EZ TEC

Construindo qualidade de vida



# Webcast 1Q13

May 2013

# Management Presentation

| Participants | Résumés |
|---|---|
| **Marcelo Ernesto Zarzur**<br>CEO and *Chief Engineering Officer* | ▪ Joined EZTEC in 1989, working in the Engineering area before reaching the position of Engineering Director<br>▪ Civil engineer graduated from *Faculdade de Engenharia de São Paulo* |
| **Flávio Ernesto Zarzur**<br>Executive *Vice President* | ▪ Founding partner of EZTEC and Officer since 1980<br>▪ Civil engineer graduated from FAAP |
| **A. Emílio C. Fugazza**<br>*Chief Financial and Investor Relations Officer* | ▪ Founding partner and CEO of Grupo Analisy's, a company acquired by EZTEC in 2007<br>▪ Civil engineer graduated from the Federal University of São Carlos |

*Disclaimer: This presentation contains forward-looking statements and information related to EZTEC reflecting the current outlook and/or prospects of the Company and its Management concerning its performance, operations and future events. These are merely projections and as such are subject to risks, uncertainties and future events. Investors should be aware that various important factors could lead to results materially different from the plans, objectives, expectations, projections and intentions expressed herein. Under no circumstances are the Company, its subsidiaries, directors, officers, agents or employees responsible for any investment decision taken by third-parties (including investors) based on the information and statements contained herein, or for any resulting, corresponding or specific damages.*

# 1Q13 Highlights

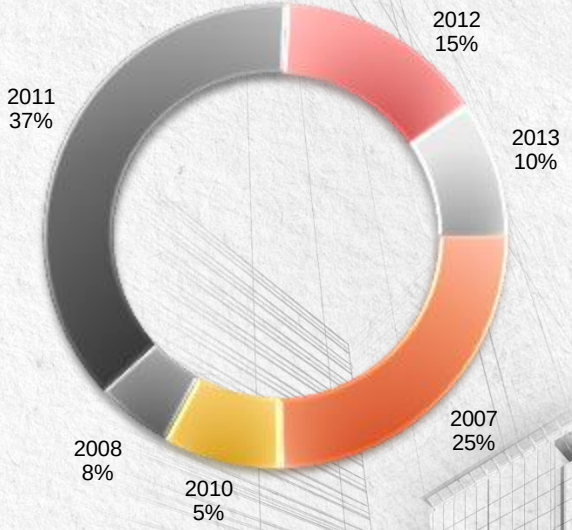
- **Operational:**
  - **Sale** of the **EZ Towers – Tower A** project for **R$564 million**;
  - **Launches** reached **R$292 million,** considering stake acquisitions;
  - **Contracted Sales** reached **R$207 million** in the 1Q13 (49% related to units launched in the 4Q12)
  - **Land Bank** position reached **R$4.1 billion** by the end of 1Q13;
- **Financials**:
  - **Gross Profit** reached **R$164 million** in the 1Q13 (108% above 1Q12);
    - **Gross Margin** reached **51%** in the 1Q13; (11 p.p. above Guidance)
  - **Net Income** reached **R$151 million** in the 1Q13 (93% above 1Q12);
    - **Net Margin** reached **47%** in the 1Q13, with annualized **ROE** of **42%;**
  - **Net Cash** reached **R$75 million**, plus **Performed Receivables** of **R$365 million,** adjusted by the IGP-M index + 12% p.a..



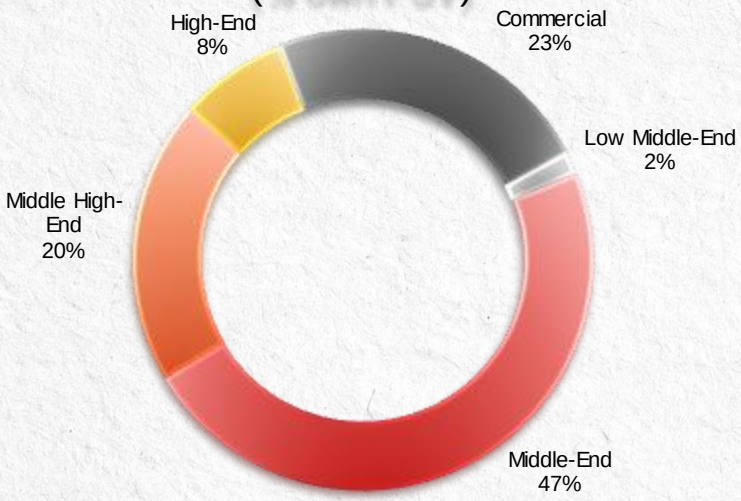
# Land Bank Breakdown

- Land Bank represented own PSV of R$4.1 billion at the end of 1Q13;
- Average acquisition cost of 11% of PSV (including costs with expanding construction potential);
- PSV Acquisition of R$392 Million in 1Q13, 4 new land pieces, 3 of them in the city of São Paulo.

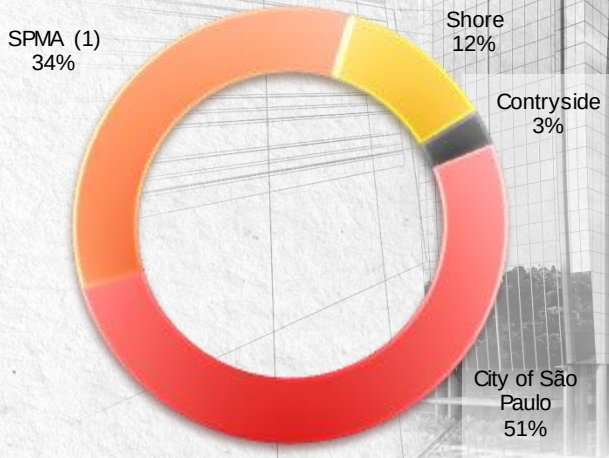
Land Bank by Acquisition Period
(% own PSV)




Land Bank by Segment
(% own PSV)




Land Bank by Region
(% own PSV)




*(1) Excludes the Municipality of São Paulo, i.e., corresponds to the other 38 municipalities of the São Paulo Metropolitan Area (SPMA).*

# EZ Towers – Actual Status

Construction Site: May 13th, 2013



Status of Construction

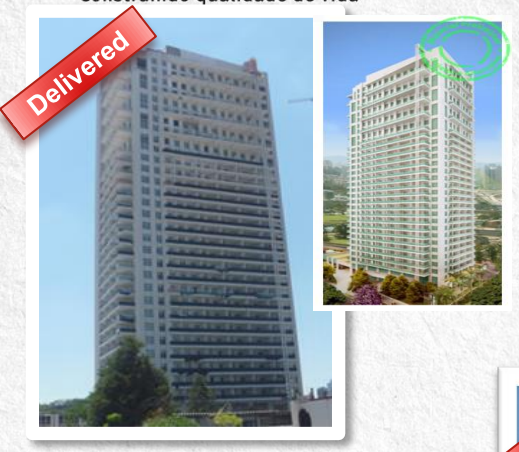
**Total incurred cost by the end of the 1Q13: R$144 MN:**

- **Surrounding areas Complete**
- **Tower A's - 18th floor Structure under construction**
- **Tower B's - 2nd floor Structure under construction**
- **Tower A's - Electrical Installations in progress**

- **Tower A** sold to **São Carlos** in January, 2013 for **R$564 million**
- **Financing Agreement** signed with **Bradesco** for **R$425 million**



# Engeneering – Upcoming Deliveries




## Capital Corporate Offices

**Segment:** Commercial

**Standard**: Small Offices

**Launch:** May/2009

**VGV EZTEC:** R$235,4 milhões

**Occupancy Permit:** 02/21/2013

**Effective Gross Margin:** 58%

## Quality House Jd. Prudência

**Segment:** Residential

**Standard**: Middle-End

**Launch:** November/2009

**EZTEC's PSV:** R$56.6 million

**Occupancy Permit:** 11/22/2012

**Effective Gross Margin:** 49%




## Massimo Residence

**Segment:** Residential

**Standard**: Middle-End

**Launch:** March/2010

**EZTEC's PSV:** R$23.8 million

**Occupancy Permit:** 10/19/2012

**Effective Gross Margin:** 46%







## Gran Village Club

**Segment:** Residential

**Standard**: Middle-End

**Launch:** January/2010

**EZTEC's PSV:** R$90.6 million

**Occupancy Permit:** 12/12/2012

**Effective Gross Margin:** 45%




## Clima Mascote

**Segment:** Residential

**Standard**: Mid-high End

**Launch:** February/2010

**EZTEC's PSV:** R$77.6 million

**Occupancy Permit:** 12/13/2012

**Effective Gross Margin:** 49%

## Up Home Granja Julieta

**Segment:** Residential

**Standard**: Mid-high End

**Launch:** April/2010

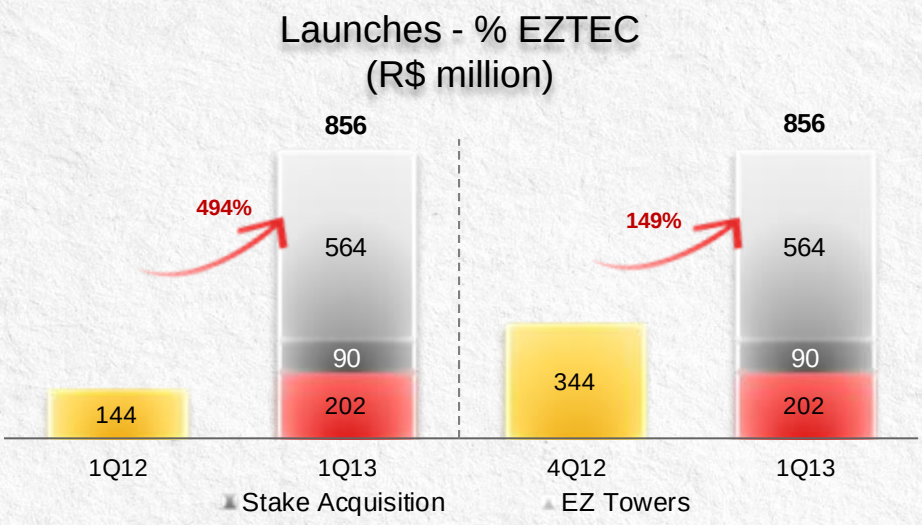
**EZTEC's PSV:** R$63.7 million

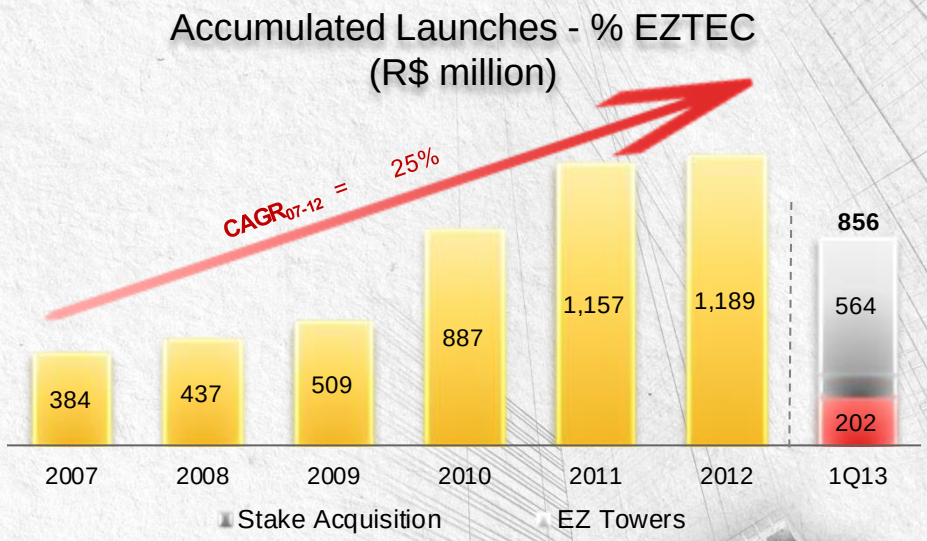
**Occupancy Permit:** 01/16/2013

**Effective Gross Margin:** 52%



# Launches 1Q13




## Launched Projects 1Q13



- **Premiatto Sacomã**
  **(Arroio Grande)**

  **Location:** São Paulo/SP
  **Segment:** Residential
  **Standard**: Middle-End
  **EZTEC's PSV**: R$50.3 million
  **% Sold**: 77%

- **Splendor Vila Mariana**
  **(Três de Maio)**

  **Location:** São Paulo/SP
  **Segment:** Residential
  **Standard**: High-End
  **EZTEC's PSV**: R$66.2 million
  **% Sold**: 82%





- **Le Premier Paraíso**
  **(Correia Dias)**

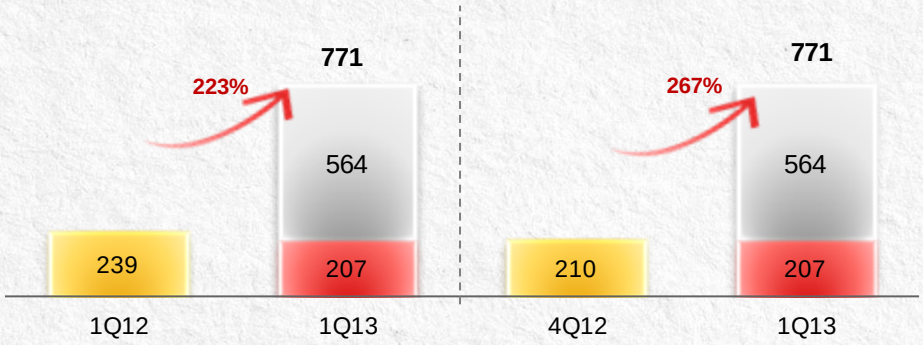
  **Location:** São Paulo/SP
  **Segment:** Residential
  **Standard**: High-End
  **EZTEC's PSV**: R$85.4 million
  **% Sold**: 70%



** Managerial Data. Base Data: May13th, 2013*

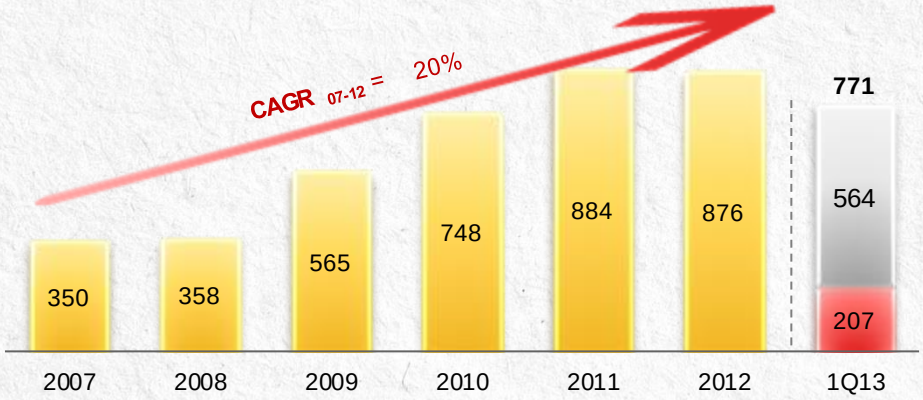
# Contracted Sales 1Q13

Contracted Sales - % EZTEC (R$ MN)

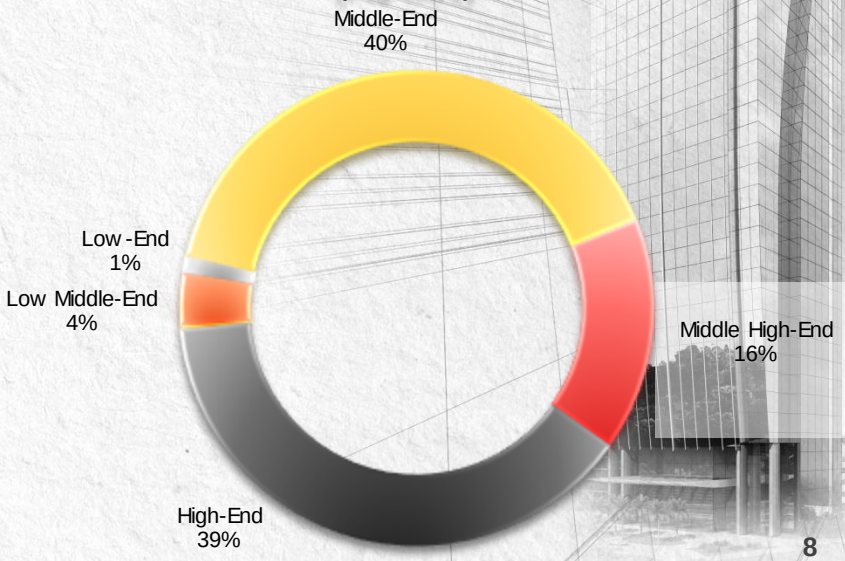



- 63.2% of the sales done by own brokerage team;
- 49% of the sales in the period refers to units launched in previous years;
- Inventory market value of R$978 million by the end of 1Q13.

Accumulated Contracted Sales -% EZTEC (R$ MN)




Contracted Sales by Segment (R$ MN)



# Following Projects 2Q13

## Following Launches: R$482.8 million




- **EZ Mark**

**Domingos de Moraes**

**Location:** São Paulo/SP

**Segment:** Commercial

**Standard**: Small Offices

**EZTEC's PSV**: 333.8 million

**% sold:** 50%



- **Offices**

**(Jardins do Brasil)**

**Location:** Osasco/SP

**Segment:** Commercial

**Standard**: Small Offices

**EZTEC's PSV**: R$75.6 million

- **Mantiqueira**

**(Jardins do Brasil)**

**Location:** Osasco/SP

**Segment:** Residential

**Standard**: Mid-high end

**EZTEC's PSV**: R$73.4 million

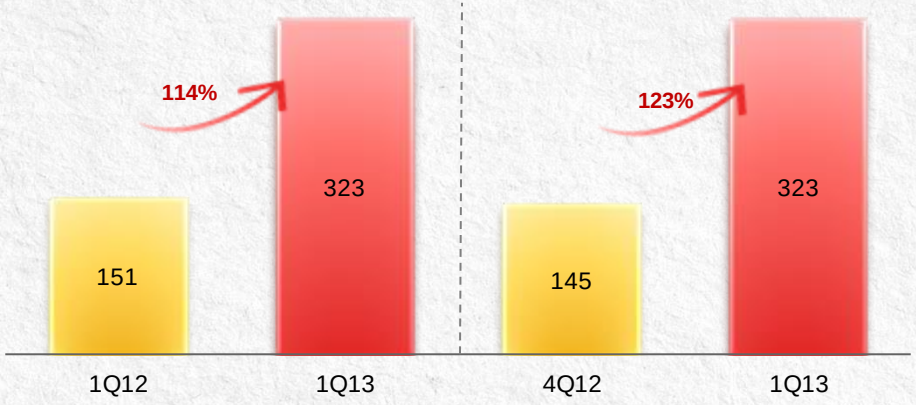




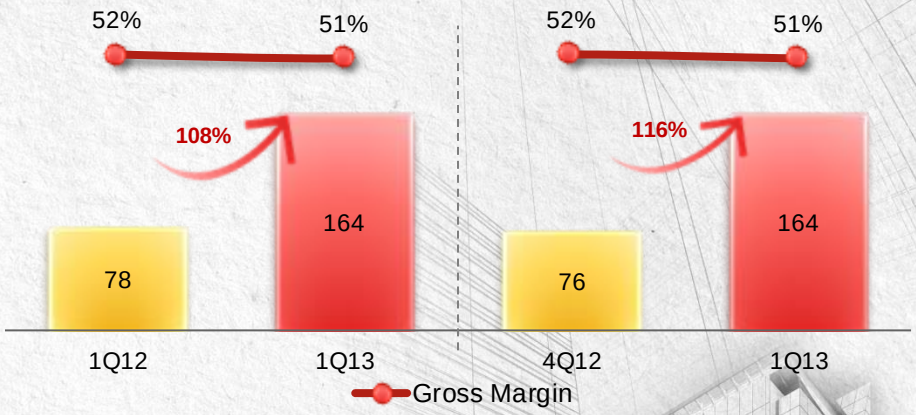
** Managerial Data. Base Data: May 13th, 2013*

# Financial Performance I

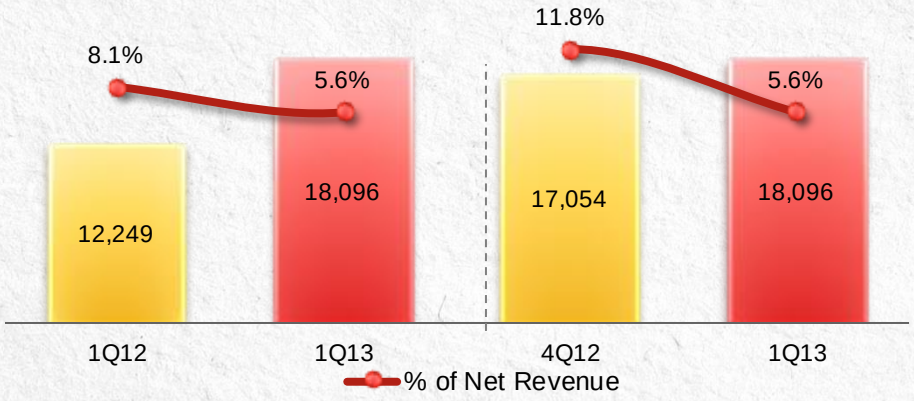
## Net Revenue (R$ million)



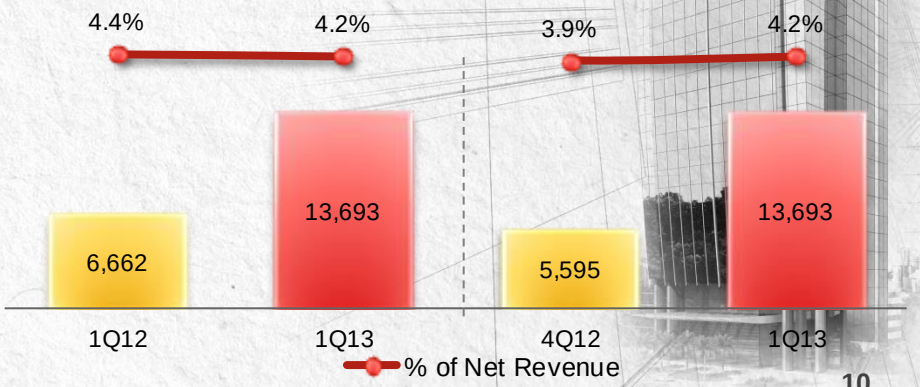

## Gross Income (R$ million) and Gross Margin (%)




## G&A (R$ '000) and Net Revenue (%)

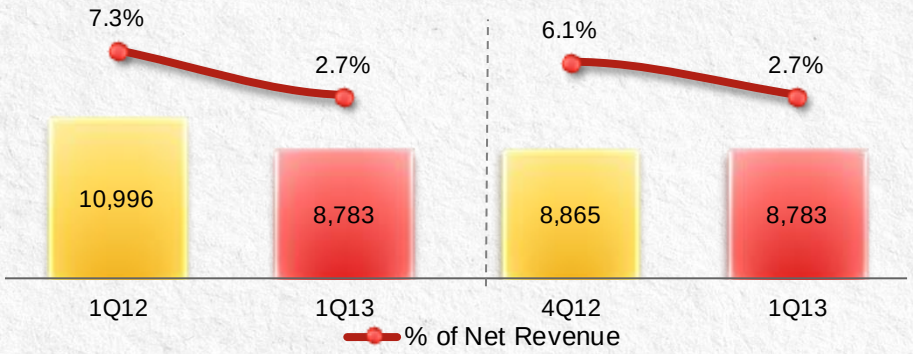



## Selling Expenses (R$ '000) Net Revenue(%)

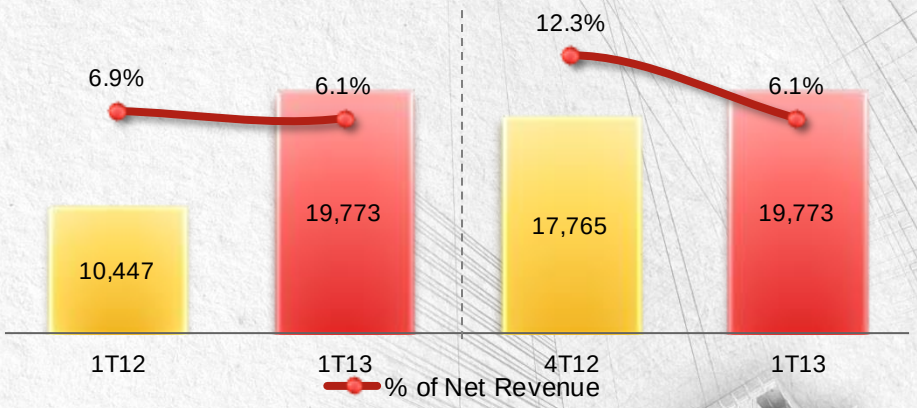


# Financial Performance II

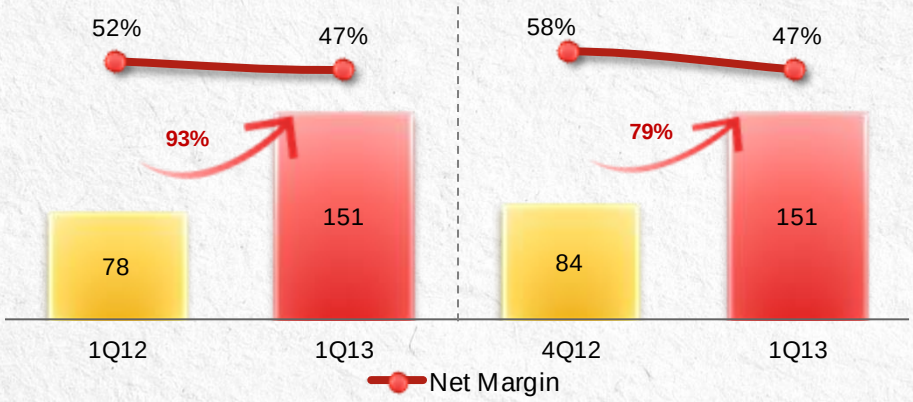
## Financial Results (R$ '000) and Net Revenue (%)



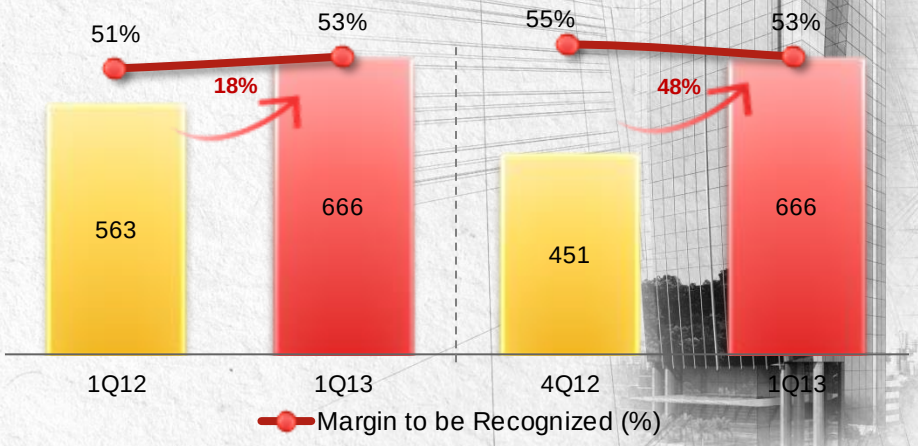

## Equity Income (R$ '000) and Net Revenue(%)




## Net Income(R$ million) and Net Margin (%)



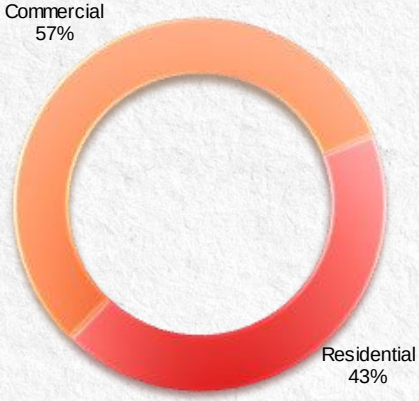

## Results to be Recognized(R$ million) Margin to be Recognized(%)



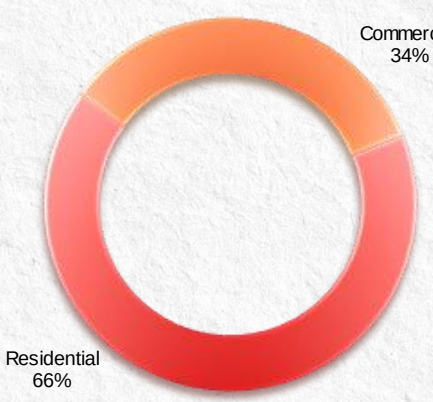
# Information By Segment

| Results by Segment | Commercial | | | Residential | | |
|---|---|---|---|---|---|---|
| (Amount expressed in thousands of Brazilian Reais - R$) | 1Q13 | 1Q12 | Var.% | 1Q13 | 1Q12 | Var.% |
| Net Revenue | 182,975 | 50,988 | 258.9% | 140,139 | 100,336 | 39.7% |
| Cost of Real Estate Sold and Services | (84,311) | (16,132) | 422.6% | (75,300) | (56,697) | 32.8% |
| Gross Profit | 98,664 | 34,856 | 183.1% | 64,839 | 43,639 | 48.6% |
| *Gross Margin (%)* | *53.9%* | *68.4%* | *-14.4 p.p.* | *46.3%* | *43.5%* | *2.8 p.p.* |
| Selling Expenses | (6,225) | (2,365) | 163.2% | (7,468) | (4,297) | 73.8% |

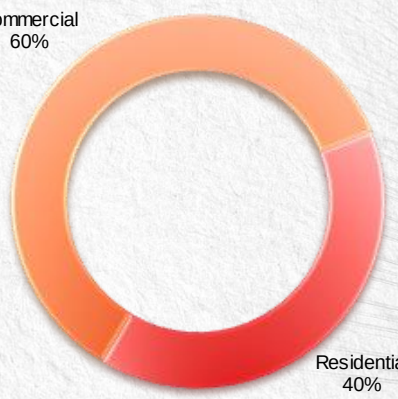
Net Revenue 1Q13



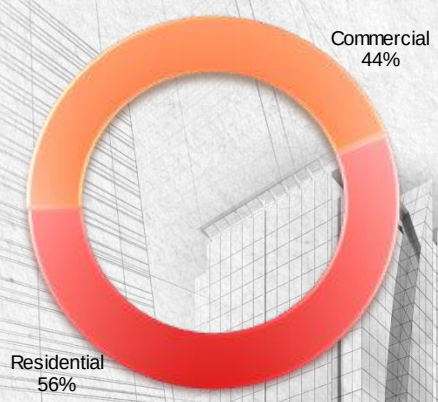

Net Revenue 1Q12




Gross Profit 1Q13




Gross Profit 1Q12



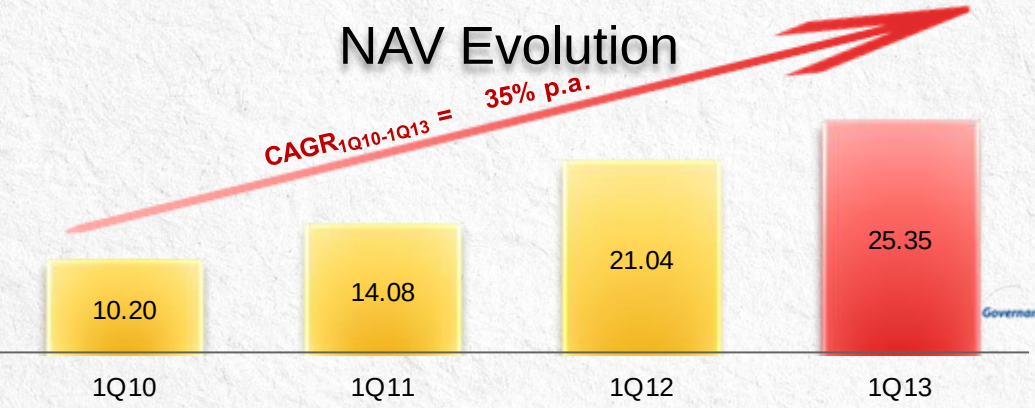

| Assets and Liabilities by Segment | Commercial | | | Residential | | |
|---|---|---|---|---|---|---|
| (Amount expressed in thousands of Brazilian Reais - R$) | 1Q13 | 4Q12 | Var.% | 1Q13 | 4Q12 | Var.% |
| **ASSETS** | | | | | | |
| Accounts Receivable | 333,877 | 217,331 | 53.6% | 738,228 | 740,383 | -0.3% |
| Real Estate Held for Sale | 178,037 | 184,947 | -3.7% | 398,912 | 392,638 | 1.6% |
| **LIABILITIES** | | | | | | |
| Loans and Financing | 23,124 | - | n.a. | 74,522 | 104,406 | -28.6% |
| Advances from Customers | 16,749 | 21,392 | -21.7% | 12,168 | 11,769 | 3.4% |

# Capital Market

## Net Asset Value (NAV)

| Calculation of the Net Asset Value (Amount expressed in thousands of Brazilian Reais - R$) | 1Q13 | 4Q12 |
|---|---|---|
| **Controller** | **1,728,719** | **1,004,701** |
| (+) Cash | 173,067 | 150,684 |
| (-) Debt | (97,646) | (104,406) |
| (+) CEPAC | 75,460 | 65,309 |
| (+) Unperformed Receivables | 1,802,527 | 1,372,785 |
| (+) Performed Receivables | 364,932 | 275,309 |
| (-) Construction Obligation | (943,274) | (1,084,067) |
| (+) Land bank Inventory (1) | 343,474 | 322,719 |
| (-) Land bank / Project Quotas Payable (2) | (95,365) | (65,338) |
| Present Value Adjustment - On-Balance | 31,743 | 25,037 |
| Present Value Adjustment - Off-Balance | 73,801 | 46,669 |
| **Inventory - Managerial Data** | **1,614,495** | **2,257,636** |
| (+) Units in Inventory (3) | 978,495 | 961,123 |
| (+) EZ Towers (Project Under Construction) | 636,000 | 1,200,000 |
| (+) Sales to be Recognized | 0 | 96,514 |
| **Shared Control** | **375,963** | **276,896** |
| **Adjusted Net Asset Value** | **3,719,177** | **3,539,233** |
| **Total of Shares** | **146,724** | **146,724** |
| **Adjusted Net Asset Value per Share** | **25.35** | **24.12** |

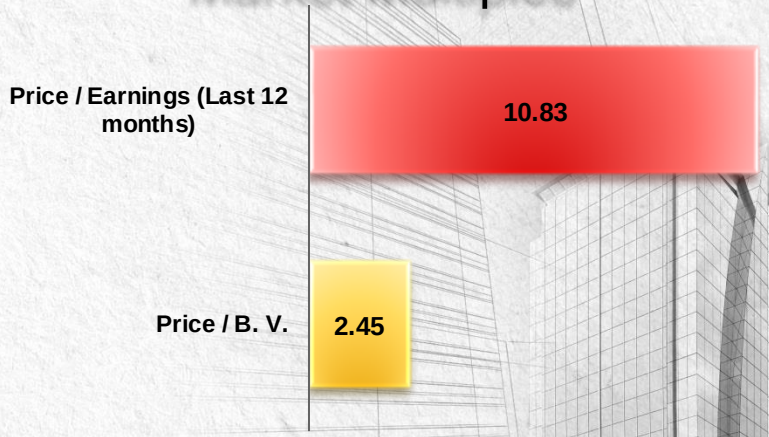
## NAV Evolution




## Information*

| | |
|---|---|
| Free-Float | 33.5% |
| Number of Shares Excluding Treasury (MN) | 146.7 |
| Stock Price (R$) | 30.17 |
| Market Cap (R$ MN) | 4,426.7 |
| Enterprise Value (R$ MN) | 4,351.2 |
| Daily Trading Volume 2013 (R$ MN) | 10.0 |

## Market Multiples




Índice Brasil 100 IBRX 100 · Índice Imobiliário IMOB · Índice de Governança Corporativa Trade IGCT
Índice de Ações com Governança Corporativa Diferenciada IGC · Índice Brasil Amplo BM&FBOVESPA IBRA · Índice de Ações com Tag Along Diferenciado ITAG
Índice de Ações com Governança Corporativa Diferenciada Novo Mercado IGC-NM · Índice do Setor Industrial INDX · Índice BM&FBOVESPA Small Cap SMLL

* Closing Price of May13th, 2013.

EZ TEC

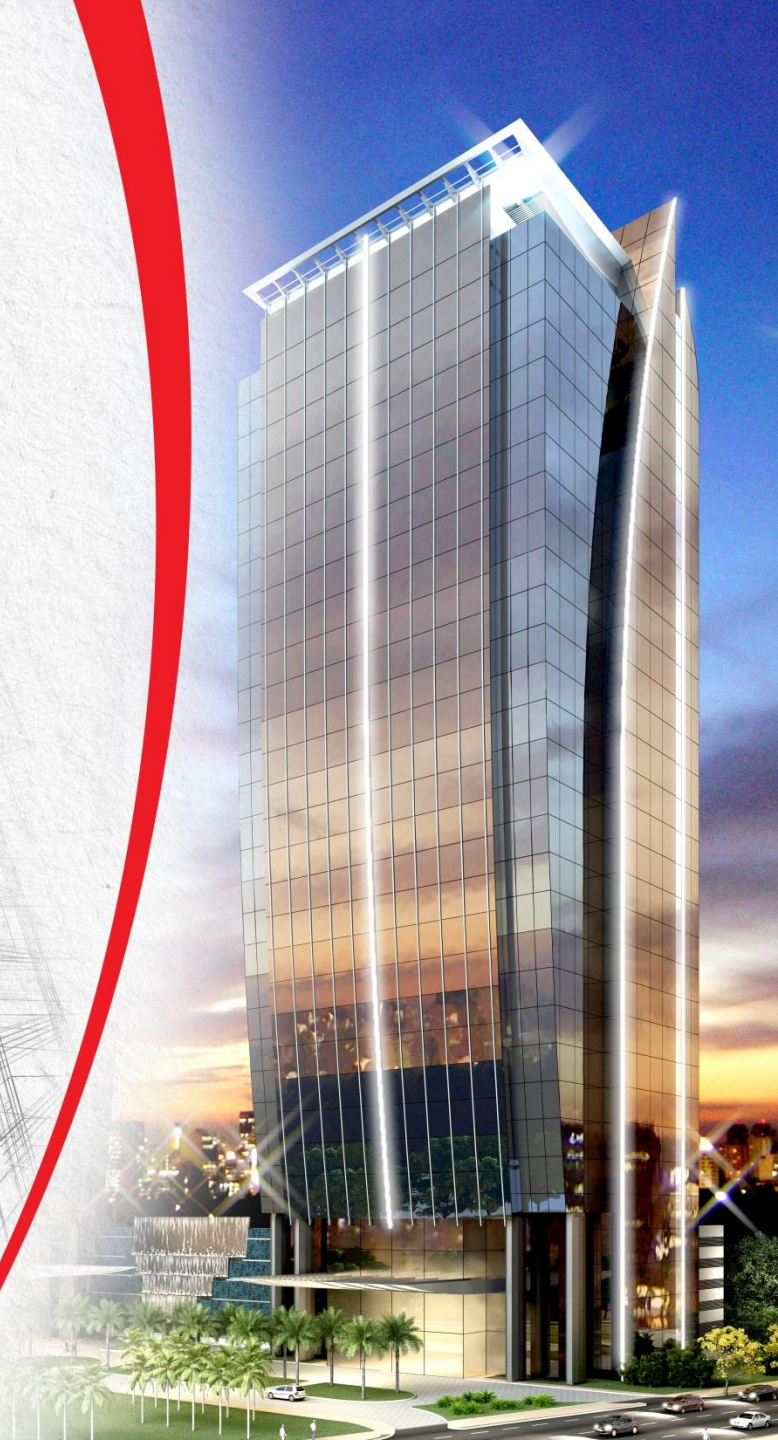
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Índice Imobiliário IMOB

Índice do Setor Industrial INDX