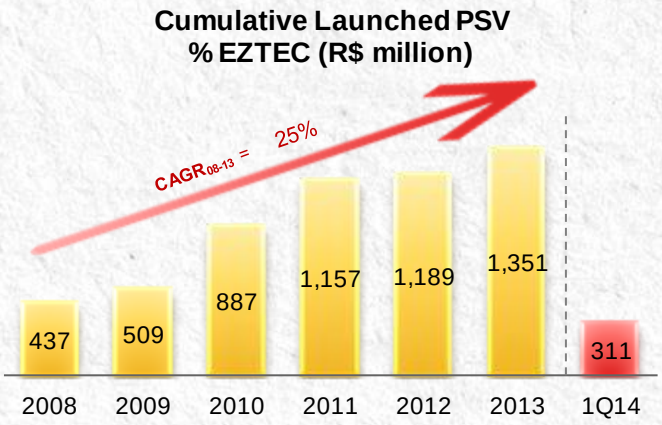
Acquisition Period Breakdown
% of EZTEC's PSV



Launches

EZTEC launched, in March 27th, 2014, the last two phases of the *Cidade Maia* project, located in Guarulhos, in the São Paulo Metropolitan Area, with middle-end units. The *Botânica* phase has 2 residential towers, with a total of 566 middle-end units and R$182.8 million in own PSV. The *Reserva* phase 2 more residential towers, with a total of 224 middle-end units and R$128.5 million in own PSV. Therefore, the company launched 790 units for an own PSV of **R$311.2 million in first quarter of 2014,** of increase of 6.5% compared with the same period in the previous year.

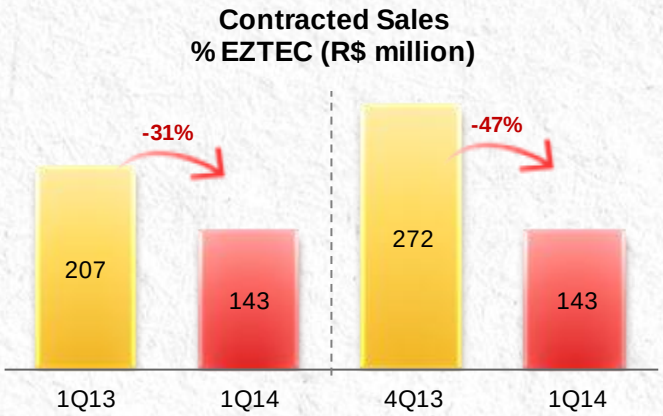


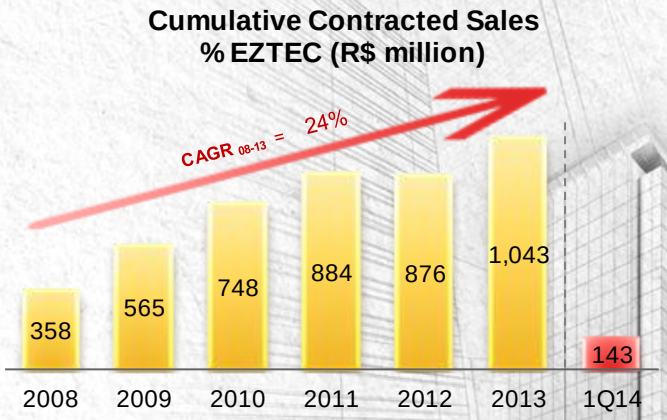


Sales

Amongst the product portfolio developed by EZTEC in São Paulo city and Metropolitan Area, last months' launch profile was composed of projects with high number of units. With profitability and margins above the EZTEC's Guidance, these projects, naturally, demand the sales' team attention to be commercialized. For this reason, EZTEC provided the necessary time for its own sales team to commercialize the inventory units, meanwhile, preparing new projects to be launched by the end of the quarter. For that reason, the 1Q14 Sale´s profile was composed, mainly, of inventory units. The Sales volume reached by EZTEC was **R$142.7 million in the** 1Q14 (net of cancellations and brokerage fees), out of which, 91% referring to projects launched in previous quarters, 29% higher than the 1Q13´s inventory sale.

Managerial data indicates that the *Cidade Maia* project, considering the launched phases in the 4Q13 with the ones launched in the 1Q14, 52% of its units were sold by the closing of this report.

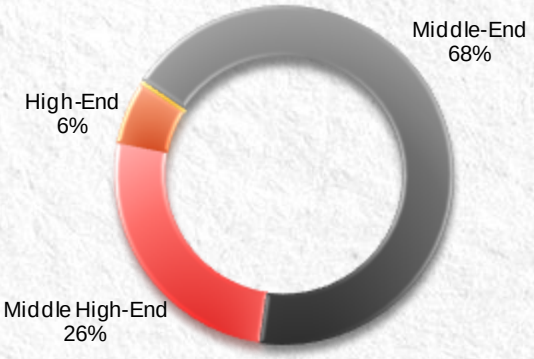




Managerial Data - 1Q14

Launches' Period	Sales % EZTEC	% Total
1Q14	12,645,035	8.9%
4Q13	80,074,666	56.1%
3Q13	23,641,669	16.6%
2Q13	8,852,050	6.2%
1Q13	2,311,536	1.6%
2012	11,767,981	8.2%
2011	-8,586,450	-6.0%
2010	12,478,795	8.7%
2009	-754,625	-0.5%
2008	1,014,975	0.7%
2007	0	0.0%
Até 2006	-697,089	-0.5%

Contracted Sales by Standard % of EZTEC's PSV



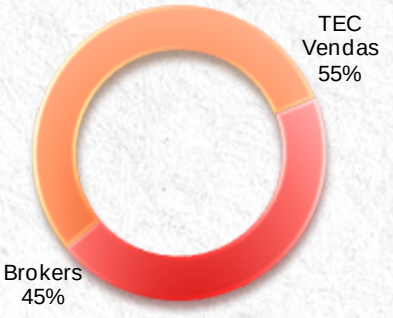
The Sales-Over-Supply (SoS) ratio is presented below and reflects the liquidity of the products originated by EZTEC. To eliminate the effects from sale-price appreciation over time, which leads to distortions between the initial inventory and contracted sales, EZTEC adopts square meters for analyses of Sales-Over-Supply.

SALES-OVER-SUPPLY	1Q14	1Q13
+ Inventory on Dec/13 (sq. m)	159,189	152,324
+ Launches at period (sq. m)	54,030	28,992
= Inventory + Launches (sq. m)	**213,219**	**181,316**
- Sales at period (sq. m)	23,511	34,353
= Final Inventory (sq.m)	**189,707**	**146,963**
Sales Over Supply	*11.0%*	*18.9%*

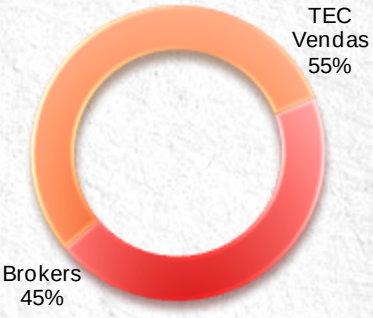
**SoS 1Q13 excluding EZ Towers – Tower A sale*

Seeking to strengthen the brand and ensure the high quality of service provided, the Company has been expanding its in-house brokerage team, which currently has over 1,000 dedicated employees. The in-house brokerage team accounted for 73.9% of sales in 1Q14. Bear in mind that in addition to the gains in terms of the level of brokerage services, the sales team also generates: [i] higher inventory liquidity, being responsible for the sale of R$165.4 million in units launched in previous quarters; [ii] market intelligence, since it captures market information for the Company and enables trends anticipation; and [iii] better pricing of products by communicating more effectively to clients the advantages of EZTEC's products. The following chart presents the share of sales made by EZTEC's in-house team versus those made by outsourced brokers.

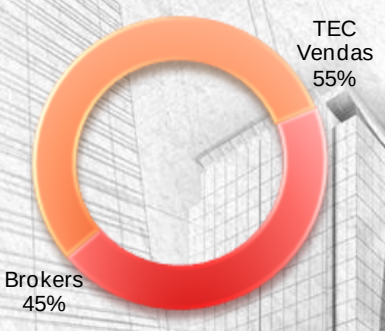
2010



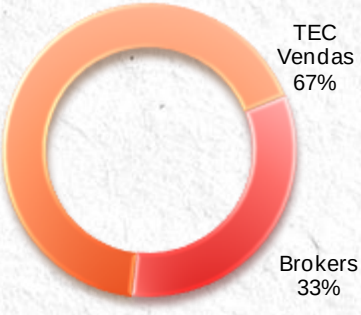
2011



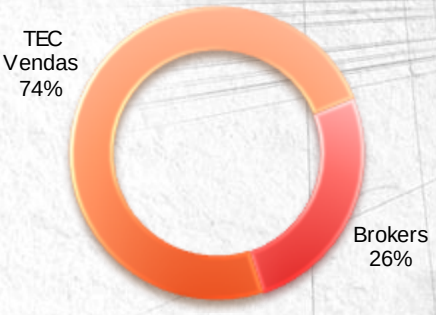
2012



2013



1Q14

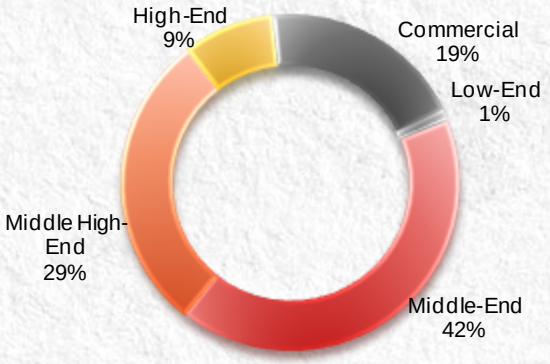


Units in Inventory

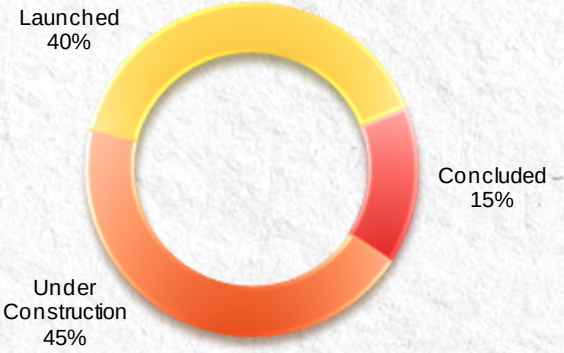
Project	Launch Date	Total Units	% Units Sold	Inventory Units	% EZTEC	Inventory Units R$(1)	Inventory Spaces R$(1)
2006							
Splendor Tatuapé	Aug-06	108	98%	2	100%	3,267,239	50,225
Terraço Anália Franco	Nov-06	46	96%	2	100%	1,753,737	0
2007							
Clima do Bosque	Jun-07	208	100%	1	100%	430,860	0
Quality House Lapa	Oct-07	288	100%	1	100%	563,767	182,268
2008							
Clima do Parque	Mar-08	336	100%	1	100%	664,684	0
Bell'Acqua	Apr-08	152	97%	4	100%	1,737,880	0
Splendor Square	Jun-08	112	99%	1	100%	1,145,209	0
Mundeo	Jun-08	84	99%	1	100%	559,845	41,383
2009							
Supéria Moema	Mar-09	153	99%	2	100%	1,268,684	0
Capital Corporate Office	May-09	450	99%	3	100%	2,839,513	948,606
Supéria Paraíso	Aug-09	160	99%	2	100%	1,063,482	409,890
Vidabella 3	Oct-09	96	99%	1	60%	94,799	0
Reserva do Bosque	Oct-09	267	90%	27	50%	3,378,615	0
2010							
Gran Village Club	Jan-10	324	99%	4	100%	1,799,237	217,872
Clima Mascote	Feb-10	176	95%	9	100%	7,035,776	187,546
Massimo Residence	Mar-10	108	94%	6	50%	2,010,487	303,796
Up Home	Apr-10	156	97%	5	100%	2,498,058	399,600
Quinta do Horto	May-10	119	86%	17	100%	11,682,190	1,631,034
Prime House Sacomã	May-10	184	96%	8	100%	2,338,543	109,113
Sky	Jun-10	314	94%	19	90%	11,185,901	526,565
Varanda Tremembé	Jun-10	192	98%	4	100%	1,928,871	589,188
Sophis	Sep-10	26	92%	2	100%	9,993,665	0
Royale Prestige	Oct-10	240	77%	55	60%	42,806,797	666,000
Art'E	Oct-10	162	82%	29	50%	13,353,739	379,886
Gran Village Vila Formosa	Nov-10	308	88%	37	100%	13,972,365	592,340
2011							
NeoCorporate Offices	Jan-11	297	81%	57	100%	44,986,933	6,592,740
Up Home Jd. Prudência	Feb-11	156	99%	1	100%	446,766	166,500
Trend Paulista Offices	Feb-11	252	90%	25	50%	11,016,749	448,350
Quality House Sacomã	Feb-11	216	97%	6	100%	2,184,766	296,255
Royale Tresor	Mar-11	240	82%	44	60%	19,216,743	549,450
Supéria Pinheiros	Jun-11	108	91%	10	100%	6,395,931	0
Chateau Monet	Jun-11	163	79%	35	100%	28,378,292	466,200
Still Vila Mascote	Jun-11	150	66%	51	50%	13,323,648	652,214
Sophis Santana	Sep-11	50	68%	16	100%	39,350,057	0
Royale Merit	Nov-11	160	80%	32	60%	16,276,920	308,904
Vidabella 6 a 10	Dec-11	480	70%	144	60%	11,902,464	0
Up Home Vila Carrão	Dec-11	156	88%	19	100%	9,945,474	531,015
Vivart Tremembé	Dec-11	158	78%	34	100%	13,810,285	366,300
Gran Village São Bernardo	Dec-11	474	91%	42	100%	17,219,309	498,601
2012							
Neo Offices	Feb-12	96	92%	8	100%	3,959,594	0
Bosque Ventura	Mar-12	450	94%	26	70%	7,976,742	190,365
Massimo Nova Saúde	Jun-12	108	89%	12	100%	7,502,174	333,000
In Design	Jun-12	422	92%	34	100%	9,092,141	855,000
The View Nova Atlântica	Jul-12	200	88%	24	100%	12,602,788	958,008
Green Work	Jul-12	369	86%	51	100%	21,459,658	7,926,578
Up Home Santana	Aug-12	96	50%	48	100%	24,096,359	0
Chácara Cantareira	Sep-12	292	78%	64	50%	17,881,524	157,500
Prime House São Bernardo	Sep-12	508	85%	78	100%	25,675,515	0
Parque Ventura	Oct-12	508	96%	19	70%	5,730,281	146,697
Jardins do Brasil - Abrolhos	Oct-12	498	70%	149	28%	20,820,369	238,111
Jardins do Brasil - Amazônia	Oct-12	324	65%	112	28%	29,974,729	112,552
Brasiliano	Nov-12	162	87%	21	45%	5,106,511	24,789
2013							
Premiatto Sacomã	Feb-13	138	82%	25	100%	10,179,245	459,159
Splendor Vila Mariana	Mar-13	34	88%	4	100%	8,344,251	0
Le Premier Paraíso	Mar-13	40	68%	13	100%	31,070,255	0
EZ Mark	May-13	323	61%	125	100%	135,624,646	4,549,583
Jardins do Brasil - Mantiqueira	Jun-13	498	73%	134	28%	19,315,869	456,522
Centro Empresarial Jardins do Brasil - Torre São Paulo	Jun-13	424	81%	80	27.5%	6,813,409	0
Centro Empresarial Jardins do Brasil - Torre Osasco	Jul-13	424	71%	125	27.5%	10,645,951	0
Quality House Ana Costa	Sep-13	238	50%	120	100%	57,285,378	135,000
Massimo Vila Mascote	Sep-13	162	55%	73	100%	61,829,448	313,736
Cidade Maia - Jardim	Dec-13	280	46%	150	70%	55,965,808	1,103,343
Cidade Maia - Praça	Dec-13	451	71%	131	70%	41,457,672	1,557,381
Cidade Maia - Alameda	Dec-13	448	69%	139	70%	28,970,512	157,500
2014							
Cidade Maia - Botânica	Mar-14	566	4%	541	70%	174,707,253	1,542,510
Cidade Maia - Reserva	Mar-14	224	4%	215	70%	123,105,183	1,146,600
Total		**16,112**		**3,280**		**1,331,021,544**	**41,392,195**

Managerial Data – 1Q14

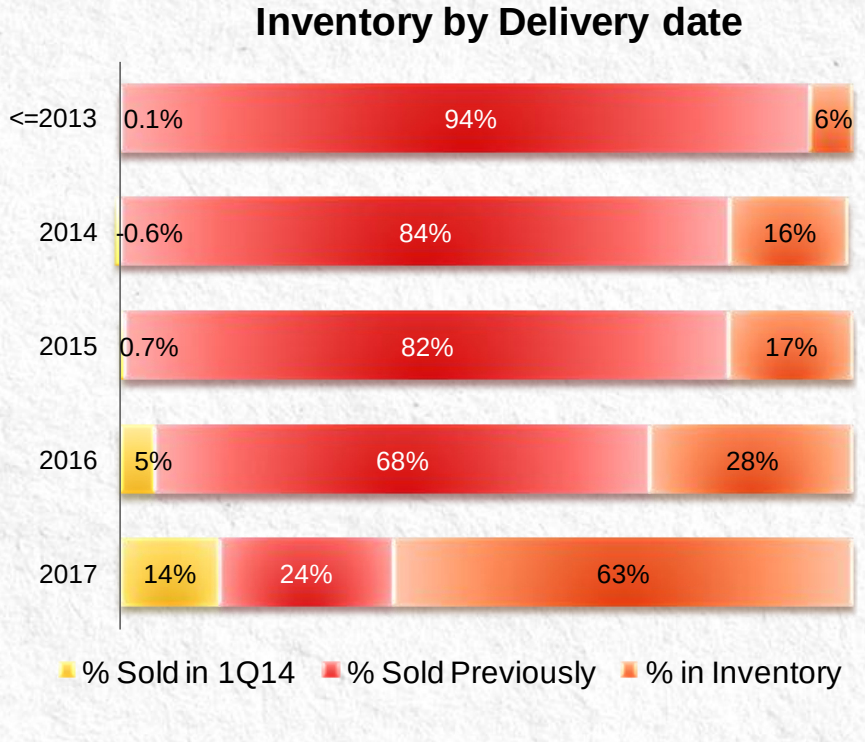
Inventory Standard Breakdown



Inventory Status Breakdown



Inventory by Delivery date



	Total R$ '000	Inventory R$ '000
<=2013	2,962,260	147,526
2014	1,255,939	249,290
2015	810,752	157,614
2016	1,100,182	330,849
2017	772,745	487,134
	6,901,879	1,372,414

80.1% Sold

EZ TOWERS CORPORATE PROJECT

*EZ Towers´*s construction begun in 2012 and are advancing as planned. Tower A is scheduled to be delivered by the end of 2014 and, therefore, the lower levels of the tower are already being inspected by its buyer. In the construction process, at this moment, Tower B´s concrete structure is complete, which allows the heliport´s metal structure to be installed shortly. Finishings, hydraulic, electrical and air conditioning installations are also under way in Tower B. All elevators have been bought and their installation will commence in the following months. As for Tower A, the glass facade installation has reached the 30th floor. The water tank for air conditioning has been installed in the top floors. During the next months, half of Tower A´s elevators will be operational. Meanwhile, the second and third underground garages were painted, received electrical installations and are, now, almost ready for delivery. In the surrounding areas, pedestrian access areas are receiving the final stone floors, the landscape areas are receiving soil and grass, while the decorative waterfall, by the entrance, is receiving its insulation materials. The current scheduled delivery for Tower B is in 2015.

On January 15th, 2013, EZTEC announced the sale of EZ Towers - Tower A commercial project to São Carlos for **R$564 million**. The revenues related to the sale will be recognized on the 1Q13 and onward according to the construction´s evolution, mesured by the Percentage of Completion (PoC) method and ajusted by the Adjustments to Present Value. As of December 31st, 2013, the total incurred cost for the construction of both towers reached R$307.9 million.

Tower A´s sales price has been divided into two forms of payment: [i] a R$58 million Pre-Determined Payment which are indexed by the INCC (National Civil Construction Index), which was paid in the 1Q13; and [ii] the Variable Payments which are installments related to the loan´s financial costs which are to be paid by São Carlos.

Also, at that same date, the Company has entered into an agreement with a financial institution as to provide the financing for the EZ Towers´ construction for an amount of R$425 millions. The financial costs related to this loan will paid by São Carlos to EZTEC during the constructing period. After the construction is complete, at the granting of the final deed of sale, **the financing agreement will be fully transferred to São Carlos at the granting of the final deed of sale for *Tower A*** as part of the payment for the tower.



Artistic Representation



Picture from the EZ Towers´ construction site dated May5th, 2014

CAPITAL MARKETS

Ownership Structure

EZTEC stock is listed on the Novo Mercado special corporate governance segment of the BM&FBovespa under the ticker EZTC3, and its capital is composed of 146,724,120 common shares, with a free float of 33.6%, equivalent to 49,274,699 shares (May 8th, 2014).

Net Asset Value

Since 2008, the Company has presented, on a quarterly basis, a calculation of its Net Asset Value, which serves to highlight, through a summary of its audited financial and managerial data, the Company's intrinsic book value that it is still not fully reflected in its financial statements:

Calculation of the Net Asset Value (Amount expressed in thousands of Brazilian Reais - R$)	**1Q14**	**4Q13**
Controller	**1,732,113**	**1,713,795**
(+) Cash	257,676	199,325
(-) Debt	(351,524)	(292,932)
(-) Dividends to be Paid	(139,172)	(139,172)
(+) CEPAC	-	-
(+) Unperformed Receivables	1,850,541	1,884,195
(+) Performed Receivables	282,498	362,753
(-) Construction Obligation	(684,634)	(808,104)
(+) Land bank Inventory (1)	580,716	551,722
(-) Land bank / Project Quotas Payable (2)	(138,155)	(130,689)
Present Value Adjustment - On-Balance	30,426	31,229
Present Value Adjustment - Off-Balance	43,741	55,468
Inventory - Managerial Data	**2,021,059**	**1,827,732**
(+) Units in Inventory (3)	1,372,414	1,191,732
(+) EZ Towers (Project Under Construction)	636,000	636,000
(+) Sales to be Recognized	12,645	0
Shared Control	**425,431**	**578,622**
Adjusted Net Asset Value	**4,178,603**	**4,120,149**
Total of Shares	**146,724**	**146,724**
Adjusted Net Asset Value per Share	**28.48**	**28.08**

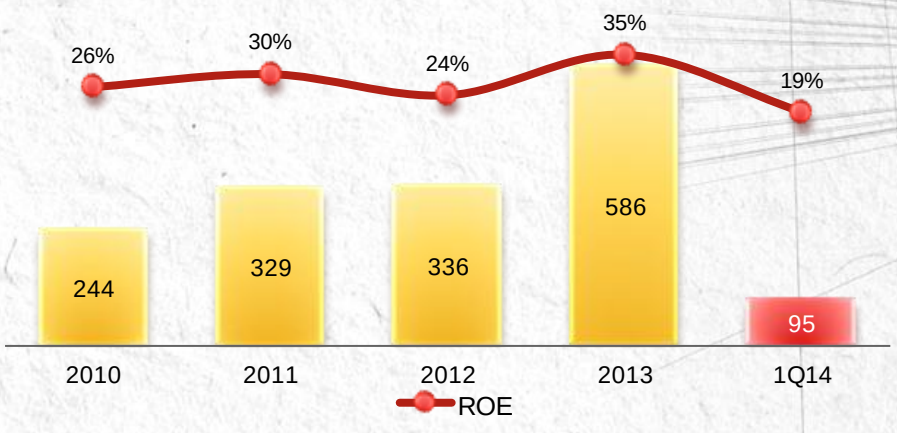
(1) Value of lots at acquisition cost.
(2) Lands payable and accounts to pay for acquisition of project quotes.
(3) Units in inventory based on current price list.

Note that the land pieces in the land bank are considered at **book value**, i.e., the effective amount paid for the acquisition, without considering the intrinsic price appreciation occurred in the period. Moreover, the calculation of Net Asset Value does not consider the PSV of R$5.2 billion that these land pieces could generate.

Return on Shareholders´ Equity

The graph below demonstrates EZTEC´s profitability by analyzing the Return over Shareholders' Equity (ROE). The 2013 ROE was positively impacted by the revenue recognition related to sale of *EZ Towers – Tower A* project since its construction was already underway when the sale occurred. This impact should be seen until the end of 2015, when the project´s conclusion is scheduled. The business model chosen by the Company includes: growth with strict budget control, cash generation and low financial leverage. These choices lead to an efficient operation which allows EZTEC to report high level of returns, which benefits from high Gross Margin and controlled SG&A expenses, resulting in high asset turnover and Net Margin much higher than the sector´s peers.

Net Income (R$ MN) and Return on Equity (%)



CONFERENCE CALL AND MEETINGS

Information on the conference calls for the first quarter of 2014 and 2013 full year results as follows:

Conference Call Webcast (in English)

Date: May 9th, 2014
Time: 10:30 a.m. (U.S. EST)
11:30 p.m. (Brasilia time)
Dial-in: +1 (412) 317-6776
Code: EZTEC

Replay: +1 (412) 317-0088
Code: 10043786
Webcast: **www.eztec.com.br/ir**

Conference Call Webcast (in Portuguese)

Date: May 9th, 2014
Time: 09:00 a.m. (U.S. EST)
10:00 a.m. (Brasilia time)
Dial-in: +55 (11) 3728-5971
Code: EZTEC

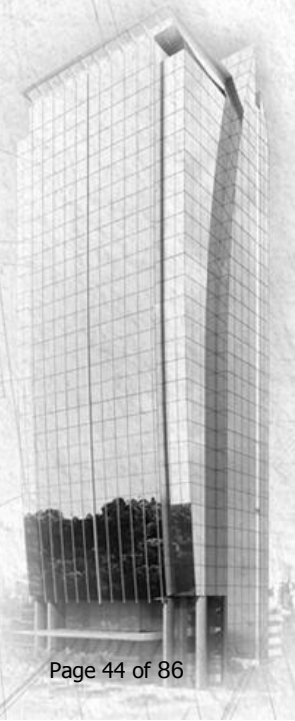
Replay: +55 (11) 3127-4999
Code: 32924474
Webcast: **www.eztec.com.br/ir**

The access links will be made available in the Investor Relations section of the Company's website (www.eztec.com.br/ir).

Relationship with the independent auditors: In accordance with CVM Instruction 381/03, we inform that in 2011 the independent auditors of the company Ernst Young Terco Auditores Independentes S/S did not provide any services other than those related to the external audit. The company's policy for contracting the services of independent auditors assures there are no conflicts of interests or loss of independence or objectivity.

Data such as EBITDA, sales volume and launched PSV were not revised by the independent auditors.

Disclaimer: This release contains forward-looking statements relating to the prospects of the business, estimates for operating and financial results, and those related to growth prospects of EZTEC S.A. These are merely projections and as such are based exclusively on the expectations of EZTEC S.A.'s management concerning the future of the business and its continuous access to capital in order to finance its business plan. These forward-looking statements depend substantially on changes in market conditions, government regulations, competitive pressures, the economic performance of the industry and Brazil, among other factors, as well as the risks presented in the disclosure documents filed by EZTEC S.A., and therefore are subject to change without prior notice.



ANNEX I: CONSOLIDATED CASH FLOW

Cash Flow Periods ended in March 31th Amount expressed in thousand of Brazilian Reais - R$	1Q14
Net Income	**95,989**
Adjustments to reconcile net income to net cash provided by (used in) operating activities	**(7,716)**
Present Value Adjustment Value from Taxes	(776)
Foreign Exchange Gains (Losses), Net	4,007
Depreciation and Amortization	2,209
Amortization of goodwill added value	-
Gain on advantageous purchase investments	-
Write-off of Investments	-
Equity Income	(18,061)
Income Tax and Social Contribution, Current and Deferred	4,905
Write-off fixed assets	-
Decrease (increse) in operating assets:	**(79,680)**
Trade Accounts Receivables	(22,516)
Real Estate Held for Sale	(62,623)
CEPAC Acquisiton	-
Prepaid Expenses	(7,026)
Other Assets	12,485
Decrease (increase) in operating liabilities:	**(4,595)**
Advances from Customers	(1,090)
Interest Paid	(6,968)
Dividends received from subsidiary	9,172
Income Tax and Social Contribution Paid	(4,585)
Suppliers	(8,928)
Other Liabilities	7,804
Net Cash provided by (used in) Operating Activities	**3,998**
Cash from operating activities	**(68,454)**
Short-Term Investments	(95,107)
Loans	29,370
Goodwill on acquisition of investments	-
Acquisition of Investiments	(1,921)
Purchase of Property and Equipment	(796)
Net Cash used in Investing Activities	**(68,454)**
Cash Flows from Financing Activities:	**53,048**
New Loans and Financings	83,503
Noncontrolling Interests in Subsidiaries	(2,745)
Payment of Loans and Financings	(27,710)
Net Cash Provided by Financing Activities	**53,048**
Dilution in cash and cash equivalents	**(11,408)**
Balance at Beginning of Period	**62,808**
Balance at End of Period	**51,400**

ANNEX II: REVENUE BY PROJECT

Project	Launch Date	Delivery Date (Contract)	% EZTEC	% Units Sold	Cumulative Revenue (1)
2006					
Splendor Vila Mascote	Mar/06	May/09 and Sep/09	100%	100%	78,020
Splendor Santana	May/06	Nov/09	100%	100%	53,264
Splendor Tatuapé	Aug/06	Oct/09 and Feb/10	100%	98%	81,712
Collori	Nov/06	Nov/09	50%	100%	62,430
Terraço Anália Franco	Nov/06	Nov/09	100%	96%	29,519
2007					
Evidence	Mar/07	Sep/10	50%	100%	41,367
Clima Bothanico	Mar/07	Dec/09 and Mar/10	100%	100%	146,446
Vert	Mar/07	Feb/10	100%	100%	51,772
Clima do Bosque	Jun/07	Mar/10	100%	100%	84,476
Sports Village Ipiranga	Sep/07	Jul/10	100%	100%	93,119
sports Village Ipiranga	Oct/07	Nov/10	100%	100%	93,119
Ville de France	Oct/07	Mar/09, May/09, Aug/10 and	50%	100%	53,678
2008					
Clima do Parque	Mar/08	Sep/10	100%	100%	149,421
Bell'Acqua	Apr/08	Oct/10	100%	97%	42,294
Prime House Vila Mascote	Jun/08	Apr/11	100%	100%	59,340
Splendor Square	Jun/08	Feb/11	100%	99%	81,143
Premiatto	Jun/08	Jul/11	50%	100%	76,434
Mundeo	Jun/08	Oct/10	100%	99%	26,098
Splendor Klabin	Sep/08	Mar/11	90%	100%	47,348
Vidabella 1	Oct/08	Jun/10	50%	100%	7,254
Chácara Sant'Anna	Nov/08	Aug/11	50%	100%	77,487
2009					
Supéria Moema	Mar/09	Sep/11	100%	99%	69,877
Capital Corporate Office	May/09	Nov/12	100%	99%	300,075
Le Premier Ibirapuera Parc	Jun/09	Jun/12	100%	100%	88,428
Vidabella 2	Jul/09	Jun/10	50%	100%	7,170
Supéria Paraíso	Aug/09	Nov/11	100%	99%	60,365
Vidabella 3	Oct/09	Mar/11	50%	99%	9,905
Vidabella 4	Oct/09	Mar/11	50%	100%	9,951
Vidabella 5	Oct/09	Mar/11	50%	100%	9,989
Reserva do Bosque	Oct/09	May/12	50%	90%	26,525
Quality House Jd. Prudência	Nov/09	Sep/12	100%	100%	72,477
2010					
Gran Village Club	Jan/10	Dec/12	100%	99%	114,700
Clima Mascote	Feb/10	Dec/12	100%	95%	95,731
Massimo Residence	Mar/10	Sep/12	50%	94%	32,088
Up Home	Apr/10	Jan/13	100%	97%	73,607
Quinta do Horto	May/10	Feb/13	100%	86%	65,385
Prime House Sacomã	May/10	May/13	100%	96%	48,383
Sky	Jun/10	Oct/13	90%	94%	148,287
Varanda Tremembé	Jun/10	Apr/13	100%	98%	49,861
Sophis	Sep/10	Oct/13	100%	92%	95,582
Royale Prestige	Oct/10	Sep/13	60%	77%	208,984
Art'E	Oct/10	Nov/13	50%	82%	54,733
Gran Village V. Formosa	Nov/10	Dec/13	100%	88%	103,291
2011					
NeoCorporate Offices	Jan/11	Feb/14	100%	81%	151,083
Up Home Jd. Prudência	Feb/11	Jan/14	100%	99%	71,839
Trend Paulista Offices	Feb/11	Dec/13	50%	90%	79,820
Quality House Sacomã	Feb/11	Feb/14	100%	97%	70,501
Royale Tresor	Mar/11	Mar/14	60%	82%	114,239
Supéria Pinheiros	Jun/11	Aug/14	100%	91%	45,526
Chateau Monet	Jun/11	Aug/14	100%	79%	89,011
Still Vila Mascote	Jun/11	Nov/14	50%	66%	19,771
Sophis Santana	Sep/11	Sep/14	100%	68%	63,927
Royale Merit	Nov/11	Mar/15	60%	80%	66,257
Vidabella 6 a 10	Dec/11	Sep-13 e Sep-14	50%	70%	15,493
Up Home Vila Carrão	Dec/11	Jan/15	100%	88%	46,317
Vivart Tremembé	Dec/11	Aug/14	100%	78%	37,341
Gran Village São Bernardo	Dec/11	Dec/14	100%	91%	125,018
2012					
Neo Offices	Feb/12	Mar/14	100%	92%	34,348
Bosque Ventura	Mar/12	Aug/15	70%	94%	52,149
Terraço do Horto	May/12	Aug/12	100%	100%	11,943
Massimo Nova Saúde	Jun/12	Mar/15	100%	89%	33,072
In Design	Jun/12	Jul/15	100%	92%	64,523
The View	Jul/12	Apr/12	100%	88%	44,893
Green Work	Jul/12	Apr/15	100%	86%	53,381
Up Home Santana	Aug/12	Aug/15	100%	50%	10,905
Chácara Cantareira	Sep/12	Jan/16	50%	78%	15,704
Prime House São Bernardo	Sep/12	Oct/15	100%	85%	49,171
Parque Ventura	Oct/12	Jan/16	70%	96%	39,218
Jardins do Brasil - Abrolhos	Oct/12	Jan/16	28%	70%	17,852
Jardins do Brasil - Amazônia	Oct/12	Jan/16	28%	65%	19,439
Brasiliano	Nov/12	Sep/15	45%	87%	15,631
Dez Cantareira	Dec/12	Apr/15	50%	100%	5,855
2013					
Premiatto Sacomã	Jan/13	Dec/15	100%	50%	362,145
Le Premier Paraíso	Mar/13	Feb/16	100%	68%	26,492
Premiatto Sacomã	Feb/13	Jan/16	100%	82%	12,124
Splendor Vila Mariana	Mar/13	Oct/15	100%	88%	26,860
EZ Mark	May/13	Feb/16	100%	60%	77,850
Jardins do Brasil - Mantiqueira	Jul/13	Nov/16	28%	73%	6,072
Centro Empresarial - Torre São Paulo	Jun/13	Sep/16	28%	81%	4,246
Centro Empresarial - Torre Osasco	Jul/13	Sep/16	28%	71%	3,751
Massimo Vila Mascote	Sep/13	Sep/16	100%	55%	22,048
Quality House Ana Costa	Sep/13	Feb/17	100%	50%	8,824
Cidade Maia - Alameda	Dec/13	Mar/17	70%	69%	3,267
Cidade Maia - Jardim	Dec/13	Mar/17	70%	46%	3,702
Cidade Maia - Praca	Dec/13	Mar/17	70%	71%	6,162

(1) Includes revenue from the sale of properties (net of rescissions) and monetary and financial restatement, weighted according to the Company's share of the project.

GLOSSARY

High-Income Segment: Units priced above R$8,000.01 per square meter on the launch date.

CEPACs: Instruments used by local governments to raise funds to finance public urbanization projects, which are acquired by companies interested in expanding the construction potential of an area. CEPACs are considered variable-income assets, since their return is associated with the value of urban areas and can be traded in the secondary market on the São Paulo Stock Exchange (Bovespa).

Cost of Properties Sold: Composed of the cost of lot acquisition, project development, construction as well as the expenses related to the financing of production (SFH).

Land Bank: EZTEC maintains a land bank for future projects, with these properties acquired in cash or through agreements for the exchange of units in the same development.

Upper-Middle-Income Segment: Units priced from R$6,000.01 to R$8,000.00 per square meter on the launch date.

Middle-Income Segment: Units priced from R$4,000.01 to R$6,000.00 per square meter on the launch date.

Percentage of Completion (PoC) Method: According to Brazilian accounting policies, revenues are recognized based on the Percentage of Completion (PoC) accounting method, measuring the progress of the project until its conclusion in terms of the real costs incurred in relation to the total budgeted costs.

Economic Segment: Units priced from R$2,500.01 to R$4,000.00 per square meter on the launch date.

Super Economic Segment: Units priced below R$2,500.00 per square meter on the launch date.

Risk Segregation: Accounting regime through which the assets of a project remain segregated from the assets of the developer until construction is completed. The project's cash flow is also not appropriated in the event of the bankruptcy or insolvency of the developer. Developments submitted to this regime obtain a Special Tax Regime (RET), with the tax benefit of a consolidated tax rate (PIS+COFINS+IR+CSLL) of 4.0% of revenue.

Performed Receivables: Receivables from clients whose units have been concluded.

Deferred Revenue: The contracted sales for which revenue is allocated to future periods in accordance with the percentage of completion of construction.

Deferred Income: Given the recognition of revenue as a function of the percentage of conclusion of construction (PoC method), revenue from the incorporation of signed contracts is recognized in future periods. Therefore, Deferred Income corresponds to contracted sales less the budgeted construction cost of units to be recognized in future periods.

Return on Equity (ROE): Return on Equity is a financial indicator that measures the return on the capital invested by shareholders (shareholders' equity). To calculate ROE, simply divide the company's net income by its shareholders' equity.

Contracted Sales: The amount of contracts executed with clients related to the sale of units delivered or for future delivery.

Potential Sales Value (PSV): Amount obtained or to be potentially obtained from the sale of all units of a real estate project at a specific price predetermined on the launch date.

EZTEC Potential Sales Value (EZTEC PSV): Amount obtained or to be potentially obtained from the sale of all units of a real estate project at a specific price predetermined on the launch date, proportional to EZTEC's interest in the project.



1. Operations

EZ TEC Empreendimentos e Participações S.A. (Company), headquartered at Avenida República do Líbano, 1921, in the city and state of São Paulo, has been listed in Novo Mercado since June 21, 2007, in the Securities, Commodities and Futures Exchange (BM&FBOVESPA S.A.), where its shares are traded under the ticker symbol “EZTC3”. The Company is the holding of the companies mentioned in Note 8.

The Company, by means of its subsidiaries (individually or jointly controlled), is primarily engaged in the: (a) development and sale of real estate projects of any nature, including by means of financing; (b) management and lease of own properties; (c) allotment of land; (d) construction of condominiums; (e) provision of services related to construction, supervision, studies and projects and carrying out of any construction work and provision of civil engineering services on a technical and economic basis; and (f) interest in other entities, either business or not, acting as an owner, member, or shareholder.

2. Summary of significant accounting practices

2.1. Statement of compliance

This interim financial information comprises:

The consolidated interim financial information was prepared in accordance with accounting practices adopted in Brazil (BR GAAP), which comprises CVM rules, CPC pronouncements, interpretations and guidelines, is in compliance with the International Financial Reporting Standards (IFRS) applicable to Brazilian real estate development entities, as approved by CPC, by CVM and by Brazil's National Association of State Boards of Accountancy (CFC), including Guidance OCPC01, OCPC 04 – Applying Technical Interpretation ICPC 02 to Brazilian Real Estate Development Entities, regarding revenue recognition and the corresponding costs and expenses arising from real estate development operations during construction (Percentage of Completion – POC method), and is identified as Consolidated - IFRS and BR GAAP.

The Company’s interim financial information was prepared in accordance with the accounting practices adopted in Brazil (BR GAAP), which comprises CVM rules and CPC pronouncements, interpretations and guidelines

The accounting practices adopted in Brazil comprise those set out in Brazilian Corporation Law and pronouncements, guidelines and interpretations issued by CPC, and approved by CVM and CFC.

The Company’s individual interim financial information presents investments in subsidiaries and jointly controlled entities by the equity method, while the consolidated interim financial information presents investments in subsidiaries and jointly controlled entities, unlike the IFRS, which require the measurement of these investments in subsidiaries at cost or fair value.

However, there is no difference between consolidated P&L and equity and P&L and equity presented by the Company in its individual interim financial information, attributable to controlling shareholders. As such, the consolidated interim financial information and the individual interim financial information is presented side by side, in a single set of interim financial information.

The accounting practices and policies used in the preparation of individual and consolidated interim financial information for the period ended March 31, 2014 are consistent with those used in prior year and period.

2.2. Basis of preparation

The individual and consolidated interim financial information was prepared based on historical cost, unless otherwise stated.

2.3. Basis of consolidation

The consolidated interim financial information include operations of the Company, the subsidiaries described in Note 8 (organized for the purposes of managing and construction of real estate projects). All transactions, balances, revenues and expenses between subsidiaries and the Company are fully eliminated from the interim financial information, and non-controlling shareholders are separately disclosed.

a) Investments in subsidiaries

Control is obtained when the Company is entitled to control financial and operating policies of an entity to enjoy benefits arising from the activities thereof.

In this method, components of assets, liabilities and P&L are fully combined, and the equity value of non-controlling shareholders is determined by applying their percentage of interest in the subsidiaries' equity

b) Investments in jointly-controlled entities

The Company maintains shared interest in entities for which contracts, articles of organization/incorporation and/or agreements provide for joint control.

The Company presents its interest in jointly controlled entities in its consolidated interim financial information, using the equity method.

Interests in subsidiaries and jointly controlled entities are accounted for under the equity method for purposes of the Company's individual interim financial information.

2.4. Business combination

In the consolidated interim financial information, business acquisitions are accounted for using the acquisition method. Business combination is measured at fair value, which is calculated by the sum of fair values of the assets transferred by the acquirer, the liabilities incurred by the acquirer with former controlling shareholders of the acquiree and equity interest issued by the parent company in exchange for control of the acquiree. Acquisition costs are recognized in P&L as incurred.

Non-controlling interests, which corresponds to current interests and entitles shareholders to a proportional portion of net assets of the entity in the event of liquidation, may be initially measured at fair value or based on the proportional portion of non-controlling interest in recognized amounts of identifiable net assets of the acquiree.

2.5. Functional and reporting currencies

The individual and consolidated interim financial information is presented in reais (R$), which is the Company's functional currency.

2.6. Significant accounting judgments, estimates and assumptions

Judgments: the preparation of the Company's individual and consolidated interim financial information requires that management make judgments and estimates and adopt assumptions that affect the amounts disclosed referring to revenues, expenses, assets and liabilities, as well as the disclosures of contingent liabilities, at the interim financial information date.

Estimates and assumptions: significant assumptions concerning sources of uncertainty in future estimates and other significant sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the book value of assets and liabilities in the next financial year are discussed below:

- Budgeted costs: these are regularly reviewed, in accordance with the development of the construction work, and adjustments based on this review are reflected in the Company's P&L under the accounting method used;
- Taxes and administrative or legal proceedings: the Company and its subsidiaries are subject to tax inspections, audit, legal and administrative proceedings concerning civil, tax, labor, environmental, corporate, consumer protection matters, among others, arising in the normal course of business. Depending on the subject matter of the inspection, the legal or administrative proceedings filed may adversely impact the Company and its subsidiaries, regardless of their final outcome.

  The Company and subsidiaries are periodically reviewed by different authorities, including tax, labor, social security, environmental and sanitary surveillance authorities. No guarantee may be given that these authorities will not serve the Company and its subsidiaries a notice, or that these infringements will not result in administrative proceedings, thereby giving rise to lawsuits, or in terms of the final outcome of such legal or administrative proceedings.

- Fair value of financial instruments: When the fair value of financial assets and liabilities stated in the balance sheet cannot be derived from active markets, it is determined using valuation techniques, including the discounted cash flow method. These methods use observable market data, whenever possible; otherwise, a given judgment call is required in order to determine the fair value. The judgment includes consideration of the data used, for instance, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the stated fair value of the financial instruments.

2.7. Financial instruments

Financial assets and liabilities are recognized when the Company and its subsidiaries become party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value. Transactions costs that are directly attributable to their acquisition or issue (except for financial assets and liabilities recognized at fair value through P&L), are increased or decreased of fair value of financial assets or liabilities, where applicable, after initial recognition. Transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in P&L.

a) Financial assets

- Cash and cash equivalents

  Represented by cash existing in Cash and Banks.

- Short-term investments

  These refer to Bank Deposit Certificates (CDB), National Treasury Notes (LFT) and investment fund, which are highly liquid, mature in the short term and are available for sale. At the interim financial information dates, all short-term investments are measured at amortized cost, effects of which are recognized in P&L.

- Trade accounts receivable and allowance for doubtful accounts

  Current and noncurrent trade accounts receivable derive from sale of real estate units. The remaining debt balance of the agreements is monetarily restated in accordance with respective adjustment clauses and discounted to present value. An allowance for doubtful accounts is recorded, as applicable, in an amount considered sufficient by management, taking into consideration the risks involved, in order to cover probable losses in the realization of receivables. The procedures described in Note 2.16 are applied to receivables arising from agreements for the sale of units under construction. Amounts referring to monetary restatement of accounts receivable are recorded in P&L for the year under "Revenue from sale of properties" until handing over of the keys and under "Financial income" (interest income) after handing over of the keys.

b) Financial liabilities

- Loans and financing

These are basically represented by real estate credit financing, whose funds are applied to the construction work. These are stated at their original amount, plus interest and monetary restatement provided for in the respective agreements.

c) Other assets and liabilities subject to indexation

Assets and liabilities in reais (R$) subject to indexation are restated at corresponding rates based on the effective interest rate method, by applying the corresponding rates at the interim financial information closing dates. Similarly, exchange gains and losses and monetary variations are recognized in P&L, when earned and incurred.

d) Equity instrument (treasury shares)

Company's share repurchase is recognized and deducted directly in equity. No gain or loss is recognized in P&L arising from the purchase, sale, issuance, or cancellation of Company's own equity instruments.

2.8. Properties for sale

These are represented by acquisition cost of land, plus construction costs and other expenses related to the development process of real estate projects under construction or completed, the units of which have not yet been sold.

Loan and financing charges for constructing properties are capitalized as incurred and recognized in P&L according to sales of units.

The Company, through its subsidiaries, acquired land by way of barter for units to be constructed in this very land; however, up to the financial statement date, no real estate project had been launched in this land, which is accounted for at its contractual value. The fair value will be calculated when the Company launches the related real estate project and defines the price table of the real estate units.

2.9. Investments

Investments in subsidiaries and jointly controlled entities are stated by the equity method, in accordance with CPC 18 (R2) – Investments in Affiliate, Subsidiary and Joint Ventures.

According to this method, the Company's proportional share in the increase or decrease of subsidiaries' equity, after acquisition, as a result of the calculation of net P&L for the period, gains or losses in capital reserves, or prior years' adjustments, is recognized as operating income (or expense). Cumulative changes after acquisition are adjusted as a reduction of investment costs.

2.10. Property and equipment

Property and equipment items are recorded at acquisition cost, with their respective depreciation recorded using the straight-line method based on the estimated useful life of the assets, except for leasehold improvements, which are depreciated over the lease of properties.

Property and equipment items are written off when sold or when no future economic benefits are likely to flow to the Company from the use of these assets. Gains and losses, if any, from sale or write-off of a property and equipment item are determined by the difference between the amounts received in the sale and the book value of each asset, and are recorded in P&L.

Depreciation rates are reviewed on an annual basis to be consistent with the useful life, as applicable.

2.11. Impairment test

Management annually tests the carrying amount of tangible and intangible assets in order to determine whether there are any events or changes in economic, operating, or technological circumstances that may indicate impairment. When such evidence is identified and net book value exceeds recoverable amount, a provision for impairment is set up so as to adjust net book value to recoverable amount.
The main groups of accounts subject to impairment test are: properties for sale, investments, property and equipment and intangible assets.

When impairment losses are reversed subsequently, the carrying amount of the asset is increased to the reviewed impairment estimate, as long as it does not exceed the carrying amount which would have been determined in case no impairment losses had been recognized for such asset in prior years. The reversal of impairment loss is immediately recognized in P&L.

2.12. Provision for risks and contingencies

A provision for contingencies is recorded when Company and subsidiaries have a present legal or constructive obligation arising from past events, the settlement of which is expected to result in an outflow of economic benefits in an amount that can be reliably estimated.

Assessment of the likelihood of an unfavorable outcome includes an evaluation of available evidence, the hierarchy of laws, available case law, recent court decisions and their relevance in the legal system, as well as the opinion of outside legal advisers. Provisions are reviewed and adjusted so as to consider changes in circumstances, such as applicable prescription period, tax inspection conclusions or additional exposures identified based on new matters or court decisions.

2.13. Provision for warranty

This provision is set up in an amount considered necessary to cover maintenance costs in real estate projects covered under warranty. It is set up against P&L (cost) to the extent that costs of units sold are incurred; any remaining unused balance of the provision is reversed after expiration of the warranty.

2.14. Income and social contribution taxes

Current

As permitted by tax law, revenues relating to the sale of real estate units are taxed on a cash basis, not by following the criterion mentioned in Note 2.16, referring to revenue recognition. In each fiscal year, Company and subsidiaries, in compliance with legal requirements, may opt to determine taxable profit in accordance with taxable profit or taxable profit computed as a percentage of gross revenue and/or pool of assets available for lien. Under taxable profit, taxes are calculated as a percentage of net income, at 25% for income tax and 9% for social contribution tax, totaling 34%. Under taxable profit computed as a percentage of gross revenues, the profit is determined at 8% and 12% of operating income, for income and social contribution taxes, respectively, plus 100% of other revenues. Income and social contribution taxes are calculated at 25% and 9%, respectively.

For the case of pool of assets available for lien, income and social contribution taxes are calculated on revenues arising from real estate development at 1.26% and 0.66%, respectively, adopted from January 1, 2013, by means of Provisional Executive Order No. 601, dated December 28, 2012, and subsequently by means of Law 12844, dated July 19, 2013.

Provisional Executive Order No. 672 was published on November 12, 2013, which:

I. Revokes the Transition Tax Regime (RTT) introduced by Law No. 11941, as from 2015, with introduction of a new tax regime;

II. Amends Decree Law No. 1598/77 related to calculation of corporate income tax and legislation about social contribution tax on net profit.

The Company believes that application of the referred to provisional executive order will not generate significant effects on its operations and is waiting for the definition of the amendments to the provisional executive order to elect for early adopting it or not in 2014, as well as conclude its analysis about the effects from adoption.

2.15. Deferred taxes

Deferred Corporate Income Tax (IRPJ), Social Contribution Tax on Net Profit (CSLL), Contribution Tax on Gross Revenue for Social Integration Program (PIS) and Contribution Tax on Gross Revenue for Social Security Financing (COFINS) are recognized in the short and long-term, as the expected receipt of installment payments provided for in purchase and sale agreements. Deferred payment refers to the difference between recognition under the corporate criterion, described in Note 2.16, and tax criterion based on which the revenue is taxed upon receipt.

2.16. P&L calculation after developing and selling real estate

P&L from sales of properties, which comprises sales revenues and costs of land, construction, finance charges arising from real estate financing, maintenance expenses (guarantee) and other expenses inherent in the respective real estate development, is allocated to P&L over the construction process, under the financial development thereof, by using the percentage-of-completion method of each real estate project, percentage of which is measured at the cost incurred in relation to the total estimated cost of the real estate project, in accordance with the criteria established in accounting guidance OCPC 04 - Application of Accounting Interpretation ICPC 02 to Real Estate Developers in Brazil, approved by CVM and CFC, taking into account the analysis of transactions referring to the requirements provided for in such accounting guidance for recognizing the operating income and costs thereof. Trade accounts receivable, arising from sales of units under construction, are presented at the same realization percentage, and the receipts exceeding these receivables are recorded in current liabilities as “Advance from customers.”

Sales revenue is recorded at fair value, based on the present value adjustment to “Accounts receivable” referring to projects under construction.

Balances of real estate developments and sale of properties under construction that, according to the criteria established by such pronouncements, are no longer part of balances of balance sheet accounts are detailed in Note 11. For completed units, there is full appropriation of sales revenues and the costs thereof.

Certain matters related to the meaning and application of the concept of continuous transfer of risks, rewards and control on sales of units within real estate developments will be analyzed by the International Accounting Standards Board (IASB), as part of the “Revenue from Contracts with Customers” project, which is still in draft for discussion format. The outcome of this analysis may require real estate development companies review their accounting practices for revenue recognition.

2.17. Present value adjustment – accounts receivable and land payable

In accordance with accounting pronouncement CPC 12 - Present Value Adjustment, the Company, by means of its subsidiaries, adjusted balances of accounts receivable in installments from units not completed and land payable to present value, considering as discount rate the variation of National Treasury Notes - series B - NTN-B under the Extended Consumer Price Index (IPCA) variation. For short-term balances, the materiality of their effect in relation to overall interim financial information is assessed.

2.18. Segment information

Financial information is analyzed based on internal management reports per real estate project and the decision referring to fund allocation and corresponding assessment is made by Company Executive Board, which also defines its segments between commercial and residential projects.

2.19. Statement of value added

The purpose of such statement is to present the wealth created by the Company and its sharing for a certain period. It is presented by the Company, as required by the Brazilian Corporate Law, as part of its individual interim financial information and as additional information to the consolidated interim financial information, as it is not a statement required by IFRS.

The statement of value added was prepared based on information obtained from accounting records that serve as a basis of preparation of the interim financial information and on the provisions of accounting pronouncement CPC 09 - Statement of Value Added. In its first part, the statement presents the wealth created by the Company, represented by revenues (gross sales revenue, including taxes thereon, other revenues and effects of the allowance for doubtful accounts), by inputs acquired from third parties (cost of sales and acquisitions of materials, electricity and third party services, including taxes upon acquisition, effects of losses and impairment of assets, and depreciation and amortization) and by the value added received from third parties (equity pickup, financial income and other revenues).

The second part of the statement of value added presents profit sharing among the employees, taxes, charges and contributions, debt remuneration and equity remuneration.

2.20. Basic and diluted earnings per share

Basic and diluted earnings per share are reached after dividing net income attributed to Company shareholders by the weighted average of common shares outstanding in the respective period, taking into consideration, when applicable, breakdown adjustments which occurred in the period or subsequently to the preparation of interim financial information.

The Company has no operations that influence calculation of diluted earnings; as such, diluted earnings per share correspond to the amount of basic earnings per share, as described in Note 21.

2.21. Standards and interpretations issued by the IASB and not yet adopted

At the preparation date of this interim financial information, the following IFRS, amendments and interpretations of IFRIC had been published; however, their application was not compulsory:

Pronouncement	Description	Effectiveness
IFRS 9 Financial Instruments	It refers to the first phase of the replacement project of IAS 39 - Financial Instruments: Recognition and Measurement.	Annual periods beginning on or after January 1, 2015.
IFRIC 21 - Levies	The tax liability must be recognized only when the event generating the obligation occurs.	Annual periods beginning on or after January 1, 2015.

Company management is evaluating this standard and does not expect significant effects on the amounts reported.

3. Cash and cash equivalents

These are represented by:

	Company - BR GAAP		Consolidated - IFRS and BR GAAP	
	03/31/2014	**12/31/2013**	**03/31/2014**	**12/31/2013**
Cash and banks	**2,341**	2,925	**51,400**	62,808
	2,341	2,925	**51,400**	62,808

4. Short-term investments

At March 31, 2014, the amounts of R$ 163,716 and R$ 206,276 (R$ 109,503 and R$ 136,517 at December 31, 2013), in the Company and Consolidated, respectively, refer to investments in Bank Deposit Certificates (CDB) and investment funds and are classified as “Available for sale” according to Company's cash needs. Yield fluctuates between 75.0% and 104.2% of the CDI.

5. Accounts receivable

	Consolidated - IFRS and BR GAAP	
	03/31/2014	**12/31/2013**
Trade accounts receivable per real estate development – completed units	**282,498**	362,753
Trade accounts receivable per real estate development – units under construction (*)	**1,023,273**	917,904
Trade bills receivable – services	**39**	1,861
	1,305,810	1,282,518
Current	**921,326**	876,492
Noncurrent	**384,484**	406,026

(*) Amounts net of present value adjustment at March 31, 2014, totaling R$ 30,426 (R$ 31,229 at December 31, 2013). The average rate used for the period ended March 31, 2014 was 6.6% p.a. (5.8% p.a. at December 31, 2013) for accounts receivable from undelivered units.

At March 31, 2014 and December 31, 2013, breakdown of the portion of noncurrent assets per year of receipt is as follows:

	Consolidated - IFRS and BR GAAP	
Year	**03/31/2014**	**12/31/2013**
2015	**162,128**	176,636
2016	**114,032**	102,452
2017	**35,733**	40,771
From 2018 onwards	**72,591**	86,167
	384,484	406,026

At March 31, 2014 and December 31, 2013, the aging list of trade accounts receivable for real estate development is as follows:

	Consolidated - IFRS and BR GAAP	
	03/31/2014	**12/31//2013**
Overdue:		
Up to 30 days	**25,787**	92,029
From 31 to 60 days	**81,438**	5,245
From 61 to 90 days	**40,337**	56,748
From 91 to 120 days	**77,945**	1,843
Over 120 days	**49,865**	33,714
	275,372	189,579
Falling due	**1,030,438**	1,092,939
	1,305,810	1,282,518

Out of the total amount overdue at March 31, 2014, approximately 83.5% refers to customers that are under analysis and obtaining bank financing for settling their debit balance.

These transactions are guaranteed by chattel mortgage of real estate financed upon the generation of real estate credits, except those discussed earlier.

6. Properties for sale

These are substantially represented by the buildup cost of properties for sale, either completed or under construction, and land for future developments, distributed as follows:

	Consolidated - IFRS and BR GAAP	
	03/31/2014	**12/31/2013**
Completed units	**60,730**	41,557
Units under construction	**279,415**	262,215
Land for new construction	**580,716**	551,722
Financial charges	**9,003**	5,507
Advances to suppliers	**40,900**	38,282
	970,764	899,283
Current	**585,478**	504,611
Noncurrent	**385,286**	394,672

Land for new construction will be developed as from April 2014, according to the launchings in progress. Land expected to be developed from April 2015 onwards was classified under noncurrent assets.

At March 31, 2014, through subsidiary Avignon Incorporadora Ltda., under shared control, the Company has a plot of land in Bertioga, amounting to R$ 6,952, equivalent to its interest percentage in the subsidiary, for which environmental permits are yet to be obtained from regulators by virtue of the notice received on December 12, 2007. Company management considers that the permits will be obtained without additional relevant costs. Additionally, there are other plots of land in Bertioga, state of São Paulo, amounting to R$ 6,015, recorded in subsidiaries Itagi Incorporadora Ltda. and Vanguarda Incorporadora Ltda.

Company management marks its "Land for new construction" to market annually, based on market valuation reports and evaluates the need of adjustment due to impairment loss. As of the date of this interim financial information, no evidence of impairment losses was identified for these assets.

7. Taxes recoverable

These are represented by:

	Company - BR GAAP		Consolidated - IFRS and BR GAAP	
	03/31/2014	12/31/2013	03/31/2014	12/31/2013
Withholding Income Tax (IRRF) (*)	**13,064**	17,486	**13,769**	18,234
Social security contribution tax (INSS)	**6**	6	**28**	28
Contribution tax on gross revenue for social integration Program (PIS) and contribution tax on gross revenue for social security financing (COFINS)	**-**	-	**128**	118
Corporate Income Tax (IRPJ)	**-**	-	**136**	136
Social Contribution Tax on Net Profit (CSLL)	**-**	-	**31**	31
Other	**-**	-	**617**	563
	13,070	17,492	**14,709**	19,110
Current	**-**	-	**1,639**	1,618
Noncurrent	**13,070**	17,492	**13,070**	17,492

(*) Income tax on short-term investments represents withholding occurred, including prior year withholding, which, in line with the provisions of article 66 of Law No. 8383/91, as amended by article 58 of Law No. 9069/95, establishes the right to offset these amounts against taxes of the same nature or to request a refund, which ensures full realization thereof at adjusted amounts. The Company has already filed a request for the refund of part of this amount, receiving a portion thereof in 2014 duly restated.

8. Investments

		Company - BR GAAP					
Subsidiary	Equity interest %	Capital	Equity (capital deficiency)	Net income (loss) for the year	Equity pickup	Investments 03/31/2014	Investments 12/31/2013
AK 14 Empreendimentos e Participações Ltda. (a)	60.00	12,000	12,041	(184)	(110)	**7,224**	6,735
Alfenas Incorporadora Ltda.	99.99	11,907	69,393	(2,513)	(2,513)	**69,393**	59,607
Alessandra Incorporadora Ltda.	99.99	2	9,657	(102)	(102)	**9,656**	9,584
Alexandria Incorporadora Ltda.	99.99	19,845	93,990	2,186	2,187	**93,990**	97,271
Analisys Consultoria, Planejamento e Participações S/S	99.99	5	(1,626)	-	-	**-**	-
Arapanés Incorporadora Ltda.	99.99	9,831	27,268	3,058	3,059	**27,267**	23,860
Antilhas Empreendimentos Imobiliários Ltda. - Condomínio Ville de France - SCP (a)	50.00	9,942	8,971	(254)	(131)	**4,485**	4,812
Arambaré Incorporadora Ltda.	99.99	25,311	22,826	(571)	(571)	**22,825**	23,111
Ares da Praça Empreendimento Imobiliário Ltda. (a)	70.00	13,621	49,701	10,685	7,479	**34,790**	27,312
Aurillac Incorporadora Ltda.	99.99	21,733	21,867	106	107	**21,866**	21,845
Áustria Incorporadora Ltda.	50.00	9,566	9,312	(22)	(11)	**4,656**	4,575
Bergamo Incorporadora Ltda.	99.99	1,081	15,205	(76)	(76)	**15,204**	15,256
Camila Empreendimentos Imobiliários Ltda.	99.99	14,860	15,280	(64)	(64)	**15,280**	15,319
Blumenau Incorporadora Ltda. (a)	50.00	2,606	10,393	(7)	(4)	**5,197**	5,041
Cabo Frio Incorporadora Ltda. (a)	50.00	8,846	33,937	(54)	(27)	**16,969**	16,864
Cabreuva Incorporadora Ltda.	99.99	1	4,613	(129)	(129)	**4,613**	2,002
Campo Limpo Incorporadora Ltda.	99.99	1	(2)	(4)	(1)	**-**	2
Catarina Incorporadora Ltda.	99.99	7,041	29,884	4,209	4,209	**29,884**	25,675
Cayowaa Incorporadora Ltda.	99.99	4,986	5,364	(4)	(4)	**5,364**	5,368
CCISA07 Incorporadora Ltda. (a)	50.00	2,689	10,277	2,717	1,359	**5,139**	3,780

		Company - BR GAAP					
				Net income			
	Equity interest		Equity (capital	(loss) for the	Equity	Investments	
Subsidiary	%	Capital	deficiency)	year	pickup	03/31/2014	12/31//2013
Center Jabaquara Empreendimentos Imobiliários Ltda.	99.99	5,232	32,508	6,049	6,049	**32,508**	26,458
Coimbra Incorporadora Ltda.	99.99	1	1,897	(4)	(4)	**1,897**	1,901
Colombia Incorporadora ltda.	99.99	1	1	-	-	**1**	-
Crown Incorporadora Ltda.	99.99	15,156	31,575	3,739	3,739	**31,575**	28,126
Curupá Empreendimentos Imobiliários Ltda.	99.99	5,227	5,812	(387)	(387)	**5,812**	6,131
Elba Incorporadora Ltda.	99.99	17,406	39,080	522	523	**39,080**	38,558
Esmirna Incorporadora Ltda.	99.99	8,265	11,031	400	400	**11,031**	11,279
E.Z.L.I. Empreendimento Imobiliário Ltda. (a)	70.00	22,309	30,121	(2,689)	(1,883)	**21,085**	22,967
EZ Park Estacionamento Ltda.	99.99	1	(16)	(78)	(63)	**-**	18
EZ TEC Técnica Engenharia e Construção Ltda.	99.99	15,969	(320)	(219)	(130)	**-**	-
Florença Incorporadora Ltda.	99.99	4,822	22,310	1,214	1,214	**22,310**	20,986
Florianópolis Empreend. Imobiliários Ltda. (a)	50.00	8,360	11,954	(959)	(479)	**5,977**	5,960
Galia Incorporadora Ltda.	99.90	1	1	-	-	**1**	1
Garicema Empreendimentos Imobiliários Ltda.	99.99	55,107	291,574	32,744	32,744	**291,574**	260,530
Genova Incorporadora S.A. (a)	60.00	5,090	26,810	670	402	**16,086**	15,731
Giopris Empreendimentos Imobiliários Ltda.	99.99	42,003	41,624	(37)	(37)	**41,624**	41,611
Giovanna Incorporadora Ltda.	99.99	3,513	17,669	2,298	2,298	**17,669**	15,372
Gol Incorporadora Ltda.	99.99	24,229	26,328	(5)	(5)	**26,328**	25,893
Grauna Incorporadora Ltda.	99.99	3,936	3,770	(38)	(38)	**3,770**	3,776
Guara Incorporadora Ltda.	99.99	1	56,716	(46)	(46)	**56,716**	56,505
Hannover Incorporadora Ltda.	99.99	1	8,123	(184)	(184)	**8,123**	8,187
Ibiuna Incorporadora Ltda.	99.99	1	5,248	(4)	(4)	**5,248**	5,253
Iracema Incorporadora Ltda. (a)	50.00	11,274	42,140	(7)	(4)	**21,070**	20,834
Itagi Incorporadora Ltda.	80.00	1	492	(5)	(4)	**394**	398
J.J. Rodrigues Empreendimentos Imobiliários SPE Ltda. (a)	50.00	32,073	64,618	1,195	597	**32,309**	34,387
Jauaperi Incorporadora Ltda.	99.99	26,147	26,904	182	182	**26,904**	26,767
Juquitiba Incorporadora Ltda.	99.90	1	1	-	-	**1**	1
Juriti Empreendimentos Imobiliários Ltda.	99.99	7,463	23,712	1,646	1,646	**23,712**	23,466
Lafaiete Incorporadora Ltda.	99.99	32	13,374	509	509	**13,374**	11,345
Lausane Incorporadora Ltda.	99.99	12,396	11,788	196	196	**11,788**	11,592
Limoges Incorporadora Ltda.	99.99	40,886	68,607	1,044	1,044	**68,607**	68,018
Livorno Incorporadora Ltda.	99.99	8,989	10,168	(58)	(58)	**10,168**	10,206
Mairiporã Incorporadora Ltda.	99.99	1	95,616	(672)	(672)	**95,616**	86,278
Marcella Empreendimentos Imobiliários Ltda.	99.99	37,430	48,573	2,806	2,806	**48,573**	45,767
Marina Empreendimentos Imobiliários Ltda.	99.99	39,573	46,685	(235)	(235)	**46,685**	46,920
Mix Residencial Ltda.	99.99	19	1	-	-	**1**	1
Miziara Imobiliários Ltda. (a)	50.00	10,895	15,559	2,625	1,312	**7,780**	6,467
Mônaco Incorporação S.A. (a)	60.00	39,883	163,991	4,251	2,551	**98,395**	95,844
Monza Incorporadora Ltda.	99.99	15,947	17,107	20	20	**17,107**	17,087
Otawa Incorporadora Ltda.	99.99	4,967	38,252	1,710	1,710	**38,252**	36,542
Paraíso Empreendimentos Imobiliários Ltda.	99.99	6,628	43,052	4,302	4,302	**43,052**	38,750
Park Empreendimentos Imobiliários Ltda.	99.99	18,298	18,275	2	2	**18,275**	18,268
Phaser Incorporação SPE S.A. (a)	27.50	100,407	121,907	13,323	3,664	**33,524**	29,712
Pinhal Incorporadora Ltda.	99.99	1	7,971	(28)	(28)	**7,971**	4,939
Pirassununga Incorporadora Ltda.	99.99	1	2	(4)	(1)	**-**	2
Priscilla Empreendimentos Imobiliários Ltda.	99.99	15,312	22,394	(717)	(717)	**22,394**	30,851
Reno Incorporadora Ltda.	99.99	11	78,689	4,878	4,878	**78,689**	73,811
Santarém Incorporadora Ltda.	99.99	15,765	14,205	(21)	(21)	**14,205**	14,166
Savona Incorporadora Ltda.	90.00	-	713	99	89	**642**	1,408
San Diego Incorporadora Ltda.	99.99	13,227	36,116	349	349	**36,116**	41,366
Santa Lidia Empreendimentos e Participações SPE Ltda. (a)	50.00	24,920	72,405	3,831	1,916	**36,203**	40,537
Serra Azul Incorporadora Ltda. (a)	45.00	13,892	25,459	1,634	735	**11,457**	10,721
Siena Incorporadora Ltda.	99.99	1	1	-	-	**1**	-

	Company - BR GAAP	
	Net income	
	Equity	(loss)

Subsidiary	Equity interest %	Capital	(capital deficiency)	for the year	Equity pickup	Investments 03/31/2014	Investments 12/31/2013
Silvana Empreendimentos Imobiliários Ltda.	99.99	12,116	15,928	(432)	(432)	**15,927**	16,264
Solidaire Empreendimentos Imobiliários Ltda. (a)	50.00	9,683	24,788	1,449	724	**12,393**	11,670
Tatuapé Empreendimentos Imobiliários Ltda.	99.99	20,969	20,283	274	274	**20,283**	20,009
Tec Vendas Consultoria de Imóveis Ltda.	99.99	106	(1,499)	(1,669)	(170)	**-**	170
Tirol Incorporadora Ltda.	99.99	1	13,649	(958)	(958)	**13,649**	14,337
Torino Incorporadora Ltda.	99.99	8,708	8,040	54	54	**8,040**	7,986
Toscana Incorporadora Ltda.	99.99	6,802	34,796	1,990	1,990	**34,796**	32,126
Trento Incorporadora Ltda.	99.99	6,016	19,703	1,103	1,103	**19,703**	19,579
Treviso Incorporadora Ltda.	90.00	26,518	66,058	5,232	4,709	**59,452**	78,593
Tupi Incorporadora Ltda.	99.99	1	1	-	-	**1**	-
Vale do Paraíba Incorporadora Ltda.	99.99	1	5,012	(4)	(4)	**5,012**	2
Valentina Empreendimentos Imobiliários Ltda.	99.99	191	186	(5)	(5)	**186**	190
Vanguarda Incorporadora Ltda.	99.99	5,746	4,972	(4)	(4)	**4,972**	4,973
Verona Incorporadora Ltda.	99.99	16,266	46,258	2,050	2,050	**46,258**	46,458
Vermonth Incorporadora Ltda.	99.99	3,649	25,827	(282)	(282)	**25,827**	25,724
Venezia Incorporadora Ltda.	99.99	1	(22)	(108)	(85)	**-**	9
Village of Kings Incorporadora Ltda.	99.99	26,714	88,169	11,898	11,898	**88,168**	76,596
Vinhedo Incorporadora Ltda.	99.99	1	10,679	(67)	(67)	**10,678**	8,881
Wanessa Incorporadora Ltda.	99.99	5,225	10,668	707	707	**10,667**	12,561
Win Consultoria Imobiliária Ltda.	99.99	5	49	(1)	(1)	**48**	120
Windsor Incorporadora Ltda.	99.99	6,347	49,517	5,302	5,303	**49,517**	44,214
Ype Incorporadora Ltda.	99.99	1	5,048	(4)	(4)	**5,048**	5,052
Subtotal					112,334	**2,326,107**	2,235,227
"Surplus value"(b)						**18,569**	20,273
Total investments						**2,344,676**	2,255,500

(a) Jointly controlled entities. Other investments are fully consolidated.

(b) In "surplus value", amounts of assets of properties for sale and accounts receivable were recognized, which, in the acquisition thereof, were measured at fair value. In subsequent periods, they were tested for impairment by internal experts, the breakdown of which is as follows:

"Surplus value" of accounts receivable and properties for sale acquired in companies	Company (BR GAAP) 03/31/2014	Company (BR GAAP) 12/31/2013	Consolidated (BR GAAP) 03/31/2014	Consolidated (BR GAAP) 12/31/2013
Garicema Empreendimentos Imobiliários Ltda. (i)	**223**	223	**-**	-
Genova Incorporadora S.A. (ii)	**887**	980	**887**	980
Phaser Incorporação SPE S.A. (i)	**5,560**	5,746	**5,560**	5,746
Santa Lidia Empreendimentos e Participações SPE Ltda. (i)	**159**	181	**159**	181
Florianópolis Empreendimentos Imobiliários Ltda. (i)	**1,179**	1,179	**1,179**	1,179
Wanessa Incorporadora Ltda. (ii)	**1,907**	2,317	**-**	-
Cabo Frio Incorporadora Ltda. (i)	**315**	315	**315**	315
Blumenau Incorporadora Ltda. (i)	**112**	112	**112**	112
Iracema Incorporadora Ltda. (i)	**336**	336	**336**	336
Mônaco Incorporação S.A. (ii)	**7,891**	8,884	**7,891**	8,884
	18,569	20,273	**16,439**	17,733

(i) The surplus value on acquisition of these investments was based on properties for sale (land).

(ii) Surplus value upon acquisition was based on customer portfolio and properties for sale.

		Consolidated - IFRS and BR GAAP					
						Investments	
Jointly controlled entities	**Interest - %**	**Assets**	**Equity (capital deficiency)**	**Net income (loss) for the year**	**Equity pickup**	**03/31/2014**	**12/31/2013**
AK 14 Empreendimentos e Participações Ltda.	60.00	32,406	12,041	(183)	(110)	**7,224**	6,735
Antilhas Empreendimentos Imobiliários Ltda. - Condomínio Ville de France - SCP	50.00	9,357	8,971	(254)	(131)	**4,485**	4,812
Ares da Praça Empreendimento Imobiliário Ltda.	70.00	91,801	49,701	10,685	7,479	**34,790**	27,312
Áustria Incorporadora Ltda.	50.00	10,329	9,312	(22)	(11)	**4,656**	4,575
Blumenau Incorporadora Ltda.	50.00	10,521	10,393	(7)	(4)	**5,197**	5,041
Cabo Frio Incorporadora Ltda.	50.00	33,986	33,937	(54)	(27)	**16,969**	16,864
CCISA07 Incorporadora Ltda.	50.00	14,674	10,277	2,717	1,359	**5,139**	3,780
E.Z.L.I. Empreendimento Imobiliário Ltda.	70.00	38,673	30,121	(2,689)	(1,883)	**21,085**	22,967
Florianópolis Empreend. Imobiliários Ltda. (c)	50.00	12,001	11,954	(959)	(479)	**5,977**	5,960
Genova Incorporadora S.A. (c)	60.00	34,712	26,810	670	402	**16,086**	15,731
Iracema Incorporadora Ltda.	50.00	42,195	42,140	(7)	(4)	**21,070**	20,834
J.J. Rodrigues Empreendimentos Imobiliários SPE Ltda.	50.00	68,108	64,618	1,195	597	**32,309**	34,387
Miziara Imobiliários Ltda.	50.00	25,407	15,559	2,625	1,312	**7,780**	6,467
Mônaco Incorporação S.A. (c)	60.00	230,793	163,991	4,251	2,551	**98,395**	95,831
Phaser Incorporação SPE S.A. (c)	27.50	206,490	121,907	13,323	3,664	**33,524**	29,712
Santa Lidia Empreendimentos e Participações SPE Ltda. (c)	50.00	79,229	72,405	3,831	1,916	**36,203**	40,537
Serra Azul Incorporadora Ltda.	45.00	28,280	25,459	1,634	735	**11,457**	10,721
Solidaire Empreendimentos Imobiliários Ltda.	50.00	39,670	24,788	1,445	724	**12,393**	11,670
Avignon Incorporadora Ltda.	45.00	19,809	10,644	(77)	(29)	**4,796**	4,789
Subtotal					18,061	**379,535**	368,725
"Surplus value"						**16,439**	17,733
Total investments						**395,974**	386,458

Provision for investment losses with capital deficiency:

	Company - BR GAAP	
Provision for investment losses	**03/31/2014**	**12/31/2013**
Analisys Consultoria, Planejamento e Participações S/S	**1,626**	1,626
Campo Limpo Incorporadora Ltda.	**2**	-
Tec Vendas Consultoria de Imóveis Ltda.	**1,498**	-
EZ TEC Técnica Engenharia e Construção Ltda.	**320**	231
EZ Park Estacionamento Ltda.	**16**	-
Pirassununga Incorporadora Ltda.	**3**	-
Venezia Incorporadora Ltda.	**22**	-
	3,487	1,857

At March 31, 2014, the amount of R$ 3,487 (R$ 1,857 at December 31, 2013) of the provision for investment losses represents the recognition of interest in investments with capital deficiency and is presented in current liabilities. At March 31, 2014, the amount recorded as expense in P&L was R$ 1,630 (R$ 456 at March 31, 2013).

9. Property and equipment

These comprise:

	Company - BR GAAP					
	Balance at 01/01/2013	**Additions**	**Write-offs**	**Balance at 12/31/2013**	**Additions**	**Balance at 03/31/2014**
Cost						
Furniture and fixtures	897	78	-	975	96	**1,071**
machinery and accessories	136	-	-	136	-	**136**
Vehicles	306	-	-	306	-	**306**
Tooling	6	-	-	6	-	**6**
Facilities	80	-	-	80	-	**80**
Computers and peripherals	3,805	826	-	4,631	128	**4,759**
Improvements	3,748	510	-	4,258	35	**4,293**
Equipment	834	19	-	853	-	**853**
	9,812	1,433	-	11,245	259	**11,504**

	Company - BR GAAP					
	Balance at 01/01/2013	**Additions**	**Write-offs**	**Balance at 12/31/2013**		**Balance at 03/31/2014**
Accumulated depreciation						
Furniture and fixtures	(196)	(96)	-	(292)	(27)	**(319)**
Machinery and accessories	(107)	(13)	-	(120)	(3)	**(123)**
Vehicles	(43)	(77)	-	(120)	(15)	**(135)**
Tooling	(3)	(1)	-	(4)	(0)	**(4)**
Facilities	(30)	(8)	-	(38)	(2)	**(40)**
Computers and peripherals	(1,650)	(844)	-	(2,494)	(223)	**(2,717)**
Improvements	(1,706)	(752)	-	(2,458)	(196)	**(2,654)**
Equipment	(299)	(85)	-	(384)	(20)	**(404)**
	(4,034)	(1,876)	-	(5,910)	(486)	**(6,396)**
	5,778	(443)	-	5,335	(227)	**5,108**

	Consolidated - IFRS and BR GAAP					
	Balance at 01/01/2013	**Additions**	**Write-offs**	**Balance at 12/31/2013**	**Additions**	**Balance at 03/31/2014**
Cost						
Furniture and fixtures	1,000	81	-	1,081	160	**1,241**
Machinery and accessories	149	-	-	149	-	**149**
Vehicles	535	203	-	738	-	**738**
Tooling	20	-	-	20	-	**20**
Facilities	168	-	-	168	-	**168**
Computers and peripherals	4,380	845	-	5,225	132	**5,357**
Improvements	3,750	530	-	4,280	35	**4,315**
Equipment	893	19	-	912	-	**912**
	10,895	1,678	-	12,573	327	**12,900**
Accumulated depreciation						
Furniture and fixtures	(269)	(105)	-	(374)	(27)	**(401)**
Machinery and accessories	(118)	(14)	-	(132)	(3)	**(135)**
Vehicles	(203)	(112)	-	(315)	(31)	**(346)**
Tooling	(17)	(4)	-	(21)	(0)	**(21)**
Facilities	(111)	(10)	-	(121)	(2)	**(123)**
Computers and peripherals	(2,198)	(850)	-	(3,048)	(223)	**(3,271)**
Improvements	(1,708)	(760)	-	(2,468)	(196)	**(2,664)**
Equipment	(357)	(93)	-	(450)	(22)	**(472)**
	(4,981)	(1,948)	-	(6,929)	(504)	**(7,433)**
	5,914	(270)	-	5,644	(177)	**5,467**

Annual rates used for calculating depreciation are as under:

Furniture and fixtures	10%
Machinery and accessories	10%
Vehicles	20%
Tooling	10%
Facilities	10%
Computers and peripherals	20%
Improvements (over lease term in five years)	20%
Other	10%

10. Intangible assets

		Company - BR GAAP				
	Balance at 01/01/2013	**Additions**	**Write-offs**	**Balance at 12/31/2013**	**Additions**	**Balance at 03/31/2014**
Software use license:						
Cost	5,996	2,657	-	8,653	469	**9,122**
Amortization	(990)	(1,698)	-	(2,688)	(410)	**(3,098)**
Trademarks and patents:						
Cost	8	-	-	8	-	**8**
Amortization	(2)	-		(2)	-	**(2)**
	5,012	959		5,971	59	**6,030**

		Consolidated - IFRS and BR GAAP				
	Balance at 01/01/2013	**Additions**	**Write-offs**	**Balance at 12/31/2013**	**Additions**	**Balance at 03/31/2014**
Software use license:						
Cost	6,200	2,657	-	8,857	469	**9,326**
Amortization	(996)	(1,698)	-	(2,694)	(411)	**(3,105)**
Trademarks and patents:						
Cost	27	2	(3)	26	-	**26**
Amortization	(10)	(3)	-	(13)	-	**(13)**
	5,221	958	(3)	6,176	58	**6,234**

11. Real estate development and sale of properties

As described in Note 2.16, the total amounts of real estate developments and sale of units under construction, including the amounts already realized and presented in balance sheet accounts and the amounts not yet recorded, identified as "unrealized" below, due to the revenue recognition criterion established under accounting guidance OCPC 04 applicable to real estate activities, are as follows:

a) Accounts receivable and advances from customers

	Consolidated - IFRS and BR GAAP	
	03/31/2014	**12/31/2013**
Current assets:		
Accounts receivable - % realized	**921,326**	876,492
Accounts receivable - % unrealized	**431,410**	492,594
	1,352,736	1,369,086
Noncurrent assets:		
Accounts receivable - % realized	**384,484**	406,026
Accounts receivable - % unrealized	**420,956**	499,885
	805,440	905,911
Current liabilities		
Advances from customers - % unrealized	**25,098**	26,188
	25,098	26,188

b) Unearned income

	Consolidated - IFRS and BR GAAP	
	03/31/2014	**12/31/2013**
Unearned gross sales revenue	**914,788**	1,074,135
(-) Unearned present value adjustment	**(43,741)**	(55,468)
(-) Costs to incur with units sold (i)	**(437,159)**	(512,584)
Unearned income from sale of properties	**433,888**	506,083

(i) Costs to incur with units sold: These represent estimates of costs to be incurred with constructions in progress of units already sold, less costs incurred up to March 31, 2014 and December 31, 2013.

c) Income earned on sale of properties under construction

	Consolidated - IFRS and BR GAAP	
	03/31/2014	**03/31/2013**
Accumulated amounts:		
Earned gross sales revenue (ii)	**1,304,278**	1,165,374
(-) Present value adjustment	**(30,426)**	(31,743)
(-) Costs incurred with units sold (iii)	**(616,790)**	(542,986)
Income from sale of properties	**657,062**	590,645

(ii) Earned gross sales revenue

This refers to earned revenue accumulated from launching up to March 31, 2014 and March 31, 2013. This revenue excludes real estate projects completed in 2014 and 2013.

(iii) Costs incurred with units sold:

Costs comprise expenses incurred with land, construction, finance charges from real estate financing, provision for guarantees and other expenses inherent in the respective real estate development.

d) Pool of assets available for lien

At March 31, 2014, real estate projects included in “pool of assets available for lien”, pursuant to Law No. 10931/04, correspond to 65.6% of total consolidated assets (65.1% at December 31, 2013).

12. Loans and financing

Financial institution	Object	Consolidated - IFRS and BR GAAP				
		Currency	Charges	Maturity	03/31/2014	12/31/2013
Banco do Brasil S.A.	Real estate credit	R$	TR + 9.86% p.a.	August 2015	**7,979**	13,274
Banco Bradesco S.A	Real estate credit	R$	TR + 10.0% p.a.	April 2014	**89**	16,258
Banco Itaú S.A.	Real estate credit	R$	TR + 9.90% p.a.	March 2016	**16,665**	15,262
Banco Itaú S.A.	Real estate credit	R$	TR + 9.90% p.a.	July 2015	**18,390**	14,932
Banco Bradesco S.A	Real estate credit	R$	TR + 9.80% p.a.	July 2015	**30,383**	27,680
Banco Bradesco S.A	Real estate credit	R$	TR + 9.80% p.a.	March 2015	**12,458**	9,533
Banco Bradesco S.A	Real estate credit	R$	TR + 9.80% p.a.	October 2015	**7,416**	4,889
Banco Itaú S.A.	Real estate credit	R$	TR + 9.90% p.a.	July 2017	**16,736**	12,812
Banco Itaú S.A.	Real estate credit	R$	TR + 9.90% p.a.	June 2016	**8,015**	5,540
Banco Itaú S.A.	Real estate credit	R$	TR + 10.50% p.a.	December 2014	**29**	4,090
Banco Bradesco S.A	Real estate credit	R$	TR + 8.90% p.a.	July 2016	**209,097**	157,355
Banco Santander S.A.	Real estate credit	R$	TR + 9.50% p.a.	November 2011	**7,143**	4,123
Banco Santander S.A.	Real estate credit	R$	TR + 9.00% p.a.	October 2016	**16,380**	6,478
Banco Santander S.A.	Real estate credit	R$	TR +9.00% p.a.	October 2015	**750**	706
					351,524	292,932
Current					**12,576**	20,348
Noncurrent					**338,948**	272,584

Loans and financing taken out are inherent in the development of the work, guaranteed by the mortgage of the own property and right on customers' credits.

13. Social and labor liabilities

These are represented by:

	Company - BR GAAP		Consolidated - IFRS and BR GAAP	
	03/31/2014	12/31/2013	03/31/2014	12/31/2013
Provision for vacation pay and social charges	**2,152**	1,383	**6,717**	4,979
Payroll charges	**1,028**	1,249	**2,537**	2,849
Salaries and premium payable (*)	**3,049**	2,165	**4,940**	3,795
Management fees payable	**-**	-	**62**	54
	6,229	4,797	**14,256**	11,677

(*) This includes provision for premiums payable to employees, which are calculated under global goals, as established by management. At March 31, 2014, R$ 1,076 (R$ 771 at March 31, 2013) in general and administrative expenses were allocated in the consolidated interim financial information.

14. Tax liabilities

These are represented by:

	Company - BR GAAP		Consolidated - IFRS and BR GAAP	
	03/31/2014	12/31/2013	03/31/2014	12/31/2013
IRPJ	**-**	-	**1,398**	1,710
CSLL	**-**	-	**714**	816
PIS	**-**	-	**296**	312
COFINS	**-**	-	**1,362**	1,433
Other	**41**	33	**2,145**	1,577
	41	33	**5,915**	5,848

15. Advances from customers (consolidated)

At March 31, 2014, the amount of R$ 25,098 (R$ 26,188 at December 31, 2013) in the consolidated interim financial information represents amounts received from customers exceeding the revenue from financial development of real estate projects.

16. Land payable

Subsidiary	Location	Consolidated - IFRS and BR GAAP	
		03/31/2014	12/31/2013
Arambaré Incorporadora Ltda.	Praia Grande	**-**	92
Arapanés Incorporadora Ltda.	Tatuapé	**890**	-
Cabreuva Incorporadora Ltda.	Guarulhos	**16,481**	-
Crown Incorporadora Ltda.	Socorro	**1,615**	1,615
Elba Incorporadora Ltda.	Santana	**150**	150
Giópris Empreendimentos Imobiliários Ltda.	Jucumã	**1,519**	1,519
Pinhal Incorporadora Ltda.	Guarulhos	**11,976**	15,000
Paraíso Empreendimentos Imobiliários Ltda.	Saúde	**921**	921
San Diego Incorporadora Ltda.	Indianópolis	**70**	68
Santarém Incorporadora Ltda.	Vila Santa Catarina	**-**	900
Tatuapé Empreendimentos Imobiliários Ltda.	Butantã	**141**	141
Verona Incorporadora Ltda.	Vila Mascote	**413**	413
Mairiporã Incorporadora Ltda.	Santo Amaro	**57,359**	63,250
Ypê Incorporadora Ltda.	São Caetano	**46,620**	46,620
		138,155	130,689
Current		**118,030**	98,939
Noncurrent		**20,125**	31,750

At March 31, 2014, amounts inherent in land payable represent land acquired from third parties by the aforementioned subsidiaries, for future developments as from October 2013, except for the land acquired by subsidiary San Diego Incorporadora Ltda., having a real estate project launched in 2010, and Center Jabaquara Empreendimentos Imobiliários Ltda., Crown Incorporadora Ltda. and Paraíso Empreendimentos Imobiliários Ltda., having real estate projects launched in 2012.

There are no finance charges on the amounts mentioned, except for land acquired by subsidiaries Arambaré Incorporadora Ltda. and Ypê Incorporadora Ltda., monetarily restated by the General Market Price Index published by Fundação Getúlio Vargas - IGP-M/FGV, San Diego Incorporadora Ltda., monetarily restated based on savings account earnings, Mairiporã Incorporadora Ltda., monetarily restated by the Amplified Consumer Price Index disclosed by the Brazilian Institute of Geography and Statistics - IPCA/IBGE and Pinhal Incorporadora Ltda., monetarily restated by the National Construction Cost Index disclosed by Getúlio Vargas Foundation - INCC/FGV.

Maturities of noncurrent liabilities are as follows:

	Consolidated - IFRS and BR GAAP	
	03/31/2014	**12/31/2013**
Maturity		
2015	**20,125**	31,750
	20,125	31,750

17. Deferred taxes

Deferred IRPJ, CSLL, PIS and COFINS are calculated based on revenues allocated to P&L for the year, which were not financially realized. Payment is made to the extent they are received, under the provisions of tax law. Tax base for the year is as follows:

a) Breakdown of balances recorded in current and noncurrent liabilities

	Consolidated - IFRS and BR GAAP	
	03/31/2014	**12/31/2013**
Measurement basis for deferred tax liabilities	**1,312,941**	1,288,628
Deferred IRPJ	**16,414**	16,107
Deferred CSLL	**8,609**	8,449
Deferred PIS and Cofins	**27,224**	26,715
	52,247	51,271
Current	**35,624**	34,833
Noncurrent	**16,623**	16,438

Amounts classified as noncurrent will be realized from April 2015.

b) Breakdown of current and deferred IRPJ and CSLL expenses

	Consolidated - IFRS and BR GAAP	
	03/31/2014	**03/31/2013**
Current:		
IRPJ	**(2,915)**	(3,028)
CSLL	**(1,520)**	(1,577)
	(4,435)	(4,605)
Deferred:		
IRPJ	**(305)**	(1,632)
CSLL	**(165)**	(869)
	(470)	(2,501)

c) Reconciliation of current and deferred IRPJ CSLL

	Company - BR GAAP		Consolidated - IFRS and BR GAAP (ii)	
	03/31/2014	**03/31/2013**	**03/31/2014**	**03/31/2013**
Net income (loss) before IRPJ and CSLL	**95,457**	150,728	**100,894**	158,362
Tax rate – 34%	**(32,455)**	(51,247)	**(34,304)**	(53,843)
Effect on exclusions (equity pickup)	**38,194**	55,265	**6,141**	6,723
Effect on other exclusions	**-**	22	**-**	22
Effect on additions	**(1,134)**	-	**(1,134)**	-
Effect from result of subsidiaries taxed under profit computed as a percentage of gross revenue regime/Special Tax Regime	**-**	-	**24,392**	39,992
Tax credit not set up on tax losses and temporary differences	**4,605**	4,040	**-**	-
Total taxes			**(4,905)**	(7,106)
Current income and social contribution taxes	**-**	-	**(4,435)**	(4,605)
Deferred income and social contribution taxes	**-**	-	**(470)**	(2,501)

Effective rate	**4.8%**	2.7%	**(4.9%)**	(4.5%)

(i) The Company opted for the taxable profit determination system and does not record tax credits, recording them only upon realization of future income.

(ii) Under Revenue Procedure No. 84/79, real estate developers must pay taxes based on financial receipt of real estate projects. Accounting Interpretation ICPC 02 – Construction Contract of Real Estate Sector and accounting guideline OCPC 04 determine that appropriation of revenue must be made in accordance with financial evolution of the real estate projects. Thus, the difference between tax revenue and corporate revenue is the base for setting up deferred taxes.

18. Related parties

	Company - BR GAAP		Consolidated - IFRS and BR GAAP	
	03/31/2014	**12/31/2013**	**03/31/2014**	**12/31/2013**
Noncurrent assets (*)				
AK 14 Empreendimentos e Participações Ltda.	**-**	59	**-**	59
Analisys Consultoria, Planejamento e Participações S/S	**1,827**	1,825	**-**	-
Alexandria Incorporadora Ltda.	**465**	-	**-**	-
Arambaré Incorporadora Ltda.	**570**	-	**-**	-
Arapanés Incorporadora Ltda.	**130**	130	**-**	-
Avignon Incorporadora Ltda.	**-**	-	**-**	-
Bergamo Incorporadora Ltda.	**150**	-	**-**	-
Camila Empreendimentos Imobiliários Ltda.	**597**	697	**4,113**	4,114
Giovanna Incorporadora	**100**	100	**-**	-
Itagi Incorporadora Ltda.	**1,555**	1,555	**-**	-
Juriti Empreendimentos Imob. Ltda.	**30**	-	**-**	-
Livorno Incorporadora Ltda.	**25**	-	**-**	-
Otawa Incorporadora Ltda.	**40**	40	**-**	-
San Diego Incorporadora Ltda.	**-**	1,620	**-**	-
Santarém Incorporadora Ltda.	**-**	565	**-**	-
Silvana Empreendimentos Imobiliários Ltda.	**2,613**	2,802	**-**	-
Tirol Incorporadora Ltda.	**15**	-	**-**	-
Other	**257**	385	**-**	-
	8,374	9,778	**4,113**	4,173
Current liabilities (*):				
Antilhas Empreendimentos Imobiliários Ltda.	**150**	150	**1**	1
Avignon Incorporadora Ltda.	**-**	-	**-**	-
Aurillac Incorporadora Ltda.	**5,522**	5,569	**-**	-
CCISA07 Incorporadora Ltda.	**3,000**	-	**3,000**	
Crown Incorporadora Ltda.	**4,055**	4,055	**-**	-
Curupá Empreend. Imob. Ltda.	**450**	-	**-**	-
Ez Tec Técnica Engenharia e Construções Ltda.	**1,005**	585	**-**	-
Esmirna Incorporadora Ltda.	**750**	-	**-**	-
Florença Incorporadora Ltda.	**9,489**	5,688	**-**	-
Garicema Empreendimentos Imobiliários Ltda.	**8,025**	2,500	**-**	-
Genova Incorporadora S.A.	**857**	1,001	**857**	1,001
Giópris Empreendimentos Imobiliários Ltda.	**25,499**	25,359	**-**	-
Graúna Incorporadora Ltda.	**66**	68	**-**	-
Jauaperi Incorporadora Ltda.	**9,978**	9,378	**-**	-
Lausane Incorporadora Ltda.	**6,030**	4,170	**-**	-
Limoges Incorporadora Ltda.	**35,585**	33,554	**-**	-
Marcella Empreendimentos Imobiliários Ltda.	**20,084**	19,574	**-**	-
Marina Empreendimentos Imobiliários Ltda.	**5,863**	5,700	**-**	-
Monza Incorporadora Ltda.	**16,436**	16,199	**-**	-
Paraíso Empreendimentos Imobiliários Ltda.	**280**	335	**-**	-
Park Empreendimentos Imobiliários Ltda.	**16,465**	16,425	**-**	-
Priscilla Empreendimentos Imobiliários Ltda.	**11,108**	6,603	**-**	-
San Diego Incorporadora Ltda.	**9,870**	-	**-**	-
Santarém Incorporadora Ltda.	**225**	-	**-**	-
Tatuapé Empreendimentos Imobiliários Ltda.	**8,537**	8,002	**-**	-
Tec Vendas Consultoria de Imóveis Ltda.	**3,687**	2,937	**-**	-
Torino Incorporadora Ltda.	**3,780**	2,015	**-**	-
Trento Incorporadora Ltda.	**5,950**	4,250	**-**	-
Vanguarda Incorporadora Ltda.	**778**	785	**-**	-
Verona Incorporadora Ltda.	**6,380**	-	**-**	-
Village of Kings Incorporadora Ltda.	**225**	-	**-**	-

	Company - BR GAAP		Consolidated - IFRS and BR GAAP	
	03/31/2014	12/31/2013	03/31/2014	12/31/2013
Wanessa Incorporadora Ltda.	**4,390**	-	**-**	-
Win Consultoria Imobiliária Ltda.	**250**	250	**-**	-
	224,769	175,152	**3,858**	1,002

(*) This represents loan agreements without finance charges.

For the periods ended March 31, 2014 and December 31, 2013, in addition to the abovementioned transactions, the Company performed or maintains the following transactions in accordance with conditions and market values that would be used with third parties:

- Lease agreement with the controlling shareholder, for the property in which part of its facilities is located, with monthly cost of R$ 136 at March 31, 2014 (R$125 at December 31 , 2013), annually restated by the positive variation of IGP-DI-FGV. The lease expires in five years and there is a penalty in the event of termination corresponding to three months of lease;
- Acquisition by manager and holder of equity interest of a residential unit amounting to R$ 12,565 in 2013, whose debt balance as of March 31, 2014 amounted to R$1,300 (R$5,065 at December 31, 2013).
- Acquisitions by managers of residential units amounting to R$ 2,950 in 2013, whose debt balance as of March 31, 2014 amounted to R$165 (R$1,923 at December 31, 2013).
- Sale of 11,696 CEPAC to affiliate AK14 Empreendimentos Imobiliários Ltda., amounting to R$14,618 at December 31, 2013 and March 31, 2014, with the balance receivable recorded in “Bills receivable”.

19. Provision for risks and contingencies

a) At March 31, 2014, the Company and its subsidiaries do not have any contingent assets with probable gains and subject to disclosure:

b) Based on individual analysis of possible tax risks, management set up a provision at an amount deemed sufficient to cover probable losses:

	Company - BR GAAP	Consolidated - IFRS and BR GAAP
Balance at December 31, 2013	**3,774**	6,542
Additions	**-**	-
Reversals	**-**	-
Balance at March 31, 2014	**3,774**	6,542

c) At March 31, 2014, the Company and its subsidiaries are parties to legal proceedings, whose likelihood of loss is possible, amounting to R$ 8,358, R$ 7,177 of which refers to civil claims and R$ 1,181 to labor claims (at December 31, 2013, R$ 6,996, R$ 5,815 of which refers to civil claims and R$ 1,181 to labor claims).

20. Equity

a) Capital

At March 31, 2014, Company's capital amounted to R$ 1,050,000, which comprised 146,724,120 common shares with no par value.

The Company is authorized to increase its capital, regardless of any amendments to the Articles of Incorporation, by resolution of the Board of Directors, up to the limit of 200,000,000 (two hundred million) common shares, including shares already issued.

b) Legal reserve

This reserve is compulsorily set up by the Company at a ratio of 5% of net income for the year, limited to 20% of paid-in capital. Legal reserve may only be used to increase capital or to offset accumulated losses. At March 31, 2014 and December 31, 2013, the Company's legal reserve balance was R$ 89,014.

c) Capital reserve

Capital reserve derives from gain on disposal of treasury shares in 2011 and may be used in compliance with article 200 of Law No. 6404/76 and its amendments.

At March 31, 2014 and December 31, 2013, the Company's capital reserve balance was R$ 38,297.

d) Expansion reserve

As provided for by article 25, "f", of the Company's Articles of Incorporation, the statutory income reserve, denominated "Expansion reserve" is intended for financing the expansion activities of the Company's and/or its subsidiaries and affiliates, including by means of subscription of capital increases or creation of new real estate projects, and will be made up with 100% (one hundred per cent) of net income remaining after legal and statutory deductions, and whose balance, in addition to the balances of other income reserves, except for unrealized income reserve and provision for contingencies, may not exceed 100% (one hundred per cent) of the Company's subscribed capital.

At March 31, 2014 and December 31, 2013, the Company's expansion reserve balance was R$924,165.

e) Dividends

Shareholders are entitled to minimum mandatory dividend corresponding to 25% of net income for the year, calculated under the Brazilian Corporation Law.

The allocation of P&L for the year ended December 31, 2013 is as follows:

	Company - BR GAAP
	12/31/2013
Net income for the year	**585,987**
Legal reserve (5%)	**(29,299)**
	556,688
Proposed dividends 25% d(a)	**(139,172)**
Expansion reserve	**(417,516)**
	-

(a) As approved in the Common General Meeting of April 30, 2014, dividends will be paid until November 30, 2014.

Pursuant to article 34, "f", of the Company's Articles of Incorporation, management proposed allocation of the remaining balance of net income for the year to expansion reserve, in order to increase its operating activities, such as purchase of new land, residential and commercial launching and developments to be carried out with its current inventory of land.

21. Basic earnings per share

Basic earnings pare share are calculated as follows:

	Company - BR GAAP	
	03/31/2014	03/31/2013
Attributed to controlling shareholders	**95,457**	150,728
Weighted average number of outstanding common shares (in thousands)	**146,724**	146,724
Basic earnings per share in R$	**0.65**	1.03

The Company does not have any debt convertible into shares with stock options granted; therefore, it does not calculate diluted earnings per share.

22. Net revenue

Net revenue for the year is as follows:

	Consolidated - IFRS and BR GAAP	
	03/31/2014	03/31/2013
Gross operating revenue:		
Revenue from property sales	**241,883**	340,299
Revenue from leases and services	**2,550**	2,290
Total gross operating revenue	**244,433**	342,589
Deductions from gross revenue:		
Cancelled sales	**(28,814)**	(11,656)
Sales taxes including deferred taxes	**(4,864)**	(7,819)
Total deductions from gross revenue	**(33,678)**	(19,475)
Net revenue	**210,755**	323,114

23. Cancelled sales

At March 31, 2014, the amount of R$ 28,814 (R$ 11,656 at March 31, 2013) represents cancellations for the year, related to agreements previously executed, incorporating the effects of results recorded for the financial development of the respective construction work. The properties returned by means of cancellation are resold, and since Company management understands that such amount is not material in relation to sales volume, no provision for return is set up in the interim financial information.

24. Costs and expenses by nature

These are represented by:

	Company - BR GAAP		Consolidated - IFRS and BR GAAP	
	03/31/2014	**03/31/2013**	**03/31/2014**	**03/31/2013**
Cost of sales:				
Cost of construction/land	**-**	-	**(97,052)**	(156,733)
Capitalized finance charges	**-**	-	**(8,375)**	(1,666)
Maintenance/guarantee	**-**	-	**(759)**	(1,212)
	-	-	**(106,186)**	(159,611)
Selling expenses:				
Advertising and other expenses	**-**	-	**(6,013)**	(10,151)
Sales booth expenses:	**-**	-	**(3,006)**	(3,542)
	-	-	**(9,019)**	(13,693)
General and administrative expenses				
Expenses with salaries and charges	**(6,039)**	(4,554)	**(7,334)**	(5,325)
Expenses with employee benefits	**(1,835)**	(1,454)	**(3,385)**	(2,487)
Expenses with depreciation and amortization	**(896)**	(950)	**(915)**	(958)
Expenses with services rendered	**(4,388)**	(2,608)	**(6,727)**	(4,322)
Rental expenses and condominium fees	**(434)**	(531)	**(433)**	(561)
Property maintenance expenses	**(120)**	(204)	**(129)**	(244)
Expenses with fees and charges	**(33)**	(27)	**(461)**	(915)
Other expenses	**(1,175)**	(651)	**(1,969)**	(1,637)
	(14,920)	(10,979)	**(21,353)**	(16,449)

25. Key management personnel compensation

The Annual General Meeting held on April 30, 2014 approved the Company's total annual key management personnel compensation limit of R$ 19,000.

In 2014, consolidated expenses with key management personnel compensation amounted to R$2,015 (R$1,647 at March 31, 2013).

26. Financial income (expenses)

These comprise:

	Company - BR GAAP		Consolidated - IFRS and BR GAAP	
	03/31/2014	**03/31/2013**	**03/31/2014**	**03/31/2013**
Revenues:				
Financial income	**3,214**	1,449	**4,142**	2,017
Interest income on accounts receivable	**-**	-	**9,309**	11,155
Other income	**379**	49	**1,543**	846
	3,593	1,498	**14,994**	14,018
Expenses:				
Interest expense and monetary losses	**-**	-	**-**	-
Discounts granted on accounts receivable	**-**	-	**(184)**	(4,959)
Other expenses	**(103)**	(19)	**(276)**	(276)
	(103)	(19)	**(460)**	(5,235)

27. Stock option plan

Company's Articles of Incorporation provides for a stock option plan, approved at the Special General Meeting held on March 3, 2007, for managing officers, employees and service providers, and, up to March 31, 2014, no stock option was granted. The stock option plan will be limited to 2% of Company's shares.

28. Financial instruments

28.1. Capital risk management

The Company and its subsidiaries manage their capital in order to ensure the ability to continue as a going concern, while maximizing the return to all parties interested or involved in its operations, by leveraging the balance of debts and equity. The Company's overall strategy has not changed since 2009.

The capital structure of the Company and its subsidiaries comprises net indebtedness (loans and financing detailed in Note 12, less balance of cash and cash equivalents and short-term investments in Notes 3 and 4, respectively) and Company's equity (which includes capital, income reserves and non-controlling shareholders).

The Company is not subject to any external requirement on capital.

28.2. Net cash

Net cash at end of years is as follows:

	Company - BRGAAP		Consolidated IFRS and BR GAAP	
	03/31/2014	**12/31/2013**	**03/31/2014**	**12/31/2013**
Loans and financing (a)	**-**	-	**(351,524)**	(292,932)
Cash and cash equivalents and short-term investments (b)	**166,057**	112,428	**257,676**	199,325
Net cash	**166,057**	112,428	**(93,848)**	(93,607)
Equity (c)	**2,196,933**	2,101,476	**2,203,710**	2,110,467
Net cash to equity	**0.08**	0.05	**(0.04)**	(0.04)

(a) Short and long-term loans and financing, as defined in Note 12.

(b) Cash and cash equivalents and short-term investments, as mentioned in Notes 3 and 4, respectively.

(c) Equity includes capital, income reserves and non-controlling interest.

28.3. Categories of financial instruments

	Company - BR GAAP		Consolidated - IFRS and BR GAAP	
	03/31/2014	**12/31/2013**	**03/31/2014**	**12/31/2013**
Financial assets-				
Loans and receivables:				
Cash and cash equivalents	**2,341**	2,925	**51,400**	62,808
Accounts receivable	**-**	-	**1,305,810**	1,282,518
Bills receivable	**14,618**	14,618	**14,618**	14,618
Related parties	**8,374**	9,778	**4,113**	4,173
Available for sale:				
Short-term investments	**163,716**	109,503	**206,276**	136,517
Investments held to maturity recorded at amortized cost:				
Certificate for Potential Additional Construction (CEPAC)	**-**	-	**-**	-
Financial liabilities:				
Amortized cost:				
Trade accounts payable	**1,695**	12,981	**45,595**	54,523
Loans and financing	**-**	-	**351,524**	292,932
Accounts payable	**-**	1	**8,489**	7,091
Land payable	**-**	-	**138,155**	130,689
Related parties	**224,769**	175,152	**3,858**	1,002

28.4. Financial risk management objectives

The Company monitors and manages financial risks inherent in their operations. Among these risks, there are market risk (interest rate variation), credit risk and liquidity risk. The main purpose is to maintain Company's exposure to these risks at minimum levels by using non-derivative financial instruments and evaluating and controlling credit and liquidity risks.

28.5. Market risk management

The Company is engaged in the development, construction and sale of real estate projects. In addition to the risks that affect the real estate market in general, such as stoppage of supplies and price volatility of construction materials and equipment, changes in supply and demand of real estate projects in certain areas, strikes and zoning environmental regulations, Company's activities are specifically affected by the following risks:

- The Brazilian economic situation, which could adversely affect the growth of the real estate sector as a whole, by means of economic slowdown, increased interest, currency fluctuation and political instability, among others.
- Prohibition in the future, as a result of new regulations or market conditions, against the adjustment for inflation of receivables, according to certain inflation rates, as currently allowed, which could make a project financially or economically infeasible.
- Buyers' level of interest in a new project launched or selling price per unit required to sell all units can be below the expected, causing the project to become less profitable than expected.
- In the event of bankruptcy or significant financial issues of a major real estate company, the whole sector can be adversely affected, which could cause a reduction in customer confidence in other companies that operate in the sector.
- Local and regional real estate market conditions, such as excess supply, shortage of land in certain areas, or significant increase in acquisition cost of land.
- Risk that the buyers will have a negative perception of the safety and security, convenience and attractiveness of the Company's properties, as well as their location.
- Company's profit margins may be affected as a result of increased operating costs, including investments, insurance premium, real estate taxes and public charges.
- Development opportunities can decrease.
- The construction and sale of real estate units may not be completed on schedule, leading to increased construction costs or termination of sales agreements.
- Non-payment after delivery of units acquired in installments. The Company is entitled to file a collection lawsuit, aiming at due amounts and/or taking back the unit from the delinquent buyer, which cannot ensure that it will be able to recover the total amount of the debt balance or, after taking back the property, its sale under satisfactory conditions.
- Any change in the policies of the Brazilian Monetary Council (CMN) on the application of funds intended for the Housing Finance System (SFH) can reduce the financing offer to customers.
- The decrease in the market value of land kept in inventory, before the development of the real estate project for which it is intended, and the inability to preserve the margins previously projected for the respective developments.

28.6. Exposure to currency risks

The Company and its subsidiaries are not exposed to currency risks as they do not have any foreign currency transactions.

28.7. Exposure to interest rate risks

The Company and its subsidiaries have loans with third parties, subject to fluctuations of the rates provided for in such agreements, by means of Referential Rate (TR) variation and interest. They are exposed to fluctuations of interest rates receivable from customers and balances of short-term investments, in this case, by the CDI variation.

At March 31, 2014, management of the Company and its subsidiaries conducted a sensitivity analysis for a 12-month scenario, as required by CVM Rule No. 475, of December 17, 2008, not necessarily representing Company's expectations. A decrease (assets) and an increase (liabilities) of 25% and 50% in interest rates, using 11.0% (CDI) and 0.85% (TR), expected on balances of short-term investments and loans and financing, were taken into account:

	Company - BR GAAP			Consolidated - IFRS and BR GAAP		
Indexes	**Scenario I Probable**	**Scenario II (25%)**	**Scenario III (50%)**	**Scenario I Probable**	**Scenario II (25%)**	**Scenario III (50%)**
Assets-						
Short-term investments (decrease in CDI)	18,009	13,507	9,004	22,690	17,018	11,345
Liabilities-						
Loans and financing (increase in TR)	-	-	-	2,988	3,735	4,482

28.8. Liquidity risk management

The Company and its subsidiaries manage liquidity risk by maintaining reserves and bank credit lines considered appropriate, by means of continuous monitoring of forecasts and actual cash flow and combination of maturities of financial assets and liabilities.

28.9. Risk concentration

The Company and its subsidiaries maintain bank checking accounts and short-term investments with financial institutions approved by management in accordance with objective criteria for risk diversification.. The balance of accounts receivable is distributed among various customers. None of these customers concentrates 10% or more of total net operating income or the balance receivable.

28.10. Fair value of financial instruments

The carrying amount of financial instruments of the Company and its subsidiaries at March 31, 2014 and December 31, 2013, which are recorded at amortized cost, according to Note 28.3, approximates fair value, as the nature and characteristic of contracted conditions resemble those available in the market at the interim financial information dates. The balance of cash and cash equivalents as well as short-term investments is pegged to CDI; therefore, the amounts recorded approximate fair value of these financial instruments.

In 2014 and 2013, the Company and its subsidiaries had no derivative financial instruments or any similar risks.

29. Insurance

The Company and its subsidiaries maintain, at March 31, 2014, the following insurance contracts:

(a) risk - civil work under construction - "All Risks" policy, which provides insurance against all risks involved in the construction of a real estate project, such as fire, theft and execution damages, among others. This type of policy allows additional coverage in accordance with the risks inherent in the work, including, but not limited to, general and cross civil liability, extraordinary expenses, riots, civil liability of the employer and pain and suffering.

(b) Corporate insurance - coverage for sales booths and display apartments, providing insurance against damage caused by fire, theft, lightening and explosion, among others.

(c) Insurance against miscellaneous risks - electronic devices - insurance against any theft or electrical damage.

(d) General civil liability (D&O).

30. Commitments

The Company has lease agreements for two properties where its facilities are located, with monthly cost of R$ 41, restated by reference to IGP-M/FGV variation. The lease expires in five years and there is a penalty in the event of termination corresponding to three months of lease.

At March 31, 2014, the Company, by means of its subsidiaries, has long-term agreements amounting to R$ 317,361 (R$ 289,088 at December 31, 2013), related to the supply of raw material used in the development of real estate projects.

31. Additional information – cash flow statements

The following transactions did not involve cash disbursement:

	Company - BRGAAP		Consolidated - BR GAAP and IFRS	
	03/31/2014	**12/31/2013**	**03/31/2014**	**12/31/2013**
Purchase of land financed by sellers	**-**	-	**7,466**	65,351
CEPAC transferred to subsidiaries and used in the transaction	**-**	103,908	**-**	107,691

32. Segment information

Company management focuses its business on real estate developments.

Financial information is analyzed based on internal management reports per real estate project and the decision referring to fund allocation and corresponding assessment is made by Company Executive Board, which also defines its segments between commercial and residential projects:

a) Breakdown of the main P&L accounts, by segment:

	Consolidated - IFRS and BR GAAP			
	Commercial		Residential	
	03/31/2014	03/31/2013	03/31/2014	03/31/2013
Gross revenue	**100,609**	187,955	**143,824**	154,635
Deductions from gross revenue	**(11,024)**	(4,980)	**(22,654)**	(14,496)
Net revenue	**89,585**	182,975	**121,170**	140,139
Cost of sales	**(38,510)**	(84,311)	**(67,676)**	(75,300)
Gross profit	**51,075**	98,664	**53,494**	64,839
Selling expenses	**(2,687)**	(6,225)	**(6,332)**	(7,468)

b) Breakdown of main assets and liabilities, by segment:

	Consolidated - IFRS and BR GAAP			
	Commercial		Residential	
	03/31/2014	12/31/2013	03/31/2014	12/31/2013
Assets.				
Accounts receivable	**537,904**	492,231	**767,906**	790,287
Properties for sale	**270,693**	238,332	**700,071**	660,951
Liabilities:				
Loans and financing	**209,125**	162,151	**142,399**	130,781
Advances from customers	**10,187**	10,872	**14,911**	15,316

33. Approval of interim financial information

The interim financial information was approved by the Company's Board of Directors and authorized for disclosure on May 8, 2014.

Other information that the Company considers material

a. shareholders with more than 5% of shares of each type and class.

EZ TEC Empreendimentos e Participações S.A.
Position at March 31, 2014 (in number of shares)

	Common shares		Preferred shares (PN)		Total	
Shareholder	Number	%	Number	%	Number	%
EZ Participações LTDA.	46,308,221	31,.56	-	-	46,308,221	31.56
SMM Participações LTDA.	9,495,566	6.47	-	-	9,495,566	6.47
GAR Participações S.A.	8,208,834	5.59	-	-	8,208,834	5.59
HPC Participações S.A.	7,779,951	5.30	-	-	7,779,951	5.30
SZA Participações S.A.	6,473,310	4.41	-	-	6,473,310	4.41
MAPECA Participações S.A.	6,473,310	4.41	-	-	6,473,310	4.41
Barolo Participações S.A.	6,473,310	4.41	-	-	6,473,310	4.41
Treasury shares	-	-	-	-	-	-
Other	55,511,618	37.83	-	-	55,511,618	37.83
Total	146,724,120	100.00	-	-	146,724,120	100.00

b. distribution of capital of legal entities (Company's shareholder) up to individual levels.

Position at March 31, 2014 (in number of shares)

	Common shares/units of interest		Preferred shares/units of interest		Total	
Shareholder	Number	%	Number	%	Number	%
Ernesto Zarzur	518,718,948	99.99	-	-	518,718,948	99,99
Other	144	0.01	-	-	144	0.01
Total	518,719,092	100.00	-	-	518,719,092	100.00

Position at March 31, 2014 (in number of shares)

	Common shares/units of interest		Preferred shares/units of interest		Total	
Shareholder	Number	%	Number	%	Number	%
Samir Zakkhour El Tayar	2,554,778	99.99	-	-	2,554,778	99.99
Other	2	0.01	-	-	2	0.01
Total	2,554,780	100.00	-	-	2,554,780	100.00

Position at March 31, 2014 (in number of shares)

	Common shares/units of interest		Preferred shares/units of interest		Total	
Shareholder	Number	%	Number	%	Number	%
Flávio Ernesto Zarzur	91,329,396	99.99	-	-	91,329,396	99.99
Other	18	0.01	-	-	18	0.01
Total	91,329,414	100.00	-	-	91,329,414	100.00

Position at March 31, 2014 (in number of shares)

	Common shares/units of interest		Preferred shares/units of interest		Total	
Shareholder	Number	%	Number	%	Number	%
Silvio Ernesto Zarzur	86,942,999	99.99	-	-	86,942,999	99.99
Other	8	0.01	-	-	8	0.01
Total	86,943,007	100.00	-	-	86,943,007	100.00

Other information that the Company considers material

c. equity position of controlling shareholders, management and outstanding shares.

Consolidated Equity Position of Controlling Shareholders and Management
Position at March 31, 2014 (in number of shares)

	Common shares		Preferred shares (PN)		Total	
Shareholder	Number	%	Number	%	Number	%
Controlling shareholder	1,745,129	1.19	-	-	1,745,129	1.19
Board of Directors	72,176,134	49.19	-	-	72,176,134	49.19
Supervisory Board	-	-	-	-	-	-
Executive Board	23,668,158	16.13	-	-	23,668,158	16.13
Treasury shares	-	-	-	-	-	-
Outstanding shares	49,134,699	33.49	-	-	49,134,699	33.49

Consolidated Equity Position of Controlling Shareholders and Management
Position at March 31, 2013 (in number of shares)

	Common shares		Preferred shares (PN)		Total	
Shareholder	Number	%	Number	%	Number	%
Controlling shareholder	1,883,874	1.28	-	-	1,883,874	1.28
Board of Directors	72,266,334	49.25	-	-	72,266,334	49.25
Supervisory Board	-	-	-	-	-	-
Executive Board	23,468,358	15.99	-	-	23,468,358	15.99
Treasury shares	-	-	-	-	-	-
Outstanding shares	49,105,554	33.47	-	-	49,105,554	33.47

*Interest of board members and executive officers in the group of controlling shareholders was not considered.

d. other information considered material.

In accordance with Article 41 of the Articles of Incorporation of EZTEC, the Company, its shareholders, management and Supervisory Board members undertake to resolve, through arbitration, before the Market Arbitration Panel, any and all dispute or controversy that may arise among them, particularly related to or arising from the application, validity, effectiveness, construction, breach and their effects, of the provisions contained in the Brazilian Corporation Law, Articles of Incorporation, rules issued by the Brazilian Monetary Council, Central Bank of Brazil, or Brazilian SEC, as well as in other rules governing the operation of the capital market in general, in addition to those contained in the *Novo Mercado* Regulation, Arbitration Regulation, Sanction Regulation and Agreement for Entering *Novo Mercado*.

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A free translation from Portuguese into English of independent auditor's review report on individual interim financial information prepared in Brazilian currency in accordance with accounting practices adopted in Brazil and on consolidated interim financial information prepared in Brazilian currency in accordance with accounting practices adopted in Brazil, International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board – IASB and specific CVM rules

Review report on interim financial information

The
Shareholders, Board of Directors and Officers
Ez Tec Empreendimentos e Participações S.A.
São Paulo - São Paulo

Introduction

We have reviewed the individual and consolidated interim financial information of Ez Tec Empreendimentos e Participações S.A. ("Company"), identified as Company and Consolidated, respectively, contained in the Quarterly Information Form (ITR), for the three-month period ended March 31, 2014, which comprise the balance sheet and the related income statement and statement of comprehensive and the statement of changes in equity and cash flow statement for the three-month period then ended, including explanatory notes.

Management is responsible for the preparation of the individual interim financial information in accordance with CPC 21 (R1) - Interim Financial Reporting and the consolidated interim financial information in accordance with CPC 21 (R1) and IAS 34 - Interim Financial Reporting, including Guidance OCPC 04 Application of Technical Interpretation ICPC 02 to Real Estate Developers in Brazil issued by the Brazilian Financial Accounting Standards Board (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM) and also Brazil's National Association of State Boards of Accountancy (CFC), as well as for the presentation of this information consistently with standards issued by the CVM, applicable to the preparation of Quarterly Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

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

Uma empresa-membro da Ernst & Young Global Limited

Conclusion on the individual and consolidated interim financial information prepared in accordance with CPC 21(R1)

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

Conclusion on the consolidated interim financial information prepared in accordance with IAS 34, including Guidance OCPC 04 on Application of Accounting Interpretation ICPC 02 to Real Estate Developers in Brazil, issued by the Brazilian FASB (CPC) and approved by the CVM and CFC

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information included in the quarterly information referred to above was not fairly prepared, in all material respects, in accordance with IAS 34, including Guidance OCPC 04 on Application of Accounting Interpretation ICPC 02 to Real Estate Developers in Brazil, issued by the Brazilian FASB (CPC) and approved by the CVM and CFC, applicable to the preparation of the Quarterly Information (ITR), and presented consistently with standards issued by the CVM.

Emphasis of a matter

Guidance of OCPC 04 issued by the Brazilian FASB (CPC)

As mentioned in Note 2.1, the individual and consolidated interim financial information was prepared in accordance with accounting practices adopted in Brazil (CPC 21 - R1). The consolidated interim financial information prepared in accordance with the IFRS, applicable to real estate development entities, also comprises Guidance OCPC 04 issued by the Brazilian FASB (CPC). This guidance addresses revenue recognition of this industry and involves matters related to the meaning and application of the concept of continuous transfer of risks, rewards and control on sale of real estate units, as detailed in Note 2.16. Our conclusion is not qualified with respect to this matter.

Building a better working world

Other matters

Interim value added information

We have also reviewed the individual and consolidated interim statement of value added (SVA) for the three-month period ended March 31, 2014, whose preparation is the responsibility of the Company's management and whose presentation in the interim financial information is required by rules issued by the Brazilian Securities and Exchange Commission (CVM), and as supplementary information by IFRS, which do not require SVA presentation. These statements were submitted to the same review procedures previously described and, based on our review, we are not aware of any fact that would make us believe that they were not prepared, in all material respects, in accordance with the overall individual and consolidated interim financial information.

São Paulo, May 8, 2014.

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

Acyr de Oliveira Pereira
Accountant CRC-1SP220266/O-0

Opinions and Representations / Officers' Representation on Financial Statements

REPRESENTATION FOR THE PURPOSES OF ARTICLE 25 OF CVM RULE NO. 480/09

We represent that, as officers of EZ TEC Empreendimentos e Participações S.A. ("Company"), a corporation headquartered in the City and State of São Paulo, at Av. República do Líbano, No. 1921 Ibirapuera, CEP 04501-002, enrolled with the Brazilian IRS Registry of Legal Entities (CNPJ/MF) under No. 08.312.229/0001-73, under item V of first paragraph of article 25 of CVM Rule No. 480, we have reviewed, discussed and agreed with the set of interim financial information for the period ended March 31, 2014, as well as with the independent auditor's review report on interim financial information.

São Paulo, May 8, 2014.

Marcelo Ernesto Zarzur CEO and CTO	Silvio Ernesto Zarzur Vice-President and Real Estate Development Officer
Flavio Ernesto Zarzur Vice-President	A. Emilio C. Fugazza CFO and IR
Marcelo Ernesto Zarzur CCO	Mauro Alberto CAO
Carlos Eduardo Monteiro CPO	João Paulo Flaifel CNBO
Silvio H. Iamamura Real Estate Transaction Officer	Roberto Mounir Maalouli CLO

Pareceres e Declarações / Declaração dos Diretores sobre o Relatório dos Auditores Independentes

REPRESENTATION FOR THE PURPOSES OF ARTICLE 25 OF CVM RULE NO. 480/09

We represent that, as officers of EZ TEC Empreendimentos e Participações S.A. ("Company"), a corporation headquartered in the City and State of São Paulo, at Av. República do Líbano, No. 1921 Ibirapuera, CEP 04501-002, enrolled with the Brazilian IRS Registry of Legal Entities (CNPJ/MF) under No. 08.312.229/0001-73, under item V of first paragraph of article 25 of CVM Rule No. 480, we have reviewed, discussed and agreed with the set of interim financial information for the period ended March 31, 2014, as well as with the independent auditor's review report on interim financial information.

São Paulo, May 8, 2014.

Marcelo Ernesto Zarzur CEO and CTO	Silvio Ernesto Zarzur Vice-President and Real Estate Development Officer
Flavio Ernesto Zarzur Vice-President	A. Emilio C. Fugazza CFO and IR
Marcelo Ernesto Zarzur CCO	Mauro Alberto CAO
Carlos Eduardo Monteiro CPO	João Paulo Flaifel CNBO
Silvio H. Iamamura Real Estate Transaction Officer	Roberto Mounir Maalouli CLO