



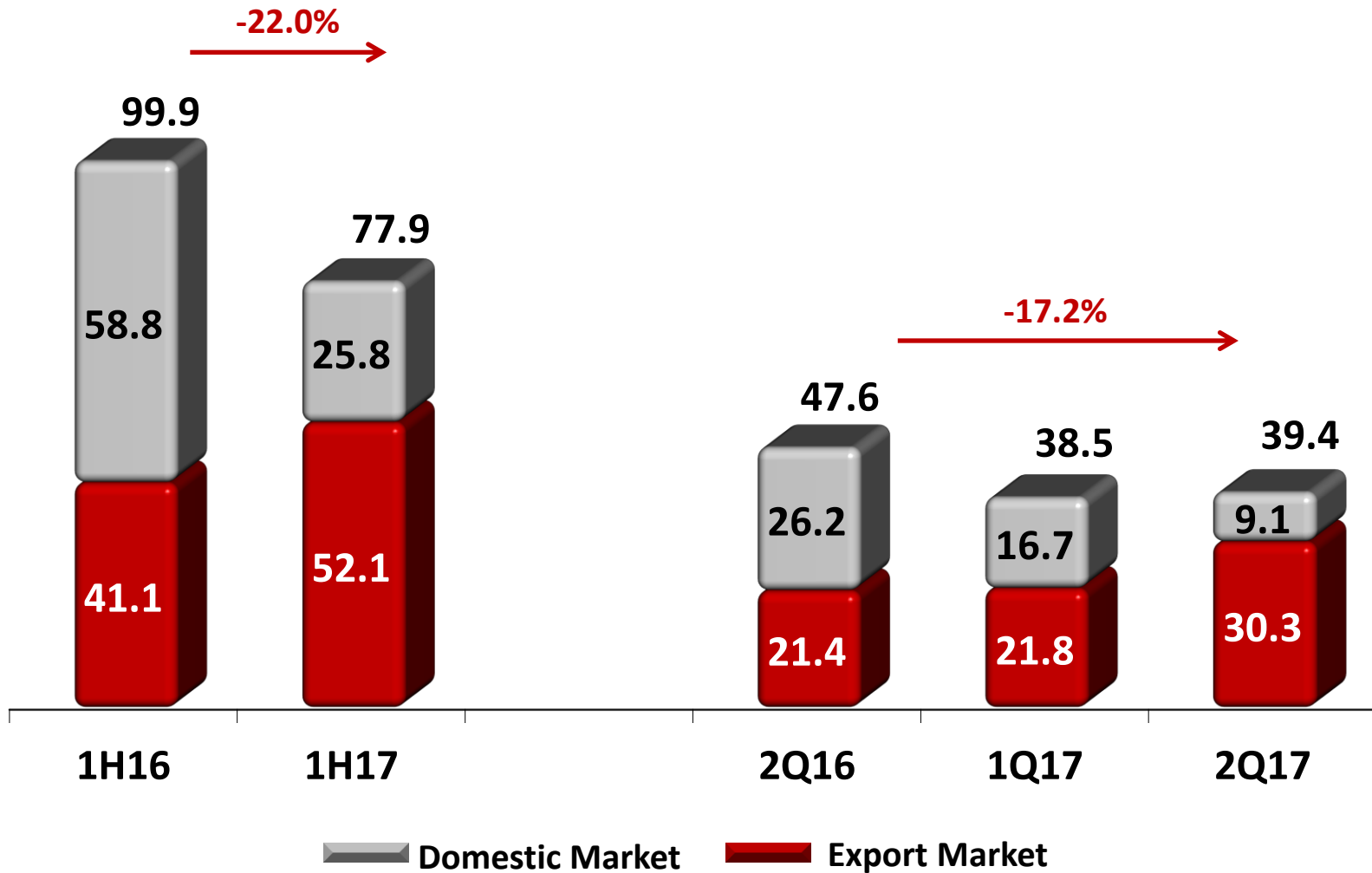
Conference Call 2Q17 Earning Results

August 11, 2017

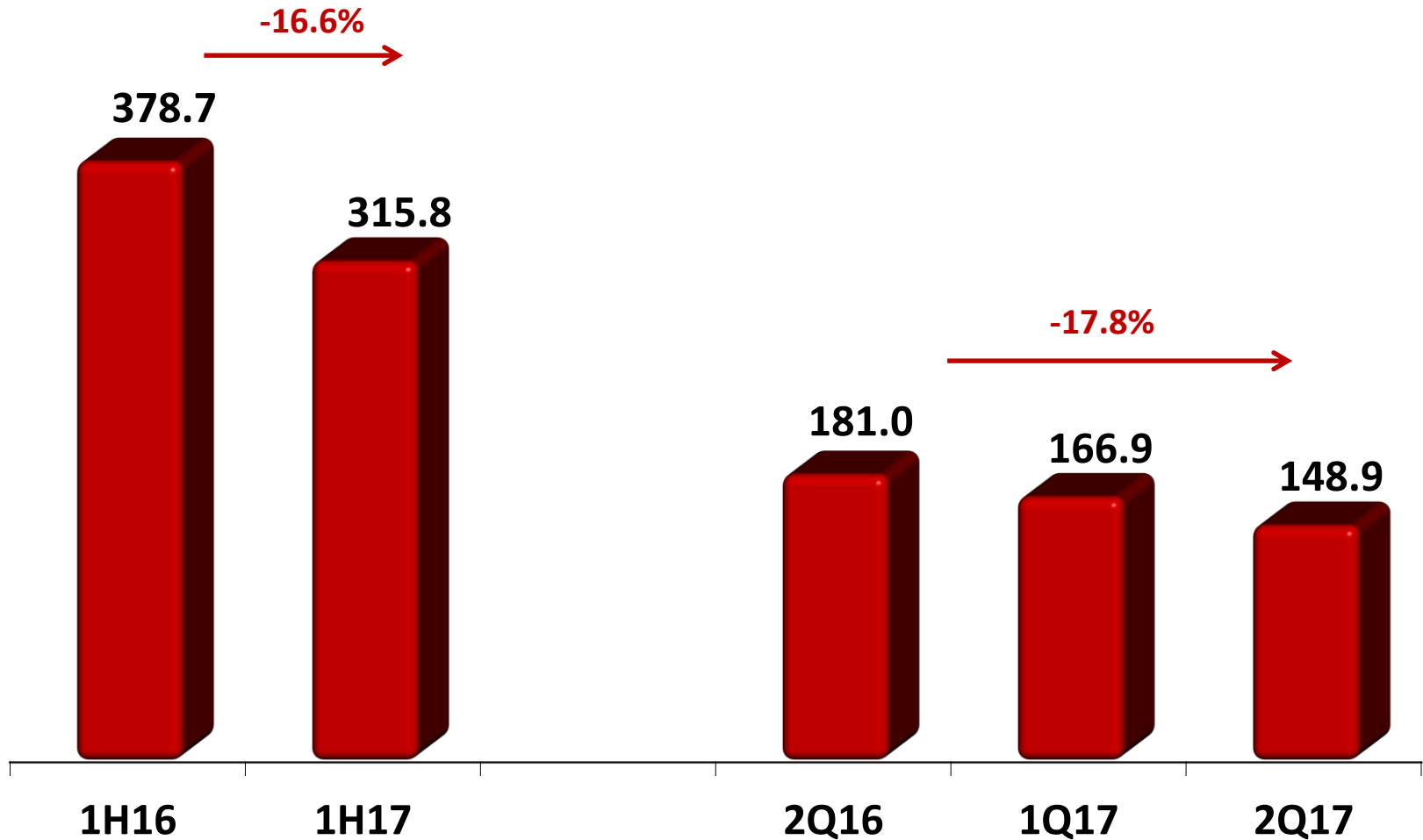
“Forward looking statements included in this presentation regarding the Company’s business, operating and financial results and Company’s growth are only predictions and were based on management's expectations regarding future performance. These expectations are highly dependent on market conditions, Brazilian economic scenario, industry performance and international markets, and are therefore subject to change.”

- ✓ Launch of restructuring process to boost Company's business profitability
- ✓ Adjust of its operations to the reduced production and inventory levels to meet market demand
- ✓ Export volumes of chrysotile mineral increased 41.4%
- ✓ Recurring and adjusted EBITDA remained practically stable with 2Q16
- ✓ Election of Chief Commercial Officer

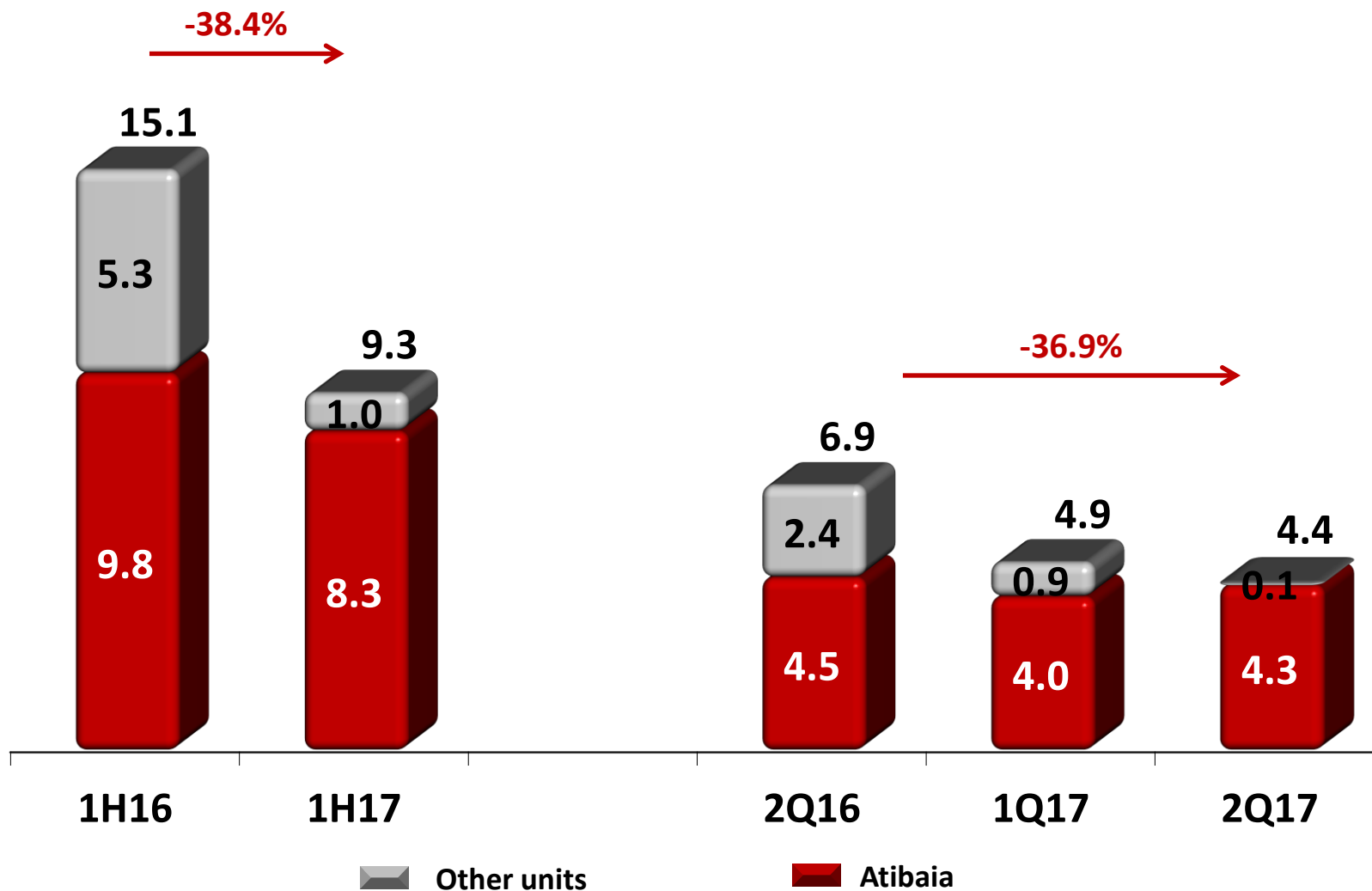
Sales of Chrysotile Mineral ('000 tons)



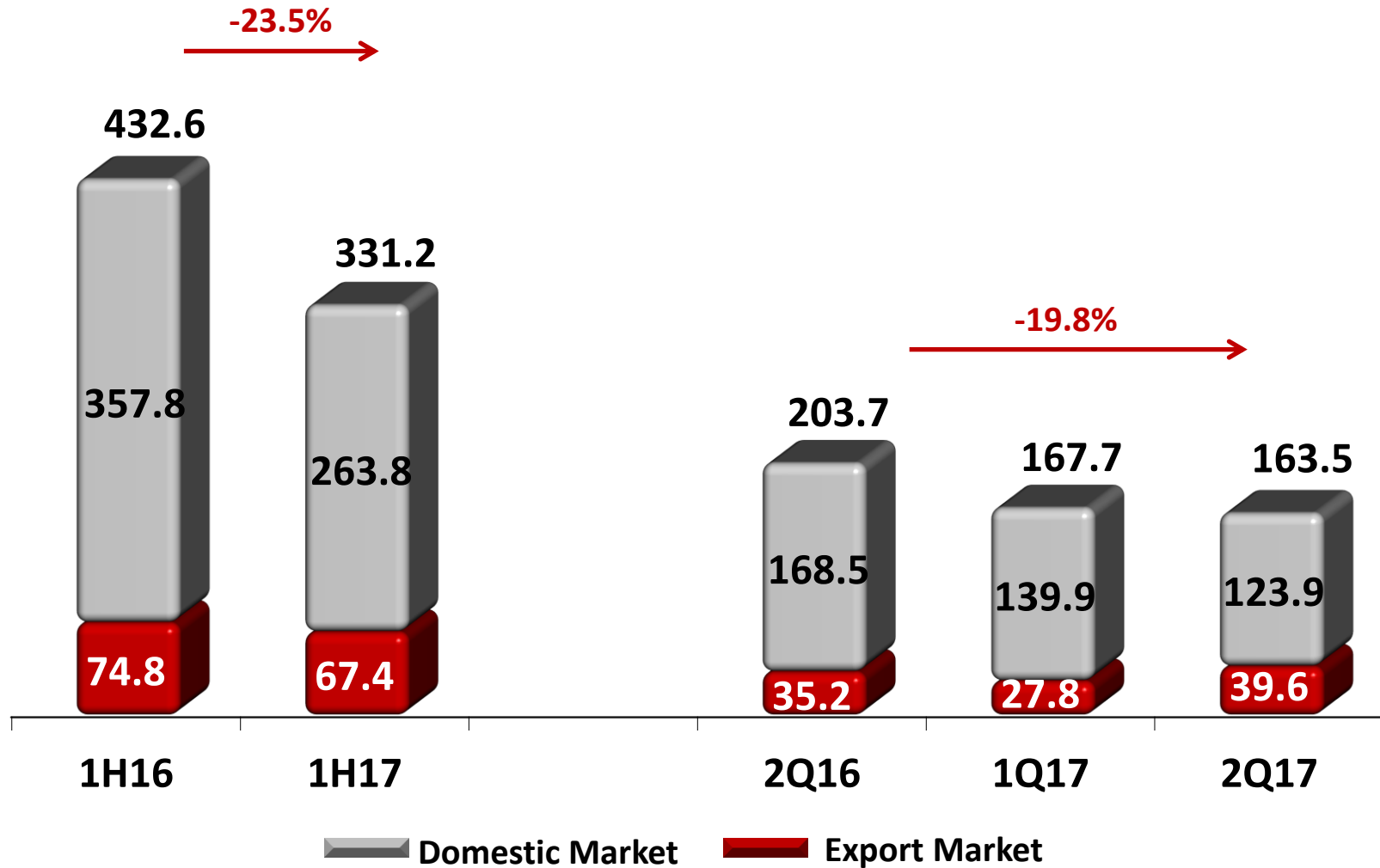
Sales of Fiber-Cement tiles ('000 tons)



Sales of Concrete tiles (million pieces)

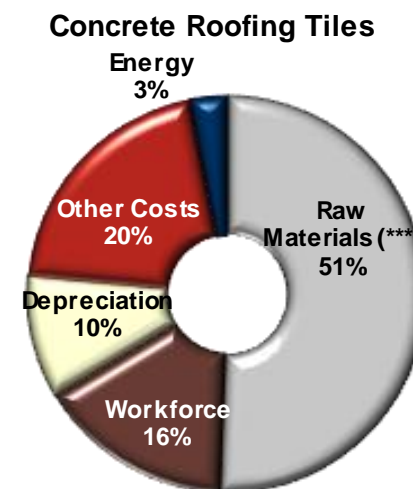
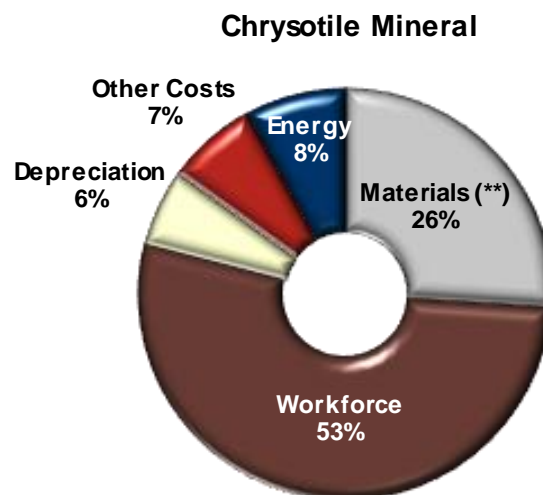
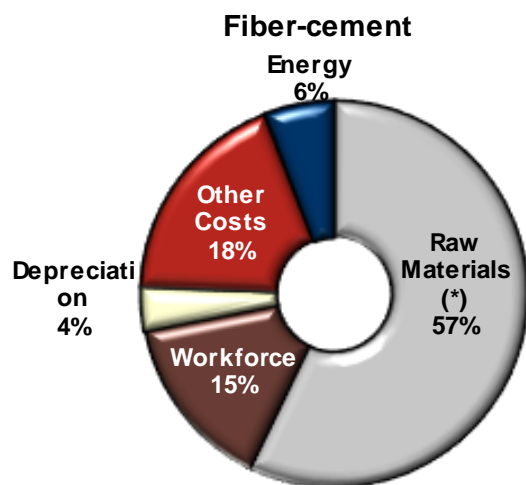


Consolidated Net Revenue (R\$ million)

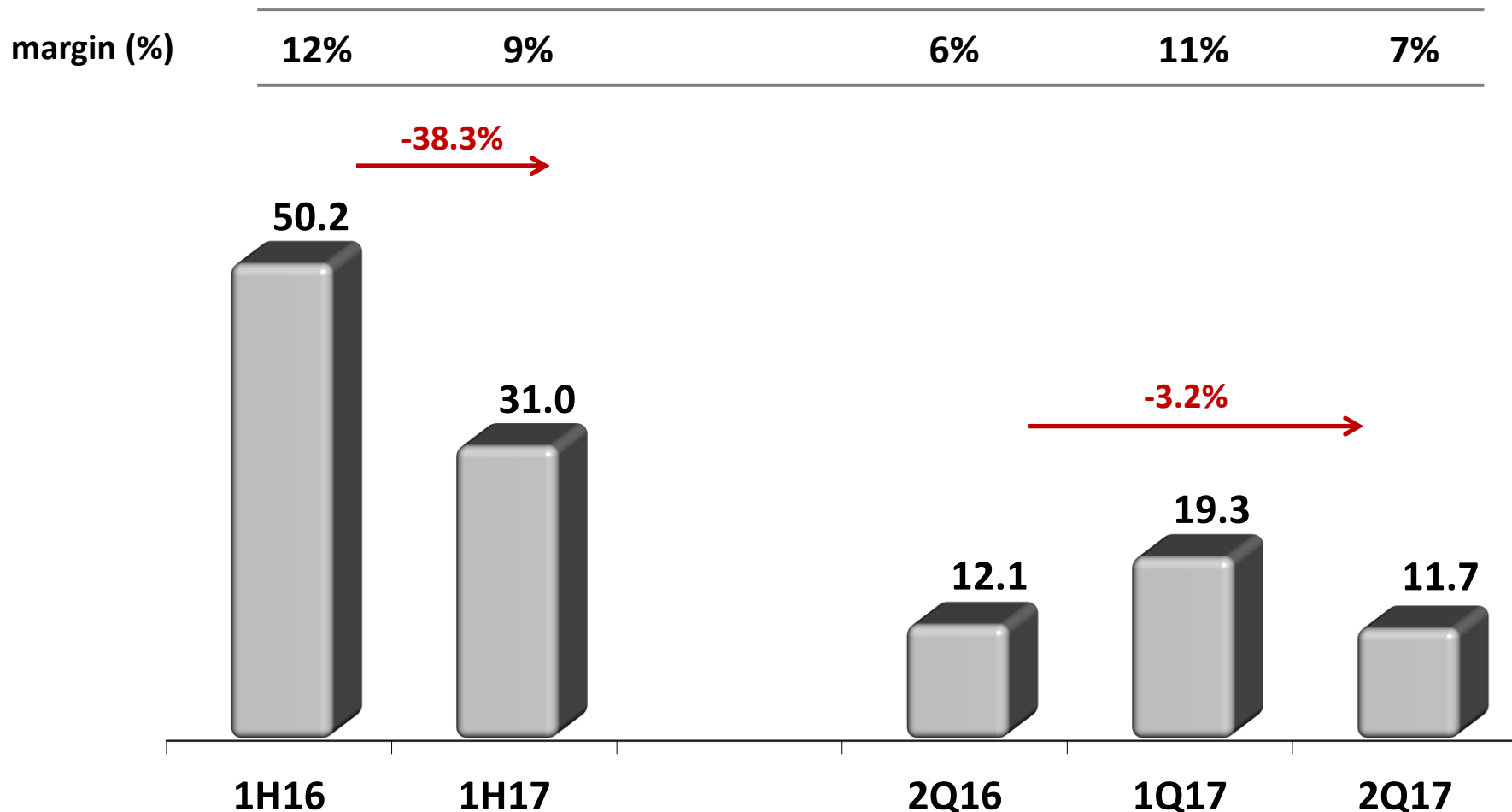


Gross Margin

Consolidated - R\$ '000	1H16	1H17	% Chg.	2Q16	% Chg. 2Q17 x 2Q16	1Q17	2Q17	% Chg. 2Q17 x 1Q17
Net Revenue	432.6	331.2	-23.4%	203.7	-19.7%	167.7	163.5	-2.5%
Cost of goods sold	-290.9	-236.4	-18.7%	-142.0	-14.2%	-114.7	-121.8	6.2%
Gross Margin	141.7	94.8	-33.1%	61.7	-32.4%	53.0	41.7	-21.3%
Gross Margin%	33%	29%	- 4p.p.	30%	- 4p.p.	32%	26%	- 6p.p.
Recurring cost of goods sold	-289.4	-229.6	-20.7%	-140.5	-18.2%	-114.7	-114.9	0.2%
RecurringGross Margin	143.2	101.6	-29.1%	63.2	-23.1%	53.0	48.6	-8.3%
Recurring Gross Margin%	33%	31%	- 2p.p.	31%	- 1p.p.	32%	30%	- 2p.p.



Recurring and adjusted EBITDA* (R\$ million)



*Adjusted EBITDA is an indicator used by the Company's Management to analyze the operational and financial performance of its wholly-owned businesses, excluding equity pickup, due to the fact that CSC is a joint venture and its information is not consolidated, as well as non-recurring events.

Recurring Net (Loss) Income (R\$ million)



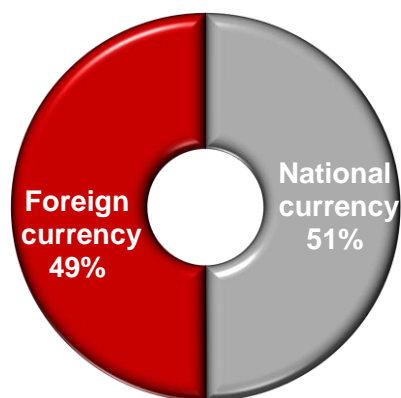
Consolidated - R\$ '000	1H16	1H17	%Chg.	2Q16	%Chg. 2Q17 x 2Q16	1Q17	2Q17	%Chg. 2Q17 x 1Q17
Recurring and adjusted EBITDA	50.2	31.0	(38.3)	12.1	(3.2)	19.3	11.7	(39.1)
Non-recurring events	-	-	-	-	-	-	-	-
Restructuring	-	(11.3)	-	-	-	-	(11.3)	-
Breaking of products from new technologies	-	(1.4)	-	-	-	-	(1.4)	-
Expenses with unexpected halts*	(1.5)	(4.0)	161.2	(1.5)	161.2	-	(4.0)	-
Equity pickup	(12.1)	(14.8)	22.3	(5.9)	56.2	(5.6)	(9.2)	64.1
EBITDA	36.6	(0.5)	-	4.7	-	13.6	(14.2)	(204.0)
Income tax and social contributions	(7.8)	2.1	-	0.1	3,917.2	(2.9)	4.9	(271.9)
Net financial income	(9.8)	(9.0)	(8.7)	(4.1)	8.9	(4.5)	(4.4)	(2.9)
Depreciation and amortization	(19.6)	(18.6)	(5.3)	(9.8)	(3.6)	(9.2)	(9.4)	2.3
Net income (loss)	(0.7)	(26.0)	3,434.1	(9.0)	156.4	(3.0)	(23.1)	681.4
Non-recurring events	-	-	-	-	-	-	-	-
Restructuring	-	11.3	-	-	-	-	11.3	-
Breaking of products from new technologies	-	1.4	-	-	-	-	1.4	-
Expenses with unexpected halts*	1.5	5.3	249.6	1.5	249.8	-	5.3	-
Adjust for inventories of realizable value	-	1.9	-	-	-	-	1.9	-
Effect of Income and social contributions taxes*	(0.5)	(6.1)	1,082.5	(0.5)	1,082.5	-	(6.1)	-
Recurring Net income (loss)	0.3	(12.2)	-	(8.0)	16.0	(3.0)	(9.3)	214.1

• It does not include the depreciation amount of unexpected halts.

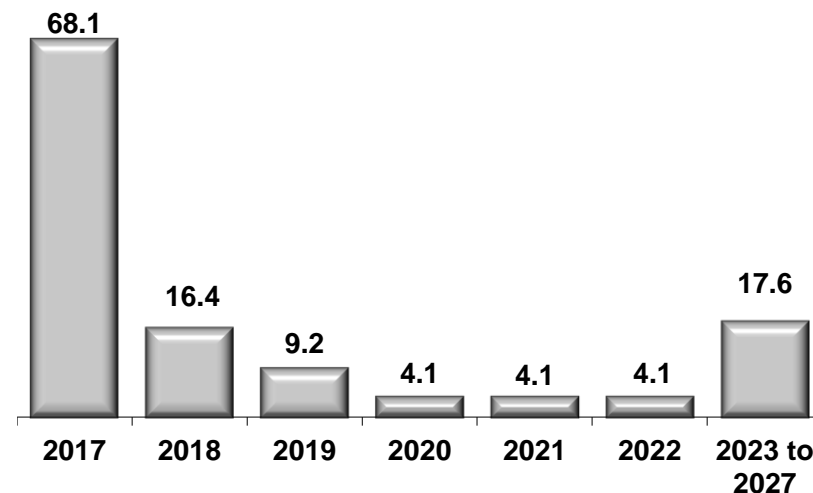
** Effect of Income and social contributions taxes on non-recurring events, disregarding the adjustment to realizable value of inventory, which refers to the jointly-owned subsidiary – CSC.

DEBT - R\$ '000	06/30/17	12/31/16	% Chg.	03/31/17	% Chg.
Short-term gross debt	77.0	68.8	12.0%	58.5	31.7%
Long-term gross debt	46.5	55.6	-16.5%	48.8	-4.8%
Total gross debt	123.4	124.4	-0.8%	107.3	15.1%
Cash and cash equivalents	(4.3)	(5.1)	-16.5%	-3.8	12.0%
Short-term investments (same cash equivalents)	(4.6)	(2.7)	68.1%	-4.4	4.6%
Net debt	114.6	116.5	-1.7%	99.1	15.6%
Recurring and adjusted EBITDA (last 12 months)	62.4	78.8	-20.8%	59.9	4.1%
Net debt / Recurring and adjusted EBITDA x	1.84	1.48		1.65	
Net debt / Equity	26.4%	25.4%	-	21.7%	-

Origin of debt



Repayment Schedule



- ❖ **Economy and Market – 2017 Projection**
 - ✓ GDP: 0.3%
 - ✓ Construction GDP: -2.1%
 - ✓ ABRAMAT index: -5.0%

- ❖ **Changes in the Company's management**
 - ✓ Adequate the operational, commercial and administrative areas
 - ✓ Redesign of the Sales area
 - ✓ Adequate pricing of the portfolio

- ❖ **Business units**
 - ✓ Fiber-cement tiles: revising its positioning in the market
 - ✓ Mining: intensify its focus on export markets
 - ✓ Concrete tiles: Architects Club – Business to Consumer sales
 - ✓ Polypropylene fibers: increase the unit's utilization by offering its product to third parties
 - ✓ Chinaware: serve new clients in the Northern and Northeastern regions
 - ✓ Expand other material construction products

- ❖ **Financial performance**
 - ✓ Improve the profitability of business units
 - ✓ Focus on the working capital and reducing its debt
 - ✓ Operate with positive margins

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