(Convenience Translation into English from
the Original Previously Issued in Portuguese)

EZ TEC Empreendimentos e Participações S.A. and Subsidiaries

Individual and Consolidated Interim Financial Information for the Quarter Period Ended June 30, 2017 and Report on Review of Interim Financial Information

Deloitte Touche Tohmatsu Auditores Independentes

(Convenience Translation into English from the Original Previously Issued in Portuguese)

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders, Directors and Management of
EZ TEC Empreendimentos e Participações S.A.
São Paulo - SP

Introduction

We have reviewed the accompanying individual and consolidated interim financial information of EZ TEC Empreendimentos e Participações S.A. (the "Company"), included in the Interim Financial Information Form (ITR), for the quarter ended June 30, 2017, which comprises the balance sheet as of June 30, 2017, and the related statements of income and of comprehensive income for the quarter and semester the ended, and statements of changes in equity and of cash flows for the semester then ended, including the explanatory notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with CPC 21 (R1) - Interim Financial Reporting and IAS 34 - Interim Financial Reporting, which considers OCPC 04 on the application of ICPC 02 to real estate development entities in Brazil, issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM) and the Federal Accounting Council (CFC), as well as for the presentation of such information in accordance with the standards issued by the CVM, applicable to the preparation of the Interim 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 of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). 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 the 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.

Conclusion on the interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the ITR referred to above is not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34, which takes into consideration OCPC 04 on the application of ICPC 02 to real estate development entities in Brazil, issued by the CPC and approved by the CVM and the CFC, applicable to the preparation of Interim Financial Information (ITR), and presented in accordance with the standards issued by the CVM.

Emphasis of matter

As described in Note 2, the individual (Parent) and consolidated interim financial information has been prepared in accordance with accounting practices adopted in Brazil (CPC 21(R1)). The consolidated interim financial information prepared in accordance with International Financial Reporting Standards (IFRSs) applicable to real estate development entities in Brazil (IAS 34 for interim financial information) also consider OCPC 04 issued by the CPC. This guideline addresses the recognition of revenue by real estate development entities, including the matters related to the meaning and application of the concept of continuous transfer of risks, rewards and control on the sale of real estate units, as detailed in Note 2. Our conclusion regarding this matter is not qualified.

Other matters

Statements of value added

We have also reviewed the individual and consolidated interim statements of value added ("DVA") for the semester ended June 30, 2017, prepared under the responsibility of the Company's management, the presentation of which is required by the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Interim Financial Information (ITR), and as supplemental information for IFRS, which does not require the presentation of a DVA. These statements were subject to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they are not prepared, in all material respects, in relation to the individual and consolidated interim financial information, taken as a whole.

São Paulo, August 10, 2017

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Ismar de Moura
Engagement Partner

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(Convenience Translation into English from the Original Previously Issued in Portuguese)

EZ TEC EMPREENDIMENTOS E PARTICIPAÇÕES S.A. AND SUBSIDIARIES

BALANCE SHEETS AS OF JUNE 30, 2017 AND DECEMBER 31, 2016
(In thousands of Brazilian reais - R$)

		Company		Consolidated				Company		Consolidated	
ASSETS	Note	30/06/2017	31/12/2016	30/06/2017	31/12/2016	LIABILITIES AND EQUITY	Note	30/06/2017	31/12/2016	30/06/2017	31/12/2016
CURRENT ASSETS						CURRENT LIABILITIES					
Cash and cash equivalents	3	22.532	24.141	70.430	103.875	Trade accounts payable		1.791	527	19.953	19.585
Short-term investments	4	543.694	444.245	567.829	459.980	Payroll and related taxes		1.917	1.188	5.993	4.422
Trade accounts receivable	5	-	-	554.691	622.340	Taxed payable		5.631	4.533	13.302	12.692
Properties for sale	6	-	-	1.114.350	1.042.903	Borrowings and financing	10	-	-	330.968	224.958
Recoverable taxes	7	6	6	2.973	1.956	Provision for investment losses	8	-	-	-	-
Dividends receivable from joint ventures	13	4.886	4.886	4.886	4.886	Accounts payable		764	773	43.580	48.160
Current account with partners at the developments		-	-	-	-	Provision for warranty		-	-	16.104	15.536
Other receivable		613	629	24.360	27.147	Advances from customers		-	-	9.242	12.254
Total current assets		571.731	473.907	2.339.519	2.263.087	Land payable	11	-	-	4.465	7.081
						Dividends payable	15	180.221	54.676	180.221	54.676
NONCURRENT ASSETS						Related parties	13	518.586	419.897	19.494	19.506
Trade accounts receivable	5	14.618	14.618	303.677	296.885	Deferred taxes	12	-	-	24.201	26.177
Properties for sale	6	-	-	465.689	598.875	Total current liabilities		708.910	481.594	667.523	445.047
Recoverable taxes	7	21.084	17.522	21.138	17.522						
Related parties	13	792	596	459	483	NONCURRENT LIABILITIES					
Notes receivable	13	-	-	14.618	14.618	Borrowings and financing	10	-	-	14.337	128.507
Other receivable		18.662	29.795	23.362	13.135	Land payable	11	-	-	-	62.029
Investments	8	2.840.348	2.779.383	303.847	306.453	Provision for warranty		-	-	1.611	3.543
Property, plant and equipment		424	843	3.929	1.111	Provision for risks and contingencies	14	5.285	5.285	11.658	11.658
Intangible assets		3.481	3.985	3.491	3.996	Deferred taxes	12	1.172	5.941	13.482	18.014
Total noncurrent assets		2.899.409	2.846.742	1.140.210	1.253.078	Other payables to third parties		-	-	2.264	2.954
						Total noncurrent liabilities		6.457	11.226	43.352	226.705
						EQUITY	15				
						Capital	15.a	1.356.704	1.356.704	1.356.704	1.356.704
						Capital reserves	15.b	38.297	38.297	38.297	38.297
						Special reserves for goodwill	15.c	(49.414)	(49.414)	(49.414)	(49.414)
						Earnings reserves	15.d, 15.e, 15.f	1.356.704	1.482.242	1.356.704	1.482.242
						Net income for the period		53.482	-	53.482	-
						Company's owners		2.755.773	2.827.829	2.755.773	2.827.829
						Noncontrolling interests in subsidiaries equity		-	-	13.081	16.584
						Total equity		2.755.773	2.827.829	2.768.854	2.844.413
TOTAL ASSETS		3.471.140	3.320.649	3.479.729	3.516.165	TOTAL LIABILITIES AND EQUITY		3.471.140	3.320.649	3.479.729	3.516.165

The accompanying notes are an integral part of this interim financial information.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

EZ TEC EMPREENDIMENTOS E PARTICIPAÇÕES S.A. AND SUBSIDIARIES

INCOME STATEMENTS
FOR THE QUARTERS AND SEMESTERS ENDED JUNE 30, 2017 AND 2016
(In thousands of Brazilian reais - R$, except basic earnings per share)

		Company				Consolidated			
	Note	04/01/2017 to 06/30/2017	01/01/2017 to 06/30/2017	04/01/2016 to 06/30/2016	01/01/2016 to 06/30/2016	04/01/2017 to 06/30/2017	01/01/2017 to 06/30/2017	04/01/2016 to 06/30/2016	01/01/2016 to 06/30/2016
NET REVENUE	17	-	-	-	-	106.407	202.917	155.072	305.264
Cost of properties sold and services rendered	18	-	-	-	-	(56.681)	(107.610)	(87.776)	(167.350)
GROSS PROFIT		-	-	-	-	49.726	95.307	67.296	137.914
OPERATING INCOME (EXPENSES)									
Selling expenses	18	-	-	-	-	(13.191)	(29.551)	(19.288)	(34.687)
General and administrative expenses	18	(11.591)	(23.496)	(13.009)	(24.564)	(19.339)	(37.221)	(20.341)	(39.996)
Management compensation	19	(2.346)	(4.446)	(2.452)	(4.887)	(2.624)	(5.003)	(2.727)	(5.447)
Share of profit (loss) of subsidiaries		30.920	71.946	43.261	128.213	3.665	8.173	795	23.368
Tax expenses		(44)	(55)	(26)	(258)	(2.133)	(4.547)	(504)	(3.437)
Other operating expenses, net		(10.494)	(22.648)	(766)	(10.591)	(449)	(836)	(26)	(935)
PROFIT FROM OPERATIONS BEFORE FINANCE INCOME		6.445	21.301	27.008	87.913	15.655	26.322	25.205	76.780
Finance income	20	13.386	27.814	11.785	22.387	14.317	41.123	21.487	50.345
Finance costs	20	(2)	(5)	(11)	(14)	(6.197)	(10.447)	(3.873)	(8.723)
PROFIT BEFORE INCOME TAX AND SOCIAL CONTRIBUTION		19.829	49.110	38.782	110.286	23.775	56.998	42.819	118.402
Current income taxes and social contribution		(88)	(396)	-	-	(3.772)	(7.163)	(4.837)	(9.208)
Deferred income taxes and social contribution		2.176	4.768	-	2.107	2.685	5.164	958	3.382
PROFIT FOR THE PERIOD		21.917	53.482	38.782	112.393	22.688	54.999	38.940	112.576
COMPANY´S OWNERS						21.917	53.482	38.782	112.393
NONCONTROLLING INTERESTS						771	1.517	158	183
BASIC AND DILUTED EARNINGS PER SHARE (In Brazilian reais - R$)	16	0,13	0,32	0,25	0,69	0,13	0,32	0,24	0,69

The accompanying notes are an integral part of this interim financial information.

(Convenience Translation into English from the Original Previously Issued in Portuguese)

EZ TEC EMPREENDIMENTOS E PARTICIPAÇÕES S.A. AND SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTERS AND SEMESTERS ENDED JUNE 30, 2017 AND 2016
(In thousands of Brazilian reais - R$)

	Company				Consolidated			
	04/01/2017 to 06/30/2017	01/01/2017 to 06/30/2017	04/01/2016 to 06/30/2016	01/01/2016 to 06/30/2016	04/01/2017 to 06/30/2017	01/01/2017 to 06/30/2017	04/01/2016 to 06/30/2016	01/01/2016 to 06/30/2016
PROFIT FOR THE PERIOD	21.917	53.482	38.782	112.393	22.688	54.999	38.940	112.576
Other components of comprenhensive income	-	-	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME	21.917	53.482	38.782	112.393	22.688	54.999	38.940	112.576
Company's owners					21.917	53.482	38.782	112.393
Noncontrolling interests					771	1.517	158	183
					22.688	54.999	38.940	112.576

The accompanying notes are an integral part of this interim financial information.

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EZ TEC EMPREENDIMENTOS E PARTICIPAÇÕES S.A. AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTERS ENDED JUNE 30, 2017 AND 2016
(In thousands of Brazilian reais - R$)

	Capital	Capital reserve	Capital reserve goodwill	Earnings reserves	Retained earnings	Controlling shareholder's equity	Non-controlling shareholders's interest in subsidiaries's equity	Consolidated equity
BALANCES AS OF DECEMBER 31, 2015	1.220.000	38.297	(49.414)	1.493.409	-	2.702.292	3.262	2.705.554
Capital increase	136.704	-	-	(136.704)	-	-	-	-
Additional dividend	-	-	-	(50.000)	-	(50.000)	-	(50.000)
Effect of non-controlling interests in subsidiaries	-	-	-	-	-	-	(225)	(225)
Profit for the period	-	-	-	-	112.393	112.393	183	112.576
BALANCES AS OF JUNE 30, 2016	1.356.704	38.297	(49.414)	1.306.705	112.393	2.764.685	3.220	2.767.905
BALANCES AS OF DECEMBER 31, 2016	1.356.704	38.297	(49.414)	1.482.242	-	2.827.829	16.584	2.844.413
Additional dividend	-	-	-	(125.538)	-	(125.538)	-	(125.538)
Effect of non-controlling interests in subsidiaries	-	-	-	-	-	-	(5.020)	(5.020)
Profit for the period	-	-	-	-	53.482	53.482	1.517	54.999
BALANCES AS OF JUNE 30, 2017	1.356.704	38.297	(49.414)	1.356.704	53.482	2.755.773	13.081	2.768.854

The accompanying notes are an integral part of this interim financial information.

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EZ TEC EMPREENDIMENTOS E PARTICIPAÇÕES S.A. AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS
FOR THE QUARTERS ENDED JUNE 30, 2017 AND 2016
(In thousands of Brazilian reais - R$)

	Company		Consolidated	
	06/30/2017	06/30/2016	06/30/2017	06/30/2016
CASH FLOW FROM OPERATING ACTIVITIES				
Profit for the period	53.482	112.393	54.999	112.576
Adjustments to reconcile profit to net cash:				
from operating activities:				
Present value adjustment of trade accounts receivable	-	-	(13.937)	(1.462)
Inflation adjustment and interest, net	(27.972)	(22.949)	(35.273)	(46.906)
Depreciation and amortization	23.708	12.506	1.938	3.680
Share of profit (loss) of subsidiaries	(71.946)	(128.213)	(8.173)	(23.368)
Current and deferred income and social contribution taxes	(4.372)	(2.107)	1.999	5.826
(Increase) decrease in operating assets:				
Trade accounts receivable	-	-	85.609	97.828
Properties for sale	-	-	16.008	(28.282)
Other assets	8.459	464	(12.057)	(2.491)
Prepaid expenses	-	-	857	(1.099)
Increase (decrease) in operating liabilities:				
Advances from customers	-	-	(3.012)	(12.139)
Trade accounts payable	1.264	(81)	368	12.970
Other liabilities	1.824	2.594	(6.234)	9.039
Dividends received from subsidiaries	51.864	188.958	11.210	37.991
Income and social contribution taxes paid	(396)	-	(6.706)	(9.193)
Interest paid	-	-	(21.618)	(11.812)
Other	-	135	-	135
Net cash from operating activities	35.915	163.700	65.978	143.293
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of financial investment	(76.499)	(165.013)	(118.699)	(171.814)
Redemption of financial investment	4.149	139.777	38.345	149.662
Acquisition of investments	(65.441)	(35.899)	(1.306)	(2.256)
Goodwill on investment acquisition	-	-	-	-
Acquisition of fixed and intangible assets	(112)	(89)	(3.377)	(181)
Net cash used in investing activities	(137.903)	(61.224)	(85.037)	(24.589)
CASH FLOW FROM FINANCING ACTIVITIES				
Borrowings and financing	-	-	304.984	93.533
Repayment of borrowings	-	-	(314.350)	(44.667)
Effect of non-controlling interests in subsidiaries	-	-	(5.020)	(225)
Related parties	100.379	87.764	-	-
Dividens paid	-	(155.445)	-	(155.445)
Net cash from (used in) financing activities	100.379	(67.681)	(14.386)	(106.804)
(DECREASE) INCREASE IN CASH ASN CASH EQUIVALENTS	(1.609)	34.795	(33.445)	11.900
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	24.141	3.151	103.875	78.840
CASH AND CASH EQUIVALENTES AT END OF THE PERIOD	22.532	37.946	70.430	90.740

The accompanying notes are an integral part of this interim financial information.

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EZ TEC EMPREENDIMENTOS E PARTICIPAÇÕES S.A. AND SUBSIDIARIES

STATEMENTS OF VALUE ADDED
FOR THE QUARTERS ENDED JUNE 30, 2017 AND 2016
(In thousands of Brazilian reais - R$)

	Company		Consolidated	
	06/30/2017	06/30/2016	06/30/2017	06/30/2016
REVENUES				
Revenue from properties sold and services rendered	-	-	208.431	313.417
	-	-	208.431	313.417
Inputs acquired from third parties (including taxes - ICMS, IPI, PIS and COFINS)				
Cost of properties sold and services rendered	-	-	(107.610)	(151.703)
Materials, electric power, outside services and other	(4.256)	(6.492)	(30.450)	(51.298)
Others	-	(2.311)	(839)	(2.542)
	(4.256)	(8.803)	(138.899)	(205.543)
GROSS VALUE ADDED (CONSUMED)	(4.256)	(8.803)	69.532	107.874
DEPRECIATION AND AMORTIZATION	(23.708)	(12.506)	(1.938)	(3.680)
WEALTH CREATED (CONSUMED) BY THE COMPANY	(27.964)	(21.309)	67.594	104.194
WEALTH RECEIVED IN TRANSFER				
Share of profit (loss) of subsidiaries	71.946	128.213	8.173	23.368
Finance income	27.814	22.387	41.123	50.345
	99.760	150.600	49.296	73.713
TOTAL WEALTH TO BE DISTRIBUTED	71.796	129.291	116.890	177.907
DISTRUBUTION OF WEALTH	71.796	129.291	116.890	177.907
Personnel	13.831	14.841	30.602	33.546
Salaries and wages	11.364	12.268	23.846	26.787
Benefits	1.865	1.905	5.018	4.951
FGTS	602	668	1.738	1.808
Taxes, charges and contributions	2.515	732	18.878	21.751
Federal	2.479	485	12.338	15.806
Municipal	36	-	6.540	5.945
State	-	247	-	-
Debt capital	1.968	1.325	12.411	10.034
Finance costs	4	14	10.447	8.723
Rents	1.964	1.311	1.964	1.311
Shareholders	53.482	112.393	54.999	112.576
Retained earnings for the year	53.482	112.393	53.482	112.393
Non-controlling shareholders in retained profits	-	-	1.517	183

The accompanying notes are an integral part of this interim financial information.

1. GENERAL INFORMATION

EZ TEC Empreendimentos e Participações S.A. ("Company"), headquartered at Avenida República do Líbano, 1921, City of São Paulo, São Paulo State, is listed at the "Novo Mercado" segment of Bolsa de Valores, Mercadorias e Futuros - BM&FBOVESPA S.A. since June 21, 2007, and its shares are traded under the ticker symbol "EZTC3". EZ TEC Empreendimentos e Participações S.A. is the holding of the companies mentioned in Note 8.

The Company, through its subsidiaries and joint ventures, is primarily engaged in: (a) development and sale of real estate projects of any type, including through financing; (b) management and rental of own properties; (c) land plotting; (d) construction of condominiums; (e) provision of services related to construction, supervision, studies and projects and performance of any construction work and provision of civil engineering services on a technical and economic basis; and (f) holding equity interest in other companies, incorporated or unincorporated, either as a partner or shareholder.

2. SIGNIFICANT ACCOUNTING POLICIES

The individual and consolidated interim financial information has been prepared consistently with the accounting policies described in Note 2 to the individual and consolidated annual financial statements for the year ended December 31, 2016, and should, therefore, be read in conjunction with said financial statements.

The individual and consolidated interim financial information has been prepared in accordance with IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board ("IASB") and technical pronouncement CPC 21 (R1) – Interim Financial Reporting, including OCPC 04 – Application of ICPC 02 to real estate development entities in Brazil, with respect to the recognition of real estate industry revenues and involves matters related to the meaning and the application of the continuous transfer of risks, benefits and control on the sale of real estate units and other standards issued by the Brazilian Securities Commission ("CVM"), applicable to the Interim Financial Information ("ITR").

The preparation of interim financial information requires the use of certain critical accounting estimates and the exercise of judgment by the Company's management in the process of application of the accounting policies. The accounting estimates and assumptions are constantly assessed and are based on prior experience and other factors, including expected future events considered as reasonable in view of circumstances. Actual results may differ from those estimates.

Management asserts that all relevant information for the interim financial information, and only this information, is disclosed and that it corresponds to the information used in managing the Company.

In relation to the standards and interpretations not yet adopted, in May 2014, IASB and FASB issued together IFRS 15 - Revenue from Contracts with Customers to clarify and converge the recognition of revenue, including in real estate development transactions, to be adopted beginning January 1, 2018. The CPC corresponding to this IFRS 15 was issued, and the Company's management is waiting for the issuance of the corresponding standard in Brazil by CPC applicable to the real estate development activity for analysis of the possible impacts on its interim financial information.

3. CASH AND CASH EQUIVALENTS

Represented by:

	Company		Consolidated	
	06/30/2017	12/31/2016	06/30/2017	12/31/2016
Cash and banks	1,216	3,360	31,907	53,609
Short-term investments - repurchase agreements	21,316	20,781	38,523	50,266
	22,532	24,141	70,430	103,875

The yield of short-term investments in repurchase agreements ranges from 70% to 102% of the Interbank Deposit (CDI) rate.

4. SHORT-TERM INVESTMENTS

As at June 30, 2017, highly liquid short-term investments are to be used in accordance with the Company's cash requirements.

All short-term investments are measured at amortized cost and their effects are recognized in profit or loss.

(*) Composed of time deposits, repurchase agreements, debentures, bonds and other investments.

	Interest rate	Company		Consolidated	
		06/30/2017	12/31/2016	06/30/2017	12/31/2016
Short-term investments in CDBs	72% to 100.5% of CDI	163,190	145,727	168,053	161,359
Investments in non-exclusive investment funds (*)	101.4% to 105.86% of CDI	380,504	298,518	399,776	298,621
		543,694	444,245	567,829	459,980

5. TRADE RECEIVABLES

	Consolidated	
	06/30/2017	12/31/2016
Receivables from real estate development - completed works	658,029	388,572
Receivables from real estate development - construction in progress (*)	192,786	528,988
Trade notes receivable - services	7,553	1,665
	858,368	919,225
Current (Note 9)	554,691	622,340
Noncurrent (Note 9)	303,677	296,885

(*) Net adjustment to present value as at June 30, 2017, in the amount of R$4,708 (R$18,645 as at December 31, 2016). The average rate for the semester ended June 30, 2017 was 5.5% per year (5.9% per year as at December 31, 2016) for receivables of undelivered units.

The noncurrent portion as at June 30, 2017 and December 31, 2016 matures as follows:

	Consolidated	
Year	06/30/2017	12/31/2016
2018	38,158	93,925
2019	66,578	55,042
2020	53,167	41,945
Beginning 2021	145,774	105,973
	303,677	296,885

As at June 30, 2017 and December 31, 2016, the aging list of trade receivables is as follows:

	Consolidated	
	06/30/2017	12/31/2016
Current	760,036	875,819
Past due:		
Up to 30 days	3,746	14,276
31 to 60 days	61,343	4,881
61 to 90 days	3,086	2,558
91 to 120 days	30,449	21,047
Over 120 days	26,210	35,542
	124,834	78,304
Provision for terminations	(26,502)	(34,898)
	858,368	919,225

Of the past-due amounts as at June 31, 2017, approximately 75.3% (74% at December 31, 2016) refers to customers whose request for bank financing is being analyzed. Probable losses have already been recorded in the interim financial information.

Such transactions are collateralized by mortgage on the financed properties when real estate credits are originated.

6. PROPERTIES FOR SALE

	Consolidated	
	06/30/2017	12/31/2016
Completed properties	698,828	630,480
Properties under construction	143,505	220,956
Land for the construction of new projects	688,242	748,531
Finance charges	49,260	41,339
Advances to suppliers	204	472
	1,580,039	1,641,778
Current	1,114,350	1,042,903
Noncurrent	465,689	598,875

The developments scheduled to be launched by July 2018 were classified under noncurrent assets.

The Company's management annually assesses its inventory of lands and units completed and under construction, at market price, and based on the outcome of these assessments, makes the adjustments for impairment. At the balance sheet date, no inventory losses were recorded.

7. RECOVERABLE TAXES

Represented by:

	Company		Consolidated	
	06/30/2017	12/31/2016	06/30/2017	12/31/2016
Withholding Income Tax (IRRF) (*)	21,084	17,522	22,424	18,887
Other	6	6	1,687	591
	21,090	17,528	24,111	19,478
Current	6	6	2,973	1,956
Noncurrent	21,084	17,522	21,138	17,522

(*) The income tax on short-term investments represents withholdings, including from prior years, which, in accordance with article 66 of Law 8383/91, with the new wording established by article 58 of Law 9069/95, establishes the right of offset against taxes of the same nature or reimbursement request, which ensures the Company its full realization at adjusted amounts. The Company filed a request for reimbursement of a portion of this value, and the required amounts were partially repaid, as duly restated.

8. INVESTMENTS

	Company							
							Investments	
Subsidiaries	Direct interest- %	Assets	Liabilities	Equity	Profit or Loss	Share of profit (loss) of investees	06/30/2017	12/31/2016
AK 14 Empreend. e Participações Ltda. (a)	60.00%	34,038	20,460	13,578	(279)	(167)	8,147	7,674
Alessandra Incorporadora Ltda.	99.99%	11,653	600	11,053	(752)	(752)	11,053	11,806
Alexandria Incorporadora Ltda.	99.99%	35,255	1,340	33,915	616	616	33,915	33,298
Alfenas Incorporadora Ltda.	99.99%	30,957	943	30,014	263	263	30,014	29,751
Analisys Consultoria, Planej. e Part. S/S	99.99%	133	59	74	-	-	74	74
Arambaré Incorporadora Ltda.	99.99%	24,929	83	24,846	(234)	(234)	24,846	24,851
Arapanés Incorporadora Ltda.	99.99%	33,683	9,053	24,630	1,284	1,284	24,630	23,727
Ares da Praça Empreend. Imob. Ltda. (a)	70.00%	93,604	4,866	88,738	3,486	2,440	62,116	66,046
Arizona Incorporadora Ltda.	99.99%	2	-	2	-	-	2	-
Aurillac Incorporadora Ltda.	99.99%	24,735	2,300	22,435	627	627	22,435	21,658
Áustria Incorporadora Ltda. (a)	50.00%	33,660	5,444	28,216	699	349	14,108	13,759
Bergamo Incorporadora Ltda.	99.99%	16,028	10	16,018	(74)	(74)	16,018	16,008
Bonneville Incorporadora Ltda. (a)	50.00%	5,257	221	5,036	(111)	(56)	2,518	2,548
Cabo Frio Incorporadora Ltda. (a)	50.00%	36,718	413	36,305	(25)	(13)	18,152	18,105
Cabreuva Incorporadora Ltda	99.99%	28,132	56	28,076	(56)	(56)	28,076	28,058
Camila Empreend. Imobiliários Ltda.	99.99%	18,509	4,101	14,339	(307)	(226)	14,408	14,559
Campo Limpo Incorporadora Ltda.	99.99%	820	3	817	(33)	(33)	817	62
Catarina Incorporadora Ltda.	99.99%	24,349	1,030	23,319	(285)	(285)	23,319	23,605
Cayowaa Incorporadora Ltda.	99.99%	6,784	71	6,713	644	644	6,713	6,450
CCISA07 Incorporadora Ltda. (a)	50.00%	4,588	194	4,394	(3)	(1)	2,197	2,202
Center Jabaquara Empreend. ltda.	99.99%	26,542	1,811	24,731	271	271	24,731	24,429
Coimbra Incorporadora Ltda.	99.99%	1,894	-	1,894	-	-	1,894	1,895
Crown Incorporadora Ltda.	99.99%	38,094	1,991	36,103	680	680	36,103	35,423
Curupá Empreend. Imobiliários Ltda.	99.99%	6,755	110	6,645	153	153	6,645	6,492
Dakota Incorporadora Ltda.	99.99%	2	-	2	-	-	2	-
E.Z.L.I. Empreend. Imobiliário Ltda.	70.00%	574,201	296,210	277,991	25,031	17,522	194,594	173,258
Elba Incorporadora Ltda.	99.99%	43,535	1,166	42,369	2,400	2,400	42,369	39,969
Esmirna Incorporadora Ltda.	99.99%	10,232	294	9,938	344	344	9,937	9,593
EZ Park Estacionamento Ltda.	99.99%	190	24	166	(60)	(60)	166	140
EZ TEC Técnica Eng. e Construção Ltda.	99.99%	10,682	2,800	7,882	(1,771)	(1,771)	7,882	9,653
Florença Incorporadora Ltda.	99.99%	25,061	744	24,317	178	178	24,317	24,138
Florianópolis Empreend. Imob. Ltda. (a)	50.00%	51,882	21,160	30,722	176	88	15,361	15,273
Galia Incorporadora Ltda.	99.99%	24,755	69	24,686	(203)	(203)	24,686	23,626
Garicema Empreend. Imobiliários Ltda.	99.99%	366,449	29,475	336,974	9,523	9,523	336,974	317,455
Genova Incorporadora Ltda. (a)	60.00%	1,622	691	931	98	59	559	500
Giopris Empreend. Imobiliários Ltda.	99.99%	58,761	9,742	49,019	1,983	1,983	49,019	47,312

	Company							
						Share of profit	Investments	
Subsidiaries	Direct interest- %	Assets	Liabilities	Equity	Profit or Loss	(loss) of investees	06/30/2017	12/31/2016
Giovanna Incorporadora Ltda.	99.99%	23,716	425	23,291	569	569	23,291	22,722
Gol Incorporadora Ltda.	99.99%	33,982	128	33,854	(1)	(1)	33,854	32,073
Grauna Incorporadora Ltda.	99.99%	3,819	6	3,813	(54)	(54)	3,813	3,807
Guara Incorporadora Ltda.	99.99%	59,760	-	59,760	(202)	(202)	59,760	58,280
Hannover Incorporadora Ltda.	99.99%	8,471	10	8,461	(180)	(180)	8,461	8,454
Ibiuna Incorporadora Ltda.	99.99%	5,987	-	5,987	(1)	(1)	5,987	5,987
Iracema Incorporadora Ltda. (a)	50.00%	56,888	225	56,663	(3)	(1)	28,332	28,099
Islandia Incorporadora Ltda.	99.99%	2	2	-	(2)	(2)	-	-
Itagi Incorporadora Ltda.	80.00%	2,349	29	2,320	1	1	1,856	1,855
J.J. Rodrigues Empr.. Imob. Ltda (a)	50.00%	10,369	5,916	4,453	3,405	1,702	2,227	524
Jauaperi Incorporadora Ltda.	99.99%	47,242	6,622	40,620	3,338	3,338	40,620	37,661
Juquitiba Incorporadora Ltda.	99.99%	20,006	32	19,974	(61)	(61)	19,974	19,873
Juriti Empreend. Imobiliários Ltda.	99.99%	10,912	505	10,407	221	221	10,407	10,186
Lafaiete Incorporadora Ltda.	99.99%	28,244	664	27,580	900	900	27,580	26,679
Larissa Incorporadora Ltda.	99.99%	2	-	2	-	-	2	-
Lausane Incorporadora Ltda.	99.99%	13,361	586	12,775	84	84	12,775	12,690
Limoges Incorporadora Ltda.	99.99%	71,961	3,380	68,581	1,257	1,257	68,581	67,394
Livorno Incorporadora Ltda.	99.99%	51,431	17,757	33,674	5,282	5,282	33,674	28,382
Mairiporã Incorporadora Ltda.	99.99%	171,645	1,961	169,684	(723)	(723)	169,684	166,177
Marcella Empreend. Imobiliários Ltda.	99.99%	39,696	936	38,760	(125)	(125)	38,760	38,990
Marina Empreend. Imobiliários Ltda.	99.99%	100,809	32,959	67,850	4,812	4,812	67,850	63,402
Michigan Incorporadora Ltda.	99.99%	1,313	-	1,313	(69)	(69)	1,313	-
Mix Residencial Ltda.	99.99%	3	-	3	(1)	(1)	3	2
Miziara Empreend. Imobiliários Ltda. (b)	99.99%	34,412	3,045	31,367	7,023	7,023	31,367	33,803
Mônaco Incorporação Ltda. (b)	80.00%	65,839	5,274	60,565	6,685	5,348	48,452	63,183
Monza Incorporadora Ltda.	99.99%	17,792	39	17,753	(11)	(11)	17,753	17,765
Otawa Incorporadora Ltda.	99.99%	17,291	617	16,674	(16)	(16)	16,674	16,690
Paraíso Empreend. Imobiliários Ltda.	99.99%	36,130	2,570	33,560	3,918	3,918	33,560	29,642
Park Empreend. Imobiliários Ltda.	99.99%	21,815	3,340	18,475	(29)	(29)	18,475	18,503
Phaser Incorporação SPE S.A. (a)	27.50%	445,127	110,406	334,721	(6,457)	(1,776)	92,048	98,664
Pinhal Incorporadora Ltda.	99.99%	25,637	145	25,492	(82)	(82)	25,492	25,527
Pirassununga Incorporadora Ltda.	99.99%	16,950	3	16,947	(267)	(267)	16,947	16,937
Priscilla Empreend. Imobiliários Ltda.	99.99%	16,757	46	16,711	(186)	(186)	16,711	16,982
Puebla Incorporadora Ltda. (a)	65.00%	100,942	64,774	36,168	9,089	5,908	23,509	17,589
Reno Incorporadora Ltda.	99.99%	102,296	4,337	97,959	(830)	(830)	97,959	102,424
San Diego Incorporadora Ltda.	99.99%	19,892	1,931	17,961	295	295	17,961	17,666
Santa Lidia Empreend. e Part. SPE Ltda. (a)	50.00%	13,488	5,225	8,263	(556)	(278)	4,132	4,410
Santarém Incorporadora Ltda.	99.99%	14,523	163	14,360	(140)	(140)	14,360	14,288
Savona Incorporadora Ltda.	90.00%	1,893	977	916	81	73	825	752
Scipião Incorporadora ltda.	99.99%	16,378	1,244	15,134	(1,584)	(1,584)	15,134	15,149
Serra Azul Incorporadora Ltda. (b)	90.00%	4,596	1,219	3,377	1,387	1,249	3,039	1,790

	Company							
							Investments	
Subsidiaries	Direct interest- %	Assets	Liabilities	Equity	Profit or Loss	Share of profit (loss) of investees	06/30/2017	12/31/2016
Siena Incorporadora Ltda.	99.99%	16,590	2,197	14,393	(269)	(269)	14,393	2,872
Silvana Empreend. Imobiliários Ltda.	99.99%	18,635	308	18,327	(154)	(154)	18,327	18,478
Sinco São Paulo Empreend. Imob. Ltda (a)	76.87%	20,562	51	20,511	(169)	(210)	15,551	15,500
Solidaire Empreend. Imobiliários Ltda. (a)	50.00%	2,444	1,680	764	424	212	382	170
Tatuapé Empreend. Imobiliários Ltda.	99.99%	20,351	1,526	18,825	(770)	(770)	18,825	19,645
Tec Vendas Consultoria de Imóveis Ltda.	99.99%	2,091	1,932	159	(2,964)	(2,964)	159	809
Tirol Incorporadora Ltda.	99.99%	69,351	32,527	36,824	(5,532)	(5,532)	36,824	40,505
Torino Incorporadora Ltda.	99.99%	10,542	515	10,027	289	289	10,027	9,738
Toscana Incorporadora Ltda.	99.99%	29,618	3,796	25,822	1,032	1,032	25,822	24,455
Trento Incorporadora Ltda.	99.99%	24,476	1,222	23,254	531	531	23,254	22,723
Treviso Incorporadora Ltda.	90.00%	8,013	7,291	722	334	301	650	349
Tupi Incorporadora Ltda	99.99%	52,680	868	51,812	(1,000)	(1,000)	51,812	51,716
Vale do Paraíba Incorporadora Ltda.	99.99%	68,599	1,909	66,690	(540)	(540)	66,690	57,925
Valentina Empreend. Imobiliários Ltda.	99.99%	83,754	169	83,585	7,509	7,509	83,585	74,442
Vanguarda Incorporadora Ltda.	99.99%	4,988	10	4,978	(23)	(23)	4,978	4,966
Venezia Incorporadora Ltda.	99.99%	2,697	-	2,697	(16)	(16)	2,697	2,704
Vermonth Incorporadora Ltda.	99.99%	30,155	444	29,711	(434)	(434)	29,711	29,810
Verona Incorporadora Ltda.	99.99%	21,621	682	20,939	20	20	20,939	20,919
Village of Kings Incorporadora Ltda.	99.99%	85,280	5,169	80,111	2,099	2,099	80,111	79,059
Vinhedo Incorporadora Ltda.	99.99%	13,437	74	13,363	(278)	(278)	13,363	12,406
Wanessa Incorporadora Ltda.	99.99%	9,340	364	8,976	(33)	(33)	8,976	9,009
Vip Consultoria Imobiliária Ltda.	99.99%	1,349	360	989	425	425	989	564
Windsor Incorporadora Ltda.	99.99%	28,727	963	27,764	902	902	27,764	27,013
Ype Incorporadora Ltda.	99.99%	5,168	1	5,167	(5)	(5)	5,167	5,167
Subtotal						71,946	2,832,979	2,749,342
Asset appreciation							7,369	30,041
Total de investments							2,840,348	2,779,383

(a) Joint Ventures not consolidated in the interim financial information;

(b) In asset appreciation, amounts of properties for sale and trade receivables were recognized, which, after acquired, were stated at fair value and, on subsequent periods, tested for impairment by internal and external specialists.

	Consolidated							
							Investments	
Joint ventures	Interest	Assets	Liabilities	Equity	Profit or loss	Share of Profit (loss) of investees	06/30/2017	12/31/2016
Phaser Incorporação SPE S.A. (a)	27.50%	445,127	110,406	334,721	(6,457)	(1,776)	92,048	98,664
Ares da Praça Empreend. Imob Ltda. (a)	70.00%	93,604	4,866	88,738	3,486	2,440	62,116	66,046
Iracema Incorporadora Ltda. (a)	50.00%	56,888	225	56,663	(3)	(1)	28,332	28,099
Cabo Frio Incorporadora Ltda. (a)	50.00%	36,718	413	36,305	(25)	(13)	18,152	18,105
J.J. Rodrigues Empreend. Imob. Ltda (a)	50.00%	10,369	5,916	4,453	3,405	1,702	2,227	524
Sinco São Paulo Empreend. Imob. Ltda	76.87%	20,562	51	20,511	(169)	(211)	15,551	15,500
Bonneville Incorporadora Ltda. (a)	50.00%	5,257	221	5,036	(111)	(56)	2,518	2,548
Áustria Incorporadora Ltda. (a)	50.00%	33,660	5,444	28,216	699	349	14,108	13,759
Florianópolis Empreend. Imob. Ltda. (a)	50.00%	51,882	21,160	30,722	176	88	15,361	15,273
Genova Incorporadora Ltda. (a)	60.00%	1,622	691	931	98	59	559	500
AK 14 Empreend. e Part. Ltda. (a)	60.00%	34,038	20,460	13,578	(279)	(167)	8,147	7,674
Solidaire Empreend. Imobiliários Ltda. (a)	50.00%	2,444	1,680	764	424	212	382	170
CCISA07 Incorporadora Ltda. (a)	50.00%	4,588	194	4,394	(3)	(1)	2,197	2,202
Puebla Incorporadora Ltda. (a)	65.00%	100,942	64,774	36,168	9,089	5,908	23,509	17,601
Santa Lidia Empreend. e Part SPE Ltda. (a)	50.00%	13,488	5,225	8,263	(556)	(278)	4,132	4,410
Avignon Empreend. Imob. Ltda (a)	45.00%	19,946	21	19,925	(183)	(82)	8,978	8,973
Subtotal						8,173	298,317	300,048
Asset appreciation							5,530	6,405
Total de investments							303,847	306,453

Variations in permanent investments are broken down as follows:

	Opening balance 12/31/2016	Advance for future capital increase and purchases	Share of profit (loss) of investees	Write-Off	Dividends	Capital decrease	Closing balance 06/30/2017
Company	2,749,342	65,441	71,946	-	(51,864)	(1,886)	2,832,979
Consolidated	300,048	1,306	8,173	-	(11,210)	-	298,317

"Surplus value" is broken down as follows:

	Company		Consolidated	
"Surplus value" of receivables and properties for sale acquired from investees	06/30/2017	12/31/2016	06/30/2017	12/31/2016
Garicema Empreendimentos Imobiliários Ltda. (i)	219	219	-	-
Phaser Incorporação SPE S.A. (i)	2,328	2,773	2,328	2,773
Santa Lidia Empreendimentos e Participações SPE Ltda. (i)	-	97	-	97
Florianópolis Empreendimentos Imobiliários Ltda. (i)	402	429	402	429
Cabo Frio Incorporadora Ltda. (i)	315	315	315	315
Iracema Incorpordora Ltda. (i)	336	336	336	336
Monaco Incorporação S.A. (ii)	363	5,557	-	-
Puebla Incorporadora Ltda. (i)	2,149	2,455	2,149	2,455
Miziara Empreend. Imobiliários Ltda (ii)	1,054	16,320	-	-
Serra Azul Incorporadora Ltda (ii)	203	1,540	-	-
	7,369	30,041	5,530	6,405

(i) Surplus values on acquisition of these investments was based on real state for sale (land), and realization thereof was based on inventory realization.

(ii) Surplus values upon acquisition was based on properties for sale (land) and trade receivables (receivables portfolio), whose performance was recorded based on inventory realization and trade receivables.

9. REAL ESTATE DEVELOPMENT AND SALE OPERATIONS

As described in Note 2.16 to the financial statements ended December 31, 2016, the total amounts of sale of units under construction, including the amounts already received and recorded in balance sheet accounts and the amounts not yet received, identified below as "not received", due to the revenue recognition method prescribed in OCPC 04 applicable to real estate activities, are as follows:

a) Trade receivables and advances from customers

	Consolidated	
	06/30/2017	12/31/2016
Current assets:		
Trade receivables - % realized (Note 5)	554,691	622,340
Trade receivables - % unrealized	60,269	159,396
	614,960	781,736

Noncurrent:		
Trade receivables - % realized (Note 5)	303,677	296,885
Trade receivables - % unrealized	44,558	72,663
	348,235	369,548
Current liabilities:		
Advance from customers - % unrealized	9,242	12,254

b) Unearned income – estimate

	Consolidated	
	06/30/2017	12/31/2016
Unearned gross sales revenue	118,731	254,887
(-) Unrealized adjustment to present value	(4,662)	(10,574)
(-) Unincurred cost on units sold (i)	(69,738)	(139,127)
Unearned revenue from properties for sale	44,331	105,186

(i) Unincurred cost on units sold: represent estimated costs to be incurred with constructions in progress of units already sold, less costs incurred up to June 30, 2017 and December 31, 2016.

c) Income earned on sale of properties under construction

	Consolidated	
	06/30/2017	06/30/2016
Accumulated amounts:		
Earned gross sales revenue (ii)	394,246	1,454,933
(-) Adjustment to present value	(4,708)	(28,132)
(-) Incurred cost on units sold (iii)	(219,989)	(657,292)
Income on sale of properties	169,549	769,509

(ii) Earned gross sales revenue

Refers to earned revenue accumulated from launching up to June 30, 2017 and June 30, 2016. This revenue does not include real estate projects completed in 2017 and 2016.

(iii) Incurred cost on units sold

Costs comprise expenses incurred with land, construction, finance charges from real estate financing, provision for warranty and other expenses inherent to the respective real estate development, from beginning of launching up to June 30, 2017.

d) Appropriation of assets

As at June 30, 2017, real estate projects included in "appropriation of assets", pursuant to Law 10931/04, correspond to 72.6% of total consolidated assets (70.6% as at December 31, 2016).

10. BORROWINGS AND FINANCING

Borrowings and financing, in Consolidated, are represented by mortgage loans, adjusted for inflation based on the Reference Rate (TR), plus interest ranging from 8.5% to 11.8% p.a., with final maturity estimated for May 2019, amounting to R$345,305 as at June 30,

2017, of which R$330,968 in current and R$14,337 in noncurrent (R$353,465, of which R$224.958 in current and R$128,507 in noncurrent as at December 31, 2016).

Borrowings and financing are contingent upon the development of real estate, secured by real estate mortgages and customers' credit rights. These loan agreements are not subject to acceleration clauses (covenants) linked to the Company's financial ratios.

Balance in noncurrent liabilities is represented by loans falling due beginning July 2018.

Variation in consolidated borrowings and financing is as follows:

	Opening Balancel 12/31/2016	Borrowings (i)	Amortization (i)	Interest paid	Interest incurred Capitalized	Interest incurred Expense	Closing Balance 06/30/2017
Borrowings and financing	353,465	304,984	(314,350)	(21,618)	18,914	3,910	345,305

(i) Borrowings and amortizations in the period were impacted by portability among financial institutions related to the Cidade Maia project.

11. LAND PAYABLE

		Consolidated	
Subsidiary	Location	06/30/2017	12/31/2016
Crown Incorporadora Ltda.	Socorro	385	385
Siena Incorporadora Ltda.	Santo Amaro	2,160	6,480
Vale do Paraíba Incorporadora Ltda.	Santo Amaro	1,704	-
Ypê Incorporadora Ltda.	São Caetano	-	62,029
Other		216	216
		4,465	69,110
Current		4,465	7,081
Noncurrent		-	62,029

As at June 30, 2017, payables for land acquisition refer to land acquired from third parties by the abovementioned subsidiaries for future real estate development, which will take place beginning July 2017, except for the land acquired by subsidiary Crown Incorporadora Ltda., whose real estate project was launched in 2012.

12. DEFERRED TAXES

a) Breakdown of balances recorded in current and noncurrent liabilities

	Company		Consolidated	
	06/30/2017	12/31/2016	06/30/2017	12/31/2016
Tax basis of deferred tax liabilities:	3,447	17,473	876,707	981,917
Deferred income tax	862	4,368	12,723	16,399
Deferred social contribution	310	1,573	6,385	7,879
Deferred taxes on revenue (PIS and COFINS)	-	-	18,575	19,913
	1,172	5,941	37,683	44,191
Current	-	-	24,201	26,177
Noncurrent	1,172	5,941	13,482	18,014

The noncurrent portion will be realized beginning July 2018 and are consistent with the segregation of receivables.

b) Reconciliation of income tax and social contribution – current and deferred

	Company				Consolidated			
	04/01/2017 to 06/30/2017	01/01/2017 to 06/30/2017	04/01/2016 to 06/30/2016	01/01/2016 to 06/30/2016	04/01/2017 to 06/30/2017	01/01/2017 to 06/30/2017	04/01/2016 to 06/30/2016	01/01/2016 to 06/30/2016
Income before income tax and social contribution	19,829	49,110	39,782	110,286	23,774	56,998	43,819	118,402
Tax rate – 34%	(6,741)	(16,697)	(13,526)	(37,837)	(8,083)	(19,379)	(14,898)	(40,597)
Effects on deductions (share of profit (loss) of investees)	10,513	24,462	14,709	43,592	1,246	2,779	270	7,945
Effects on additions	(4,130)	(8,345)	(819)	(4,161)	(119)	(286)	(819)	(1,150)
Effect of profit or loss of subsidiaries taxed based on deemed income/special taxation regime			-	-	8,043	14,887	11,568	27,976
Unrecognized tax credits on tax loss carryforwards and temporary differences (i)	2,435	4,952	(365)	513	-	-	-	-
Total taxes	2,088	4,372	-	2,107	(1,087)	(1,999)	(3,879)	(5,826)
Current income tax and social contribution	(87)	(396)	-	-	(3,772)	(7,163)	(4,837)	(9,208)
Deferred income tax and social contribution	2,175	4,768	-	2,107	2,685	5,164	958	3,382
Effective rate								
Income before income tax and social contribution	-	-	-	-		(3.5%)	(8.8%)	(4.9%)

(i) The Company adopted the taxable income regime and does not record tax credits; they are only recorded when future taxable income is realized.

13. RELATED PARTIES

	Company		Consolidated	
	06/30/2017	12/31/2016	06/30/2017	12/31/2016
Noncurrent assets (*):				
Analisys Consultoria, Planejamento e Participações S/S.	137	137	-	-
Ares da Praça Empreend. Imob. Ltda.	385	385	385	385
Silvana Empreend. Imob Ltda.	120	-	-	-
Other	150	74	74	98
	792	596	459	483
Current liabilities (*):				
Alfenas Incorporadora Ltda.	28,173	27,528	-	-
Aurillac Incorporadora Ltda.	7,473	7,263	-	-
Bonneville Incorporadora Ltda.	1,406	1,431	1,420	1,431
Cabo Frio Incorporadora Ltda.	15,400	15,400	15,400	15,400
CCISA07 Incorporadora Ltda.	2,060	2,060	2,060	2,060
Crown Incorporadora Ltda.	25,203	21,353	-	-
Elba Incorporadora Ltda.	20,145	16,655	-	-
Ez Tec Tecnica Engenharia e Construções Ltda.	10,015	11,415	-	-
Florença Incorporadora Ltda.	21,212	20,963	-	-
Giopris Empreendimentos Imobiliários Ltda.	26,645	26,591	-	-
Giovanna Incorporadora Ltda.	18,743	17,818	-	-
Jauaperi Incorporadora Ltda.	11,211	11,596	-	-
Lausanne Incorporadora Ltda.	10,898	10,733		-
Lafaite Incorporadora Ltda.	17,665	9,920	-	
Limoges Incorporadora Ltda.	21,035	-	-	-
Marcella Empreendimentos Imobiliários Ltda.	33,598	30,696	-	-
Monza Incorporadora Ltda.	17,445	17,465	-	-
Otawa Incorporadora Ltda.	16,282	16,282	-	-
Paraiso Empreend. Imob. Ltda.	19,969	8,994	-	-
Park Empreendimentos Imobiliários Ltda.	20,335	19,811	-	-
Priscilla Empreendimentos Imobiliários Ltda.	15,686	13,351	-	-
San Diego Incorporadora Ltda.	12,847	12,847	-	-
Tatuapé Empreendimentos Imobiliários Ltda.	8,699	9,074	-	-
Tec Vendas Consultoria de Imóveis Ltda.	-	1,287	-	-
Torino Incorporadora Ltda.	8,716	8,196	-	-
Verona Incorporadora Ltda.	17,369	17,869	-	-
Village of Kings Incorporadora Ltda.	40,064	19,134	-	-
Wanessa Incorporadora Ltda.	9,095	9,135	-	-
Windsor Incorporadora Ltda.	12,225	9,030	-	-
Other	48,972	26,000	614	615
	518,586	419,897	19,494	19,506

(*) Represents loan agreements not subject to finance charges.

In the periods ended June 30, 2017 and December 31, 2016, in addition to the abovementioned transactions, the Company carried out or maintains the following transactions:

- Lease contract with the controlling shareholder for the property where part of its facilities is located, at the monthly cost of R$210 as at June 30, 2017 (R$204 at December 31, 2016), annually adjusted for inflation based on the positive variation of IGP DI-FGV. The lease contract is effective for five years, renewed in August 2015, and a fine equivalent to three-month period lease is imposed in case of termination. The market conditions and amounts are the same as those that would be applied to third parties.

- Sale of 11,696 Certificates of Additional Construction Potential (CEPAC) to subsidiary AK14 Empreendimentos Imobiliários Ltda., amounting to R$14,618 as at June 30, 2017 and December 31, 2016, whose amount receivable is recorded in line item "Trade receivables". This transaction does not provide for inflation adjustment or interest.

- Dividends receivable from joint ventures Phaser Incorporação S.A. and Genova Incorporadora Ltda. in the amount of R$4,886 as at June 30, 2017 and December 31, 2016.

14. PROVISION FOR RISKS

As at June 30, 2017, the Company and its subsidiaries do not have contingent assets with probable gains that might require disclosure.

Based on individual analysis of tax, civil and labor risks, Management set up provision at an amount deemed sufficient to cover probable losses, amounting to, as at June 30, 2017 and December 31, 2016, R$5,285 and R$11,658, Company and Consolidated, respectively.

The Company and its subsidiaries are parties to lawsuits assessed as possible loss, in the amount of R$55,152, of which R$34,400 refers to civil lawsuits and R$20,752 refers to labor lawsuits as at June 30, 2017 (as at December 31, 2016, R$52,919, of which R$34,285 refers to civil lawsuits and R$18,634 refers to labor lawsuits.

15. EQUITY

a) Capital

As at June 30, 2017 and December 31, 2016, capital amounts to R$1,356,704, represented by 165,001,783 common shares without par value.

The Company is authorized to increase its capital by up to 200,000,000 common shares, including shares already issued, regardless of any amendment to the bylaws, based on a Board of Directors' resolution.

b) 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 6404/76, as amended.

As at June 30, 2017 and December 31, 2016, the balance is R$38,297.

c) Goodwill on transactions with shareholders

Refers to the appreciation related to the acquisition of noncontrolling interest in the amount of R$49,414.

d) Legal reserve

This reserve is compulsorily set up by the Company at a rate of 5% of profit for the year, limited to 20% of paid-in capital. The legal reserve may only be used to increase the capital or to offset accumulated losses. As at June 30, 2017 and December 31, 2016, the balance is R$146,442.

e) Expansion reserve

As provided for by article 25, item "f", of the Company's bylaws, the statutory earnings reserve, denominated "Expansion reserve" is intended to finance the expansion of the Company's and/or its subsidiaries' and associates' activities, including by means of subscription of capital increases or creation of new real estate projects, and will be made up with 100% of profit remaining after legal and statutory deductions, and whose balance, in addition to the balances of other earnings reserves, except for unrealized earnings reserve and provision for risks, may not exceed 100% of the Company's subscribed capital.

As at June 30, 2017 and December 31, 2016, the balance is R$1,210,262.

f) Dividends

In accordance with the Company's bylaws, shareholders are entitled to a minimum dividend of 25% of the profit for the year, adjusted pursuant to the Brazilian Corporate Law.

As at April 28, 2017 the Annual Shareholders' Meeting approved the distribution of dividends for the year 2016 of R$ 180,214 (R$ 54,676 mandatory minimum dividends and R$ 125,538 of additional dividends).

16. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share are broken down as follows:

	Company	
	06/30/2017	06/30/2016
Income attributable to controlling shareholders	53,482	112,393
Weighted average of outstanding common shares (in thousands)	165,002	163,271
Basic and diluted earnings per share – in Brazilian reais	0.32	0.69

The Company does not have any instruments convertible into shares; therefore, there are no differences between basic and diluted earnings per share.

17. NET REVENUE

Net revenue is broken down as follows:

	Consolidated			
	04/01/2017 to 06/30/2017	01/01/2017 to 06/30/2017	04/01/2016 to 06/30/2016	04/01/2016 to 06/30/2016
Gross operating revenue:				
Revenue from sale of properties	185,581	356,386	245,453	471,228
Revenue from rents and services provided	10,522	20,687	5,548	15,432
Total gross operating revenue	196,103	377,073	251,001	486,660
Deductions from gross revenue:				
Sales cancelations	(87,001)	(168,642)	(91,693)	(173,243)
Taxes on sales, including deferred taxes	(2,695)	(5,514)	(4,236)	(8,153)
Total gross revenue deductions	(89,696)	(174,156)	(95,929)	(181,396)
Net revenue	106,407	202,917	155,072	305,264

18. COSTS AND EXPENSES BY NATURE

	Company				Consolidated			
	04/01/2017 to 06/30/2017	01/01/2017 to 06/30/2017	04/01/2016 to 06/30/2016	01/01/2016 to 06/30/2016	04/01/2017 to 06/30/2017	01/01/2017 to 06/30/2017	04/01/2016 to 06/30/2016	01/01/2016 to 06/30/2016
Cost of sales and services:								
Cost of construction/land/lease	-	-	-	-	(53,609)	(99,319)	(78,778)	(154,442)
Capitalized finance charges	-	-	-	-	(3,466)	(8,448)	(5,071)	(8,851)
Maintenance/warranty	-	-	-	-	394	157	(3,927)	(4,057)
	-	-	-	-	(56,681)	(107,610)	(87,776)	(167,350)
Selling expenses:								
Advertising expenses and sales commissions	-	-	-	-	(9,073)	(17,467)	(11,778)	(22,772)
Sales stands expenses	-	-	-	-	88	(2,495)	(2,969)	(3,840)
Expenses with units in stock	-	-	-	-	(4,152)	(9,492)	(4,327)	(7,793)
Other selling expensesis					(54)	(97)	(214)	(282)
	-	-	-	-	(13,191)	(29,551)	(19,288)	(34,687)
General and administrative expenses:								
Expenses on payroll and related taxes	(4,976)	(9,977)	(5,474)	(10,629)	(6,830)	(13,591)	(7,365)	(14,290)
Expenses on benefits to employees	(1,104)	(1,865)	(800)	(1,905)	(1,638)	(2,919)	(1,238)	(2,932)
Depreciation and amortization expenses	(458)	(1,036)	(653)	(1,317)	(472)	(1,064)	(667)	(1,344)
Service expenses	(2,419)	(4,421)	(3,750)	(6,270)	(4,226)	(8,160)	(5,084)	(9,896)
Expenses on rentals and common area maintenance fees	(854)	(1,964)	(783)	(1,311)	(854)	(1,964)	(783)	(1,311)
Maintenance of properties	(93)	(187)	(63)	(213)	(107)	(237)	(77)	(237)
Taxes and fees	(56)	(88)	(108)	(259)	(554)	(794)	(690)	(1,078)
Other expenses	(1,631)	(3,958)	(1,378)	(2,660)	(4,658)	(8,492)	(4,437)	(8,908)
	(11,591)	(23,496)	(13,009)	(24,564)	(19,339)	(37,221)	(20,341)	(39,996)

19. MANAGEMENT FEES

On April 28, 2017, the General Shareholders Meeting approved an overall, annual management compensation in the amount of R$19,000 for the year ended December 31, 2017.

In the semester ended June 30, 2017, the consolidated management compensation amounted to R$5,003 (R$5,477 as at June 30, 2016).

20. FINANCIAL INCOME (COSTS)

Consists of:

	Company				Consolidated			
	04/01/2017 to 06/30/2017	01/01/2017 to 06/30/2017	04/01/2016 to 06/30/2016	01/01/2016 to 06/30/2016	04/01/2017 to 06/30/2017	01/01/2017 to 06/30/2017	04/01/2016 to 06/30/2016	01/01/2016 to 06/30/2016
Revenues:								
Income from short-term investments	12,988	26,933	11,415	21,660	14,191	29,452	12,303	23,991
Interest income on trade receivables	-	-	-	-	(1,329)	8,820	7,327	23,267
Other revenue	398	881	460	727	1,455	2,851	1,857	3,087
	13,386	27,814	11,875	22,387	14,317	41,123	21,487	50,345
Expenses:								
Interest and inflation adjustment losses	-	-	-	-	(2,372)	(3,723)	(211)	(289)
Discounts on trade receivables	-	-	-	-	(3,745)	(6,087)	(3,742)	(8,322)
Other	(2)	(5)	(11)	(14)	(80)	(637)	80	(112)
	(2)	(5)	(11)	(14)	(6,197)	(10,447)	(3,873)	(8,723)

21. FINANCIAL INSTRUMENTS

21.1. Capital risk management

The Company and its subsidiaries manage their capital to make that they will continue as going concerns and, at the same time, maximize return to all stakeholders or parties involved in their operations, by optimizing the debt and equity balance.

The Company's and its subsidiaries' equity structure consists of net debt (borrowings and financing detailed in Note 10, less cash and cash equivalents and short-term investments detailed in Notes 3 and 4, respectively) and the Company's equity (which includes capital, earnings reserves, capital reserve and noncontrolling interests).

The Company is not subject to any external capital requirement.

21.2. Net cash

The net cash ratio is as follows:

	Company		Consolidated	
	06/30/2017	12/31/2016	06/30/2017	12/31/2016
Borrowings and financing	-	-	(345,305)	(353,465)
Cash and cash equivalents and short-term investments	566,226	468,386	638,259	563,855
Net cash	566,226	468,386	292,954	210,390
Equity	2,755,773	2,827,829	2,768,854	2,844,413
Net cash to equity ratio	0.21	0.17	0.11	0.07

21.3. Categories of financial instruments

	Company		Consolidated	
	06/30/2017	12/31/2016	06/30/2017	12/31/2016
Financial assets				
Loans and receivables:				
Cash and cash equivalents	22,532	24,141	70,430	103,875
Short-term investments	543,694	444,245	567,829	459,980
Trade receivables		-	858,368	919,225
Trade notes receivable	14,618	14,618	14,618	14,618
Related parties	792	596	459	483
Financial liabilities				
Amortized cost:				
Trade payables	1,791	527	19,953	19,585
Borrowings and financing	-	-	345,305	353,465
Payables	764	773	43,580	48,160
Land payable	-	-	4,465	69,110
Related parties	518,586	419,897	19,494	19,506

21.4. Financial risk management

The Company monitors and manages financial risks associated with operations. These risks comprise market risk (changes in interest rates), credit risk and liquidity risk. The main purpose of the financial risk management strategy is to maintain the Company's exposure to these risks at minimum levels by using non-derivative financial instruments and assessing and controlling credit and liquidity risks.

21.5. Market risk management

The Company is engaged in real estate development, construction and sale. In addition to the risks generally affecting the real estate market, such as interruption of supply and volatility of prices of materials and construction equipment, changes in the supply of and demand for real estate developments in certain regions, strikes and environmental and zoning laws, the Company's activities are specifically affected by the following risks:

- The economic environment in Brazil, which could adversely affect the growth of the real estate sector as a whole, through slowdown of economy, increase of interest rates, currency fluctuation and political instability, among other factors.

- Future constraints in view of new market regulation or conditions and inflation adjustment of receivables, in accordance with certain inflation-adjustment rates, as currently permitted, which could make a project to become financially or economically unfeasible.

- The level of interest of buyers in a new project launched or the sales price per unit necessary to sell all units may be below expected, thus making the project to be less profitable than expected.

- In case of bankruptcy or significant financial problems faced by a big real estate company, the sector may be adversely affected as a whole, which could decrease the customers' confidence in other companies operating in the sector.

- Conditions of the local and regional real estate market, such as excess supply, shortage of land in certain regions and significant increase of land acquisition costs.

- Risk of buyers having negative perception of the security, convenience and attractiveness of the Company's properties, as well as their location.

- The Company's profit margins could be affected due to the increase in operating costs, including investments, insurance premium, real estate taxes and public tariffs.

- The real estate development opportunities may decrease.

- The construction and sale of real estate units may not be completed on schedule, thus resulting in increase of construction costs or termination of sales contracts.

- Default after delivery of the units acquired in installments. The Company has the right to file collection lawsuits, whose objective is to receive amounts due and/or repossess the unit from the defaulting buyer; however, the Company cannot assure that it will be able to recover the total debt balance or, once the property is repossessed, to sell it under reasonable conditions.

- Potential changes in the policies issued by the National Monetary Council (CMN) on the allocation of funds to the National Housing System (SFH) could reduce the offer of credit to customers.

- The decrease in the fair value of land held in inventory, before the real estate is developed, and the inability to maintain the margins previously projected for the related real estate projects.

21.6. Exposure to currency risks

The Company and its subsidiaries are not directly exposed to currency risks since they do not carry out foreign currency-denominated transactions.

21.7. Exposure to interest rate risks

The Company and its subsidiaries contracted loans with third parties, subject to index fluctuations as set forth in the related contracts, based on the Reference Rate (TR) and interest. They are exposed to interest rate fluctuations on trade receivables and short-term investment balances, in this case, based on the CDI rate fluctuation.

As at June 30, 2017, the Company's and its subsidiaries' management carried out a 12-month period sensitivity analysis, as determined by CVM Instruction 475, of December 17, 2008, which does not necessarily represent the Company's expectations. A decrease (income) and increase (expense) of 25% and 50%, respectively, in expected interest rates on short-term investments, borrowings and financing, and land payable were taken into account, adopting a rate of 8% (CDI), 0.75% (TR), 4.5% (IGPM), 4.5% (IGP-DI), 4.2% (IPCA) and 4.50% (INCC):

	Company			Consolidated		
Indicators	Scenario I Probable	Scenario II (25%)	Scenario III (50%)	Scenario I Probable	Scenario II (25%)	Scenario III (50%)
Assets						
Short-term investments (CDI decrease)	45,201	33,901	22,600	48,508	36,381	24,254
Trade receivables (INCC, IGP-DI and IGP-M decrease)	-	-	-	38,287	28,715	19,143
Liabilities						
Borrowings and financing (TR increase)	-	-	-	2,590	3,237	3,885

21.8. Liquidity risk management

The Company and its subsidiaries manage the liquidity risk by maintaining proper reserves and credit facilities, based on the continuous monitoring of projected and actual cash flows and the combination of the maturity profiles of financial assets and financial liabilities.

As at June 30, 2017, the Company projected its non-discounted contractual cash flow of liabilities by adding to amortization charges, contractual interest and maturities of these obligations:

	Consolidated			
	Contractual cash flow			
	Up to 1 year	1 to 3 years	Total	Carrying amount
Borrowings and financing	179,909	179,728	359,637	345,305
Trade payables	19,953	-	19,953	19,953
Land payable	4,465	-	4,465	4,465

21.9. Risk concentration

The Company and its subsidiaries maintain bank accounts and short-term investments with prime financial institutions approved by Management according to objective criteria for diversification of credit risks. Trade receivables include several customers and no customer accounts for 10% or more of total net operating revenue or balance receivable.

21.10. Fair value of financial instruments

The carrying amounts of the Company's and its subsidiaries' financial instruments as at June 30, 2017 and December 31, 2016, stated at amortized cost, as described in Note 21.3, approximate their fair values, since the nature and characteristics of conditions negotiated are similar to those available in the market on the balance sheet date. The balance of cash and cash equivalents, as well as short-term investments, is indexed to the CDI rate; accordingly, the amounts recorded approximate their fair values.

Fair value hierarchy

The Company adopts the following methodology to determine and disclose the fair value of financial instruments by valuation technique:

- Level 1 - traded prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than traded prices in active markets included in Level 1, that are observable for the asset or liability, directly (prices) or indirectly (derived from prices).
- Level 3 - inputs for assets or liabilities that are not based on observable market variables (unobservable inputs).

As at June 30, 2017 and December 31, 2016, the main financial assets and liabilities at fair value are classified under Level 2.

In the periods ended June 30, 2017 and December 31, 2016, the Company and its subsidiaries had no derivative financial instruments and/or transactions involving embedded derivatives.

22. INSURANCE

The Company and its subsidiaries have, as at June 30, 2017, the following insurance agreements:

a) Engineering risk – civil construction works - "All Risks" insurance policy, covers all risks involved in the construction of a real estate, such as fire, theft and defects, among others. This policy allows additional coverage according to construction risks, including general civil and cross liability, extraordinary expenses, riots, employer's civil liability and pain and suffering.

b) Corporate insurance – covers sales stands and model apartments against fire, theft, lightning, explosion and others.

c) Sundry risk insurance – electronic equipment – covers theft or electric damages.

d) General civil liability insurance of management.

23. COMMITMENTS

The Company entered into lease contracts for two properties where its facilities are located, with a monthly lease amount of R$60, adjusted based on the IGP-M/FGV rate fluctuation. The lease contract is effective for five years and a fine equivalent to three-month period lease is imposed in case of termination.

As at June 30, 2017, the Company entered into, through its subsidiaries, long-term contracts in the amount of R$120,817 (R$152,017 as at December 31, 2016) for the supply of services and raw materials used in real estate developments.

24. SEGMENT REPORTING

The Company's management focuses its businesses on real estate development activities. The information is analyzed based on internal managerial report by real estate development project and the Company's Executive Board is responsible for the allocation of funds between commercial and residential projects:

a) Main profit or loss line items by segment:

	Consolidated					
	Commercial		Residential		Total	Total
	04/01/2017 to 06/30/2017	04/01/2016 to 06/30/2016	04/01/2017 to 06/30/2017	04/01/2016 to 06/30/2016	04/01/2017 to 06/30/2017	04/01/2016 to 06/30/2016
Gross sales revenue (*)	11,384	27,576	184,718	223,425	196,102	251,001
Deductions from gross revenue	(2,738)	(14,866)	(86,957)	(81,063)	(89,695)	(95,929)
Net revenue	8,646	12,710	97,761	142,362	106,407	155,072
Cost of properties sold and services rendered	(1,555)	(9,445)	(55,126)	(78,331)	(56,681)	(87,776)
Gross profit	7,091	3,265	42,635	64,031	49,726	67,296
Selling expenses	(2,132)	(4,101)	(11,105)	(15,187)	(13,237)	(19,288)

	Consolidated					
	Commercial		Residential		Total	Total
	06/30/2017	06/30/2016	06/30/2017	06/30/2016	06/30/2017	06/30/2016
Gross sales revenue (*)	22,273	58,550	354,799	428,110	377,072	486,660
Deductions from gross revenue	(5,543)	(36,801)	(168,612)	(144,595)	(174,155)	(181,396)
Net revenue	16,730	21,749	186,187	283,515	202,917	305,264
Cost of properties sold and services rendered	(1,389)	(13,833)	(106,221)	(153,517)	(107,610)	(167,350)
Gross profit	15,341	7,916	79,966	129,998	95,307	137,914
Selling expenses	(5,164)	(7,028)	(24,432)	(27,659)	(29,597)	(34,687)

(*) Commercial segment includes rental of floors/commercial rooms)

b) Main assets and liabilities by segment:

	Consolidated					
	Commercial		Residential		Total	Total
	06/30/2017	06/30/2016	06/30/2017	06/30/2016	06/30/2017	06/30/2016
Assets:						
Trade receivables	92,353	95,922	766,015	823,303	858,368	919,225
Properties for sale	466,817	455,303	1,113,222	1,186,475	1,580,039	1,641,778
Liabilities:						
Borrowings and financing	2,520	-	342,785	353,465	345,305	353,465
Advances from customers	-	-	9,242	12,254	9,242	12,254

25. APPROVAL OF INTERIM FINANCIAL INFORMATION

The interim financial information was approved by the Company's Board of Directors and authorized for issuance on August 10, 2017.