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Preliminary Operational Results 2Q17

Contact IR:

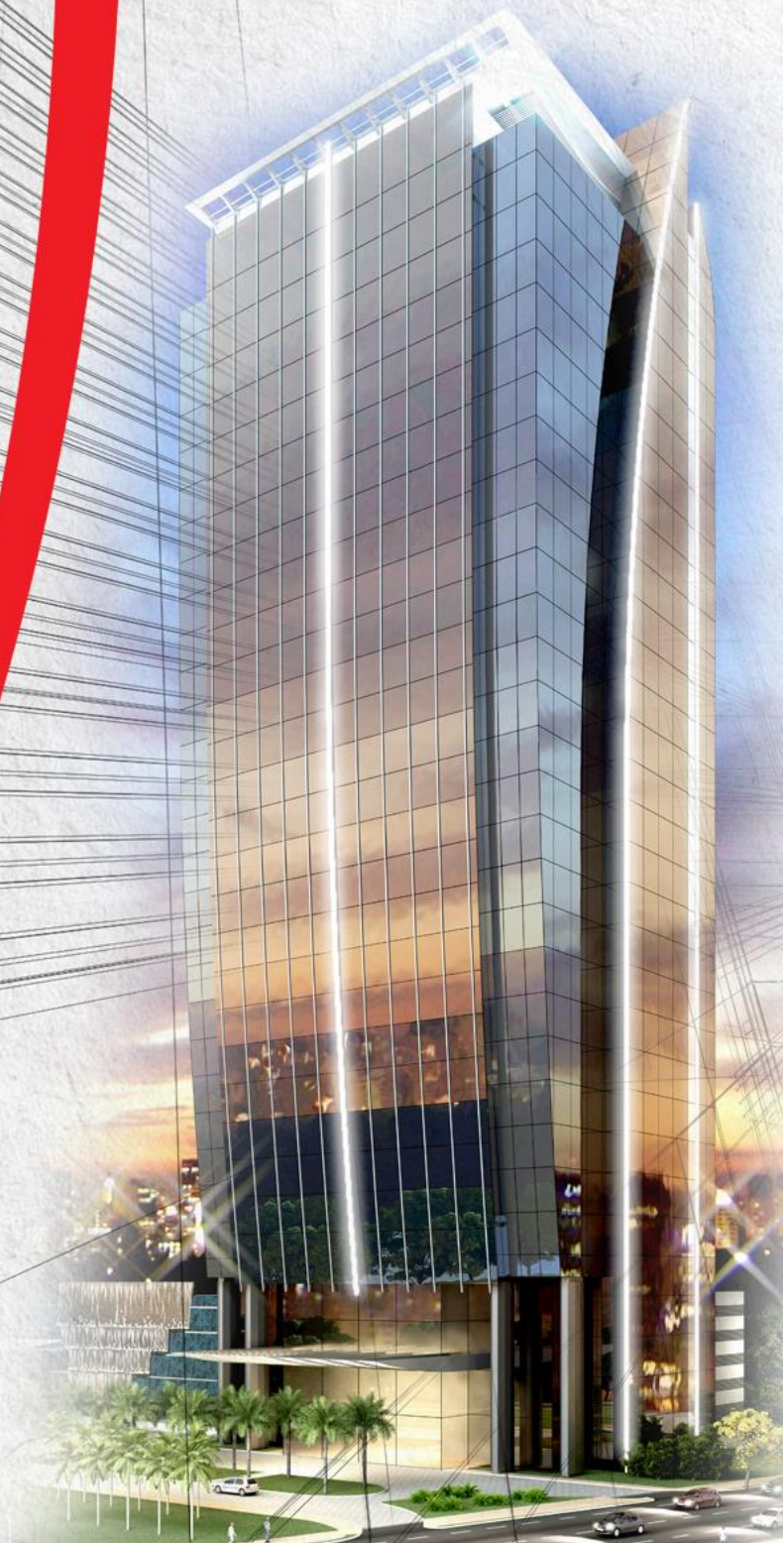
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EZTEC S.A.
ON (Bovespa: EZTC3)
Closing Price: R$19.10
Shares: 165,001,783
Market Share: R$ 3,152 MN
Date: 13/07/2017



Preliminary Operational Results 2Q17

Net Sales accelerate and reach the highest mark in six quarters

The year's first launch has 56% of units sold within two months

São Paulo, July 13th, 2017 - EZTEC SA (BOVESPA: EZTC3; Bloomberg: EZTC3: BZ), announces its preliminary operating results for the second quarter of 2017 (2Q17). Note that the results presented here are managerial results and are subject to revision following the external audit. The complete and audited results for 2Q17 are scheduled to be disclosed on August 10th, 2017, after market closure.

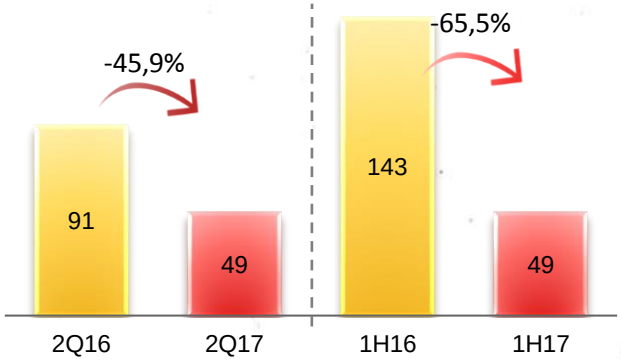
Launches

The second quarter of 2017 was marked by the first launch of the year, Legittimo Vila Romana: a high-income residential project, located in Vila Romana – Lapa, in the West Zone of the City of São Paulo, with 54 units and a PSV of **R$49.5 million.**

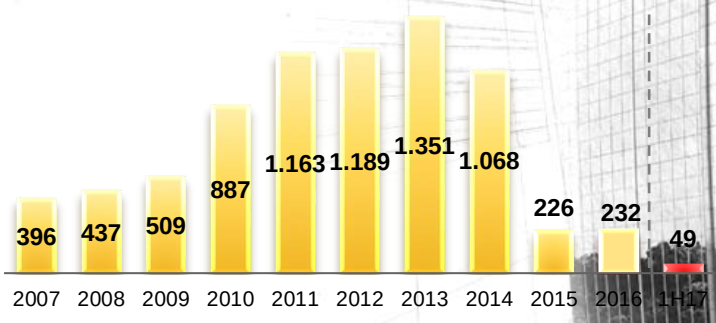
Legittimo Vila Romana fits the profile of the projects that EZTEC has been launching since 2015: [i] projects directed towards the mid-high and high income segments, as these are the ones with the most resilience in a period marked by restricted income and access to credit; [ii] projects that are well located within the City of São Paulo, aiming at each neighborhood's organic, regional demand, as opposed to stimulating migratory fluxes; and [iii] projects with fewer units, such that the risk associated to the launches gets diluted. The Legittimo Vila Romana project, which fits those criteria, was launched in April and has demonstrated adequate sales speed.



Launched PSV
% EZTEC (R$MN)



Cumulative Launched PSV
% EZTEC (R$MN)

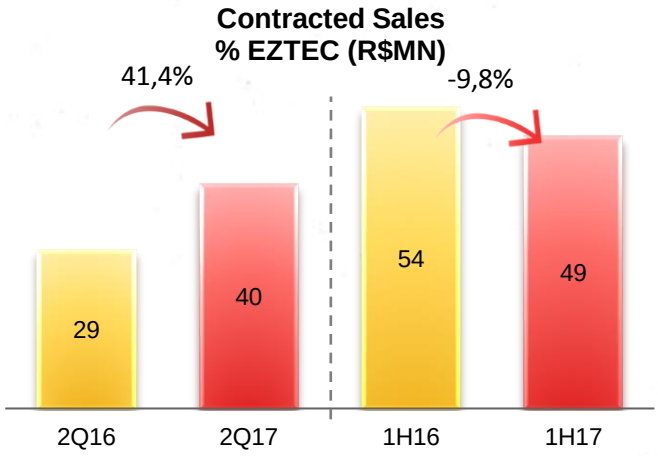


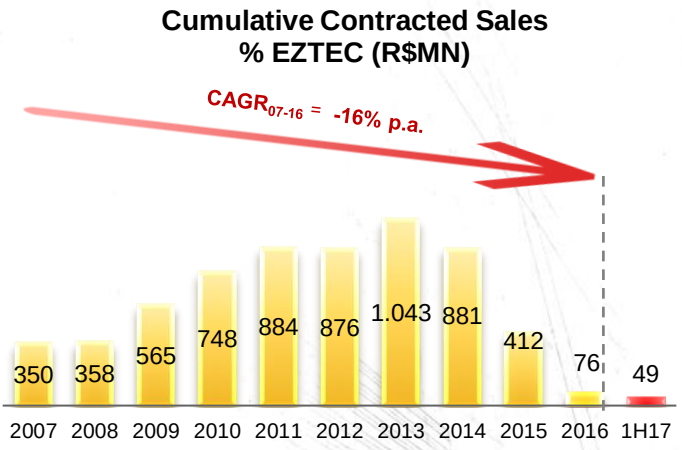
Sales and Cancellations

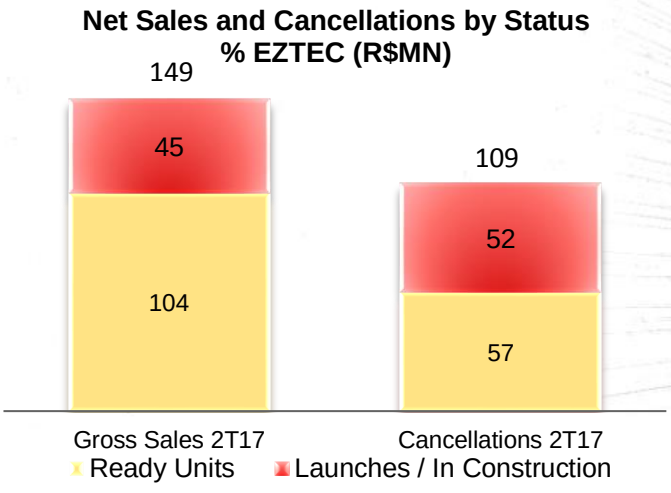
In 2Q17, EZTEC has presented an acceleration in net sales, ending the period with **R$ 40 million**, representing the best mark in six quarters.

Such result, composed of **R$ 149 million** in gross sales and **R$ 109 million** in cancellations, happens in a context of political turbulence that has sensibly affected the quarter's inventory sales. On the other hand, the launch of the Legittimo Vila Romana Project has contributed towards an improvement in sales speed: within 30 days of its launch, 40% of its units had already been sold, having reached the 56% mark by the end of the quarter – representing a R$ 25,5 million contribution towards net sales.

Regarding cancellations, the challenge to the year is concentrated predominantly in the Cidade Maia project – a project located in Guarulhos, directed towards the mid-income segment, and with a PSV of large as R$1 billion. The project's first two phases were delivered in 1Q17, and, by this point, the associated transfers of clients' outstanding debt to banks are close to completion. The two subsequent phases were delivered by the end of 2Q17, while its transfers to bank should take place in 3Q17. Albeit Cidade Maia has seen cancellations, they have been relatively contained, reflecting: [i] last year's proactive management over the delinquency in its portfolio of receivables, which, ultimately, has brought forward the negotiations that would otherwise erupt months after the project's delivery; [ii] the switch of the project's financing agent to Caixa Econômica Federal, which has resulted in a softening of the final consumer's mortgage rate of as much as 1.25 percentage points; [iii] the role of direct financing through EZTEC, offered at rates as low as 10% plus inflation (IGP-DI), lasting for as long as 20 years.



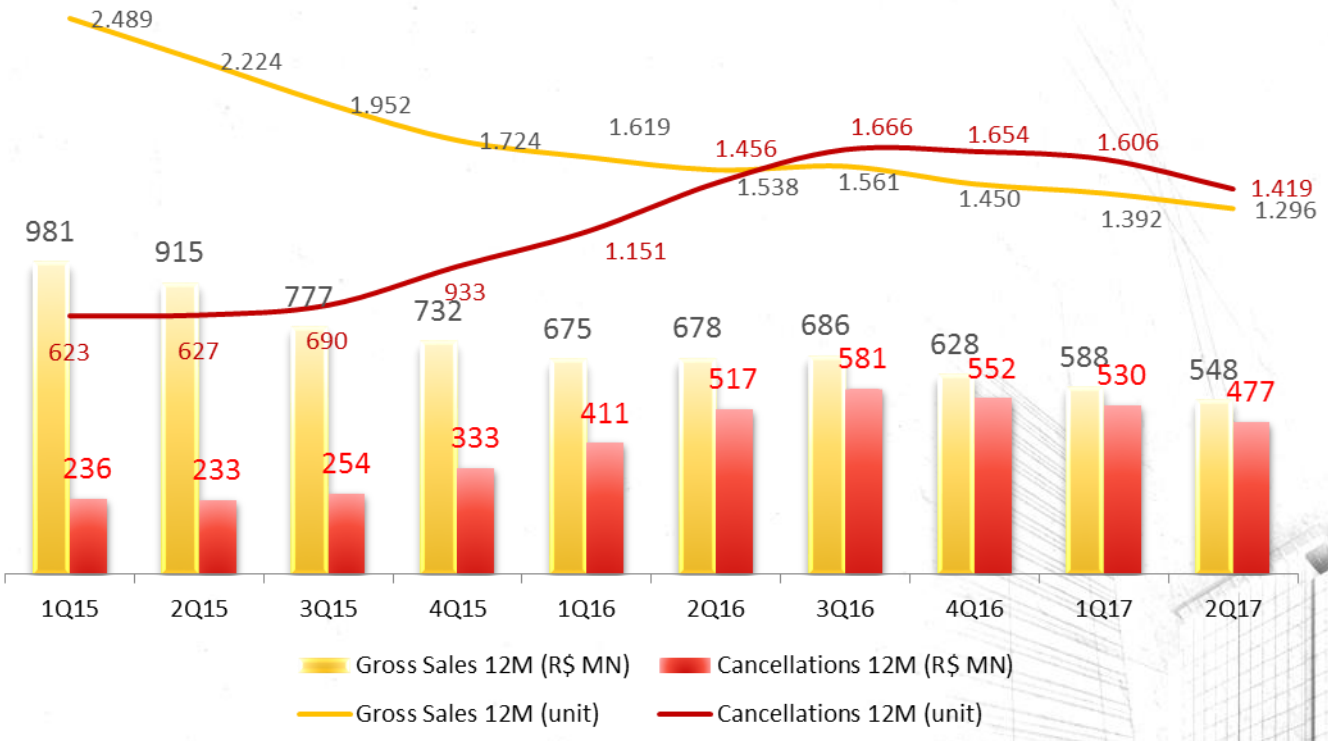




The following chart shows the sales over supply calculations, weighted by EZTEC's participation, highlighting the liquidity of the projects originated by the Company.

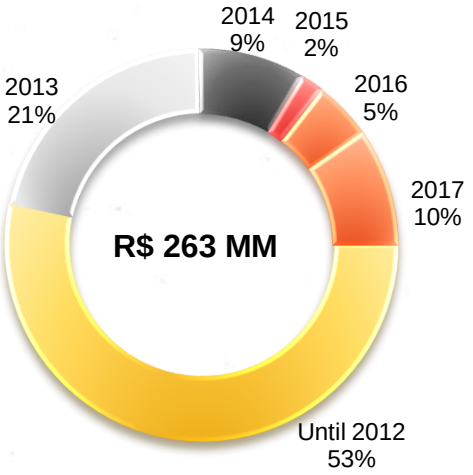
SALES OVER SUPPLY	2Q17	2Q16	1H17	1H16
+ Initial inventory (m²)	181.130	164.679	182.583	164.547
+ Launches in the period (m²)	5.677	8.946	5.677	12.348
= Inventory + Launches (m²)	**186.807**	**173.625**	**188.260**	**176.895**
- Net Sales in the period(m²)	4.794	172	6.248	3.442
Gross Sales in the period(m²)	22.921	27.316	41.893	50.567
Cancellations in the period (m²)	-18.127	-27.143	-35.645	-47.125
= Final inventory (m²)	**182.012**	**173.452**	**182.012**	**173.452**
Gross Sales Over Supply (%)	*12,3%*	*15,7%*	*22,3%*	*28,6%*
Net Sales Over Supply (%)	*2,6%*	*0,1%*	*3,3%*	*1,9%*

Guided by transparency and continuity, the graph below discloses gross sales and cancellation figures, accumulated over 12 months, where one can observe a downward trend in cancellations, which is associated with the upcoming conclusion of the cycle of deliveries:

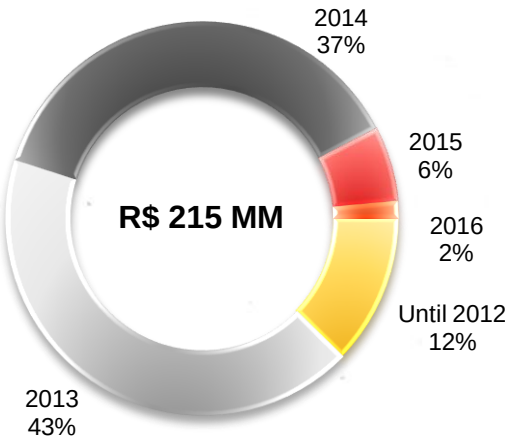


Managerial Data – 2H17

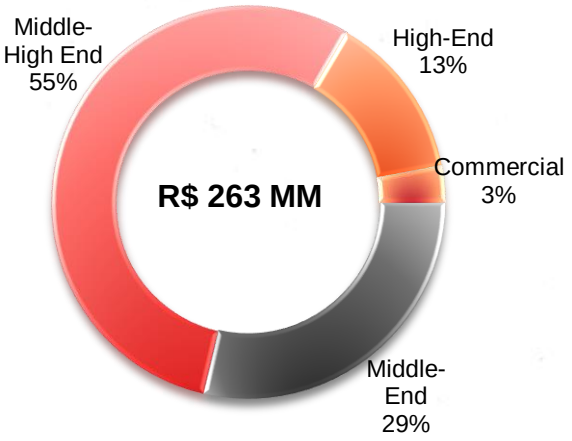
Gross Sales By Period of Launch



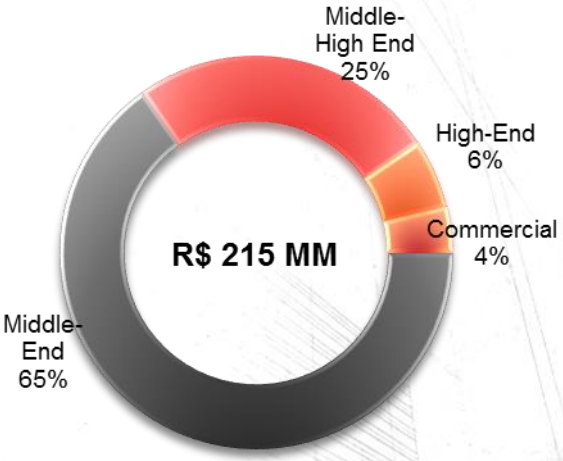
Cancellations By Period of Launch



Gross Sales By Segment



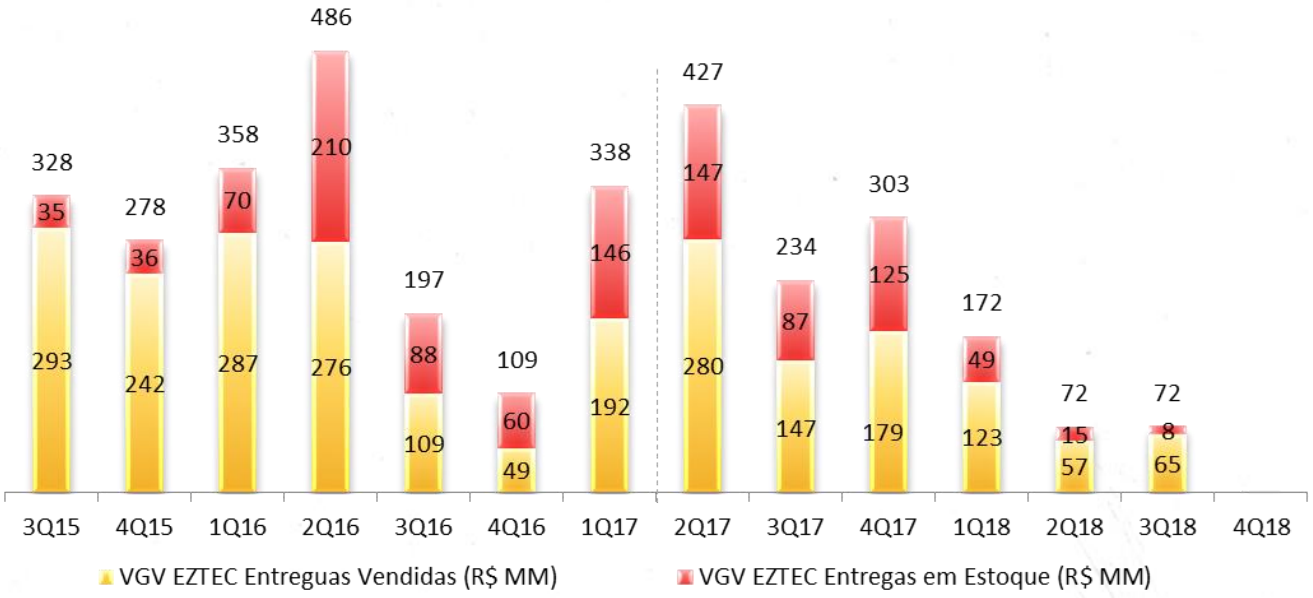
Cancellations By Segment



Deliveries

In the second quarter of 2017, EZTEC has brought forward the delivery of two phases of the Cidade Maia project: the Jardim and Botânica phases, which had originally been intended to happen in 3Q17. Respectively, these consist of 280 and 566 units (with a launch PSV of R$ 166 million and R$ 261 million), of which 60% are sold.

For the second semester of the year, there are the upcoming deliveries of additional seven projects, totaling 1,284 units, 68% of which are sold.



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About EZTEC S.A.

With a track record of 38 years, EZTEC is one of the most profitable publicly-held companies in the Brazilian real estate industry. Through its totally integrated business model, the Company has already launched 123 projects, totaling more than 3.6 million sq.m. of built area and area under construction, and 24,583 units. EZTEC is listed on the *Novo Mercado* Special Corporate Governance segment of the São Paulo Stock Exchange (BM&FBOVESPA) under the ticker EZTC3.

"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. These are merely projections and, as such, are based exclusively on the expectations of the Company's management concerning the future of the business and its continued access to capital to fund its business plan. Such forward-looking statements depend, substantially, on changes in market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors and risks disclosed in the Company's filed disclosure documents and are, therefore, subject to change without prior notice".