

Eternit S.A.

Notes to individual and consolidated interim financial information
September 30, 2015
(In thousands of reais, unless otherwise stated)

**Individual and Consolidated Interim
Financial Information**

Eternit S.A.

Quarter ended September 30, 2015
with Independent Auditor's Review Report

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INTERIM FINANCIAL STATEMENTS (ITR) - 09/30/2015

ETERNIT SA

Information from company / Paid-up capital

Number of shares (Thousands)	Current Quarter 09/30/2015
Paid-in Capital	
Common	179,000
Preferred	0
Total	179,000
Trasury shares	
Common	59
Preferred	0
Total	59

INTERIM FINANCIAL STATEMENTS (ITR) - 09/30/2015**ETERNIT SA****Information from company / Paid-up capital**

Dividends aproved and/or paid during and after
quarter

Event	Approval	Profit	Date of payment	Type of share	Class of share	Amount per share
Board of directors meeting	05/13/2015	Dividends	06/03/2015	Common		0,06300
Board of directors meeting	05/13/2015	Interest on capital	06/03/2015	Common		0,03700
Board of directors meeting	08/05/2015	Interest on capital	08/18/2015	Common		0,04100
Board of directors meeting	08/05/2015	Dividends	08/18/2015	Common		0,00900
Board of directors meeting	11/04/2015	Interest on capital	11/17/2015	Common		0,04400

Individual FSs / Balance Sheet Asset

(Thousands of reais)

Account Code	Account Description	Current financial year 09/30/2015	Current financial year 12/31/2014
1	Total Assets	736,548	695,094
1.01	Current Assets	239,382	200,914
1.01.01	Cash and Cash Equivalents	1,482	5,711
1.01.02	Short-term investments	7,484	15,726
1.01.02.02	Financial Investments Valued at Amortized Cost	7,484	15,726
1.01.02.02.01	Securities held until maturity	7,484	15,726
1.01.03	Accounts receivable	78,568	71,327
1.01.03.01	Clients	78,568	71,327
1.01.04	Inventories	103,316	69,395
1.01.06	Taxes Recoverable	6,937	6,035
1.01.06.01	Current and Recoverable Taxes	6,937	6,035
1.01.07	Prepaid expenses	1,019	397
1.01.08	Other Current assets	40,576	32,323
1.01.08.01	Non-Current Assets for Sale	-	553
1.01.08.03	Other	40,576	31,770
1.01.08.03.01	Related parties	36,827	27,196
1.01.08.03.02	Other	3,749	4,574
1.02	Non-current asset	497,166	494,18
1.02.01	Long-term assets	92,283	86,004
1.02.01.03	Accounts receivable	339	339
1.02.01.03.02	Other Accounts Receivable	339	339
1.02.01.06	Deferred Taxes	31,012	24,750
1.02.01.06.01	Differed Income Tax And Social Contribution	31,012	24,750
1.02.01.08	Credits with Related Parties	25,365	29,297
1.02.01.08.02	Credits with Subsidiaries	25,365	29,297
1.02.01.09	Other noncurrent assets	35,567	31,618
1.02.01.09.03	Recoverable taxes	23,688	22,915
1.02.01.09.04	Escrow deposits and tax incentives	11,879	8,703
1.02.02	Investments	246,076	256,080
1.02.02.01	Shareholdings	246,076	256,080
1.02.02.01.02	Shareholding in Subsidiaries	246,076	256,080
1.02.03	Fixed	153,140	145,659
1.02.03.01	Non-current in Operation	114,384	116,679
1.02.03.01.01	Non-current in Operation	118,122	121,824
1.02.03.01.02	Provision for Loss with Non-current	(3,738)	(5,145)
1.02.03.03	Non-current in progress	38,756	28,980
1.02.04	Intangible	5,667	6,437
1.02.04.01	Intangible	5,667	6,437
1.02.04.01.02	Software	3,683	4,726
1.02.04.01.03	Other intangible assets	1,984	1,711

Individual FSs / Balance Sheet Liability

(Thousands of reais)

Account Code	Account Description	Current financial year 09/30/2015	Current financial year 12/31/2014
2	Total Liabilities	736,548	695,094
2.01	Current liabilities	95,109	81,668
2.01.01	Labor and Social Obligations	19,232	12,738
2.01.01.01	Social obligations	2,500	2,514
2.01.01.02	Labor Obligations	16,732	10,224
2.01.02	Trade accounts payable	22,128	22,858
2.01.02.01	National Trade accounts payable	19,002	20,528
2.01.02.02	Foreign Trade accounts payable	3,126	2,330
2.01.03	Tax obligations	13,101	11,866
2.01.03.01	Federal Taxes Obligations	5,912	5,704
2.01.03.01.02	Other Federal Taxes	5,912	5,704
2.01.03.02	State tax obligations	7,189	6,162
2.01.04	Loans and financing	5,528	3,066
2.01.04.01	Loans and financing	5,528	3,066
2.01.04.01.01	In national currency	1,512	1,225
2.01.04.01.02	In foreign currency	4,016	1,841
2.01.05	Other Obligations	32,609	28,629
2.01.05.01	Liabilities with Related Parties	21,108	7,672
2.01.05.02	Other	11,501	20,957
2.01.05.02.01	Payable dividends and interest on capital	7,362	17,897
2.01.05.02.04	Other accounts payable	4,139	3,060
2.01.06	Provisions	2,511	2,511
2.01.06.01	Labor and Civil Social Security Tax Provisions	2,511	2,511
2.01.06.01.05	Provision for future benefits to former employees	2,511	2,511
2.02	Noncurrent liabilities	119,565	98,635
2.02.01	Loans and financing	15,487	5,129
2.02.01.01	Loans and financing	15,487	5,129
2.02.01.01.01	In national currency	3,138	3,409
2.02.01.01.02	In foreign currency	12,349	1,720
2.02.02	Other Obligations	49,672	39,550
2.02.02.01	Liabilities with Related Parties	39,707	31,763
2.02.02.02	Other	9,965	7,787
2.02.02.02.03	Taxes, fees and contributions payable	9,965	7,787
2.02.04	Provisions	54,406	53,956
2.02.04.01	Labor and Civil Social Security Tax Provisions	54,406	53,956
2.02.04.01.02	Labor and Social Security Provisions	18,491	20,258
2.02.04.01.04	Civil Provisions	7,121	5,968
2.02.04.01.05	Provision for future benefits to former employees	28,794	27,730
2.03	Net Property	521,874	514,791
2.03.01	Capital Stock Held	334,251	334,251
2.03.02	Capital Reserves	19,460	19,460
2.03.02.01	Goodwill on the issue of shares	23	23
2.03.02.07	Grants for investment	19,437	19,437
2.03.04	Profit reserves	168,691	168,571
2.03.04.01	Legal reserve	34,891	34,891
2.03.04.02	Statutory Reserve	31,251	31,251
2.03.04.05	Retained Profits Reserve	102,723	102,603
2.03.04.09	Treasury shares	(174)	(174)
2.03.05	Accumulated Profits/Losses	6,963	-
2.03.08	Other Comprehensive Results	(7,491)	(7,491)

Individual FSs / Income Statement

(Thousands of reais)

Account Code	Account Description	Current quarter	Accumulated of Current	Current quarter	Accumulated of Current
		07/01/2015 to 09/30/2015	financial year 01/01/2015 to 09/30/2015	07/01/2014 to 09/30/2014	financial year 01/01/2014 to 09/30/2014
3.01	Revenue from Sale of Goods and/or Services	128,295	379,628	134,457	366,898
3.02	Cost of Goods and/or Services Sold	(95,613)	(285,931)	(97,794)	(269,976)
3.03	Gross Income	32,682	93,697	36,663	96,922
3.04	Operational Expenses/Revenues	(25,919)	(49,606)	(14,171)	(35,597)
3.04.01	Sale expenses	(14,179)	(42,539)	(15,070)	(44,468)
3.04.02	General and administrative expenses	(15,678)	(42,908)	(13,426)	(38,836)
3.04.04	Other Operational Incomes	924	4,274	2,987	4,926
3.04.05	Other Operational Expenses	(1,524)	(5,404)	(2,252)	(5,149)
3.04.06	Result of equity equivalence	4,538	36,971	13,590	47,930
3.05	Result Before Financial Result and Taxes	6,763	44,091	22,492	61,325
3.06	Financial Results	(5,523)	(8,676)	(521)	1,393
3.06.01	Financial income	12,375	17,918	3,708	15,683
3.06.02	Financial expenses	(17,898)	(26,594)	(4,229)	(14,290)
3.07	Result Before Income Taxes	1,240	35,415	21,971	62,718
3.08	Income Tax and Social Contribution on Profit	3,493	6,262	(1,663)	(793)
3.08.01	Current	-	-	(47)	(47)
3.08.02	Deferred	3,493	6,262	(1,616)	(746)
3.09	Net result from continued operations	4,733	41,677	20,308	61,925
3.11	Profit/Loss for the Period	4,733	41,677	20,308	61,925
3.99.01.01	PN	-	-	-	-
3.99.02.01	ON	-	-	-	-

Individual FSs / Income Statement per Nature

(Thousands of reais)

Account Code	Account Description	Accumulated of Current		Accumulated of Current	
		Current quarter 07/01/2015 to 09/30/2015	financial year 01/01/2015 to 09/30/2015	Current quarter 07/01/2014 to 09/30/2014	financial year 01/01/2015 to 09/30/2015
4.01	Net Income for the Period	4,733	41,677	20,308	61,925
4.03	Comprehensive Result for the Period	4,733	41,677	20,308	61,925

Individual FSs / Cash Flow

(Thousands of reais)

Account Code	Account Description	Accumulated of Current financial year 01/01/2015 to 09/30/2015	Accumulated of Current financial year 01/01/2014 to 09/30/2014
6.01	Net Cash Operational Activities	55,621	84,569
6.01.01	Cash Generated by Operations	18,299	27,240
6.01.01.01	Net Income for the Period	35,415	62,718
6.01.01.02	Result of equity equivalence	(36,971)	(47,930)
6.01.01.03	Depreciation, amortization and exhaustion	9,745	8,771
6.01.01.04	Result on discharge of fixed assets	(98)	(130)
6.01.01.05	Provision for credits of doubtful payment	1,084	446
6.01.01.06	Provision for risks	747	2,077
6.01.01.07	Miscellaneous Provisions	599	564
6.01.01.08	Financial charges, monetary and exchange variation	5,770	1,077
6.01.01.09	Incomes from temporary investments	(878)	(1,559)
6.01.01.10	Realization of anticipated expenses	2,886	1,206
6.01.02	Variations in assets e liabilities	37,322	57,329
6.01.02.01	Accounts receivable from clients	(8,325)	(17,231)
6.01.02.02	Receivables from Related parties	-4,974	680
6.01.02.03	Dividends received	71,093	57,252
6.01.02.04	Inventory	(33,504)	2,173
6.01.02.05	Taxes recoverable	(991)	11,531
6.01.02.07	Legal deposits	(4)	(911)
6.01.02.08	Other assets	(2,660)	(2,662)
6.01.02.09	Trade accounts payable	(730)	(1,104)
6.01.02.10	Tax obligations payable	886	3,125
6.01.02.11	Labor and Social Obligations	6,494	3,594
6.01.02.13	Other liabilities	605	(597)
6.01.02.14	Interest paid	(314)	(471)
6.01.02.16	Payables to Related parties	13,436	1,950
6.02	Net Cash Investing Activities	(31,788)	(43,219)
6.02.01	Acquisition of fixed and intangible assets	(16,100)	(17,689)
6.02.03	Receipt of sale of fixed and intangible assets	782	241
6.02.08	Intercompany loans receivable	3,932	(8,700)
6.02.09	Investment Acquisition	(29,522)	(16,498)
6.02.10	Short-term investments	(49,800)	(85)
6.02.11	Redemption of short-term investments	58,920	84,427
6.03	Net Cash from Financing Activities	(28,062)	(50,513)
6.03.01	Capture of financings - third parties	12,506	7,085
6.03.02	Intercompany loans	4,888	(340)
6.03.05	Amortization of financing	(3,232)	(5,346)
6.03.06	Payment of dividends and interest on capital	(42,224)	(51,912)
6.05	Increase (Decrease) in Cash and Cash Equivalentts	(4,229)	(9,163)
6.05.01	Initial Balance and Cash and Cash Equivalentts	5,711	9,516
6.05.02	Final Balance of Cash and Cash Equivalentts	1,482	353

Individual FSs / Changes in Equity - 09/30/2015

(Thousands of reais)

Account Code	Account Description	Capital Reserves, Options Granted and			Profit Reserves	Accumulated Profits or Losses	Other Comprehensive Results	Net Property
		Paid-in Capital	Treasury Shares					
5.01	Initial Balance	334,251	19,286		168,745		(7,491)	514,791
5.03	Initial Adjusted Balance	334,251	19,286		168,745		(7,491)	514,791
5.04	Transactions with Capital from the Partners				120	(34,714)		(34,594)
5.04.06	Dividends	-	-	-	-	(12,883)	-	(12,883)
5.04.07	Interest on equity	-	-	-	-	(21,831)	-	(21,831)
5.04.08	Dividends/IOE expired	-	-	120			-	120,000
5.05	Total Comprehensive Result	-	-	-		41,677	-	41,677
5.05.01	Net Income for the Period	-	-	-		41,677	-	41,677
5.07	Final Balances	334,251	19,286		168,865	6,963	(7,491)	521,874

Individual FSs / Changes in Equity - 09/30/2014

(Thousands of reais)

Account Code	Account Description	Capital Reserves, Options			Accumulated Profits or Losses	Other Comprehensive Results	Net Property
		Paid-in Capital	Treasury Shares	Profit Reserves			
5.01	Initial Balance	334,251	19,498	155,807	-	(3,443)	506,113
5.03	Initial Adjusted Balance	334,251	19,498	155,807	-	(3,443)	506,113
5.04	Transactions with Capital from the Partners	-	-	-	(53,682)	-	(53,682)
5.04.06	Dividends	-	-	-	(35,698)	-	(35,698)
5.04.07	Interest on equity	-	-	-	(17,984)	-	(17,984)
5.05	Total Comprehensive Result	-	-	-	61,925	-	61,925
5.05.01	Net Income for the Period	-	-	-	61,925	-	61,925
5.07	Final Balances	334,251	19,498	155,807	8,243	(3,443)	514,356

Individual FSs / Added Value

(Thousands of reais)

Account Code	Account Description	Accumulated of Current	Accumulated of Current
		financial year 01/01/2015 to 09/30/2015	financial year 01/01/2014 to 09/30/2014
7.01	Revenues	507,200	496,049
7.01.01	Sales of goods, products and services	508,186	496,474
7.01.02	Other revenues	98	20
7.01.04	Provision / Reversal of creds. Doubtful Settlement	(1)	(445)
7.02	Inputs Purchased From Third Parties	(345,236)	(328,422)
7.02.01	Costs Prods., Mercs. and servs. Sold	(240,489)	(232,735)
7.02.02	Materials, energy and services from third parties and others	(97,446)	(86,969)
7.02.03	Loss / Recovery of asset values	(5,096)	(5,195)
7.02.04	Other	(2,205)	(3,523)
7.03	Gross Added Value	161,964	167,627
7.04	Retentions	(9,745)	(8,771)
7.04.01	Depreciation, amortization and exhaustion	(9,745)	(8,771)
7.05	Net added value produced	152,219	158,856
7.06	Added value received in transfer	58,381	70,494
7.06.01	Result of equity equivalence	36,971	47,930
7.06.02	Financial income	17,918	15,683
7.06.03	Other	3,492	6,881
7.07	Total Added Value To Distribute	210,600	229,350
7.08	Distribution Of Value Added	210,600	229,350
7.08.01	Personal	78,184	70,816
7.08.01.01	Direct compensation	53,662	48,733
7.08.01.02	Benefits	20,225	17,973
7.08.01.03	F.G.T.S.	4,297	4,110
7.08.02	Taxes, fees and contributions	60,035	77,625
7.08.02.01	Federal	43,146	51,273
7.08.02.02	State	15,456	25,414
7.08.02.03	Municipal	1,433	938
7.08.03	Remuneration of capital from third parties	30,704	18,984
7.08.03.01	Interest	25,570	14,290
7.08.03.02	Rentals	5,134	4,694
7.08.04	Remuneration of own capital	41,677	61,925
7.08.04.01	Interest on equity	21,831	17,984
7.08.04.02	Dividends	12,883	35,699
7.08.04.03	Retained Profit/Loss for the Period	6,963	8,242

Consolidated FSs / Balance Sheet Asset

(Thousands of reais)

Account Code	Account Description	Current Financial 09/30/2015	Current Financial 12/31/2014
1	Total Assets	967,313	897,864
1.01	Current Assets	447,002	395,451
1.01.01	Cash and Cash Equivalents	4,866	13,367
1.01.02	Temporary investments	20,702	35,023
1.01.02.02	Financial Investments Valued at Amortized Cost	20,702	35,023
1.01.02.02.01	Securities held until maturity	20,702	35,023
1.01.03	Accounts receivable	202,632	175,933
1.01.03.01	Clients	202,632	175,933
1.01.04	Inventories	184,589	148,093
1.01.06	Taxes Recoverable	15,216	10,373
1.01.06.01	Current and Recoverable Taxes	15,216	10,373
1.01.07	Prepaid expenses	1,898	933
1.01.08	Other Current assets	17,099	11,729
1.01.08.01	Non-Current Assets for Sale	-	553
1.01.08.03	Other	17,099	11,176
1.01.08.03.01	Related parties	3,139	2,427
1.01.08.03.02	Other	13,960	8,749
1.02	Non-current asset	520,311	502,413
1.02.01	Long-term assets	122,458	95,769
1.02.01.03	Accounts receivable	1,870	1,981
1.02.01.03.02	Other Accounts Receivable	1,870	1,981
1.02.01.06	Deferred Taxes	63,601	53,299
1.02.01.06.01	Differed Income Tax And Social Contribution	63,601	53,299
1.02.01.08	Credits with Related Parties	13,596	726
1.02.01.08.03	Credits with Controllers	13,596	726
1.02.01.09	Other noncurrent assets	43,391	39,763
1.02.01.09.03	Taxes Recoverable	24,390	24,456
1.02.01.09.04	Escrow deposits and tax incentives	19,001	15,307
1.02.02	Investments	12,269	34,338
1.02.02.01	Shareholdings	12,269	34,338
1.02.02.01.01	Shareholding in Affiliates	12,269	34,338
1.02.03	Fixed	355,192	341,684
1.02.03.01	Non-current in Operation	319,207	234,462
1.02.03.01.01	Non-current in Operation	323,096	239,759
1.02.03.01.02	Provision for Loss with Non-current	(3,889)	(5,297)
1.02.03.03	Non-current in progress	35,985	107,222
1.02.04	Intangible	30,392	30,622
1.02.04.01	Intangible	10,397	10,627
1.02.04.01.02	Software	6,934	7,437
1.02.04.01.03	Other intangible assets	3,463	3,190
1.02.04.02	Goodwill	19,995	19,995

Consolidated FSs / Balance Sheet Liability

(Thousands of reais)

Account Code	Account Description	Current Financial 09/30/2015	Current Financial 12/31/2014
2	Total Liabilities	967,313	897,864
2.01	Current liabilities	237,306	221,252
2.01.01	Labor and Social Obligations	35,661	28,657
2.01.01.01	Social obligations	4,140	4,409
2.01.01.02	Labor Obligations	31,521	24,248
2.01.02	Trade accounts payable	41,152	42,151
2.01.02.01	National Trade accounts payable	35,875	39,408
2.01.02.02	Foreign Trade accounts payable	5,277	2,743
2.01.03	Tax obligations	26,617	29,181
2.01.03.01	Federal Taxes Obligations	15,454	20,155
2.01.03.01.01	Payable income tax and social contribution	4,980	10,674
2.01.03.01.02	Other Federal Taxes	10,474	9,481
2.01.03.02	State tax obligations	11,163	9,026
2.01.04	Loans and financing	107,375	88,946
2.01.04.01	Loans and financing	107,375	88,946
2.01.04.01.01	In national currency	44,485	17,349
2.01.04.01.02	In foreign currency	62,890	71,597
2.01.05	Other Obligations	22,824	28,640
2.01.05.02	Other	22,824	28,640
2.01.05.02.01	Payable dividends and interest on capital	7,362	17,897
2.01.05.02.04	Other accounts payable	15,462	10,743
2.01.06	Provisions	3,677	3,677
2.01.06.01	Labor and Civil Social Security Tax Provisions	3,677	3,677
2.01.06.01.05	Provision for future benefits to former employees	3,677	3,677
2.02	Noncurrent liabilities	208,115	161,804
2.02.01	Loans and financing	78,384	38,978
2.02.01.01	Loans and financing	78,384	38,978
2.02.01.01.01	In national currency	33,243	8,487
2.02.01.01.02	In foreign currency	45,141	30,491
2.02.02	Other Obligations	24,920	21,623
2.02.02.02	Other	24,920	21,623
2.02.02.02.03	Taxes, fees and contributions payable	13,390	10,605
2.02.02.02.04	Reassembling of the mine	11,528	10,718
2.02.02.02.05	Other accounts payable	2	300
2.02.04	Provisions	104,811	101,203
2.02.04.01	Labor and Civil Social Security Tax Provisions	104,811	101,203
2.02.04.01.02	Labor and Social Security Provisions	27,457	29,225
2.02.04.01.04	Civil Provisions	34,039	30,324
2.02.04.01.05	Provision for future benefits to former employees	43,315	41,654
2.03	Consolidated Equity	521,892	514,808
2.03.01	Capital Stock Held	334,251	334,251
2.03.02	Capital Reserves	19,460	19,460
2.03.02.01	Goodwill on the issue of shares	23	23
2.03.02.07	Grants for investment	19,437	19,437
2.03.04	Profit reserves	168,691	168,571
2.03.04.01	Legal reserve	34,891	34,891
2.03.04.02	Statutory Reserve	31,251	31,251
2.03.04.05	Retained Profits Reserve	102,723	102,603
2.03.04.09	Treasury shares	(174)	(174)
2.03.05	Accumulated Profits/Losses	6,963	-
2.03.08	Other Comprehensive Results	(7,491)	(7,491)
2.03.09	Participation of non-controlling shareholders	18	17

Consolidated FSs / Income Statement

(Thousands of reais)

Account Code	Account Description	Current quarter	Accumulated of Current	Current quarter	Accumulated of Current
		07/01/2015 to 09/30/2015	financial year 01/01/2015 to 09/30/2015	07/01/2014 to 09/30/2014	financial year 01/01/2014 to 09/30/2014
3.01	Revenue from Sale of Goods and/or Services	244,986	734,127	250,270	714,590
3.02	Cost of Goods and/or Services Sold	(144,731)	(446,526)	(154,878)	(438,978)
3.03	Gross Income	100,255	287,601	95,392	275,612
3.04	Operational Expenses/Revenues	(69,666)	(195,677)	(62,996)	(183,968)
3.04.01	Sale expenses	(27,419)	(85,373)	(29,787)	(87,712)
3.04.02	General and administrative expenses	(30,414)	(87,523)	(31,365)	(91,169)
3.04.04	Other Operational Incomes	2,564	10,540	3,869	8,573
3.04.05	Other Operational Expenses	(4,541)	(11,253)	(3,392)	(8,737)
3.04.06	Result of equity equivalence	(9,856)	(22,068)	(2,321)	(4,923)
3.05	Result Before Financial Result and Taxes	30,589	91,924	32,396	91,644
3.06	Financial Results	(15,624)	(18,748)	(175)	1,836
3.06.01	Financial income	69,288	109,763	13,172	38,615
3.06.02	Financial expenses	(84,912)	(128,511)	(13,347)	(36,779)
3.07	Result Before Income Taxes	14,965	73,176	32,221	93,480
3.08	Income Tax and Social Contribution on Profit	(10,231)	(31,498)	(11,913)	(31,555)
3.08.01	Current	(14,645)	(41,799)	(11,046)	(30,356)
3.08.02	Deferred	4,414	10,301	(867)	(1,199)
3.09	Net result from continued operations	4,734	41,678	20,308	61,925
3.11	Profit/Loss Consolidated for the Period	4,734	41,678	20,308	61,925
3.11.01	Assigned to Partners of the Parent Company	4,733	41,677	20,308	61,925
3.11.02	Assigned to Non-Controlling Partners	1	1	-	-

Consolidated FSs /Income Statement per Nature

(Thousands of reais)

Account Code	Account Description	Current quarter	Accumulated of Current	Current quarter	Accumulated of Current
		07/01/2015 to 09/30/2015	financial year 01/01/2015 to 09/30/2015	07/01/2014 to 09/30/2014	financial year 01/01/2014 to 09/30/2014
4.01	Net Profit Consolidated for the Period	4,734	41,678	20,308	61,925
4.03	Consolidated Comprehensive Income for the Period	4,734	41,678	20,308	61,925
4.03.01	Assigned to Partners of the Parent Company	4,733	41,677	20,308	61,925
4.03.02	Assigned to Non-Controlling Partners	1	1	-	-

Consolidated FSs / Cash Flow

(Thousands of reais)

Account Code	Account Description	Accumulated of Current financial	Accumulated of Current financial
		year 01/01/2015 to 09/30/2015	year 01/01/2014 to 09/30/2014
6.01	Net Cash Operational Activities	26,679	79,822
6.01.01	Cash Generated by Operations	140,227	132,385
6.01.01.01	Net Income for the Period	73,176	93,480
6.01.01.02	Depreciation, amortization and exhaustion	29,349	27,936
6.01.01.03	Result on discharge of fixed assets	(126)	(265)
6.01.01.04	Provision for credits of doubtful payment	1,712	1,038
6.01.01.05	Provision for risks	3,308	4,729
6.01.01.06	Miscellaneous Provisions	1,839	1,410
6.01.01.07	Financial charges, monetary and exchange variation	7,653	1,359
6.01.01.08	Short-term investment yield	(2,702)	(3,570)
6.01.01.10	Realization of anticipated expenses	3,950	1,345
6.01.01.12	Result of equity equivalence	22,068	4,923
6.01.02	Variations in assets e liabilities	(113,548)	(52,563)
6.01.02.01	Accounts receivable from clients	(19,326)	(24,001)
6.01.02.02	Inventory	(36,078)	(10,920)
6.01.02.03	Taxes recoverable	(4,091)	10,709
6.01.02.05	Legal deposits	(4,212)	(813)
6.01.02.06	Other assets	(10,577)	(4,055)
6.01.02.07	Trade accounts payable	(999)	(557)
6.01.02.08	Taxes, charges and contributions payable	2,641	3,256
6.01.02.09	Provisions and social charges	7,004	5,537
6.01.02.11	Other liabilities	3,824	1,391
6.01.02.12	Interest paid	(4,266)	(1,058)
6.01.02.13	Paid income tax and social contribution	(46,756)	(32,545)
6.01.02.14	Receivables from Related parties	(712)	493
6.02	Net Cash Investing Activities	(37,342)	(78,052)
6.02.01	Acquisition of fixed and intangible assets	(28,466)	(78,980)
6.02.02	Receipt of sale of fixed and intangible assets	873	398
6.02.08	Loan from related-party receivable	(12,870)	(2,176)
6.02.10	Short-term investments	(187,936)	(226,153)
6.02.11	Redemption of short-term investments	204,959	228,859
6.02.12	Addition to exchange gains (losses) converted into capital	(13,902)	-
6.03	Net Cash from Financing Activities	2,162	(9,475)
6.03.01	Capture of financings - third parties	242,441	186,994
6.03.05	Amortization of financing	(198,055)	(144,557)
6.03.06	Payment of dividends and interest on capital	(42,224)	(51,912)
6.05	Increase (Decrease) in Cash and Cash Equivalents	(8,501)	(7,705)
6.05.01	Initial Balance and Cash and Cash Equivalents	13,367	13,295
6.05.02	Final Balance of Cash and Cash Equivalents	4,866	5,590

Consolidated FSs / Changes in Equity - 09/30/2015

(Thousands of reais)

Account Code	Account Description	Capital Reserves, Options Granted and			Profit Reserves	Accumulated Profits or Losses	Other Comprehensive Results	Net Property	Participation of non-controller	Consolidated Equity
		Paid-in Capital	Treasury Shares							
5.01	Initial Balance	334,251	19,286	168,745		(7,491)	514,791	17	514,808	
5.03	Initial Adjusted Balance	334,251	19,286	168,745		(7,491)	514,791	17	514,808	
5.04	Transactions with Capital from the Partners	-	-	120	(34,714)	-	(34,594)	-	(34,594)	
5.04.06	Dividends	-	-	-	(12,883)	-	(12,883)	-	(12,883)	
5.04.07	Interest on equity	-	-	-	(21,831)	-	(21,831)	-	(21,831)	
5.04.08	Dividends/IOE expired	-	-	120	-	-	120	-	120	
5.05	Total Comprehensive Result	-	-	-	41,677	-	41,677	1	41,678	
5.05.01	Net Income for the Period	-	-	-	41,677	-	41,677	1	41,678	
5.07	Final Balances	334,251	19,286	168,865	6,963	(7,491)	521,874	18	521,892	

Consolidated FSs / Changes in Equity - 09/30/2014

(Thousands of reais)

Account Code	Account Description	Capital Reserves, Options Granted and			Profit Reserves	Accumulated Profits or Losses	Other Comprehensive Results	Net Property	Participation of non-controller	Consolidated Equity
		Paid-in Capital	Treasury Shares							
5.01	Initial Balance	334,251	19,498	155,807	-	(3,443)	506,113	16	506,129	
5.03	Initial Adjusted Balance	334,251	19,498	155,807	-	(3,443)	506,113	16	506,129	
5.04	Transactions with Capital from the Partners	-	-	-	(53,682)	-	(53,682)	-	(53,682)	
5.04.06	Dividends	-	-	-	(35,698)	-	(35,698)	-	(35,698)	
5.04.07	Interest on equity	-	-	-	(17,984)	-	(17,984)	-	(17,984)	
5.05	Total Comprehensive Result	-	-	-	61,925	-	61,925	-	61,925	
5.05.01	Net Income for the Period	-	-	-	61,925	-	61,925	-	61,925	
5.07	Final Balances	334,251	19,498	155,807	8,243	(3,443)	514,356	16	514,372	

Consolidated FSs / Added Value

(Thousands of reais)

Account Code	Account Description	Accumulated of Current	Accumulated of Current
		financial year 01/01/2015 to 09/30/2015	financial year 01/01/2014 to 09/30/2014
7.01	Revenues	959,266	946,679
7.01.01	Sales of goods, products and services	923,655	909,225
7.01.02	Other revenues	37,304	38,469
7.01.04	Provision / Reversal of creds. Doubtful Settlement	(1,693)	(1,015)
7.02	Inputs Purchased From Third Parties	(571,022)	(558,550)
7.02.01	Costs Prods., Mercs. and servs. Sold	(406,317)	(402,265)
7.02.02	Materials, energy and services from third parties and others	(155,181)	(144,634)
7.02.03	Loss / Recovery of asset values	(5,672)	(5,203)
7.02.04	Other	(3,852)	(6,448)
7.03	Gross Added Value	388,244	388,129
7.04	Retentions	(29,349)	(27,936)
7.04.01	Depreciation, amortization and exhaustion	(29,349)	(27,936)
7.05	Net added value produced	358,895	360,193
7.06	Added value received in transfer	95,258	40,704
7.06.01	Result of equity equivalence	(22,068)	(4,923)
7.06.02	Financial income	109,763	38,616
7.06.03	Other	7,563	7,011
7.07	Total Added Value To Distribute	454,153	400,897
7.08	Distribution Of Value Added	454,153	400,897
7.08.01	Personal	144,805	143,749
7.08.01.01	Direct compensation	98,443	98,066
7.08.01.02	Benefits	37,602	37,578
7.08.01.03	F.G.T.S.	8,760	8,105
7.08.02	Taxes, fees and contributions	124,366	141,835
7.08.02.01	Federal	87,588	95,965
7.08.02.02	State	34,086	44,349
7.08.02.03	Municipal	2,692	1,521
7.08.03	Remuneration of capital from third parties	143,305	53,388
7.08.03.01	Interest	127,336	36,779
7.08.03.02	Rentals	15,969	16,609
7.08.04	Remuneration of own capital	41,677	61,925
7.08.04.01	Interest on equity	21,831	17,984
7.08.04.02	Dividends	12,883	35,699
7.08.04.03	Retained Profit/Loss for the Period	6,963	8,242

Economy and the Market

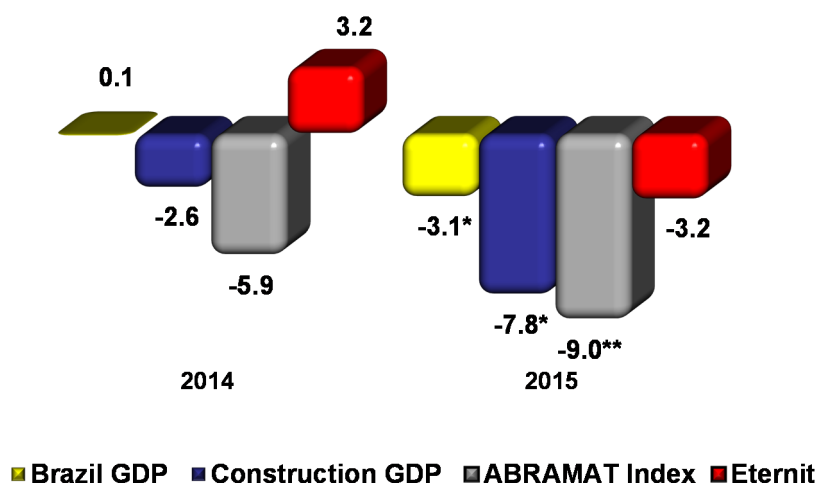
The Monetary Policy Committee (Copom) of the Central Bank of Brazil believes that domestic economic activity in 2015 continues to be influenced by the macroeconomic adjustment currently being implemented and that the growth pace of domestic economic activity will be lower than its potential. Copom also points out that after the necessary period of adjustments, economic activity should gain momentum as business and consumer confidence increase.

In line with this scenario of economic change, lower consumer confidence and sluggish industrial activity, projections of economic performance have dipped. Compared to 2014, Gross Domestic Product (GDP) in 2015 is expected to shrink by 3.1%, whereas construction GDP should decrease by 7.8%, according to the FOCUS market readout of October 30, 2015 and the September 2015 Inflation report, respectively, published by the Brazilian Central Bank (BACEN).

According to ABRAMAT, total revenue deflated by domestic construction material sales in 9M15 declined 11.4% from the same period in 2014, below the forecast contraction for 2015 of 9.0%, due to economic uncertainties, higher unemployment, lower household income and credit restrictions.

In comparison, Eternit's¹ consolidated gross revenue growth of -3.2% in 9M15 was superior to industry's performance, as previously stated.

Brazil GDP x Construction GDP x ABRAMAT Index x Consolidated Gross Revenue Eternit¹(%)



Source: *CENTRAL BANK OF BRAZIL – projected growth of Brazilian and construction GDP in the year.

** ABRAMAT – projection of domestic construction material sales in 2015, not adjusted for inflation.

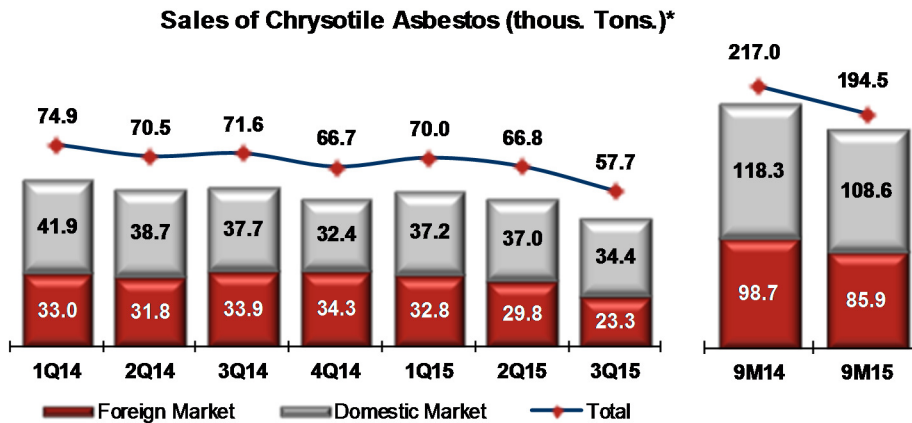
¹ ETERNIT – Growth of Eternit's consolidated gross revenue compares the period from January to September 2015 with the same period in 2014, deflated by the IGP-M index.

Operational and Financial Aspects

Sales

Chrysotile Mineral

In 3Q15, chrysotile mineral sales reached 57,700 tons, down 19.4% from 3Q14. Domestic sales decreased by 8.7% in the same period, mainly due to the lower demand for construction materials, while exports declined 31.3%, mainly due to the cooling down of the Asian economies.

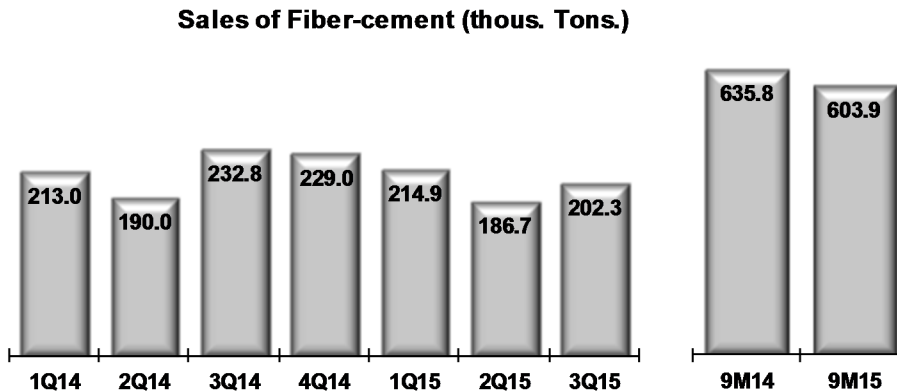


(*) Chrysotile asbestos sales include intercompany sales, which accounted for 46.6% of domestic sales in 3Q15.

Sales in 9M15 totaled 194,500 tons, decreasing 10.4% from 9M14, as previously mentioned.

Fiber-cement

Sales of fiber-cement, including construction solutions, totaled 202,300 tons in 3Q15, down 13.1% from 3Q14, due to the contraction of the construction materials industry, higher unemployment, lower household income and credit restrictions.

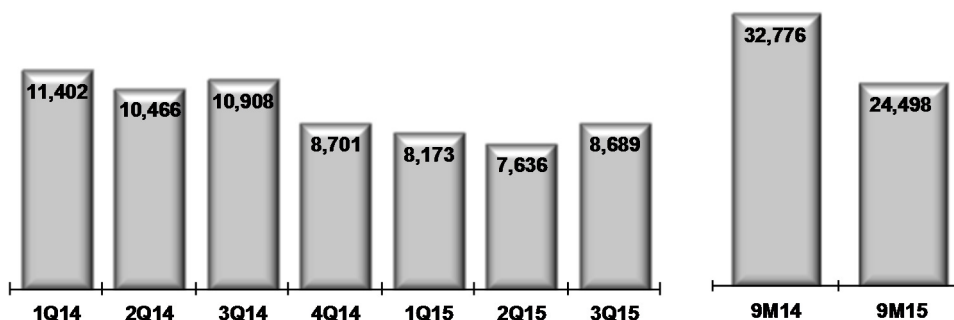


In 9M15, sales reached 603,900 tons, down 5.0% from 9M14 due to the aforementioned aspects.

Concrete Tiles

In 3Q15, the concrete tiles sales totaled 8,689,000 pieces, a decline of 20.3% from 3Q14, caused by the sharp decline in demand across the industry, especially in this segment, as well as lack of consumer confidence and the slower pace of construction work due to economic uncertainties.

Sales of Concrete Roofing Tiles (thousand pieces)



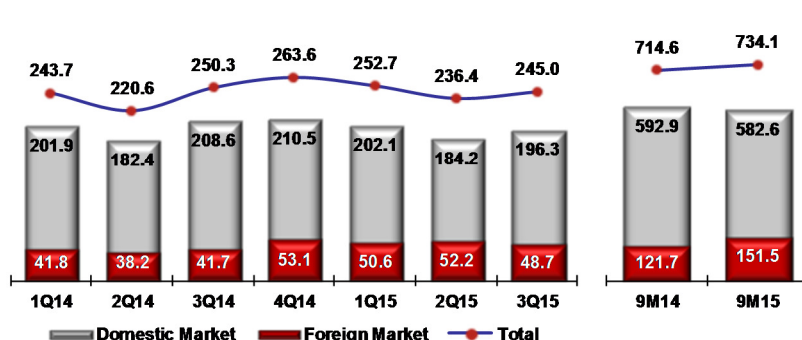
In 9M15, sales volume reached 24,498,000 pieces, down 25.3% from 9M14, due to the factors mentioned above.

Consolidated Net Revenue

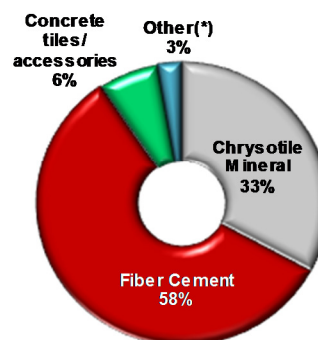
Consolidated net revenue in 3Q15 reached R\$245.0 million, down 2.1% from 3Q14. Domestic market revenue was R\$196.3 million, down 5.9%, mainly due to the slump in demand across the construction materials sector. Net revenue from exports increased 16.7% from 3Q14, totaling R\$48.7 million, driven by the 55.5% appreciation of the U.S. dollar against the Brazilian real (comparison of the average PTAX rate in the period).

Comparing 3Q15 and 3Q14 by product lines, chrysotile mineral recorded revenue growth of 6.9% to reach R\$80.6 million. In contrast, revenue from fiber-cement and concrete roofing tiles and roofing accessories declined by 3.7% and 21.4% to R\$141.3 million and R\$16.3 million, respectively. Revenue from other products totaled R\$6.8 million, 8.7% lower than in 3Q14 due to lower market demand.

Consolidated Net Revenue (R\$ million)



Breakdown of Consolidated Net Revenue (3Q15)



(*) Other: metal bathroom fixtures, metal roofing panels, polyethylene water tanks and construction solutions, among others.

In 9M15, net revenue amounted to R\$734.1 million, up 2.7% from the same period in 2014. This performance was driven by exports, which totaled R\$151.5 million, increasing by 24.5% from 9M14, primarily due to the 38.0% appreciation of the U.S. dollar against the Brazilian real (comparison of average PTAX in the period). Domestic sales totaled R\$582.6 million, virtually stable (down 1.7%) compared to the same period in 2014.

Cost of Mining, Production and Goods Sold

Consolidated cost of goods sold totaled R\$144.7 million in 3Q15, down 6.6% from 3Q14 as a result of lower sales volume. Due to price repositioning and appreciation of the U.S. dollar against the Brazilian real, as from January 2015 gross margin reached 41%, up 3 percentage points from the year-ago period.

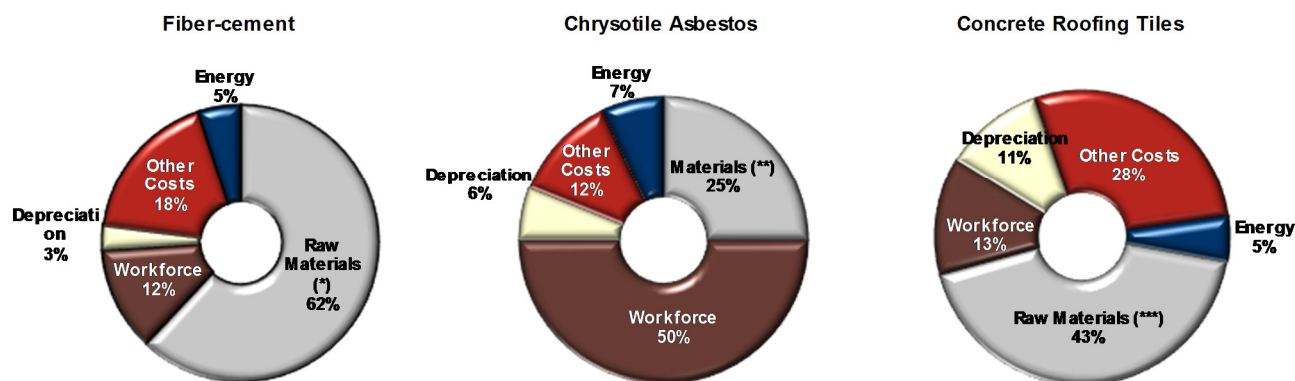
The main variations in mining and production costs are shown below:

Chrysotile mining: 28% increase due to decrease in the number working days to adjust the inventory level, higher costs of labor and materials (especially fuel) and higher electricity tariffs.

Fiber-cement: 12% increase due to the increase in the prices of raw materials (especially cement, chrysotile mineral and pulp), labor and electricity tariffs.

Concrete roofing tiles: 9% increase resulting from the increase in the prices of raw materials (especially sand, pigments and varnish) and electricity, in addition to low productivity levels.

Breakdown of Cost of Mining and Production (3Q15)



*Raw materials: cement (43%), chrysotile mineral (43%) and others (14%).

**Materials: fuel, explosives, packaging and others.

*** Raw materials: cement (52%), sand (31%) and others (17%).

In 9M15, consolidated cost of products sold totaled R\$446.5 million, virtually stable (up 1.7%) in relation to 9M14. Consequently, gross margin remained stable compared to 9M14, closing the period at 39%.

Operating Expenses

Total operating expenses in 3Q15 went down 1.4% from 3Q14, mainly due to the decrease in selling expenses on account of a decrease in sales volume.

In R\$ '000	3 rd Quarter			Accum. 9 Months		
	2015	2014	Chg. %	2015	2014	Chg. %
Selling expenses	(27,419)	(29,787)	(7.9)	(85,373)	(87,712)	(2.7)
General and administrative expenses	(30,414)	(31,365)	(3.0)	(87,523)	(91,169)	(4.0)
Other operating revenues (expenses), net	(1,977)	477	-	(713)	(164)	334.1
Total operating expenses	(59,810)	(60,675)	(1.4)	(173,609)	(179,045)	(3.0)
<i>Percentage of net revenue</i>	<i>24%</i>	<i>24%</i>	<i>-</i>	<i>24%</i>	<i>25%</i>	<i>- 1 p.p.</i>

In 9M15, operating expenses totaled R\$173.6 million, down 3.0% from 9M14, mainly due to the 4.0% decline in general and administrative expenses on account of the lower provision for profit sharing and the administrative and commercial restructuring at the subsidiary Tégula.

Equity Pickup

Equity pickup refers to the proportional gain or loss from the bathroom chinaware plant in the state of Ceará, the joint venture Companhia Sulamericana de Cerâmica. Due to the appreciation of the U.S. dollar in the period, equity pickup in 3Q15 was a negative R\$9.9 million, compared to a negative result of R\$2.3 million in 3Q14.

Net Financial Result

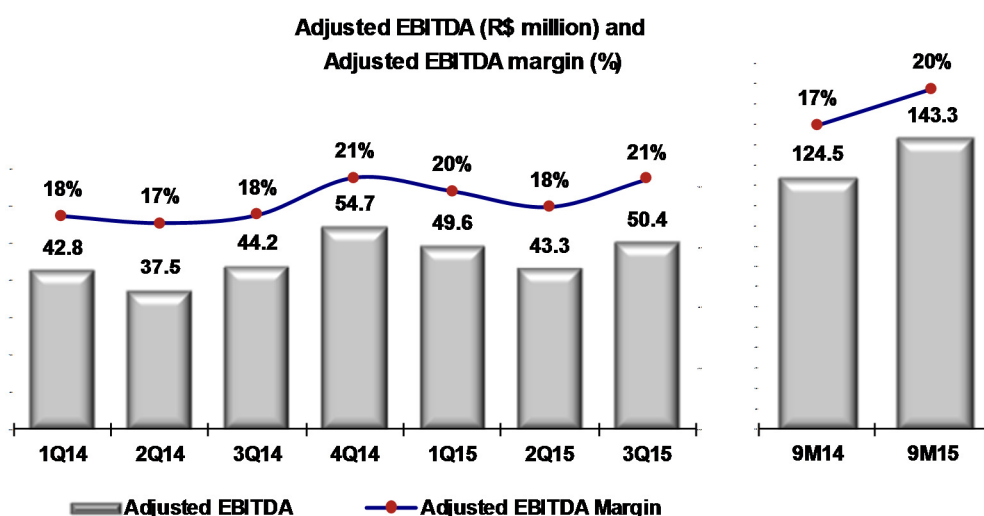
Net financial result in 3Q15 was an expense of R\$15.6 million, compared to an expense of R\$175,000 in 3Q14, mainly due to the effects of net foreign exchange loss on the Company's debt in foreign currency amounting to R\$11.3 million.

In R\$ '000	3 rd Quarter			Accum. 9 Months		
	2015	2014	Chg. %	2015	2014	Chg. %
Financial expenses	(84,912)	(13,347)	536.2	(128,511)	(36,779)	249.4
Financial income	69,288	13,172	426.0	109,763	38,615	184.2
Net financial result	(15,624)	(175)	8,824.9	(18,748)	1,836	-

In 9M15, net financial result was an expense of R\$18.7 million, compared to an income of R\$1.8 million in 2014, as mentioned earlier.

Adjusted EBITDA

Adjusted EBITDA totaled R\$50.4 million in 3Q15, 14.2% higher than in 3Q14, driven by the growth of 5.1% in gross profit and the decrease in operating expenses. As a result, adjusted EBITDA margin increased 3 percentage points from 3Q14 to end 3Q15 at 21%.



Adjusted EBITDA in 9M15 totaled R\$143.3 million, up 15.1%, with margin of 20%, an increase of 3 percentage points from 9M14, as mentioned above.

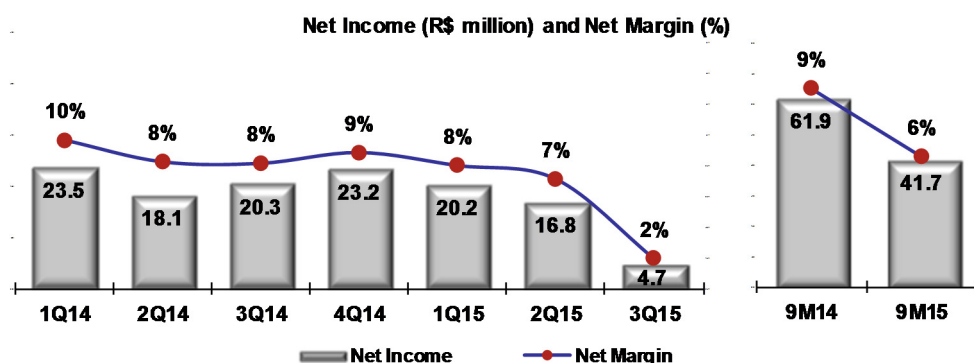
Reconciliation of consolidated EBITDA - (R\$'000)	3 rd Quarter			Accum. 9 Months		
	2015	2014	% Chg.	2015	2014	% Chg.
Net income	4,734	20,308	(76.7)	41,678	61,925	(32.7)
Income tax and social contributions	10,231	11,913	(14.1)	31,498	31,555	(0.2)
Net financial Income	15,624	175	8,824.9	18,748	(1,836)	-
Depreciation and amortization	10,006	9,468	5.7	29,349	27,936	5.1
EBITDA¹	40,595	41,864	(3.0)	121,273	119,581	1.4
Equity pickup	9,856	2,321	324.7	22,068	4,923	348.3
Adjusted EBITDA over equity pickup²	50,451	44,185	14.2	143,341	124,504	15.1

¹ With the operational startup of Companhia Sulamericana de Cerâmica (CSC), its results are included in consolidated EBITDA in accordance with the equity pickup method, in line with Instruction 527 of October 4, 2012, issued by the Securities and Exchange Commission of Brazil.

Adjusted EBITDA² is an indicator used by the Company's Management to analyze the operational and economic performance of its consolidated business, excluding equity pickup due to the fact that CSC is a joint venture and its information is not consolidated.

Net Income

Eternit registered net income of R\$4.7 million in 3Q15, 76.7% lower than in 3Q14. Net margin decreased 6 percentage points to end the quarter at 2%, mainly due to negative equity pickup and net foreign exchange loss, as described above.



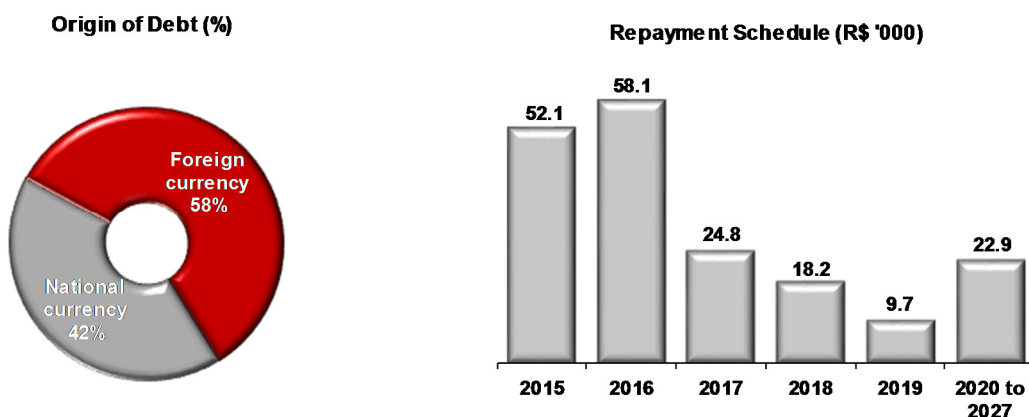
In 9M15, net income amounted to R\$41.7 million, with net margin of 6%, compared to R\$61.9 million and 9%, respectively, in 9M14.

Debt

The Company ended 3Q15 with net debt of R\$160.2 million, equivalent to 0.81 times the adjusted EBITDA for the last 12 months. In 2015, the gross debt of Eternit and its subsidiaries totaled R\$185.8 million, mainly due to: (i) the advances on export contracts (ACE), as well as the bank letters of credit (CCB) and export credit notes (NCE) contracted to meet working capital requirements; and (ii) financing for the acquisition of machinery and equipment.

Cash, cash equivalents and short-term investments totaled R\$25.6 million, with investments remunerated at an average rate corresponding to 101% of the variation in the interbank rate (CDI).

DEBT - R\$ '000	Parent Company		Consolidated	
	09/30/15	12/31/14	09/30/15	12/31/14
Short-term gross debt	5,528	3,066	107,375	88,946
Long-term gross debt	15,487	5,129	78,384	38,978
Cash and cash equivalents	(1,482)	(5,711)	(4,866)	(13,367)
Short-term investments (same cash equivalents)	(7,484)	(15,726)	(20,702)	(35,023)
Net debt	12,049	(13,242)	160,191	79,534
EBITDA (last 12 months)	81,096	97,355	167,193	165,500
Net debt / EBITDA x	0.15	(0.14)	0.96	0.48
Adjusted EBITDA over equity pickup (last 12 months)	28,281	33,581	198,015	179,176
Net debt / Adjusted EBITDA x	0.43	(0.39)	0.81	0.44
Net debt / Equity	2.3%	-	30.7%	15.4%

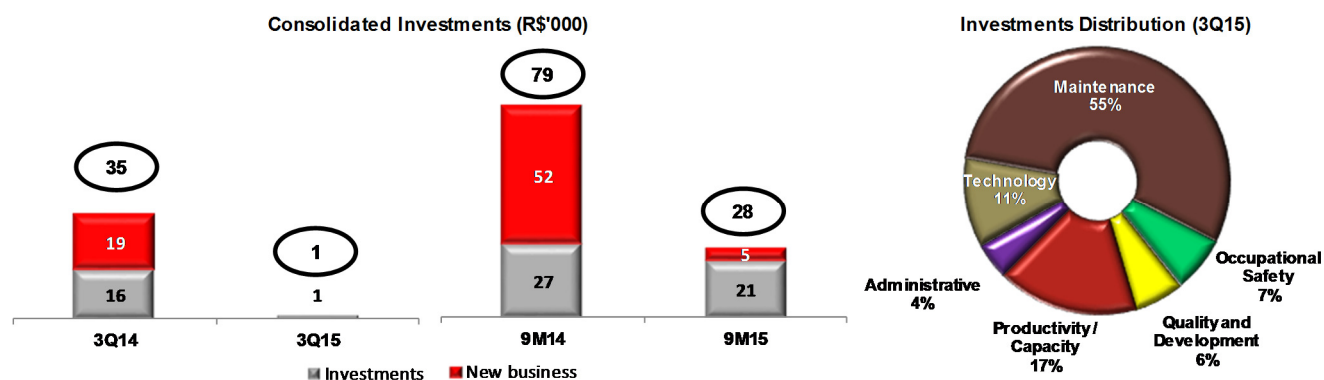


In 3Q15 the debt in foreign currency was 86% naturally hedged by accounts receivable from chrysotile exports.

Investments

Investments made by Eternit and its subsidiaries in 3Q15 totaled R\$1.5 million, and were allocated to the maintenance and modernization of the Group's industrial facilities.

In line with the Company's strategy to consolidate the investments which had been made in recent years, investments in 9M15 totaled R\$28.5 million, down 64.0% from 9M14.



Capital markets

Eternit has been listed on the stock exchange since 1948 and since 2006 its stock has been traded on the Novo Mercado, the highest level of corporate governance of the São Paulo Securities, Commodities and Futures Exchange (BM&FBovespa), under the stock ticker ETER3.

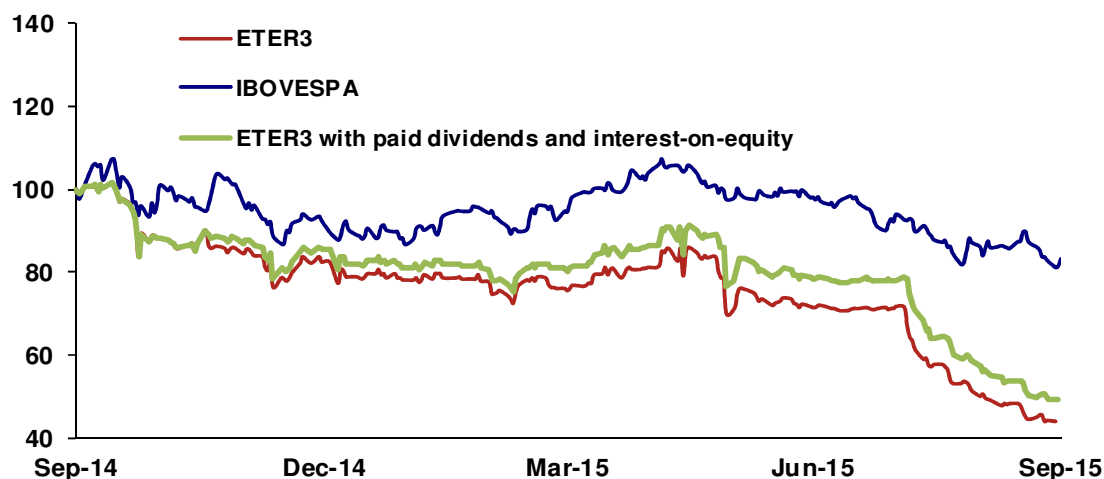
With fragmented ownership and no shareholders' agreement or controlling group, the Company's shareholder base had a high concentration of individual investors, who accounted for 69.4% of the shareholder base on September 30, 2015, while foreign investors accounted for 8.4% and legal entities, clubs, investment funds and foundations accounted for 22.2%.

Eternit stock (ETER3) was quoted at R\$1.74 in September 2015, depreciating 55.8% when compared to September 2014. In the same period, the benchmark Bovespa Index (IBOVESPA) closed at 45,059 points, losing 16.7%. On September 30, 2015, Eternit's market capitalization stood at R\$311.5 million.

Capital Markets					
ETERNIT (ETER3)	3Q14	4Q14	1Q15	2Q15	3Q15
Closing Price (R\$/Share) - Without dividends*	3.94	3.25	2.98	2.82	1.74
Average Volume Traded (Shares)	122,972	139,600	127,643	217,902	169,462
Average Volume Traded (R\$)	513,042	492,597	390,795	655,679	380,391
ETER3 - Quarterly Profitability (%)	-	-17.5	-8.3	-5.4	-38.3
ETER3 - 12 Months Profitability (%)	-	-25.6	-28.6	-33.6	-55.8
IBOVESPA - Quarterly Profitability (%)	-	-7.6	2.3	3.8	-15.1
IBOVESPA - 12 Months Profitability (%)	-	-2.9	1.5	-0.2	-16.7
Market Capitalization (R\$ Million)	705.3	581.8	533.4	504.8	311.5

* Closing prices adjusted after the stock split approved on 09/24/14.

Performance of ETER3 Share vs. Ibovespa Index (Basis: 100) - R\$/ShareCapital



Source: *Economática*

Dividends and Interest on Equity

In 2015, Eternit's dividend yield¹ is already 9.0%, and earnings paid to shareholders totaled R\$52.6 million. Eternit's dividends and interest on equity have historically been paid on a quarterly basis. In view of this practice, individual investors account for a major share of Eternit's shareholder base.

¹ *Dividend yield* = It is obtained by dividing the earnings (dividends + interest on equity) per share distributed during the fiscal year (payment base date) by the previous year's closing stock price.

Dividends Distribution (2014 to 2015)					
Approval Date	Type	Payment Start Date	Total Value R\$ 000	Value per Share (R\$)	
2014					
12/11/13 (*)	BDM	04/02/14	5,458	0.0305	
03/12/13 (*)	BDM	04/02/14	12,436	0.0695	
05/07/14	BDM	05/28/14	5,994	0.0335	
05/07/14	BDM	05/28/14	11,900	0.0665	
08/06/14	BDM	08/27/14	5,995	0.0335	
08/06/14	BDM	08/27/14	11,899	0.0665	
11/05/14	BDM	11/27/14	5,995	0.0335	
11/05/14	BDM	11/27/14	11,900	0.0665	
Total			71,576	0.4000	
Closing Price		-	-	4.37	
Dividend Yield		-	-	9.2%	
2015					
12/19/14 (*)	BDM	03/31/15	5,905	0.0330	
03/11/15 (*)	BDM	03/31/15	11,989	0.0670	
05/13/15	BDM	06/03/15	6,621	0.0370	
05/13/15	BDM	06/03/15	11,273	0.0630	
08/05/15	BDM	08/18/15	7,336	0.0410	
08/05/15 (**)	BDM	08/18/15	1,610	0.0090	
11/04/15	BDM	11/17/15	7,873	0.0440	
Total			52,608	0.2940	
Closing Price		-	-	3.25	
Dividend Yield		-	-	9.0%	

(*) Recording in the accounts for the preceding fiscal year.

(**) Recording in the accounts for the next quarter.

PS: Value per Share and Closing Prices adjusted, from 2013 to september, 2014, after the stock split of 1:2 shares approved on 09/24/14.

Social, Environmental and Corporate Responsibility

Open Doors Program

To contribute to a better understanding by society of the extraction and processing of chrysotile asbestos, the manufacturing of fiber-cement products in a sustainable manner and the health and safety practices adopted, Eternit created its Open Doors Program in November 2004. The program entails visits by the public to the Group's five fiber-cement units located in Anápolis (Goiás), Colombo (Paraná), Goiânia (Goiás), Rio de Janeiro (Rio de Janeiro), and Simões Filho (Bahia), as well as to SAMA, the mining company located in Minaçu in the north of Goiás. Since its launch, the program, which is considered one of the largest in the market, has already received over 70,000 visitors.

To schedule a visit, please check the location of the unit closest to you and send an e-mail to the addresses on the Eternit website (<http://www.eternit.com.br/sobre-a-eternit/portas-abertas>).

Legal issues involving chrysotile mineral

The Company clarifies that the extraction, processing, use, sale and transport of chrysotile asbestos and products containing the mineral are regulated by Federal Law 9,055/95, Decree 2,350/97 and the Rules of the Ministry of Labor and Employment.

State Law 10,813/2001 of São Paulo and State Law 2210/2001 of Mato Grosso do Sul, which prohibited the importation, extraction, processing, sale and installation of products or materials containing any sort of asbestos, in any form, were both, through Direct Actions of Unconstitutionality (ADI) No. 2656 and No. 2396, adjudicated and declared unconstitutional by the Federal Supreme Court (STF), based on the fact that they violated the jurisdiction of the federal government.

Current State Laws 12,684/2007 of São Paulo, 3,579/2004 of Rio de Janeiro, 11,643/2001 of Rio Grande do Sul and 12,589/2004 of Pernambuco that restrict the use of asbestos in their jurisdiction are currently the subject matter of the ADIs filed by the National Confederation of Industrial Workers (CNTI) at the Federal Supreme Court (STF).

On April 2, 2008, the National Association of Labor Court Judges (ANAMATRA) and the National Association of Labor Prosecutors (ANPT) filed ADI no. 4,066 questioning the constitutionality of Article 2 of Federal Law 9,055 of 1995.

On December 30, 2013, State Law 21,114/13 was sanctioned, whose Article 1 prohibits the importation, transportation, storage, manufacturing, sale and use of products containing asbestos in the state of Minas Gerais, providing for a period of 8 to 10 years for full compliance with said Article 1. Therefore, compliance with this provision will be required as of 2021 and 2023, respectively.

The State Government of Mato Grosso regulated Law 9,583/11 through Decree no. 68/15, published on April 16, 2015, which prohibits the use of products, materials or artifacts that contain any type of asbestos in the state.

More information is available at the Company's [IR website](#).

Recognition

The numerous awards received over the past seven decades since its foundation are proof that the Company is serious about what it does for all its stakeholders. Following are the awards won by the Company during the third quarter of 2015:

2015 ANAMACO Award – Eternit was awarded by the National Association of Construction Material Merchants (ANAMACO) in the following categories: a) Master award - fiber-cement roofing panels; b) Coverage and Large clients - 2nd place - fiber-cement roofing panels (without asbestos).

Great Place To Work GPTW 2015 – Época Magazine – SAMA was elected the best company to work for in Brazil in the mid-sized Brazilian companies category, notably in the "Celebrate" management practice.

Events Subsequent to the Reporting Period

Eternit was elected one of the **150 Best Companies to Work For**, in October 2015, for the 4th consecutive time by the 2015 Guide of the *Você S/A* magazine. SAMA S.A. Minerações Associadas, a subsidiary of Eternit, was also recognized for the 8th straight year, ranking first in the mining segment.

This award is recognition of the Company's constant pursuit of excellence in corporate governance, with the focus on employee development, good management practices and maintenance of a safe and pleasant work environment.

Outlook

Brazil's GDP estimate for 2015 is a 3.1% contraction (Focus market readout of 10/30/15) and includes the prospect weaker economic activity in Brazil, emphasizing that the intensification of this process depends, among other factors, on improved consumer and business confidence. In this scenario, projected GDP for the construction industry is -7.8%, according to BACEN (inflation report of September 2015).

Housing deficit in Brazil, estimated by the João Pinheiro Foundation at 5.4 million units (2011-2012 results), is formed by families that are burdened by excessively high rents and by cohabitation of families, which represents over 75% of the country's housing shortage, followed by precarious living conditions and excessive density in rented houses. Although the "My Home, My Life" program reduced housing deficit, according to a study by the Fundação Getúlio Vargas (FGV) in 2014, estimates indicate that in 2024, considering population growth, Brazil will have approximately 16.4 million new households, of which 10 million will have household income of up to three minimum wages.

Job creation, better income distribution, increased financing, higher investments in infrastructure and in the housing units to be built under the "My Home, My Life" housing program will help reduce the housing problem, which will have a positive impact on the Company's business as there will be greater demand for the products in our portfolio primarily targeted at self-managed construction projects.

For the construction materials sector, ABRAMAT's forecast points to a contraction of 9.0% in 2015 compared to 2014, due to higher unemployment levels and lower income distribution, among other factors. According to ABRAMAT, economic adjustments need to be concluded swiftly to restore the market's confidence and for Brazil to resume growth.

Eternit believes it is important to take into consideration the following challenges facing the country and the Company's industry: competitive conditions of Brazil's industrial sector in light of infrastructure bottlenecks, tax

aspects and appreciation of the U.S. dollar, maintenance of job and income levels, sustainable economic policies, and increase in consumer and business confidence.

Management is aware of the impacts and changes that may occur due to the current economic scenario in Brazil and the industry in which the Company operates, and has adopted a series of initiatives focused on the sustainability of its business.

Regardless of the challenges mentioned above, the Company believes in the resumption of growth of the Brazilian economy and, especially, of its sector.

Conference Call / Webcast (in Portuguese with simultaneous translation into English)

The Executive Board of **Eternit** invites you all to participate in the announcement of its results for the third quarter of 2015.

Presentation: Rodrigo Lopes da Luz - Chief Financial Officer and Investor Relations

Date: Friday, November 6, 2015

Time: 2:00 p.m. - Brasília - 11:00 a.m. - New York - 4:00 p.m. - London

The presentation, which is accompanied by slides, can be viewed online by registering at <http://www.ccall.com.br/eternit/3q15.htm> or Eternit's investor relations website: www.eternit.com.br/ir

To listen to the presentation by phone, dial **(55-11) 3193-1001 or 2820-4001** in Brazil and **(1 786) 924 6977** in other countries – Password for participants: **Eternit**

Playback: A recording of the call will be available from **November 6, 2015 to November 12, 2015**

Dial-in: **(55-11) 3193-1012 or 2820-4012** - Password for participants: **2689050#**

Public Meeting with Shareholders, Investors and Analysts – APIMEC–SUL

Presentation: Rodrigo Lopes da Luz - Chief Financial Officer and Investor Relations

Date: Tuesday, November 17, 2015

Time: 6:00 p.m. – Registration

6:30 p.m. – Start of presentation (cocktails will be served after the presentation)

Place: Hotel Embaixador - Rua Jerônimo Coelho, 354 - Centro Histórico - Porto Alegre (RS) - CEP: 90010-240

RSVP: APIMEC-SUL - Phone: (51) 3224-3121/ (51) 3224-6580 or by email: eventos@apimecsul.com.br

Public Meeting with Shareholders, Investors and Analysts – APIMEC–RIO

Presentation: Rodrigo Lopes da Luz - Chief Financial Officer and Investor Relations


Date: Thursday, November 26, 2015

Time: 6:00 p.m. – Registration

6:30 p.m. – Start of presentation (cocktails will be served after the presentation)

Place: Head Office of APIMEC-RIO - Av. Rio Branco, 103, 21º andar – Centro - CEP: 20040-004

RSVP: APIMEC-RIO - Phone: +55 (21) 2509-9596 or by email: eventos@apimecrio.com.br

		
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A free translation from Portuguese into English of Individual and Consolidated Interim Financial Information prepared in accordance with accounting practices adopted in Brazil - Accounting Pronouncement CPC 21 (R1) and with IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) and specific CVM rules

Eternit S.A.

Balance sheets
September 30, 2015 and December 31, 2014
(In thousands of reais)

	Note	Company		Consolidated	
		09/30/2015	12/31/2014	09/30/2015	12/31/2014
Assets					
Current assets					
Cash and cash equivalents	4	1,482	5,711	4,866	13,367
Short-term investments	5	7,484	15,726	20,702	35,023
Accounts receivable	6	78,568	71,327	202,632	175,933
Inventories	7	103,316	69,395	184,589	148,093
Taxes recoverable	8	6,937	6,035	15,216	10,373
Related parties	10	36,827	27,196	3,139	2,427
Other current assets		4,768	4,971	15,858	9,682
		239,382	200,361	447,002	394,898
Assets held for sale		-	553	-	553
		-	553	-	553
Total current assets		239,382	200,914	447,002	395,451
Noncurrent assets					
Judicial deposits		11,879	8,703	19,001	15,307
Taxes recoverable	8	23,688	22,915	24,390	24,456
Deferred income and social contribution taxes	20.b	31,012	24,750	63,601	53,299
Related parties	10	25,365	29,297	13,596	726
Investments	9	246,076	256,080	12,269	34,338
Property, plant and equipment	11	153,140	145,659	355,192	341,684
Intangible assets	12	5,667	6,437	30,392	30,622
Other noncurrent assets		339	339	1,870	1,981
Total noncurrent assets		497,166	494,180	520,311	502,413
Total assets		736,548	695,094	967,313	897,864

	Note	Company		Consolidated	
		09/30/2015	12/31/2014	09/30/2015	12/31/2014
Liabilities and equity					
Current liabilities					
Trade accounts payable	13	22,128	22,858	41,152	42,151
Related parties	10	21,108	7,672	-	-
Loans and financing	14	5,528	3,066	107,375	88,946
Provision and social charges	15	19,232	12,738	35,661	28,657
Dividends and interest on equity payable	18.e	7,362	17,897	7,362	17,897
Provision for future benefits to former employees	17.b	2,511	2,511	3,677	3,677
Taxes, charges and contributions payable	16	13,101	11,866	26,617	29,181
Other current liabilities		4,139	3,060	15,462	10,743
Total current liabilities		95,109	81,668	237,306	221,252
Noncurrent liabilities					
Provision for future benefits to former employees	17.b	28,794	27,730	43,315	41,654
Loans and financing	14	15,487	5,129	78,384	38,978
Related parties	10	39,707	31,763	-	-
Provision for tax, civil and labor claims	21	25,612	26,226	61,496	59,549
Taxes, charges and contributions payable	16	9,965	7,787	13,390	10,605
Environmental restoration of degraded mining areas	30	-	-	11,528	10,718
Other noncurrent liabilities		-	-	2	300
Total noncurrent liabilities		119,565	98,635	208,115	161,804
Equity					
Capital	18.a	334,251	334,251	334,251	334,251
Capital reserve		19,460	19,460	19,460	19,460
Treasury shares		(174)	(174)	(174)	(174)
Income reserves		168,865	168,745	168,865	168,745
Retained earnings		6,963	-	6,963	-
Other comprehensive income		(7,491)	(7,491)	(7,491)	(7,491)
Equity attributable to controlling interests		521,874	514,791	521,874	514,791
Non-controlling interests		-	-	18	17
Total equity		521,874	514,791	521,892	514,808
Total liabilities and equity		736,548	695,094	967,313	897,864

See accompanying notes.

Eternit S.A.

Income statements

Three and Nine-month periods ended September 30, 2015 and 2014

(In thousands of reais - R\$, except earnings per share)

	Note	Company				Consolidated			
		3Q15	3Q14	09/30/2015	09/30/2014	3Q15	3Q14	09/30/2015	09/30/2014
Net operating revenue	22	128,295	134,457	379,628	366,898	244,986	250,270	734,127	714,590
Cost of sales	23	(95,613)	(97,794)	(285,931)	(269,976)	(144,731)	(154,878)	(446,526)	(438,978)
Gross profit		32,682	36,663	93,697	96,922	100,255	95,392	287,601	275,612
Operating income (expenses)									
Selling expenses	23	(14,179)	(15,070)	(42,539)	(44,468)	(27,419)	(29,787)	(85,373)	(87,712)
General and administrative expenses	23	(14,381)	(10,220)	(38,014)	(32,470)	(27,663)	(28,225)	(79,190)	(83,253)
Management compensation	23	(1,297)	(3,206)	(4,894)	(6,366)	(2,751)	(3,140)	(8,333)	(7,916)
Other operating income (expenses), net	24	(600)	735	(1,130)	(223)	(1,977)	477	(713)	(164)
Equity pickup	9	4,538	13,590	36,971	47,930	(9,856)	(2,321)	(22,068)	(4,923)
Total operating income (expenses)		(25,919)	(14,171)	(49,606)	(35,597)	(69,666)	(62,996)	(195,677)	(183,968)
Financial expenses	25	(17,898)	(4,229)	(26,594)	(14,290)	(84,912)	(13,347)	(128,511)	(36,779)
Financial income	25	12,375	3,708	17,918	15,683	69,288	13,172	109,763	38,615
Financial income (expenses), net		(5,523)	(521)	(8,676)	1,393	(15,624)	(175)	(18,748)	1,836
Income before income and social contribution taxes		1,240	21,971	35,415	62,718	14,965	32,221	73,176	93,480
Income and social contributions taxes									
Current	20	-	(47)	-	(47)	(14,645)	(11,046)	(41,799)	(30,356)
Deferred	20	3,493	(1,616)	6,262	(746)	4,414	(867)	10,301	(1,199)
Net income for the period		4,733	20,308	41,677	61,925	4,734	20,308	41,678	61,925
Attributable to:									
Non-Minority shareholders		4,733	20,308	41,677	61,925	4,733	20,308	41,677	61,925
Minority shareholders		-	-	-	-	1	-	1	-
Net income for the period		4,733	20,308	41,677	61,925	4,734	20,308	41,678	61,925
Earnings per share basic and diluted (in R\$)	18.c	0.03	0.11	0.23	0.35	0.03	0.11	0.23	0.35

See accompanying notes.

Eternit S.A.

Statements of comprehensive income
 Three and Nine-month periods ended September 30, 2015 and 2014
 (In thousands of reais)

	Company				Consolidated			
	3Q15	3Q14	09/30/2015	09/30/2014	3Q15	3Q14	09/30/2015	09/30/2014
Net income for the period	4,733	20,308	41,677	61,925	4,734	20,308	41,678	61,925
Other comprehensive income	-	-	-	-	-	-	-	-
Comprehensive income for the period	4,733	20,308	41,677	61,925	4,734	20,308	41,678	61,925
Attributable to:								
Non-minority shareholders	4,733	20,308	41,677	61,925	4,733	20,308	41,677	61,925
Minority shareholders	-	-	-	-	1	-	1	-

See accompanying notes.

Eternit S.A.

Statements of changes in equity
 Three and Nine-month periods ended September 30, 2015 and 2014
 (In thousands of reais)

	Note	Capital reserve			Income reserve			Retained earnings	Other comprehensive income	Total Company	Minority shareholders	Total equity	
		Capital	Investment grants	Goodwill on share acquisition	Treasury stock	Statutory	Legal						Retained profit
Balance at January 1, 2014		334,251	19,649	23	(174)	26,990	30,630	98,187	-	(3,443)	506,113	16	506,129
Net income for the period		-	-	-	-	-	-	61,925	-	61,925	0	61,925	
Allocation of net income:													
Interest on equity - R\$0.102 per outstanding share		-	-	-	-	-	-	(17,984)	-	(17,984)	-	(17,984)	
Dividends – R\$0.201 per outstanding share		-	-	-	-	-	-	(35,698)	-	(35,698)	-	(35,698)	
Balances at September 30, 2014		334,251	19,649	23	(174)	26,990	30,630	98,187	8,243	(3,443)	514,356	16	514,372
Balance at January 1, 2015		334,251	19,437	23	(174)	31,251	34,891	102,603	-	(7,491)	514,791	17	514,808
Dividends/IOE expired		-	-	-	-	-	-	120	-	120	-	120	
Net income for the period		-	-	-	-	-	-	41,677	-	41,677	1	41,678	
Allocation of net income:													
Interest on equity - R\$0.122 per outstanding share	18	-	-	-	-	-	-	(21,831)	-	(21,831)	-	(21,831)	
Dividends – R\$0.072 per outstanding share	18	-	-	-	-	-	-	(12,883)	-	(12,883)	-	(12,883)	
Balances at September 30, 2015		334,251	19,437	23	(174)	31,251	34,891	102,723	6,963	(7,491)	521,874	18	521,892

See accompanying notes.

Eternit S.A.

Statements of cash flows

Three and Nine-month periods ended September 30, 2015 and 2014

(In thousands of reais)

	Note	Company		Consolidated	
		09/30/2015	09/30/2014	09/30/2015	09/30/2014
Cash flows from operating activities					
Income before income and social contribution taxes		35,415	62,718	73,176	93,480
Adjustments to reconcile pre-tax income to net cash generated by operating activities:					
Equity pickup	9	(36,971)	(47,930)	22,068	4,923
Depreciation and amortization	11/12	9,745	8,771	29,349	27,936
Gain (loss) on disposal of permanent assets	24	(98)	(130)	(126)	(265)
Allowance for doubtful accounts on accounts receivable	6	1,084	446	1,712	1,038
Provision for tax, civil and labor risks	21	747	2,077	3,308	4,729
Provision for sundry losses		599	564	1,839	1,410
Financial charges, monetary and exchange variations		5,770	1,077	7,653	1,359
Short-term investment yield		(878)	(1,559)	(2,702)	(3,570)
Net changes in prepaid expenses		2,886	1,206	3,950	1,345
		18,299	27,240	140,227	132,385
(Increase) decrease in operating assets:					
Trade accounts receivable	6	(8,325)	(17,231)	(19,326)	(24,001)
Related party receivables	10 a.	(4,974)	680	(712)	493
Inventories	7	(33,504)	2,173	(36,078)	(10,920)
Taxes recoverable		(991)	11,531	(4,091)	10,709
Judicial deposits		(3,694)	(911)	(4,212)	(813)
Dividends and interest on equity received		71,093	57,252	-	-
Other assets		(2,660)	(2,662)	(10,577)	(4,055)
Increase (decrease) in operating liabilities:					
Trade accounts payable	13	(730)	(1,104)	(999)	(557)
Related party payables	10	13,436	1,950	-	-
Taxes, charges and contributions payable		886	3,125	2,641	3,256
Provisions and social charges	15	6,494	3,594	7,004	5,537
Other liabilities		605	(597)	3,824	1,391
Interest paid		(314)	(471)	(4,266)	(1,058)
Income and social contribution taxes paid		-	-	(46,756)	(32,545)
Net cash generated by operating activities		55,621	84,569	26,679	79,822
Cash flows from investing activities					
Loan from related-party receivable	10	3,932	(8,700)	(12,870)	(2,176)
Cash receipt from the sale of property, plant and equipment	24	782	241	873	398
Additions to property, plant and equipment and intangible assets	11/12	(16,100)	(17,689)	(28,466)	(78,980)
Addition to exchange gains (losses) converted into capital	11	-	-	(13,902)	-
Capital contribution in subsidiaries	9	(29,522)	(16,498)	-	-
Short-term investments		(49,800)	(85,000)	(187,936)	(226,153)
Redemption of short-term investments		58,920	84,427	204,959	228,859
Net cash used in investing activities		(31,788)	(43,219)	(37,342)	(78,052)
Cash flows from financing activities					
Loans and financing raised	14	12,506	7,085	242,441	186,994
Repayment of loans and financing	14	(3,232)	(5,346)	(198,055)	(144,557)
Loan with related party	10	4,888	(340)	-	-
Payment of dividends and interest on equity		(42,224)	(51,912)	(42,224)	(51,912)
Net cash provided by (used in) financing activities		(28,062)	(50,513)	2,162	(9,475)
(Decrease) in cash and cash equivalents					
		(4,229)	(9,163)	(8,501)	(7,705)
(Decrease) in cash and cash equivalents					
At beginning of period	4	5,711	9,516	13,367	13,295
At end of period	4	1,482	353	4,866	5,590
(Decrease) in cash and cash equivalents		(4,229)	(9,163)	(8,501)	(7,705)

See accompanying notes.

Eternit S.A.

Statements of value added
 Nine-month period ended September 30, 2015 and 2014
 (In thousands of reais)

	Note	Company		Consolidated	
		09/30/2015	09/30/2014	09/30/2015	09/30/2014
Revenues					
Sales of goods, products and services	22	508,186	496,474	923,655	909,225
Other income		98	20	37,304	38,469
Allowance for doubtful accounts on accounts receivable		(1,084)	(445)	(1,693)	(1,015)
Total		507,200	496,049	959,266	946,679
Inputs acquired from third parties					
Cost of goods, merchandise and services sold		(240,489)	(232,735)	(406,317)	(402,265)
Materials, energy, third-party services and others		(97,446)	(86,969)	(155,181)	(144,634)
Loss/recovery of asset value		(5,096)	(5,195)	(5,672)	(5,203)
Other discounts, rebates and donations		(2,205)	(3,523)	(3,852)	(6,448)
		(345,236)	(328,422)	(571,022)	(558,550)
Gross value added		161,964	167,627	388,244	388,129
Depreciation, amortization and depletion	11/12	(9,745)	(8,771)	(29,349)	(27,936)
Net value added generated by the Company		152,219	158,856	358,895	360,193
Value added received in transfer					
Equity pickup	9	36,971	47,930	(22,068)	(4,923)
Financial income	25	17,918	15,683	109,763	38,616
Other		3,492	6,881	7,563	7,011
		58,381	70,494	95,258	40,704
Total value added to be distributed		210,600	229,350	454,153	400,897
Personnel:					
Direct compensation		53,662	48,733	98,443	98,066
Benefits		20,225	17,973	37,602	37,578
Unemployment Compensation Fund (FGTS)		4,297	4,110	8,760	8,105
		78,184	70,816	144,805	143,749
Taxes, charges and contributions					
Federal		43,146	51,273	87,588	95,965
State		15,456	25,414	34,086	44,349
Local		1,433	938	2,692	1,521
		60,035	77,625	124,366	141,835
Debt remuneration					
Interest		25,570	14,290	127,336	36,779
Lease		5,134	4,694	15,969	16,609
		30,704	18,984	143,305	53,388
Equity remuneration:					
Dividends	18	12,883	35,699	12,883	35,699
Interest on equity (IOE)	18	21,831	17,984	21,831	17,984
Retained profits	18	6,963	8,242	6,963	8,242
		41,677	61,925	41,677	61,925
Total		210,600	229,350	454,153	400,897

See accompanying notes.

Eternit S.A.

Notes to individual and consolidated interim financial information
September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

1. Operations

Eternit S.A. (“Company”, or “Eternit”), headquartered at Rua Dr. Fernandes Coelho, 85 - 8º andar, in the city of São Paulo, São Paulo state, Brazil, is a publicly-held company, with no controlling shareholder, registered in the São Paulo State Stock Exchange - BM&FBOVESPA, on the stock market segment denominated “Novo Mercado”, under ticker ETER3. Its shareholders are individuals, legal entities, investment clubs, investment funds and foundations (see Note 18).

The business purpose of the Company and its subsidiaries (“Group”) is the production and sale of fiber cement, cement, concrete, plaster and plastic products, as well as other construction materials and related accessories. The Company currently comprises 14 manufacturing units in Brazil, with branches in major Brazilian cities.

The Group is structured as follows:

Company	% - Ownership interest	Voting capital (%)	Headquarters location	Main activity
SAMA S.A.	99.99%	99.99%	Minaçu/GO	Exploration and processing of chrysotile mineral.
Tégula Soluções para Telhados Ltda.	99.99%	99.99%	Atibaia/SP	Manufacturing and sale of concrete roofing and roofing accessories.
Precon Goiás Industrial Ltda.	99.99%	99.99%	Anápolis/GO	Manufacturing and sale of fiber cement products.
Prel Empreendimentos e Participações Ltda.	99.99%	99.99%	São Paulo/SP	Shareholding interest in industrial and commercial companies.
Engedis Distribuição Ltda.	99.94%	99.94%	Minaçu/GO	No economic activity.
Wagner Ltda.	99.84%	99.84%	São Paulo/SP	No economic activity.
Wagner da Amazônia Ltda.	99.99%	99.99%	São Paulo/SP	No economic activity.
Eternit da Amazônia Indústria de Fibrocimento Ltda.	99.99%	99.99%	Manaus/AM	Research, development and production of construction material inputs.
Companhia Sulamericana de Cerâmica S.A.	60.00%	60.00%	Caucaia/CE	Import, production, sale, export and distribution of sanitary wares and related accessories in general.

The main products manufactured and/or sold by the Group, as well as information correlated to segment reporting are described in Note 26.

Eternit S.A.

Notes to individual and consolidated interim financial information

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

1. Operations (Continued)

Significant operational events

The Company clarifies that the mining, processing, use, sale and transport of chrysotile asbestos and products containing the mineral are regulated by Federal Law 9055/95, Decree 2350/97 and the Regulatory Rules of the Ministry of Labor and Employment.

State Law 10813/2001 in the state of São Paulo and State Law 2210/2001 in the state of Mato Grosso do Sul, which prohibited the importation, extraction, processing, sale and installation of products or materials containing any sort of asbestos, in any form, were both, through Direct Actions of Unconstitutionality (ADI) No. 2656 and No. 2396, respectively adjudicated and declared unconstitutional by the Federal Supreme Court (STF), based on the fact that they violated the jurisdiction of the federal government.

Current State Laws 12684/2007 in São Paulo, 3579/2004 in Rio de Janeiro, 11643/2001 in Rio Grande do Sul and 12589/2007 in Pernambuco that restrict the use of asbestos in their jurisdiction are currently the subject-matter of the ADIs filed by the National Confederation of Industrial Workers (CNTI) at the Federal Supreme Court (STF).

On April 2, 2008, the National Association of Labor Court Judges (ANAMATRA) and the National Association of Labor Prosecutors (ANPT) filed ADI No. 4066 questioning the constitutionality of Article 2 of Federal Law 9055 of 1995.

On October 31, 2012, the STF started the judgment of the merits of ADI No. 3357 in relation to State Law 11643/2001, of the state of Rio Grande do Sul, and ADI No. 3937 in relation to State Law 12684/2007, of the state of São Paulo. The session was suspended after reporting Judge Ayres Britto voted for the constitutionality of the laws and Judge Marco Aurelio voted for the unconstitutionality of the laws. The matter is pending a decision, with no specific date to enter the STF agenda for a final judgment.

On December 30, 2013, State Law 21114/13 was sanctioned, whose Article 1 prohibits the importation, transportation, storage, manufacturing, sale and use of products containing asbestos in the state of Minas Gerais, providing for a period of 8 to 10 years for full compliance with said Article 1. Therefore, compliance with this provision will be required as of 2021 and 2023, respectively.

The government of Mato Grosso state regulated Law 9583/11 through Decree No. 68/15 published on April 16, 2015, which prohibits the use of products, materials or goods containing any type of asbestos.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)
September 30, 2015
(In thousands of reais - R\$, except when indicated otherwise)

1. Operations (Continued)

Approval of Interim financial information

The presentation of the interim financial information was stated to the Company's Supervisory Board on November 3, 2015 and approved by the Company's Board of Directors on November 4, 2015, to be published on November 5, 2015.

2. Basis of preparation and significant accounting practices

2.1. Statement of compliance and basis of preparation

The Company's interim financial information contained in the Quarterly Information Form (ITR) for the quarter ended September 30, 2015, comprises the individual and consolidated interim financial information prepared in accordance with Accounting Pronouncement CPC 21 (R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and presented in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR).

The individual interim financial information presents measurement of investments in subsidiaries and joint ventures by the equity method, in accordance with ruling Brazilian legislation.

The interim financial information was prepared based on the historical cost, except for certain financial instruments measured at their fair values, as described in the following accounting practices. The historical cost is usually based on the fair value of consideration paid in exchange for assets.

The main accounting practices applied in the preparation of this individual and consolidated interim financial information are disclosed in Note 2 to the Company's annual financial statements for the year ended December 31, 2014, disclosed on March 12, 2015. These practices were consistently applied with those used in the prior reporting period and used for both the Company and subsidiaries. Where necessary, the subsidiaries' individual interim financial information is adjusted to meet this criterion.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)
September 30, 2015
(In thousands of reais - R\$, except when indicated otherwise)

2. Summary of significant accounting practices (Continued)

2.2. Basis of consolidation and investments in subsidiaries

The consolidated interim financial information includes interim financial information of the Company and its wholly-owned subsidiaries.

The main accounting practices applied in the preparation of this individual and consolidated interim financial information are disclosed in Note 2 to the Company's annual financial statements for the year ended December 31, 2014, disclosed on March 12, 2015. These practices were consistently applied with those used in the prior reporting period and used for both the Company and subsidiaries. Where necessary, the subsidiaries' individual interim financial information is adjusted to meet this criterion.

2.3. Standards, amendments and interpretation of standards

Management also considered the impact of new standards, interpretations and amendments that are in force but not yet effective. Unless otherwise stated, they are not considered relevant to the Company and will become effective on or after January 1, 2015.

- a) Standards issued by IASB which were not effective up to the issue date of this interim financial information and not early adopted by the Group.
 - IFRS 9 Financial Instruments: In July 2014, the IASB issued the final version of IFRS 9 - Financial Instruments, which reflects all steps of the financial instruments' project, and supersedes IAS 39 - Financial Instruments: Recognition and Measurement and all prior versions of IFRS 9. This standard introduces new requirements on classification and measurement, impairment loss and hedging accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and its early adoption is not permitted. Retrospective application is required; however the presentation of comparative information is optional. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) would be permitted if the date of initial application was before February 1, 2015. The adoption of IFRS 9 will have an effect on the classification and measurement of financial assets, but no impact on the classification and measurement of financial liabilities.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)
September 30, 2015
(In thousands of reais - R\$, except when indicated otherwise)

2. Summary of significant accounting practices (Continued)

2.3. Standards, amendments and interpretation of standards (Continued)

- IFRS 15 - Revenue from Contracts with Customers: IFRS 15 establishes a five-step model that will apply to revenue earned from a contract with a customer, regardless of the type of revenue transaction or the industry. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., sales of property, plant and equipment or intangibles). Extensive disclosures will be required by this standard. The standard must be applied for annual periods beginning on or after January 1, 2018, with earlier application permitted.

In addition, the following standards, amendments and interpretations were issued by IASB, however management expects no impacts on the Group's individual and consolidated interim financial information upon their first-time adoption.

- IFRS 14 - Regulatory Deferral Accounts - Applicable to annual periods beginning on or after January 1, 2016;
- Annual improvements - 2010-2012 cycle and 2011-2013 cycle - Applicable to annual periods beginning on or after July 1, 2014;
- Amendments to IFRS 11 – Joint Arrangements: Accounting for Acquisitions of Interests - Applicable to annual periods beginning on or after January 1, 2016, and its early adoption is not permitted in Brazil;
- Amendments to IAS 16 and IAS 38 - Clarification of Acceptable Methods of Depreciation and Amortization - These amendments are effective prospectively, for annual periods beginning on or after January 1, 2016;
- Amendments to IAS 16 and IAS 41 – Agriculture: Bearer Plants - These amendments are effective retrospectively, for annual periods beginning on or after January 1, 2016;

The Group intends to adopt these standards when they become effective, with any impacts therefrom being disclosed and recognized in the interim financial information.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)
September 30, 2015
(In thousands of reais - R\$, except when indicated otherwise)

2. Summary of significant accounting practices (Continued)

2.3. Standards, amendments and interpretation of standards (Continued)

Considering the current operations carried out by the Group, management expects that these new standards will have no significant impact on the interim financial information upon their adoption.

There are no other standards or interpretations issued and not yet adopted that may, based on management's opinion, have a significant impact on P&L or equity reported by the Group.

3. Significant accounting judgments and sources of uncertainties in estimates

In applying the significant accounting practices of the Group, management must make judgments and prepare estimates regarding the carrying amounts of assets and liabilities that are not easily obtained from other sources. These estimates and their respective assumptions are based on historical experience and other factors considered relevant. Actual results may differ from the amounts estimated.

The main accounting judgments applied and sources of uncertainties applied in the preparation of this individual and consolidated interim financial information are disclosed in Note 3 to the Company's annual financial statements for the year ended December 31, 2014, disclosed on March 12, 2015. These judgments were consistently applied with those used in the prior reporting period and used for both the Company and subsidiaries. Where necessary, the subsidiaries' individual interim financial information is adjusted to meet this criterion.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)
September 30, 2015
(In thousands of reais - R\$, except when indicated otherwise)

4. Cash and cash equivalents

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Cash and banks	1,482	5,711	4,804	11,690
Investments in bank deposit certificates	-	-	62	1,677
	1,482	5,711	4,866	13,367

On September 30, 2015, investments were remunerated at average rates of 82% of the Interbank Deposit Certificate (CDI) variation (102% at December 31, 2014). Balances are highly liquid and readily convertible into cash, in order to meet short-term cash commitments, and subject to insignificant risk of change in value.

5. Short-term investments

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Investment funds	7,484	15,726	20,702	35,023

Most investment funds are fixed-income investments, repurchase agreements, remunerated at average CDI rates of 101% (102% as of December 31, 2014).

The funds are readily redeemable (highly liquid) as there is no grace period for share redemption. Shares may be redeemed with earnings if required by the Group.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)
 September 30, 2015
 (In thousands of reais - R\$, except when indicated otherwise)

6. Accounts receivable

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Domestic market	82,628	74,634	118,834	109,199
Foreign market	-	-	91,854	73,753
(-) Present value adjustment	-	-	(163)	(330)
	82,628	74,634	210,525	182,622
Allowance for doubtful accounts	(4,060)	(3,307)	(7,893)	(6,689)
	78,568	71,327	202,632	175,933

Aging list of accounts receivable

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Falling due	75,259	69,637	184,739	166,787
Overdue:				
Within 30 days	1,792	1,098	14,775	6,933
From 30 to 60 days	658	293	1,815	1,444
Above 60 days	859	299	1,303	769
	78,568	71,327	202,632	175,933

Changes in allowance for doubtful accounts

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Opening balance	(3,307)	(3,281)	(6,688)	(6,011)
Addition	(1,200)	(734)	(1,855)	(1,531)
Reversal	116	79	143	87
Write-off	331	629	507	766
Closing balance	(4,060)	(3,307)	(7,893)	(6,689)

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)
September 30, 2015
(In thousands of reais - R\$, except when indicated otherwise)

7. Inventories

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Finished products	59,341	36,060	114,959	88,370
Semi-finished products	-	-	2,970	2,444
Resale	7,190	7,749	11,016	12,343
Raw materials	31,489	21,793	31,798	21,503
Support materials	6,695	5,658	25,618	25,671
(-) Provision for losses (*)	(1,399)	(1,865)	(1,772)	(2,238)
	103,316	69,395	184,589	148,093

(*) The matching entry of the provision for losses is recorded as "Cost of sales" in the income statements.

Changes in provision for inventory losses for the nine-month period ended September 30, 2015 and for the year ended December 31, 2014 are as follows:

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Opening balance	(1,865)	(417)	(2,238)	(1,352)
Provision	(131)	(1,865)	(131)	(2,009)
Reversal	597	417	597	1,123
Closing balance	(1,399)	(1,865)	(1,772)	(2,238)

In the course of the nine-month period ended September 30, 2015, consumption of raw material reached approximately R\$184,767 (R\$117,574 in September 2014), recorded as cost in Company, and R\$300,380 (R\$194,660 in September 2014) in Consolidated, as mentioned in Note 23.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)
September 30, 2015
(In thousands of reais - R\$, except when indicated otherwise)

8. Taxes recoverable

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Current:				
State Value-Added Tax (ICMS)	1,571	1,760	3,837	3,803
Withholding Income Tax (IRRF)	197	204	543	401
Corporate Income Tax (IRPJ)	888	602	1,372	1,051
Social Contribution Tax on Net Profit (CSLL)	272	140	329	194
Withholding Income Tax (IRRF) on interest on equity	1,419	996	1,419	996
FOMENTAR fund - ICMS (*)	1,891	1,661	1,891	1,661
Contribution Tax on Gross Revenue for Social Security Financing (COFINS) and other	699	672	5,825	2,267
	6,937	6,035	15,216	10,373
Noncurrent:				
State Value-Added Tax (ICMS)	1,273	1,164	1,918	2,705
Withholding Income Tax (IRRF)	14,264	13,841	14,264	13,841
Corporate Income Tax (IRPJ)	8,151	7,910	8,151	7,910
National Social Security Institute (INSS)	-	-	57	-
	23,688	22,915	24,390	24,456

(*) Development and Industrialization of the State of Goiás Fund - FOMENTAR, intended to increase the implementation and expansion of activities that promote the industrial development of the State of Goiás.

9. Investments

The Group's subsidiaries and jointly-controlled subsidiary are as follows:

Summary of investment breakdown:

	Company							Total
	Eternit da Amazônia	Precon	Prel	SAMA	CSC	Tégula	Wagner	
Investments	27,150	25,946	8,037	90,314	12,269	61,643	4,158	229,517
Surplus value of net assets	-	-	-	16,559	-	-	-	16,559
Balance at September 30, 2015	27,150	25,946	8,037	106,873	12,269	61,643	4,158	246,076

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)
September 30, 2015
(In thousands of reais - R\$, except when indicated otherwise)

9. Investments (Continued)

	Eternit da Amazônia	Precon	Prel	SAMA	CSC	Tégula	Wagner	Total
At January 1, 2014	(738)	20,221	8,058	108,311	36,032	71,787	4,058	247,729
Dividends	-	(7,121)	(2,803)	(65,691)	-	-	-	(75,615)
Interest on equity	-	(955)	-	(4,509)	-	-	-	(5,464)
Equity pickup	(4,075)	11,842	3,080	70,935	(13,676)	(4,455)	123	63,774
Reversal of supplementary monetary restatement - IFRS	-	(2)	(505)	(221)	-	(198)	(17)	(943)
Equity pickup of comprehensive income	-	-	-	(1,881)	-	-	-	(1,881)
Capital contribution	16,498	-	-	-	11,982	-	-	28,480
At December 31, 2014	11,685	23,985	7,830	106,944	34,338	67,134	4,164	256,080
Dividends	-	(5,650)	(700)	(65,165)	-	-	-	(71,515)
Interest on equity (IOE)	-	(1,010)	-	(3,973)	-	-	-	(4,983)
Equity pickup	(14,057)	8,621	907	69,067	(22,069)	(5,491)	(6)	36,972
Equity pickup of comprehensive income	-	-	-	-	-	-	-	-
Capital contribution	29,522	-	-	-	-	-	-	29,522
At September 30, 2015	27,150	25,946	8,037	106,873	12,269	61,643	4,158	246,076

The balance of investments in the consolidated interim financial information at September 30, 2015, amounting to R\$12,269 (R\$34,338 at December 31, 2014), refers to investment in the jointly-controlled entity with CSC.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)
September 30, 2015
(In thousands of reais - R\$, except when indicated otherwise)

9. Investments (Continued)

The balances of subsidiaries and joint venture as of September 30, 2015 are as follows:

	Subsidiaries						Joint Venture
	Eternit da Amazônia	Precon	Prel	SAMA	Tégula	Wagner	Companhia Sulamericana de Cerâmica S.A.
Current assets	8,438	29,321	1,125	194,086	33,717	953	78,015
Noncurrent assets	96,542	15,461	7,062	115,677	54,990	4,785	120,875
Current liabilities	8,750	14,692	150	155,402	12,952	20	60,879
Noncurrent liabilities	68,583	4,143	-	58,178	14,107	1,554	117,562
Equity	27,646	25,948	8,037	96,182	61,649	4,165	20,448
Proportional interest	99,9900%	99,9946%	99,9977%	99,9977%	99,9900%	99,8400%	60%
Book value of investments	27,643	25,946	8,037	96,180	61,643	4,158	12,269
Net operating revenue	7,175	54,144	-	328,688	46,194	-	34,324
Cost of sales	(6,269)	(37,305)	-	(162,319)	(33,803)	-	(37,636)
Unrealized profits in inventories	493	-	-	1,224	-	-	-
Net income (loss) for continuing operations	(14,058)	8,622	907	69,067	(5,492)	(6)	(36,781)
Attributable to:							
Company interest	(14,057)	8,621	907	69,067	(5,491)	(6)	(22,069)

10. Related parties

a) Balances and transactions of the Company with related parties

	Current assets		Noncurrent assets		Current liabilities				Noncurrent liabilities			
	Trade accounts receivable	Dividends	Loan agreement receivable	Trade accounts payable	Other accounts payable		Loan agreement payable					
	Sept/15	Dec/14	Sept/15	Dec/14	Sept/15	Dec/14	Sept/15	Dec/14	Sept/15	Dec/14		
Eternit da Amazônia (i), (ii) and (iii)	414	53	-	-	1,650	20,150	1,650	-	-	-	-	
Precon (i) and (ii)	914	980	2,545	1,964	-	-	-	-	20	8	-	-
SAMA (i), (ii) and (iii)	4,224	311	24,662	19,974	-	-	19,305	7,544	33	29	34,361	31,763
Prel (I) and (iii)	-	-	42	654	-	-	-	-	95	91	2,346	-
Wagner (iii)	-	-	-	-	-	-	-	-	5	-	3,000	-
Tégula (i), (ii) and (iii)	181	127	706	706	10,119	8,421	-	-	-	-	-	-
Companhia Sulamericana de Cerâmica (i) and (iii)	3,139	2,427	-	-	13,596	726	-	-	-	-	-	-
Total	8,872	3,898	27,955	23,298	25,365	29,297	20,955	7,544	153	128	39,707	31,763

(i) There are purchases and sales between related parties, therefore the balances refer to supplies of raw materials (chrysotile mineral) and/or finished products, and/or lease agreements, which were eliminated in the Company's consolidated interim financial information. The joint venture, consolidated by the equity pickup method, is not eliminated in consolidation.

(ii) These basically refer to refund with no fixed maturity.

THESE REFER TO INTERCOMPANY LOANS SUBJECT TO TAX ON FINANCIAL TRANSACTIONS (IOF) AND WITHHOLDING INCOME TAX (IRRF) LEVY, AND BEAR INTEREST OF 100% OF THE CDI, FOR REPAYMENT WITHIN 24 MONTHS AS FROM LOAN AGREEMENT EXECUTION DATE, TERM OF WHICH MAY BE EXTENDED FOR FURTHER 24 MONTHS.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)
September 30, 2015
(In thousands of reais - R\$, except when indicated otherwise)

10. Related parties (Continued)

a) Balances and transactions of the Company with related parties (Continued)

	Company							
	Sales		Purchases		Expense		Other income	
	09/30/2015	09/30/2014	09/30/2015	09/30/2014	09/30/2015	09/30/2014	09/30/2015	09/30/2014
Precon	1,499	2,119	-	-	-	-	-	-
Tégula	195	329	-	-	-	-	-	-
SAMA	-	-	61,924	59,782	-	-	-	-
Eternit da Amazônia Companhia	-	-	7,486	-	-	-	-	-
Sulamericana de Cerâmica	-	1,706	-	-	-	-	-	-
Discounts obtained - Sama	-	-	-	30	-	-	-	-
Administrative expenses - Prel	-	-	-	-	818	789	-	-
Interest on loans - SAMA	-	-	-	-	3,056	2,268	-	-
Interest on loans – Tégula	-	-	-	-	-	-	820	617
Interest on equity - SAMA	-	-	-	-	-	-	3,973	3,394
Interest on equity - Precon	-	-	-	-	-	-	1,010	715
Total	1,694	4,154	69,410	59,812	3,874	3,057	5,803	4,726

Purchase and sale transactions between related parties are carried out under conditions agreed between the parties.

As of September 30, 2015 and December 31, 2014, there were no outstanding guarantees with related parties, and there were no provision for impairment losses for related-party accounts receivable.

b) Key management personnel compensation

The Group paid its officers short-term benefits, salaries and variable compensation as follows:

	Company		Consolidated	
	09/30/2015	09/30/2014	09/30/2015	09/30/2014
Salaries, fees and benefits	3,603	3,037	4,404	3,693
Social charges	994	908	1,243	1,138
Profit sharing (PLRE)	1,479	1,621	1,582	1,948
Supplementary bonus	714	735	737	1,062
Post-employment benefits	64	65	64	75
	6,854	6,366	8,030	7,916

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)
September 30, 2015
(In thousands of reais - R\$, except when indicated otherwise)

10. Related parties (Continued)

b) Key management personnel compensation (Continued)

The Group's Board of Directors approved a share acquisition plan for the Company's executive officers. The Group grants complementary bonus as profit sharing to executive officers that invest up to 100% of the net value of the amount received under their PLRE (Profits and Results Sharing Plan) for the purchase of Company shares. This complementary bonus is proportional to the invested value of the individual PLRE up to the limit of the net value received and must be used in its total to acquire Company shares. The plan establishes specific share purchase and sale rules, such as minimum term of three years after share purchase for purposes of share sale, limited to 30% after the third year, 30% after the fourth year, 30% after the fifth year, and the remaining 10% may only be sold upon executive officer's dismissal/retirement. Share purchase and sale guidelines in CVM Rule No. 358/02 must also be followed by executive officers.

The share acquisition plan is not considered share-based payment (CPC 10 R1 - Share-based Payment), as the executive officer does not receive shares directly from Eternit, but the equivalent up to 100% of the net value of the amount received under their PLRE, and purchases Company shares by means of an outside brokerage.

For the nine-month period ended September 30, 2015, the Executive Board's shareholding position was 2,126,548 shares - ETER3 (2,121,148 shares - ETER3 for the year ended December 31, 2014).

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)
September 30, 2015
(In thousands of reais - R\$, except when indicated otherwise)

11. Property, plant and equipment

	Company									
	Land	Buildings and Improvements	Machinery and equipment	Tooling and molds	Facilities	Vehicles	Furniture and fixtures	IT equipment	Construction in progress	Total
Cost										
Balance at January 1, 2014	701	32,804	101,651	12,955	79,088	2,787	5,743	4,004	38,164	277,897
Additions	-	-	-	-	-	-	-	-	19,511	19,511
Write-offs	(553)	(16)	(664)	(4)	(178)	(1,221)	(73)	(196)	(14,473)	(17,378)
Transfers	1,873	697	9,027	131	4,836	93	374	543	(17,574)	-
Exchange gain (loss)	-	-	-	-	-	-	-	-	3,352	3,352
Balances at December 31, 2014	2,021	33,485	110,014	13,082	83,746	1,659	6,044	4,351	28,980	283,382
Additions	-	-	1,408	-	-	-	-	-	14,419	15,827
Write-offs	-	-	(19)	-	(6)	(244)	(11)	(5)	-	(285)
Transfers	1,157	447	2,499	30	788	-	62	147	(5,130)	-
Exchange gain (loss)	-	-	-	-	-	-	-	-	487	487
Balances at September 30, 2015	3,178	33,932	113,902	13,112	84,528	1,415	6,095	4,493	38,756	299,411
Average depreciation rates	-	4%	8,6%	15%	10%	20%	10%	20%	-	-
Accumulated depreciation										
Balance at January 1, 2014	-	(19,353)	(45,646)	(9,738)	(46,113)	(2,056)	(2,736)	(2,830)	-	(128,472)
Additions	-	(742)	(2,934)	(928)	(5,509)	(120)	(477)	(393)	-	(11,103)
Write-offs	-	16	273	2	173	1,140	54	194	-	1,852
Transfers	-	-	29	-	(30)	-	1	-	-	-
Balances at December 31, 2014	-	(20,079)	(48,278)	(10,664)	(51,479)	(1,036)	(3,158)	(3,029)	-	(137,723)
Additions	-	(579)	(2,502)	(593)	(4,283)	(58)	(367)	(320)	-	(8,702)
Write-offs	-	-	19	-	1	120	9	5	-	154
Transfers	-	-	(3)	-	3	-	-	-	-	-
Balances at September 30, 2015	-	(20,658)	(50,764)	(11,257)	(55,758)	(974)	(3,516)	(3,344)	-	(146,271)
Net book value										
At January 1, 2014	701	13,451	56,005	3,217	32,975	731	3,007	1,174	38,164	149,425
At December 31, 2014	2,021	13,406	61,736	2,418	32,267	623	2,886	1,322	28,980	145,659
At September 30, 2015	3,178	13,274	63,138	1,855	28,770	441	2,579	1,149	38,756	153,140

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)
September 30, 2015
(In thousands of reais - R\$, except when indicated otherwise)

11. Property, plant and equipment (Continued)

	Consolidated										Renovation of mining areas	Mineral resources	Construction in progress	Total
	Land	Buildings and improvements	Machinery and equipment	Extraction machine	Tooling and molds	Facilities	Vehicles	Off-road vehicles	Furniture and fixtures	IT equipment				
Cost														
Balance at January 1, 2014	4,084	81,540	195,773	27,570	26,723	216,394	24,705	4,539	17,328	8,453	5,778	13,387	43,784	670,058
Additions	-	25	627	-	7	92	855	-	52	119	-	-	94,077	95,854
Write-offs	(553)	(906)	(1,461)	(7)	(6)	(178)	(2,435)	(2,763)	(194)	(309)	-	-	-	(8,812)
Transfers	1,873	1,360	12,865	2,495	131	13,860	550	-	1,052	1,052	-	-	(35,238)	-
Exchange gain (loss)	-	-	-	-	-	-	-	-	-	-	-	-	4,599	4,599
Balances at December 31, 2014	5,404	82,019	207,804	30,058	26,855	230,168	23,675	1,776	18,238	9,315	5,778	13,387	107,222	761,699
Additions	-	-	1,417	-	13	-	-	-	-	10	-	-	39,280	40,720
Write-offs	-	-	(72)	-	-	(13)	(453)	(58)	(215)	(164)	-	-	-	(975)
Transfers	1,157	5,227	96,283	657	30	6,851	138	-	344	317	-	-	(111,004)	-
Exchange gain (loss)	-	-	-	-	-	-	-	-	-	-	-	-	487	487
Balances at September 30, 2015	6,561	87,246	305,432	30,715	26,898	237,006	23,360	1,718	18,367	9,478	5,778	13,387	35,985	801,931
Average depreciation rates	-	4%	8,6%	28,4%	15%	10%	20%	26,8%	10%	20%	2,9%	5,3%	-	-
Accumulated depreciation														
Balance at January 1, 2014	-	(47,981)	(105,171)	(19,062)	(19,973)	(158,415)	(16,680)	(4,041)	(8,559)	(6,218)	(1,319)	(3,575)	-	(390,994)
Additions	-	(1,752)	(6,311)	(4,491)	(2,369)	(11,925)	(5,561)	(180)	(1,575)	(796)	(231)	(696)	-	(35,887)
Write-offs	-	565	703	7	4	173	2,334	2,617	161	302	-	-	-	6,866
Transfers	-	-	28	-	-	(30)	-	-	(2)	4	-	-	-	-
Balances at December 31, 2014	-	(49,168)	(110,751)	(23,546)	(22,338)	(170,197)	(19,907)	(1,604)	(9,975)	(6,708)	(1,550)	(4,271)	-	(420,015)
Additions	-	(1,409)	(6,483)	(3,491)	(1,697)	(10,730)	(1,204)	(93)	(961)	(660)	(173)	(605)	-	(27,506)
Write-offs	-	-	66	-	-	8	275	58	210	165	-	-	-	782
Transfers	-	-	1	-	-	3	-	-	(4)	-	-	-	-	-
Balances at September 30, 2015	-	(50,577)	(117,167)	(27,037)	(24,035)	(180,916)	(20,836)	(1,639)	(10,730)	(7,203)	(1,723)	(4,876)	-	(446,739)
Net book value														
At January 1, 2014	4,084	33,559	90,602	8,508	6,750	57,979	8,025	498	8,769	2,235	4,459	9,812	43,784	279,064
At December 31, 2014	5,404	32,851	97,053	6,512	4,517	59,971	3,768	172	8,263	2,607	4,228	9,116	107,222	341,684
At September 30, 2015	6,561	36,669	188,265	3,678	2,863	56,090	2,524	79	7,637	2,275	4,055	8,511	35,985	355,192

Due to legal proceedings, subsidiary SAMA gave in warranty PP&E items (machinery and equipment) in the net book value of R\$730 (R\$1,172 at December 31, 2014).

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

12. Intangible assets

Company	Software	Software in progress	Other	Total
Cost				
Balance at January 1, 2014	7,230	2,844	11	10,085
Additions	133	2,612	-	2,745
Transfers	3,756	(3,756)	-	-
Balance at December 31, 2014	11,119	1,700	11	12,830
Additions	-	273	-	273
Balance at September 30, 2015	11,119	1,973	11	13,103
<u>Useful life (in years)</u>	5	-	-	-
Amortization				
Balance at January 1, 2014	(5,501)	-	-	(5,501)
Additions	(892)	-	-	(892)
Balance at December 31, 2014	(6,393)	-	-	(6,393)
Additions	(1,043)	-	-	(1,043)
Balance at September 30, 2015	(7,436)	-	-	(7,436)
<u>Net book value</u>				
Balance at January 1, 2014	1,729	2,844	11	4,584
Balance at December 31, 2014	4,726	1,700	11	6,437
Balance at September 30, 2015	3,683	1,973	11	5,667

Consolidated	Software	Goodwill	Trademarks and patents	Software in progress	Other	Total
Cost						
Balance at January 1, 2014	14,260	19,995	1,416	2,844	75	38,590
Additions	552	-	-	3,211	-	3,763
Transfers	4,355	-	-	(4,355)	-	-
Balance at December 31, 2014	19,167	19,995	1,416	1,700	75	42,353
Additions	1,029	-	-	619	-	1,648
Write-offs	(37)	-	-	-	-	(37)
Transfers	346	-	-	(346)	-	-
Balance at September 30, 2015	20,505	19,995	1,416	1,973	75	43,964
<u>Useful life (in years)</u>	5	-	-	-	-	-
Amortization						
Balance at January 1, 2014	(9,913)	-	-	-	(1)	(9,914)
Additions	(1,817)	-	-	-	-	(1,817)
Balance at December 31, 2014	(11,730)	-	-	-	(1)	(11,731)
Additions	(1,843)	-	-	-	-	(1,843)
Write-offs	2	-	-	-	-	2
Balance at September 30, 2015	(13,571)	-	-	-	(1)	(13,572)
<u>Net book value</u>						
Balance at January 1, 2014	4,347	19,995	1,416	2,844	74	28,676
Balance at December 31, 2014	7,437	19,995	1,416	1,700	74	30,622
Balance at September 30, 2015	6,934	19,995	1,416	1,973	74	30,392

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

13. Trade accounts payable

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Domestic market	19,002	20,528	35,875	39,408
Foreign market	3,126	2,330	5,277	2,743
	22,128	22,858	41,152	42,151

14. Loans and financing

	Interest rate and commissions %	Company		Consolidated	
		09/30/2015	12/31/14	09/30/2015	12/31/14
Current:					
Domestic currency for acquisition of machinery and equipment	From 1.14% to 10% p.a. + TJLP	1,512	1,225	5,968	6,595
Foreign currency for acquisition of machinery and equipment	From 0.66% to 3.56% p.a.	2,478	1,841	16,185	13,255
Foreign currency for acquisition of raw material	From 1.57% to 2.25% p.a.	1,538	-	1,538	-
Domestic currency (finance lease) for acquisition of vehicle	1.23% p.a.	-	-	286	363
Domestic currency for working capital	From 7.65% + 113% of CDI	-	-	38,231	10,391
Foreign currency for working capital (Advances on Export Contracts – ACE)	Average of 3.06% p.a.	-	-	45,167	58,342
		5,528	3,066	107,375	88,946
Noncurrent:					
Domestic currency for acquisition of machinery and equipment	From 1.14% to 10% p.a. + TJLP	3,138	3,409	4,953	8,254
Domestic currency for acquisition of machinery, equipment and services	7.06% to 8.24% p.a.	-	-	28,244	-
Foreign currency for acquisition of machinery and equipment	From 0.66% to 3.56% p.a.	3,948	1,720	36,740	30,491
Foreign currency for acquisition of raw material	From 1.57% to 2.25% p.a.	8,401	-	8,401	-
Domestic currency (finance lease) for acquisition of vehicle	1.23% p.a.	-	-	46	233
		15,487	5,129	78,384	38,978
		21,015	8,195	185,759	127,924

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

14. Loans and financing (Continued)

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Noncurrent payment flow:				
2016	1,110	2,084	2,817	13,470
2017	11,149	2,067	24,783	11,429
2018	3,167	924	18,203	9,641
2019	61	54	9,653	4,438
2020 to 2027	-	-	22,928	-
	15,487	5,129	78,384	38,978

The Group has loan agreements with nonfinancial covenants with which it was compliant as of September 30, 2015.

15. Personnel expenses

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
13 th monthly salary	4,729	-	8,065	-
Vacation pay	8,901	7,843	15,414	15,077
Profit sharing (a)	3,102	2,381	8,042	8,671
Unemployment Compensation Fund (FGTS)	399	555	674	1,011
Social Security Tax (INSS)	2,098	1,951	3,195	3,476
Other	3	8	271	422
	19,232	12,738	35,661	28,657

(a) The Group grants profit sharing to its employees, which is calculated in accordance with the agreement entered into by Group companies with the Labor Union. Profit sharing amounts recorded are as follows:

	Profit sharing	
	09/30/2015	09/30/2014
Company	3,732	3,170
Consolidated	6,868	8,763

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

16. Taxes, charges and contributions payable

	Company		Consolidated	
	09/30/2015	12/31/14	09/30/2015	12/31/14
Current:				
Income taxes				
Corporate Income Tax (IRPJ)	-	-	3,611	8,923
Social Contribution Tax on Net Profit (CSLL)	-	-	1,369	1,751
Other taxes				
State Value Added Tax (ICMS)	7,189	6,162	11,163	9,026
Federal Value Added Tax (IPI)	2,546	2,345	2,979	2,686
Contribution Tax on Gross Revenue for Social Security Financing (COFINS)	1,553	1,408	2,958	2,274
Contribution Tax on Gross Revenue for Social Integration Program (PIS)	318	280	619	467
Withholding Income Tax (IRRF)	1,319	1,394	1,861	2,128
Mineral resource offsetting financial contribution	-	-	1,590	1,413
Other	176	277	467	513
Total current	13,101	11,866	26,617	29,181
Noncurrent:				
State VAT (ICMS) (*)	9,965	7,787	13,390	10,605

(*) ICMS deriving from PRODUZIR and DESENVOLVE tax incentive programs related to the Company, and FOMENTAR tax incentive program related to subsidiary Precon, as well as FUNDOPEM and PRODUZIR for subsidiary Tégula.

17. Provision for future benefits to former employees

l) Future health benefits

Based on an actuarial report prepared by a specialized independent company, the Group records a provision for future health benefits (health care plan and laboratory exams) to former employees. Assumptions and calculations are reviewed on an annual basis and disclosed in the explanatory notes in the financial statements for the year ended December 31, 2014.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

17. Provision for future benefits to former employees (Continued)

i) Future health benefits (Continued)

a) *Main actuarial assumptions used to determine the present value of benefits*

	<u>12/31/2014</u>
Actual actuarial annual interest rate	6.09%
Actual annual medical cost increase rate	3.80%
Annual projected inflation rate	6.49%
General mortality table	AT-2000

b) *Plan liabilities for future benefits to former employees*

	<u>Company</u>		<u>Consolidated</u>	
	<u>09/30/2015</u>	<u>12/31/2014</u>	<u>09/30/2015</u>	<u>12/31/2014</u>
Current	2,511	2,511	3,677	3,677
Noncurrent	28,794	27,730	43,315	41,654
	<u>31,305</u>	<u>30,241</u>	<u>46,992</u>	<u>45,331</u>

c) *Net expenses with the benefit in 2015 (posted to P&L)*

	<u>Company</u>		<u>Consolidated</u>	
	<u>09/30/2015</u>	<u>09/30/2014</u>	<u>09/30/2015</u>	<u>09/30/2014</u>
Current service and interest cost	(2,948)	(2,424)	(4,419)	(3,596)
Benefits paid	(1,884)	(1,631)	(2,758)	(2,895)
Net expense with the benefit	<u>(4,832)</u>	<u>(4,055)</u>	<u>(7,177)</u>	<u>(6,491)</u>

ii) Supplementary private pension plan

The Group has an open-ended supplementary private pension plan with a duly authorized private pension entity. The plan is for defined contributions and deductible for income tax purposes (PGBL) and offered to all employees and officers. No additions to the provision recorded at September 30, 2015 are required.

For the quarters ended September 30, 2015 and 2014, the Group and its members made contributions to fund benefit plans as follows:

	<u>Company</u>		<u>Consolidated</u>	
	<u>09/30/2015</u>	<u>09/30/2014</u>	<u>09/30/2015</u>	<u>09/30/2014</u>
Contributions:	766	1,405	2,530	1,789

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

18. Equity

a) Capital

At September 30, 2015 and December 31, 2014, the Company's fully subscribed for and paid-in capital amounted to R\$334,251 and was represented by 179,000,000 common registered book-entry shares, with no par value, with the right to vote in Annual General Meeting deliberations, held as follows:

Shareholding structure	09/30/2015		12/31/2014	
	Shareholders	Shares	Shareholders	Shares
Individuals	10,301	24,203,588	9,012	16,445,329
Legal entities	90	3,132,078	93	3,102,086
Persons resident abroad	101	15,114,080	137	18,680,383
Clubs, funds and foundations	89	36,491,522	114	40,713,470
	10,581	78,941,268	9,356	78,941,268
Treasury shares	1	58,732	1	58,732
	10,582	79,000,000	9,357	79,000,000

The Company is authorized to increase capital up to R\$1,000,000 (one billion reais), irrespective of any corporate restructuring, upon approval by the Board of Directors, which will establish the share issue price and other conditions for the respective subscriptions and payments.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

18. Equity (Continued)

b) Treasury shares

At September 30, 2015, market value of treasury stock was R\$102 (R\$95 as of December 31, 2014).

c) Earnings per share

The following table reconciles net income to amounts used to calculate basic and diluted earnings per share.

	<u>Company</u>	
	<u>09/30/2015</u>	<u>09/30/2014</u>
Dilutive effect		
Net income for the period attributable to noncontrolling interests	<u>41,677</u>	<u>61,925</u>
Weighted average number of outstanding common shares, less the average of treasury common shares	<u>178,941</u>	<u>178,941</u>
Basic and diluted earnings per share – R\$	<u>0.23</u>	<u>0.35</u>

There is no dilutive effect to be considered in the calculation above.

d) Dividends

Dividends proposed for the nine-month period ended September 30, 2015 were as follows:

<u>Event</u>	<u>Payment beginning on</u>	<u>Total amount</u>	<u>Amount per share – R\$</u>
BDM (*) held on May 13, 2015	06/03/2015	11,273	0.063
BDM (*) held on August 5, 2015	08/18/2015	1,610	0.009

(*) BDM - Board of Directors' Meeting.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

18. Equity (Continued)

e) Interest on equity

Interest on equity proposed for the nine-month period ended September 30, 2015 was as follows:

<u>Event</u>	<u>Payment beginning on</u>	<u>Total amount</u>	<u>Amount per share – R\$</u>
BDM (*) held on May 13, 2015	06/03/2015	6,621	0.037
BDM (*) held on August 5, 2015	08/18/2015	7,337	0.041
BDM (*) held on November 4, 2015	11/17/2015	7,873	0.044

(*) BDM - Board of Directors' Meeting.

Dividends and interest on equity payable

Dividends and interest on equity outstanding balance as of September 30, 2015 represents:

	<u>Company and Consolidated</u>	
	<u>09/30/2015</u>	<u>12/31/2014</u>
Interest on equity	6,692	5,204
Dividends	-	11,989
Proceeds from prior years	670	704
	<u>7,362</u>	<u>17,897</u>

f) Retained earnings

During the quarters, the Company does not allocate total profit, but interim dividends and interest on equity. Total profit is allocated at year end.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

19. Government grants

Tégula - Investment grant - Goiás Industrial Development Program - Produzir

Tégula Soluções para Telhados has a tax benefit to reduce 73% of ICMS calculated on sales of goods produced in the unit established in the city of Anápolis, Goiás state, limited to the amount of R\$6,875. The term to obtain this benefit ends on December 31, 2020.

For the nine-month period ended September 30, 2015, the benefit totaled R\$680 (R\$971 at December 31, 2014). The benefit is treated as an investment grant because the Company benefits through reduction, refund or exemption from taxes due, and intends to expand its activities.

Precon - Investment grant - Agência de Fomento Goiás S.A - company in the state of Goiás - Fomentar

Precon Goiás Industrial Ltda. has a tax benefit to reduce 70% of ICMS calculated on sales of goods produced in the unit established in the city of Anápolis, Goiás state, limited to the amount of R\$31,880. The term to obtain this benefit ends on December 31, 2020.

The benefit is treated as an investment grant because the Company benefits through reduction, refund or exemption from taxes due for the purpose of expanding its activities.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

19. Government grants (Continued)

Eternit - Investment grant - Brazilian Supervisory Office for Development of the Northeast (SUDENE)

The Company has a tax benefit to reduce 75% of Corporate Income Tax (IRPJ) and non-refundable surtaxes on profit from tax-incentive activities (lucro da exploração) on behalf of Eternit S.A. This benefit expires in calendar year 2020.

The history of laws and granting of tax benefit related to each program mentioned herein were disclosed by management in the financial statements as of December 31, 2014.

20. Income and social contribution taxes

a) Reconciliation of income and social contribution tax expense with statutory amounts

Reconciliation of Corporate Income Tax (IRPJ) and Social Contribution Tax on Net Profit (CSLL) at effective and statutory rates is as follows:

	Company		Consolidated	
	09/30/2015	09/30/2014	09/30/2015	09/30/2014
Income before income and social contribution taxes	35,415	62,718	73,176	93,480
Nominal rate	34%	34%	34%	34%
Income and social contribution taxes at statutory rates	(12,041)	(21,324)	(24,880)	(31,783)
Effect of income and social contribution taxes on permanent differences:				
Equity pickup	12,570	16,296	(7,503)	(1,674)
Interest on equity	5,728	4,717	7,423	6,114
Donations and gifts	(75)	(452)	(573)	(1,586)
Nondeductible taxes and fines	(27)	(33)	(44)	(77)
Tax incentive	-	3	351	301
Income and social contribution losses with no corresponding deferred tax assets	-	-	(6,909)	(2,916)
Other (additions) exclusions on permanent differences	107	28	637	(549)
Income and social contribution taxes on P&L	6,262	(793)	(31,498)	(31,555)
Effective rate	17.7%	1.3%	43.0%	33.7%

Breakdown of income and social contribution tax expenses presented in the individual and consolidated interim financial information for the quarters ended September 30, 2015 and 2014 is as follows:

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

20. Income and social contribution taxes (Continued)

a) Reconciliation of income and social contribution tax expense with statutory amounts
(Continued)

	Company		Consolidated	
	09/30/2015	09/30/2014	09/30/2015	09/30/2014
Current income and social contribution taxes	-	(47)	(41,799)	(30,356)
Deferred income and social contribution taxes	6,262	(746)	10,301	(1,199)
	<u>6,262</u>	<u>(793)</u>	<u>(31,498)</u>	<u>(31,555)</u>

b) Breakdown of deferred income and social contribution taxes

Deferred income and social contribution taxes, presented in noncurrent assets, refer to income and social contribution taxes on temporary differences in the calculation of taxable profit and income and social contribution tax losses, as follows:

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Income and social contribution tax losses	11,316	5,108	20,987	14,779
Future benefits to former employees	10,644	10,282	15,977	15,413
Provision for tax, civil, and labor risks	7,810	8,059	17,531	16,773
Unrealized income in inventories	-	-	3,277	2,392
Provision for profit sharing	1,055	810	2,007	1,972
Provision for losses on PP&E	1,271	1,750	1,271	1,750
Unshipped products	-	-	2,295	-
Other provisions	(1,084)	(1,259)	256	220
	<u>31,012</u>	<u>24,750</u>	<u>63,601</u>	<u>53,299</u>

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

20. Income and social contribution taxes (Continued)

b) Breakdown of deferred income and social contribution taxes (Continued)

Expected realization of tax credits

i. Income and social contribution tax losses

Based on projected future taxable profit of the Company and its subsidiary Tégula, expected recovery of the deferred income and social contribution tax balance calculated on income and social contribution tax losses, posted to noncurrent assets, is as follows:

	<u>Company</u>	<u>Consolidated</u>
	<u>09/30/2015</u>	<u>09/30/2015</u>
2015	2,266	2,266
2016	2,523	2,619
2017	1,785	2,105
2018	741	1,401
2019 to 2024	4,001	12,596
	<u>11,316</u>	<u>20,987</u>

Recorded deferred tax assets are limited to the offset amount supported by projections of taxable profit, discounted to present value, made by the Company and its subsidiary Tégula within the next ten years, further considering that offset of income and social contribution tax losses is limited to 30% of annual net income, determined in accordance with ruling Brazilian tax legislation, however, these may be carried indefinitely for offset against future taxable profit.

As of September 30, 2015, subsidiary Tégula had accumulated income tax loss of R\$39,348 and social contribution tax loss of R\$39,348, for which deferred taxes were not recorded, since up to September 30, 2015 there were no future taxable profit projections confirming realization thereof.

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Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

20. Income and social contribution taxes (Continued)

b) Breakdown of deferred income and social contribution taxes (Continued)

Estimated realization of tax credits (Continued)

ii. Temporary differences

Noncurrent assets related to deferred income and social contribution taxes calculated on temporary differences is expected to be realized as follows:

	<u>Company</u>	<u>Consolidated</u>
	<u>09/30/2015</u>	<u>09/30/2015</u>
2015	2,276	7,169
2016	2,759	7,604
2017	1,833	3,377
2018	1,833	3,377
2019 to 2024	10,995	21,087
	<u>19,696</u>	<u>42,614</u>

As the result of income and social contribution taxes depends not only on taxable profit, but also on the existence of non-taxable revenues, nondeductible expenses and various other variables, there is no significant correlation between net income of the Group and the result of income and social contribution taxes.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

21. Provision for tax, civil, and labor risks

The Group is party to various civil, labor and tax proceedings that are pending judgment at different court levels.

Group management believes that the provision for risks is sufficient to cover any losses from legal proceedings, as follows:

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Labor claims (i)	18,491	20,258	27,457	29,225
Civil claims	-	-	5,328	4,930
Tax claims (ii)	7,121	5,968	28,711	25,394
	25,612	26,226	61,496	59,549

i) Labor claims include:

Damages including pain and suffering and labor claims brought by former employees claiming (i) overtime (ii) night shift pay, (iii) hazardous working bonus (iv) severance pay, among others.

ii) Tax claims include:

Difference in ICMS amounts paid, and
Difference in rates paid for INSS purposes.

Changes in provision for tax, civil and labor risks are as follows:

	Company Provisions		
	Provisions for labor claims	for tax claims	Total
Balance at January 1, 2014	19,780	5,335	25,115
Additions	3,973	1,266	5,239
Write-offs	(1,801)	-	(1,801)
Reversals	(1,694)	(633)	(2,327)
Balance at December 31, 2014	20,258	5,968	26,226
Additions	1,406	1,158	2,564
Write-offs	(1,361)	-	(1,361)
Reversals	(1,812)	(5)	(1,817)
Balance at September 30, 2015	18,491	7,121	25,612

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

21. Provisions for tax, civil and labor risks (Continued)

ii) Tax claims include: (Continued)

	Consolidated			Total
	Provisions for labor claims	for civil claims	Provisions for tax claims	
Balance at January 1, 2014	29,219	4,397	21,043	54,659
Additions	5,557	533	8,353	14,443
Write-offs	(1,801)	-	(388)	(2,189)
Reversals	(3,750)	-	(3,614)	(7,364)
Balance at December 31, 2014	29,225	4,930	25,394	59,549
Additions	1,406	398	3,322	5,126
Write-offs	(1,361)	-	-	(1,361)
Reversals	(1,813)	-	(5)	(1,818)
Balance at September 30, 2015	27,457	5,328	28,711	61,496

iii) Proceedings whose likelihood of an unfavorable outcome is assessed as possible

At September 30, 2015, there were civil, tax, administrative and labor claims against the Group whose likelihood of loss was assessed by legal advisors as possible in the consolidated amount of R\$12,787 (R\$10,863 at December 31, 2014), accordingly, no provision was recorded for these claims and proceedings.

In addition, the following proceedings were in course against the Group, whose likelihood of loss was assessed as possible by legal advisors, and whose amounts are not measurable up to date:

- Public interest suits on environmental and health matters brought by state and federal prosecutors of the state of Bahia, and a class action with the same objective as the abovementioned public interest suit.
- Consumer public interest suit in the State of Rio de Janeiro and another one in the State of Pernambuco, in order to prohibit the sale of products containing chrysotile mineral in those states.
- Managerial Wrongdoing suit in which issues related to Financial Compensation for Exploration of Mineral Resources (CFEM) were discussed as well as an annulment action and a tax lien of the same nature.
- Public interest and class suits, both related to the sale by Goiás state of an area of land where the residential quarters of subsidiary SAMA is located.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

21. Provision for tax, civil, and labor risks (Continued)

iii) Proceedings whose likelihood of an unfavorable outcome is assessed as possible
(Continued)

- e) In 2013 and 2014, two public interest suits were filed against the Company by the Labor Prosecution Office (MPT) in the state of São Paulo and MPT in the state of Rio de Janeiro, wherein subject matters relate to work environment and occupational disease. Claims include payment of R\$1 billion as collective pain and suffering to be deposited in entities or projects appointed by the State Department of Labor or in the Worker's Support Fund (FAT).

In parallel to these suits, ABREA also filed two suits distributed by dependence with the São Paulo and Rio de Janeiro State Labor Courts, as these address the same facts challenged in the abovementioned suits. The defense was presented and awaits judgment of the merits.

The Group makes judicial deposits linked to the provisions for risks in a specific account in noncurrent assets.

22. Operating revenue, net

	Company		Consolidated	
	09/30/2015	09/30/2014	09/30/2015	09/30/2014
Gross sales revenue	508,186	496,474	923,655	909,225
Unconditional discounts and rebates	(2,118)	(2,270)	(2,526)	(2,443)
Sales taxes	(126,440)	(127,306)	(187,002)	(192,192)
Operating revenue, net	379,628	366,898	734,127	714,590

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

23. Information on the nature of expenses

	Company		Consolidated	
	09/30/2015	09/30/2014	09/30/2015	09/30/2014
Cost of products and goods sold	(285,931)	(269,976)	(446,526)	(438,978)
Selling expenses	(42,539)	(44,468)	(85,373)	(87,712)
General and administrative expenses and management fees	(42,908)	(38,836)	(87,523)	(91,169)
	(371,378)	(353,280)	(619,422)	(617,859)
Raw material used	(184,767)	(186,428)	(300,380)	(301,692)
(-) Present value adjustment	-	1,382	-	1,948
Personnel expenses and charges	(88,694)	(79,834)	(123,012)	(125,601)
Material, electric energy and services	(33,045)	(24,138)	(39,999)	(34,109)
Third-party services	(18,867)	(15,346)	(43,853)	(39,139)
Depreciation and amortization	(9,745)	(8,771)	(29,349)	(27,936)
Sales commissions	(9,086)	(8,723)	(15,127)	(15,783)
Variable selling expenses	(7,211)	(7,820)	(28,290)	(29,911)
Lease of chattels	(4,976)	(5,348)	(8,409)	(8,769)
Travel expenses	(4,232)	(3,468)	(6,352)	(6,192)
Expenses with materials and IT services	(3,113)	(2,873)	(4,971)	(4,956)
Advertising and publicity	(3,029)	(6,697)	(6,528)	(8,569)
Trade union dues	(1,948)	(2,867)	(7,082)	(10,537)
Taxes	(511)	(311)	(2,354)	(1,688)
Expense with allowance for doubtful accounts	(1,084)	(446)	(1,712)	(1,038)
Other	(1,070)	(1,592)	(2,004)	(3,887)
	(371,378)	(353,280)	(619,422)	(617,859)

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

24. Other operating income (expenses), net

	Company		Consolidated	
	09/30/2015	09/30/2014	09/30/2015	09/30/2014
<u>Other operating income:</u>				
PP&E disposal	782	241	873	398
Sample for product testing	1,186	-	-	-
Unclaimed dividends and interest on equity	37	271	37	271
Reversal of provision for risks	1,753	-	1,753	-
Lease	-	-	1,187	2,297
Previously unused credit	-	2,678	2,470	2,678
FI Fund – Private Pension (i)	-	1,446	1,809	1,446
Other	516	290	2,411	1,483
	4,274	4,926	10,540	8,573
<u>Other operating expenses:</u>				
Provision for risks	(92)	(280)	(92)	(548)
Provision for future benefits to former employees	(2,948)	(2,424)	(4,419)	(3,596)
Environmental recovery	-	-	(810)	(735)
Taxes on other revenues	(36)	(245)	(654)	(784)
Quality control	(711)	(421)	(1,015)	(627)
Replacement of defective products	(321)	(312)	(334)	(312)
Expenses with unexpected halts	-	-	(1,281)	(8)
Expenses with labor and civil indemnifications	(528)	(439)	(859)	(814)
Cost of PP&E	(684)	(111)	(747)	(133)
Other	(84)	(917)	(1,042)	(1,180)
	(5,404)	(5,149)	(11,253)	(8,737)
Total	(1,130)	(223)	(713)	(164)

- (i) Private pension credit offset, Company's contribution, in unnamed fund established upon termination of employees, in accordance with the Company's policies.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

25. Financial income (expenses)

	Company		Consolidated	
	09/30/2015	09/30/2014	09/30/2015	09/30/2014
Financial income:				
Short-term investment yield - including Bank Deposit Certificates (CDB)	879	1,559	3,097	3,675
Discounts obtained	72	91	150	154
Interest income	2,543	4,921	4,394	7,681
Monetary gains	695	2,490	719	2,555
Exchange gains	13,729	6,622	101,397	24,456
Other financial income	-	-	6	94
	17,918	15,683	109,763	38,615
Financial expenses:				
Interest on financing	(352)	(241)	(1,723)	(773)
Interest on loan	(3,056)	(2,268)	-	-
Interest payable	(162)	(1,570)	(3,008)	(3,447)
Bank expenses	(999)	(828)	(1,251)	(1,027)
Discounts granted	(842)	(684)	(2,244)	(1,685)
Tax on Financial Transactions (IOF)	(349)	(268)	(788)	(870)
PIS and COFINS - Interest on Equity (IOE)	(1,024)	(253)	(1,084)	(253)
Exchange losses	(17,841)	(6,336)	(113,581)	(24,281)
Monetary losses	(1,704)	(1,634)	(4,393)	(3,940)
Other	(265)	(208)	(439)	(503)
	(26,594)	(14,290)	(128,511)	(36,779)
Financial income (expenses), net	(8,676)	1,393	(18,748)	1,836

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

26. Segment reporting

Management defined the operating segments as Fiber Cement, Chrysotile Mineral and Concrete Tiles, as well as the geographic area of operation. Information presented in line "Others" refers to expenses not directly attributable to Fiber Cement, Chrysotile Mineral and Concrete Roof Tiles segments, such as sanitary ware resale, synthetic marble, solar heater, among others.

Operating segments defined by senior management are as follows:

Company and Consolidated	
Description	Geographic area
Fiber Cement	Southeast, South, Midwest, North and Northeast
Chrysotile Mineral	Domestic and foreign markets
Concrete roof tiles	Domestic market
Other	Domestic market

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

26. Segment reporting (Continued)

Significant consolidated segment reporting for the nine-month period ended September 30, 2015 and 2014, and balance sheet balances at December 31, 2014 are as follows:

		09/30/2015		09/30/2015					
		Total Assets	Liabilities	Net revenue	Gross profit	Income (loss) before taxes	Depreciation and amortization	Financial income (expenses)	IRPJ/CSLL
Fiber cement and synthetic fiber cement									
	Southeast	226,863	30,057	69,879	17,337	(867)	2,541	(1,320)	521
	South	51,311	41,202	109,646	27,110	(1,452)	3,655	(2,071)	818
	Midwest	82,406	54,860	157,033	42,603	1,697	2,659	(2,966)	1,171
	North and Northeast	24,522	25,597	75,368	18,601	(1,031)	1,560	(1,424)	562
		385,102	151,716	411,926	105,651	(1,653)	10,415	(7,781)	3,072
Chrysotile Mineral									
	Domestic market	309,763	105,798	104,640	84,045	58,887	5,453	1,139	(13,727)
	Foreign market	-	-	151,525	79,722	43,291	7,897	1,649	(19,877)
		309,763	105,798	256,165	163,767	102,178	13,350	2,788	(33,604)
Concrete roof tiles	Domestic market	78,891	24,064	41,132	11,019	(5,959)	3,846	(1,770)	(904)
Other (*)	Domestic market	193,557	163,843	24,904	7,164	(21,390)	1,738	(11,985)	(62)
Total		967,313	445,421	734,127	287,601	73,176	29,349	(18,748)	(31,498)

(*) Including investment in the sanitary ware segment, consolidated by means of equity pickup. See Note 9 – Investments.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

26. Segment reporting (Continued)

		12/31/2014		09/30/2014					
		Total assets	Liabilities	Net revenue	Gross profit	Income (loss) before taxes	Depreciation and amortization	Financial income (expenses)	IRPJ/ CSLL
Fiber cement and synthetic fiber cement									
	Southeast	236,354	41,232	66,628	17,443	3,824	1,990	295	(563)
	South	42,586	50,117	105,797	28,029	6,402	3,593	469	(893)
	Midwest	70,437	59,972	155,440	43,156	11,381	2,227	689	(1,312)
	North and Northeast	24,519	33,852	70,751	18,686	4,224	1,378	314	(597)
		373,896	185,173	398,616	107,314	25,831	9,188	1,767	(3,365)
Chrysotile Mineral									
	Domestic market	280,938	92,180	110,761	95,087	62,159	14,329	532	(12,507)
	Foreign market	-	-	121,709	49,495	13,312	-	584	(13,743)
		280,938	92,180	232,470	144,582	75,471	14,329	1,116	(26,250)
Concrete roof tiles									
	Domestic market	92,153	25,008	52,712	17,924	(2,400)	3,729	(1,455)	(1,228)
Other (*)									
	Domestic market	150,877	80,695	30,792	5,792	(5,422)	690	408	(712)
Total		897,864	383,056	714,590	275,612	93,480	27,936	1,836	(31,555)

(*) Including investment in the sanitary ware segment, consolidated by means of equity pickup. See Note 9 – Investments.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

27. Insurance coverage

As of September 30, 2015, the insurance taken out by the Group, under the guidance from its insurance advisors, against any risks is as follows. Average maturity of insurance taken out is July 2016.

Type	Insured assets	Insurance amounts
Engineering and operational risks, general civil liability and loss of profits	Buildings, facilities, equipment and other	R\$ 290,400

28. Financial instruments

28.1. Identification and assessment of financial instruments

a) Financial instrument analysis

To protect its assets and liabilities, the Group maintains insurance coverage for risks that, if incurred, may cause losses that significantly impact the Groups' equity and/or the P&L, considering the risks subject to compulsory insurance, whether legally or contractually.

A comparison by class of Group's financial instruments, presented in the financial statements, is as follows:

Fair value measurement	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
	Level 1	Level 1	Level 1	Level 1
Financial assets				
Cash and cash equivalents	1,482	5,711	4,866	13,367
Short-term investments	7,484	15,726	20,702	35,023
Accounts receivable – foreign market	-	-	91,854	73,753
	8,966	21,437	117,422	122,143
Measured at amortized cost	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
	Financial liabilities			
Trade accounts payable	22,128	22,858	41,152	42,151
Loans and financing	21,015	8,195	185,759	127,924
	43,143	31,053	226,911	170,075

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

28. Financial instruments (Continued)

28.1. Identification and assessment of financial instruments (Continued)

b) Fair value hierarchy

For the nine-month period ended September 30, 2015, there was no fair value assessment transfer between Level I and Level II, or fair value assessment transfer between Level III and Level II.

28.2. Financial risk management

The Group's main financial liabilities refer to trade accounts payable, loans and financing. The main purpose of these financial liabilities is to raise funds for operations. The Group also has trade accounts receivable, demand deposits and short-term investments that result directly from its operations. Accordingly, the Group is exposed to market, credit and liquidity risks.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk includes four types of risks for the Group: a) currency risk; b) interest rate risk; c) risk of loss on production due to scarcity in the supply of raw material and inputs; and d) growth-related risks.

a) *Currency risk*

Currency risk is the risk that the fair value of future cash flows from a financial instrument will be affected by changes in foreign exchange rates. The Company's exposure to the risk of changes in exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

28. Financial instruments (Continued)

28.2 Financial risk management (Continued)

i. Market risk (Continued)

a) Currency risk (Continued)

As of September 30, 2015, the Group was exposed to a currency other than its functional currency, as follows:

	Consolidated		Quotation at 09/30/2015
	09/30/2015	12/31/2014	(US\$ / € 1.00 = R\$1.00)
Foreign market customers	91,854	73,753	3.97
Foreign market suppliers	(5,277)	(2,743)	3.97
ACE	(45,167)	(58,342)	3.97
Financing taken (USD)	(60,565)	(42,808)	3.97
Financing (EUR)	(2,299)	(938)	4.43
Total currency exposure	(21,454)	(31,078)	

a.1) Sensitivity analysis

In order to measure the economic impact of exchange variations on the Group's financial instruments, four scenarios were considered in relation to the exchange rate prevailing at September 30, 2015, as follows:

Balances (foreign currency) - Consolidated	Risk	Rate (*)	Position at 09/30/2015	Rate depreciation		Rate appreciation	
				Scenario I (-50%)	Scenario II (-25%)	Scenario III (+25%)	Scenario IV (+50%)
USD			3.97	1.99	2.98	4.96	5.96
Foreign customers	USD		91,854	46,043	68,948	114.760	137.897
Trade accounts payable - foreign market	USD		(5,277)	(2,645)	(3,961)	(6.593)	(7.922)
ACE	USD		(45,167)	(22,640)	(33,904)	(56.430)	(67.807)
Financing	USD		(60,565)	(30,359)	(45,462)	(75.668)	(90.924)
EUR			4,43	2,22	3,32	5,54	6,65
Financing	EUR		(2,299)	(1,033)	(1,547)	(2.574)	(3.093)
Total exposure			(21.454)	(10.634)	(15,926)	(26,505)	(31,849)

(*) US dollar and Euro rates available on the web site of the Central Bank of Brazil (BACEN).

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

28. Financial instruments (Continued)

28.2 Financial risk management (Continued)

i. Market risk (Continued)

b) *Interest rate risks*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rate.

Group management makes it a policy to maintain the rates of its exposures at asset and liability interest rates pegged to floating rates. Short-term investments are restated by reference to the CDI.

Asset (liability) exposures to interest rates are as follows:

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Short-term investments (cash equivalents)	-	-	62	1,677
Short-term investments	7,484	15,726	20,702	35,023
Total exposure to interest rate	7,484	15,726	20,764	36,700

The Group's management understands that there is low risk of significant fluctuations in the CDI over the next 12 months, taking into account the stability allowed by the current monetary policy adopted by the Federal Government, as well as the history of increases in the base interest rate in Brazilian economy in recent years. Thus, it did not take out derivatives to hedge against this risk.

The table below sets out the net economic impact of increases in the interest rate curve used in the Group's financial instruments:

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

28. Financial instruments (Continued)

28.2 Financial risk management (Continued)

i. Market risk (Continued)

b) *Interest rate risk* (Continued)

Short-term investments-- Consolidated	Index	Position at 09/30/2015	Projection of financial income - one year				
			Probable scenario	Reduction risk		Increase risk	
				Scenario I (-50%)	Scenario II (-25%)	Scenario III (+25%)	Scenario IV (+50%)
CDI			14.15%	7.08%	10.61%	17.69%	21.23%
Short-term investments (cash equivalents)	CDI	62	71	66	69	73	75
Short-term investments	CDI	20,702	23,631	22,168	22,898	24,364	25,097

c) *Risk of loss in production due to scarcity in the supply of raw material and inputs*

This growth strand is based on the diversification of the portfolio, through development, launching of new products and entry of new business segments, using the Group's own structure or the ability of third parties. Within this concept there are the constructive solutions (cement slabs and the Wall Panel), metallic roof tiles, sanitary ware, sanitary seats and metal fittings. Except for constructive solutions and sanitary ware items, third parties' skills are used in other segments. In this same growth strand, the Company started two "greenfield" projects to install:

- Multiproduct plant in the Industrial District of Porto de Pecém, in Ceará state, a joint venture with the Colombian multinational "Colceramica", a company of Organizations Corona. Eternit holds 60% interest and brings together the know-how of the Brazilian market and efficient logistics, whereas Colceramica holding 40% interest with the know-how of manufacturing at competitive production costs.
 - Installation of an R&D unit for the research, development and production of construction material inputs in the city of Manaus, Amazonas state.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

28. Financial instruments (Continued)

28.2 Financial risk management (Continued)

i. Market risk (Continued)

- c) *Risk of loss in production due to scarcity in the supply of raw material and inputs* (Continued)

In the joint venture's case, the risks would be related to Colceramica breaking up the partnership, in which case Eternit may find difficulties to produce sanitary ware, since it still does not have the know-how of production.

The risks associated to the implementation of the projects mentioned above relate to obtaining environmental and operational licenses for installation and operation, and obtaining additional funding to implement its expansion strategy for the project. If new funds are not raised in the expected timing, delays may occur and results may not be satisfactory.

- d) *Growth-related risk*

The Group has no control over certain raw materials, such as cement, limestone, sand, recycled pulp and steel coils, thus a significant increase in price or reduction in payment terms may substantially impact the production cost.

To produce fiber cement with alternative fiber, the Company may encounter difficulties in obtaining synthetic fiber on a large scale, since the availability of global fibers is lesser than the Brazilian market needs. In addition, increases in the price of these and other raw materials, including increases due to scarcity, taxes, restrictions or exchange rate fluctuations may increase the production cost and adversely affect the Company's business.

Concerning suppliers of sanitary ware, sanitary seats and metal fittings, whose products Eternit sells in the Brazilian market, the Company may face difficulties in finding new partners in case of a dissolution in the supply contract.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

28. Financial instruments (Continued)

28.2 Financial risk management (Continued)

II. Credit risk

Trade accounts receivable

Customer credit risk is managed by the Group on a daily basis, also such risk is mitigated by the fact that sales are made to a large number of customers and managed through a strict credit rating process. The result of this management and maximum exposure to credit risk are reflected under Allowance for Doubtful Accounts, as described in Note 6.

No Group customer accounts for more than 5% of total trade accounts receivable balance as of September 30, 2015 (5% at December 31, 2014).

Demand deposits and short-term investments

The Group is also subject to credit risks related to financial instruments taken out for business management purposes. The Group management considers that there is low risk of non-settlement of transactions in financial institutions in Brazil.

III. Liquidity risk

The liquidity risk is the risk of the Company not to have sufficient funds to meet its commitments due to different currencies and terms for settlement of its rights and obligations.

Control over the Company's liquidity and cash flow is monitored by the Group's managerial areas in order to ensure that generation of operating cash flows and previous fundraising, when so required, will be sufficient for meeting its scheduled commitments, thus not generating liquidity risk for the Group.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

28. Financial instruments (Continued)

28.2 Financial risk management (Continued)

IV. Capital management

For the quarter ended September 30, 2015, there were no changes in capital structure objectives, policies or processes as compared with 2014. The Group includes in its net debt structure: loans, financing less cash and cash equivalents.

	Company		Consolidated	
	Leverage		Leverage	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Loans and financing	21,015	8,195	185,759	127,924
(-) Cash and cash equivalents	(1,482)	(5,711)	(4,866)	(13,367)
Net debt	19,533	2,484	180,893	114,557
Equity	521,874	514,791	521,892	514,808
Net debt and equity	502,341	512,307	340,999	400,251

29. Commitments and guarantees

At September 30, 2015, the Group had the following guarantees:

- (i) Guarantee of the electric energy purchase and sale agreement entered into by subsidiary SAMA and the supply company Tractebel, amounting to R\$3,989, with Banco Safra, maturing in January 2016;
- (ii) Guarantee of tax enforcement payment - DNPM (National Department of Mineral Production) amounting to R\$1,440, with Banco Bradesco, with indefinite maturity;
- (iii) Financing guarantee to the Goiás State Development Agency, amounting to R\$6,034, with Banco Bradesco, maturing in February 2016;
- (iv) R\$40,909 (60%) guarantee of the financing entered into between Companhia Sulamericana de Cerâmica and BNB, Banco do Nordeste, for installation of a sanitary ware plant, with Banco Bradesco, maturing in January 2016;
- (v) Assignment of fixed assets provided as guarantee in legal proceedings, amounting to R\$730, as mentioned in Note 11;
- (vi) In December 2014, Eternit da Amazônia entered into an agreement amounting to R\$37,000, referring to the Bank Credit Bill (CCB) with Banco da Amazônia for implementing its R&D plant in Manaus. The Group offered a property and respective improvements located in the city and state of Rio de Janeiro as guarantee, whose market value is R\$62,500.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

September 30, 2015

(In thousands of reais - R\$, except when indicated otherwise)

30. Provision for mine reconstruction

Environment

Subsidiary SAMA records the restatement of environmental restoration, at fair value, according to the following criteria:

	2015 and 2014	
Discount rate	10% p.a.	
Long-term inflation rate	5% p.a.	
	09/30/2015	12/31/2014
Present value of expected cash outlays		
2032	4,332	4,028
2033	3,718	3,457
2034	1,927	1,791
2035 to 2039	1,551	1,442
Total	<u>11,528</u>	<u>10,718</u>

Under the PRAD plan, environmental restoration in degraded mining sites will occur between 2032 and 2039.

Expenses recognized for environmental restoration of degraded mining areas for the nine-month period ended September 30, 2015 totaled R\$810 (R\$735 as of September 30, 2014), calculated based on current production of chrysotile mineral.

SHAREHOLDING POSITION OF THE OWNERS OF MORE THAN 5% OF SHARES OF EACH SPECIES AND CLASS OF THE COMPANY, TO THE INDIVIDUAL ENTITY LEVEL.				
Company: ETERNIT S.A.			Position on 09/30/2015 (In Units)	
Shareholder	Ordinary Shares		Total	
	Qty.	%	Qty.	%
Generation L. Pair Shares Investment Fund	24.710.000	13,80	24.710.000	13,80
Luiz Barsi Filho	24.610.000	13,75	24.610.000	13,75
Victor Adler	12.955.000	7,24	12.955.000	7,24
Shares in treasury	58.732	0,03	58.732	0,03
Others	116.666.268	65,18	116.666.268	65,18
Total	179.000.000	100,00	179.000.000	100,00

SHAREHOLDING POSITION OF THE OWNERS OF MORE THAN 5% OF SHARES OF EACH SPECIES AND CLASS OF THE COMPANY, TO THE INDIVIDUAL ENTITY LEVEL.				
Company: ETERNIT S.A.			Position on 09/30/2014 (In Units)	
Shareholder	Ordinary Shares		Total	
	Qty.	%	Qty.	%
Generation L. Pair Shares Investment Fund	27.300.000	15,25	27.300.000	15,25
Luiz Barsi Filho	24.400.000	13,63	24.400.000	13,63
Victor Adler	12.600.000	7,04	12.600.000	7,04
Shares in treasury	58.732	0,03	58.732	0,03
Others	114.641.268	64,05	114.641.268	64,05
Total	89.500.000	100,00	89.500.000	100,00

2. POSITION OF THE CONTROLLERS, MANAGERS AND CURRENT SHARES (not revised by independent auditors)

ADMINISTRATORS AND CONTROLLERS AND CURRENT SHARES CONSOLIDATED SHAREHOLDING POSITION					
Shareholder	Quantity of ordinary shares (in units) on 09/30/2015	%	Quantity of ordinary shares (in units) Activity	Quantity of ordinary shares (in units) 09/30/2014	%
Controller	N/A	-	N/A	N/A	-
Administrators					
Board of Directors	24.675.066	13,78	24.216.200	458.866	0,26
Advisory Council Management	2.126.548	1,19	-85.618	2.212.166	1,24
Tax Council	759.700	0,42	731.576	28.124	0,02
Shares in treasury	58.732	0,03	0	58.732	0,03
Other shareholders	151.379.954	84,58	-24.862.158	176.242.112	98,45
Total	179.000.000	100,00	0	179.000.000	100,00
Current shares	151.147.254	84,58	-24.862.158	176.242.112	98,45

Independent auditor's review report on interim financial information

The Shareholders, Directors and Officers of
Eternit S.A.
São Paulo - SP

Introduction

We have reviewed the individual and consolidated interim financial information of Eternit S.A. and subsidiaries, contained in the Quarterly Financial Information Form (ITR) for the quarter ended September 30, 2015, comprising the balance sheet at September 30, 2015 and the related income statements, statements of comprehensive income for the three and nine-month periods then ended, and statements of changes in equity and cash flow statements for the nine-month periods then ended, including the explanatory information.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement CPC 21 (R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the presentation of this financial information in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly 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 auditing standards 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 individual and consolidated interim financial information

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 prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of Quarterly Information (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

Emphasis of matters

We draw attention to Note 1 to the individual and consolidated interim financial information, which describes the uncertainty surrounding the Supreme Court (STF) judgment of the overall merit of Direct Actions of Unconstitutionality (ADIs) ADI No. 3357, against State Law No. 11643/2001 of Rio Grande do Sul State, which prohibits the manufacturing and sale of all types of asbestos-based goods, within that state, and of ADI No. 3937 contesting State Law No. 12684/2007 of São Paulo State, which prohibits the use in São Paulo State of products, materials or goods that contain any type of asbestos or amianthus, and of other ADIs related to amianthus. Our conclusion is not qualified in respect of this matter.

We also draw attention to Note 21iii e) to the individual and consolidated interim financial information, which describes Civil Class Actions filed by the São Paulo and Rio de Janeiro Labor Prosecution Offices and by ABREA-São Paulo and ABREA-Rio de Janeiro against the Company, wherein matters related to the working environment and occupational diseases are challenged. The probability of loss was assessed as possible by the Company's legal advisors. Accordingly, no provision for loss was recognized in connection with those Civil Class Actions. Our conclusion is not qualified in respect of this matter.

Other matters

Statements of value added

We have also reviewed the individual and consolidated Statements of Value Added (SVA) for the nine-month period ended September 30, 2015, prepared under the responsibility of the Company management and whose presentation in the interim financial information is required by the rules issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of the quarterly financial information (ITR), and as supplementary information under the IFRS, whereby no SVA presentation is required. These statements have been submitted to the same review procedures previously described 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 accordance with the overall accompanying interim financial information.

São Paulo – November 04, 2015.

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

Rita de C. S. de Freitas
Accountant CRC-1SP214160/O-5

Gustavo de S. Lima
Accountant CRC-1SP303352/O-0

ETERNIT S.A.

Corporate Taxpayer ID (C.N.P.J.): 61.092.037/0001-81

Company Registry (NIRE): 35.300.013.344

AUDIT BOARD REPORT

The Audit Board of Eternit S.A. (“Company”), in compliance with the law and with the Bylaws, has examined the individual and consolidated interim financial information of the Company related to the quarter ended September 30, 2015.

Based on its examination, and also taking into account the unqualified and unadjusted report to date of the independent auditors ERNST & YOUNG Auditores Independentes S.S., as well as the information and clarifications provided during the said three-month period, the Audit Board believes the documents are in fair conditions to be submitted to the Board of Directors.

São Paulo, November 03, 2015.

Herein undersigned by.: André Eduardo Dantas – Coordinator; Paulo Henrique Zukanovich Funchal; Robert Juenemann; Pedro Paulo de Souza; Luciano Luiz Barsi; Vera Lucia Martins Ferreira Nogueira Ferraz - Secretary

Declaration by the Executive Board

In compliance with Article 25, paragraph 1, sub paragraphs V and VI, of CVM Instruction No. 480/2009, the Executive Board hereby declares that it has reviewed, discussed and agreed these financial statements, and agrees with the opinions expressed in the report from the Independent Auditors referring to them.

São Paulo, November 5, 2015.

The Management