

Adjusted EBITDA grows 16% to R\$49.6 million in 1Q15

São Paulo, May 14, 2015 – Eternit S.A. (BM&FBOVESPA: ETER3), which was founded 75 years ago and is Brazil's leading manufacturer of roofing tiles and a manufacturer of bathroom chinaware, metal fixtures and construction solutions, announces its results for the first quarter of 2015 (1Q15). Except where stated otherwise, the operational and financial information of the Company is presented on a consolidated basis in Brazilian real, in accordance with Brazilian Corporation Law and International Financial Reporting Standards (IFRS). All comparisons made in this press release are with the 1st quarter of 2014 (1Q14), except where indicated otherwise.

1Q15

Stock price (04/30/15) ETER3

R\$/share	3.20
US\$/share	1.07

Shareholder base (04/30/15)

Total Shares	179,000,000
Free Float	84.60%

Market capitalization (04/30/15)

R\$ 572.8 million
US\$ 191.3 million

Shareholder payments (2015)

R\$ 0.20 per share
Dividend yield: 6.2%

Indicators - (Mar/15)

Book value (R\$/share)	2.89
Price/Book value	1.03
Price/Earnings	6.52

Conference Call/Webcast

May 15, 2015

Time: 11:00 a.m. (Brasília) –
10:00 a.m. (New York) and 03:00
p.m. (London)

Dial-in:

Participants in Brazil: (55 11)
3193-1001 or 2820-4001
Participants in other countries: +1
786 924-6977
Password: Eternit

Conference call:

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The construction materials industry ended the first quarter of 2015 well below the forecast for the year 2015, according to the Brazilian Construction Materials Industry Association (ABRAMAT), due to the 8.8% drop in sales of construction materials in the period. By contrast, Eternit outperformed the industry, ending 1Q15 with consolidated gross revenue growth of 4.1% using the same comparison basis of ABRAMAT.

Chrysotile asbestos sales in 1Q15 totaled 70,000 tons, decreasing 6.5% from 1Q14 due to lower domestic sales. In the same period, fiber-cement sales totaled 214,900 tons, virtually stable compared to 1Q14, while concrete roofing tiles decreased 28.3% due to the drop in demand across the industry, especially in this segment, which seasonally occurs every first quarter, which is the rainy season.

Consolidated net revenue in 1Q15 amounted to R\$252.7 million, up 3.7% from 1Q14, mainly due to the increase in prices and the appreciation of the U.S. dollar against the Brazilian real, which partially offset the reduction in sales of concrete roofing tiles and chrysotile asbestos.

Adjusted EBITDA in 1Q15 reached R\$49.6 million, 15.8% higher than in 1Q14, mainly due to the 3.5% increase in gross profit and the reduction in operating expenses. Net income decreased 14.2% from 1Q14 to reach R\$20.2 million in 1Q15, mainly due to lower net financial income and negative equity pickup.

Investments in 1Q15 totaled R\$14.1 million, of which (i) R\$4.7 million went to the establishment of a unit in the state of Amazonas for the research, development and production of construction material inputs and (ii) R\$9.4 million went to the maintenance and modernization of the Group's industrial facilities.

Main Indicators

Consolidated - R\$ '000	1 st Quarter		
	2015	2014	% Chg.
Gross revenues	321,547	310,688	3.5
Net revenues	252,719	243,692	3.7
Gross profit	93,958	90,751	3.5
<i>Gross margin</i>	37%	37%	-
Operating income (EBIT) ¹	33,434	33,194	0.7
Net income	20,156	23,490	(14.2)
<i>Net margin</i>	8%	10%	- 2 p.p.
EPS (R\$/share) ²	0.11	0.26	
Investments	14,138	29,203	(51.6)
EBITDA ³	43,058	42,371	1.6
<i>EBITDA Margin</i>	17%	17%	-
Adjusted EBITDA over equity pickup	49,579	42,828	15.8
<i>Adjusted EBITDA Margin</i>	20%	18%	2 p.p.

¹ Before financial results.

² Considers, to 1Q15, the stock split of 1:2 shares approved at the EGM held on 09/24/2014.

³ Operating income before interests, taxes, depreciation and amortization

Overall and Market Scenario

The Monetary Policy Committee (Copom) of the Central Bank of Brazil believes that the pace of domestic economic activity in 2015 will be slower than its potential and that it will gain momentum as the confidence of companies and households gains strength. Copom also points out that after years of strong growth, the consumption-driven lending market has slowed down – recent quarters have been marked by a reduction in exposure by banks and by deleveraging by households.

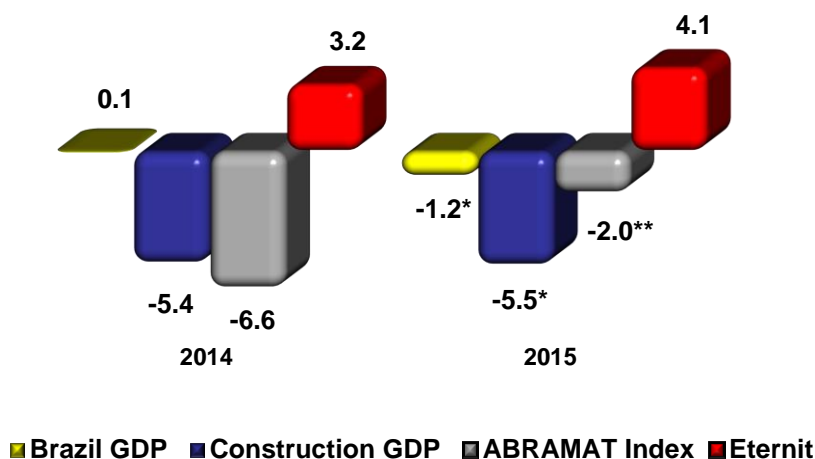
According to this scenario, GDP projections for 2015 are declines of 1.2% for the economy as a whole and of 5.5%, in the construction industry, both in comparison with 2014, according to the FOCUS market readout of May 8, 2015, and the March 2015 Inflation report published by the Brazilian Central Bank (BACEN), respectively.

According to ABRAMAT, in the first quarter of 2015, total revenues deflated by domestic sales of construction materials declined 8.8% from same period the previous year, falling far short of the forecast for the end of 2015, which itself was revised from 1.0% to -2.0%.

ABRAMAT's downward revision was based on its understanding that the market is being affected by the lack of confidence to invest by both businessmen and families, that infrastructure is slowing down sharply on account of the operational difficulties faced by large infrastructure companies, and that the real estate market has been affected by recent government measures which make acquisition of used properties difficult. The association expects the retail market to grow in 2015 since income and employment have not been severely affected so far, and the difficulties in obtaining financing for used properties could help the renovations market. In the current scenario, ABRAMAT also highlights the importance of the launch of phase 3 of the My Home, My Life Program.

In comparison, Eternit's¹ consolidated gross revenue growth of 4.1% in 1Q15 was much higher than the sector's performance.

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.

**ABRAMAT – projection of domestic construction material sales in the year.

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

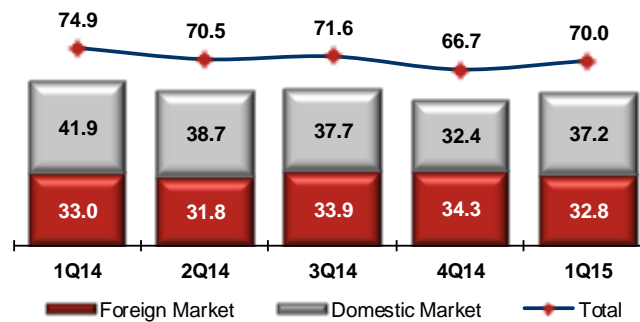
Operational and Financial Aspects

Sales

Chrysotile Asbestos

In 1Q15, chrysotile asbestos sales reached 70,000 tons, down 6.5% from 1Q14. Domestic sales dropped 11.3% in the same period due to the contraction of the construction materials industry, especially the roofing segment. Exports, on the other hand, remained virtually stable (down 0.5%).

Sales of Chrysotile Asbestos (thous. Tons.)*

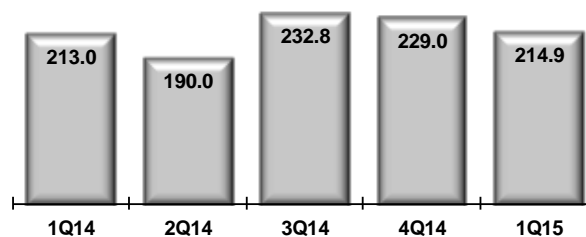


(*) Chrysotile asbestos sales include intercompany sales, which accounted for 39.4% of domestic sales in 1Q15.

Fiber-cement

Domestic fiber-cement sales, including construction solutions, totaled 214,900 tons in 1Q15, virtually stable (up 0.9%) from 1Q14.

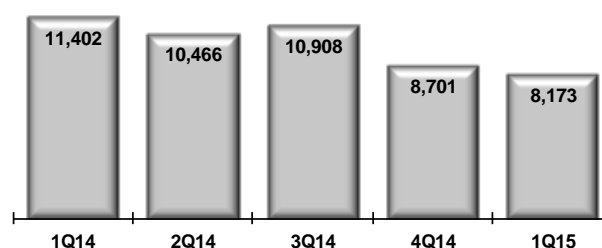
Sales of Fiber-cement (thous. Tons.)



Concrete Tiles

In 1Q15, concrete tile sales totaled 8,173,000 pieces, representing a decline of 28.3% from 1Q14 due to the contraction in demand across the industry, especially in this segment, which seasonally occurs every first quarter on account of the rainy season.

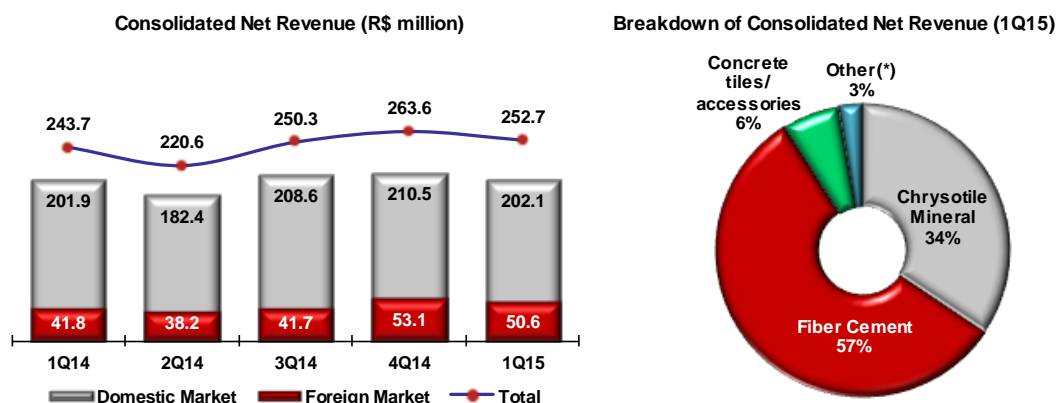
Sales of Concrete Roofing Tiles (thousand pieces)



Consolidated Net Revenue

Consolidated net revenue in 1Q15 reached R\$252.7 million, up 3.7% from 1Q14. Domestic market revenue amounted to R\$202.1 million, virtually stable (up 0.1%) due to price increases, which were partially offset by lower chrysotile and concrete roofing tile sales. Net revenue from exports increased 21.1% from 1Q14, totaling R\$50.6 million, driven by the 21.4% appreciation of the U.S. dollar against the Brazilian real (comparison of the average PTAX rate in the period).

Comparing 1Q14 and 1Q15 by product lines, chrysotile asbestos and fiber-cement recorded revenue growth of 5.1% and 8.1% respectively, while revenue from concrete roofing tiles and roofing accessories decreased 25.8% to R\$87.0 million, R\$143.0 million and R\$15.7 million respectively, due to the factors mentioned above. Revenue from other products totaled R\$7.0 million in 1Q15, a decrease of 6.0% from 1Q14, mainly due to the reduction in metal roofing panel sales.



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

Cost of Mining, Production and Goods Sold

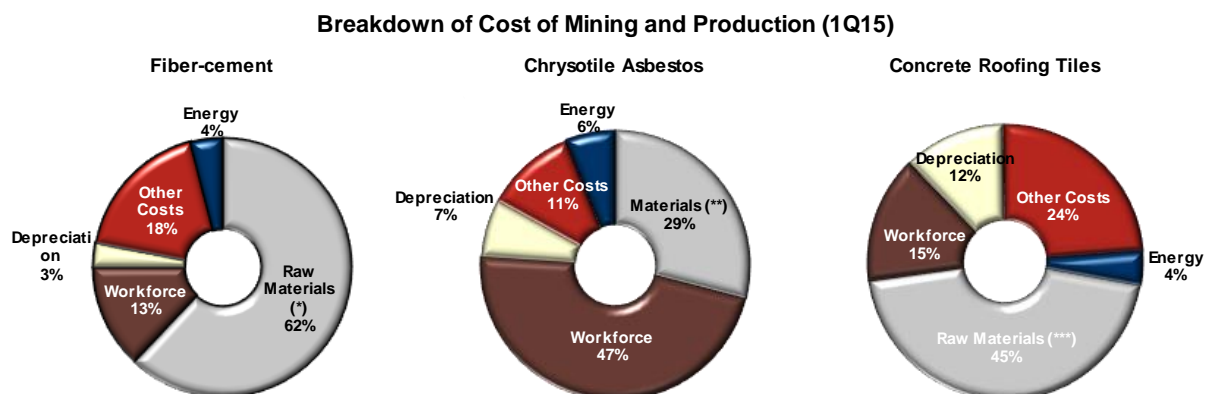
Consolidated cost of goods sold came to R\$158.8 million in 1Q15, up 3.8% compared to 1Q14 as a result of the increase in mining and production costs. Since the increase in consolidated cost of goods sold is proportional to the increase in consolidated net revenue in 1Q15, gross margin remained stable at 37% between the periods.

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

Chrysotile mining: 22% increase due to the scheduled shutdown for pit maintenance, collective labor agreements and diesel consumption.

Fiber-cement: 8% increase due to the hike in raw material prices (especially of cement and pulp) and electricity.

Concrete roofing tiles: 21% increase resulting from the adjustment of production levels to demand, in addition to the increase in raw material prices (especially of grey cement, pigments and release agents) and electricity.



* Raw materials: cement (45%), chrysotile asbestos (41%) and others (14%)

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

***Raw materials: cement (54%), sand (29%) and others (17%).

Operating Expenses

Total operating expenses in 1Q15 decreased 5.4% from the year-ago period, mainly due to the 4.2% reduction in general and administrative expenses resulting from the lower provision for profit sharing, which partially offset costs with defending the use of chrysotile asbestos.

In R\$ '000	1st Quarter		
	2014	2013	Chg. %
Selling expenses	(27,631)	(28,435)	(2.8)
General and administrative expenses	(27,325)	(28,517)	(4.2)
Other operating revenues (expenses), net	953	(148)	-
Total operating expenses	(54,003)	(57,100)	(5.4)
<i>Percentage of net revenue</i>	21%	23%	- 2 p.p.

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. In 1Q15, this figure was a loss of R\$6.5 million, compared to a loss of R\$0.5 million in 1Q14, since it is a greenfield project.

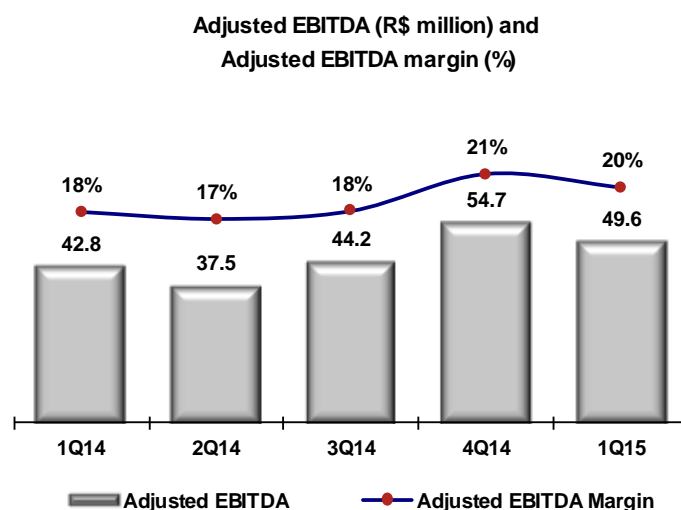
Net Financial Result

Net financial result in 1Q15 was negative at R\$1.6 million, compared to positive result of R\$1.8 million in 1Q14, mainly due to the effects of exchange variation on the Eternit Group's financial operations.

In R\$ '000	1st Quarter		
	2015	2014	Chg. %
Financial expenses	(22,285)	(13,049)	70.8
Financial income	20,668	14,840	39.3
Net financial result	(1,617)	1,791	-

Adjusted EBITDA

Adjusted EBITDA totaled R\$49.6 million in 1Q15, 15.8% higher than in 1Q14, mainly due to the 3.5% increase in gross profit and the lower operating expenses. As a result, adjusted EBITDA margin increased 2 percentage points from 1Q14 to end 1Q15 at 20%.



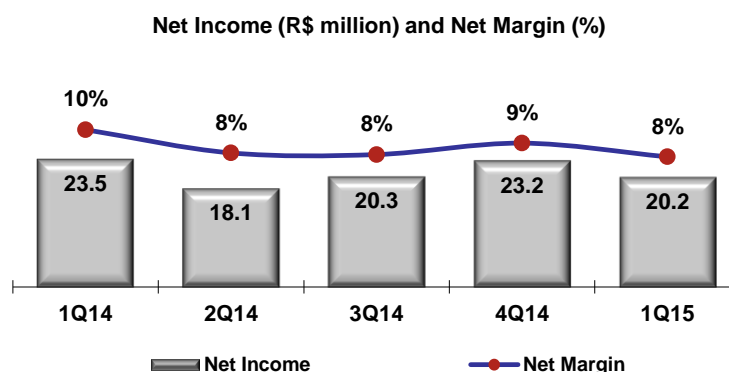
Reconciliation of consolidated EBITDA - (R\$'000)	1st Quarter		
	2015	2014	% Chg.
Net income	20,156	23,490	(14.2)
Income tax and social contributions	11,661	11,495	1.4
Net financial Income	1,617	(1,791)	-
Depreciation and amortization	9,624	9,177	4.9
EBITDA¹	43,058	42,371	1.6
Equity pickup	6,521	457	1,327.1
Adjusted EBITDA over equity pickup²	49,579	42,828	15.8

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 accordance with Instruction 527 issued by the Securities and Exchange Commission of Brazil (CVM) on October 4, 2012.

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\$20.2 million in 1Q15, down 14.2% compared to 1Q14. Net margin declined 2 percentage points to end the quarter at 8%, mainly due to the lower net financial result and negative equity pickup.

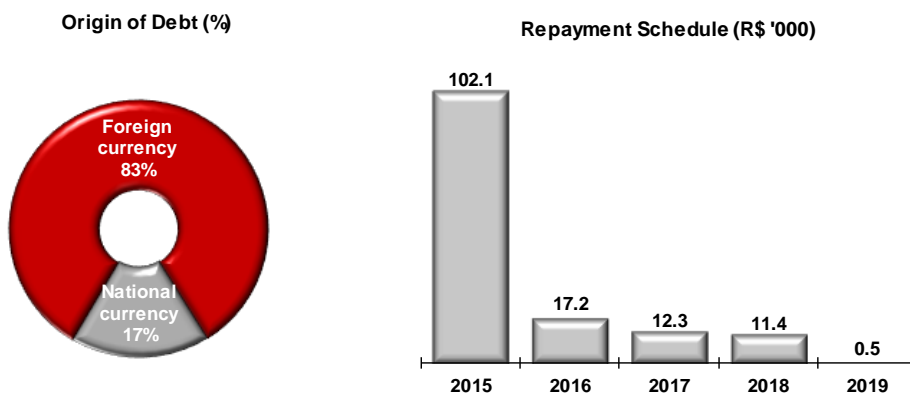


Debt

The Company ended 1Q15 with net debt of R\$100.5 million. In 2015, the gross debt of Eternit and its subsidiaries totaled R\$143.5 million, mainly due to: (i) the advances against draft presentation (ACE) and forward foreign exchange contracts (ACC) contracted for working capital; and (ii) financing for the acquisition of machinery and equipment.

Cash, cash equivalents and short-term financial investments totaled R\$43.0 million, with financial investments remunerated at an average rate corresponding to 102% of the variation in the overnight rate (CDI).

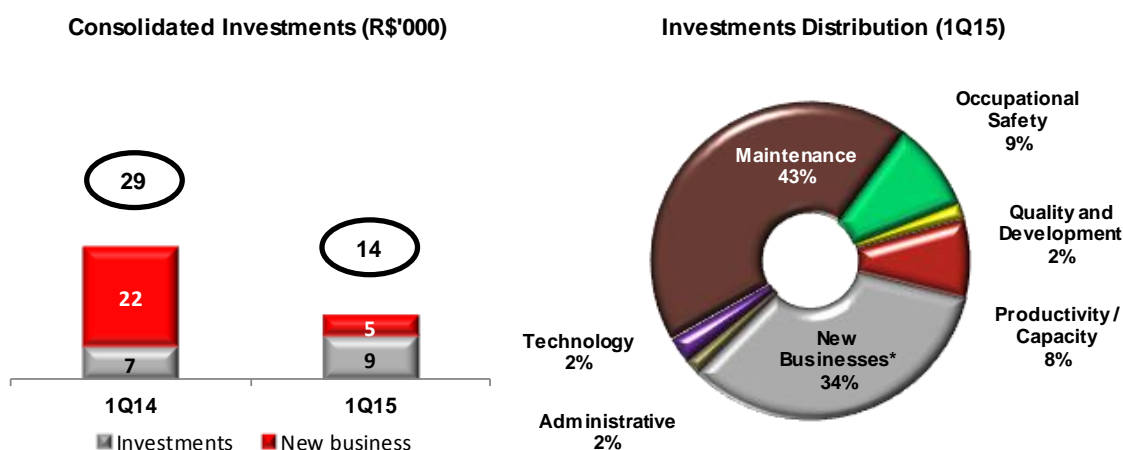
DEBT - R\$ '000	Parent Company		Consolidated	
	03/31/15	12/31/14	03/31/15	12/31/14
Short-term gross debt	3,734	3,066	102,085	88,946
Long-term gross debt	5,964	5,129	41,448	38,978
Cash and cash equivalents	(4,083)	(5,711)	(10,861)	(13,367)
Short-term investments (same cash equivalents)	(11,021)	(15,726)	(32,148)	(35,023)
Net debt	(5,406)	(13,242)	100,524	79,534
EBITDA (last 12 months)	96,883	97,356	166,187	165,500
Net debt / EBITDA x	(0.06)	(0.14)	0.60	0.48
Adjusted EBITDA over equity pickup	36,795	33,582	185,927	179,176
Net debt / Adjusted EBITDA x	(0.15)	(0.39)	0.54	0.44
Net debt / Equity	-	-	19.4%	15.4%



Note that the Company does not contract operations involving derivative instruments of any type that could be interpreted as speculative positions.

Investments

Investments made by Eternit and its subsidiaries in 1Q15 totaled R\$14.1 million, 51.6% less than in 1Q14. The funds were allocated primarily to the establishment of a unit for the research, development and production of construction material inputs in Amazonas and the maintenance and modernization of the Group's industrial facilities.



* unit for the research, development and production of construction material inputs

Capital Markets

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

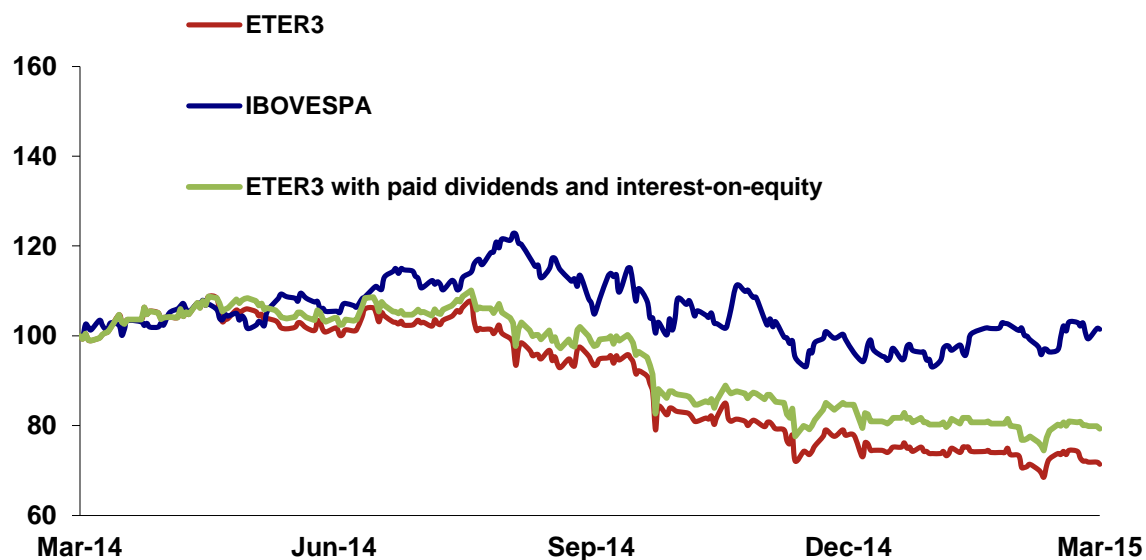
With fragmented ownership and no shareholders' agreement or controlling group, the Company's shareholder base has a high concentration of individual investors, who accounted for 65.8% of the shareholder base in 1Q15, while foreign investors accounted for 10.2% and corporate shareholders, clubs, investment funds and foundations for 24.0%.

Eternit stock (ETER3) was quoted at R\$2.98 in March 2015, depreciating 28.6% compared to March 2014. In the same period, the benchmark Bovespa Index (IBOVESPA) closed at 51,150 points, representing a gain of 1.5%. On March 31, 2015, Eternit's market capitalization stood at R\$533.4 million.

Capital Markets					
ETERNIT (ETER3)	1Q14	2Q14	3Q14	4Q14	1Q15
Closing Price (R\$/Share) - Without dividends*	4.18	4.25	3.94	3.25	2.98
Average Volume Traded (Shares)	105,502	119,013	122,972	139,600	127,643
Average Volume Traded (R\$)	437,625	516,649	513,042	492,597	390,795
ETER3 - Quarterly Profitability (%)	-	1.7	-7.2	-17.5	-8.3
ETER3 - 12 Months Profitability (%)	-	-10.2	-17.2	-25.6	-28.6
IBOVESPA - Quarterly Profitability (%)	-	5.5	1.8	-7.6	2.3
IBOVESPA - 12 Months Profitability (%)	-	12.0	3.4	-2.9	1.5
Market Capitalization (R\$ Million)	747.3	759.9	705.3	581.8	533.4

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

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



Cancellation of Level 1 ADR Program

The Board of Directors' meeting (RCA) held on April 16, 2015, approved the cancellation of the Level 1 American Depositary Receipts Program ("Level 1 ADR Program") of the Company, registered with the U.S. Securities and Exchange Commission (SEC). Consequently, no act in connection with the ADR Programs may be carried out during a period of 40 days from the date of delivery of the notice to BNY Mellon, the stock transfer agent.

The Company will take all the measures required for cancellation and will keep its shareholders and the market duly informed of any further developments related to the cancellation of the ADR Program.

Dividends and Interest on Equity

In 2015, Eternit's dividend yield¹ was already 6.2%, with total earnings paid amounting to R\$35.8 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 (2013 to 2015)				
Approval Date	Type	Payment Start Date	Total Value R\$ 000	Value per Share (R\$)
2013				
12/12/12 (*)	BDM	03/26/13	5,726	0.0320
03/06/13 (*)	BDM	03/26/13	12,168	0.0680
04/17/13	BDM	05/10/13	5,726	0.0320
04/17/13	BDM	05/10/13	12,168	0.0680
08/07/13	BDM	08/28/13	5,726	0.0320
08/07/13	BDM	08/28/13	12,168	0.0680
10/23/13	BDM	11/13/13	5,816	0.0325
10/23/13	BDM	11/13/13	12,079	0.0675
Total		-	71,577	0.4000
Closing Price		-	-	4.05
Dividend Yield		-	-	9.9%
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
Total			35,788	0.2000
Closing Price		-	-	3.25
Dividend Yield		-	-	6.2%

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

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.

Election of the Board of Directors and Audit Board

At the Annual Shareholders Meeting (ASM) held on April 16, 2015, the following were reelected as independent members of the Board of Directors: Marcelo Gasparino da Silva, Lírio Albino Parisotto, Luis Terepins, Leonardo Deeke Boguszewski and Marcelo Munhoz Auricchio and the following were elected: Raphael Manhães Martins and Luiz Barsi Filho, also as independent members.

The following were reelected members of the Audit Board: André Eduardo Dantas and Paulo Henrique Zukanovich Funchal, and the following were elected: Robert Juenemann, Benedito Carlos Dias da Silva and Luciano Luiz Barsi, and also their respective alternate members. Audit Board members hold office for one year until the next ASM. The Board is not permanent.

The résumé of each director is available at the [IR site](#), at the section Corporate Governance / Management.

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, in November 2004, Eternit created its Open Doors Program. 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 68,000 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 (www.eternit.com.br/sobre-a-eternit/portas-abertas).

Annual Report 2014

The Annual Report is a valuable instrument of communication of the company's actions, which contains information about its activities, operating results, sustainability practices and business expectations for the coming years. For the eighth consecutive year, Eternit is publishing its report in accordance with the guidelines proposed by the Global Reporting Initiative (GRI), an international organization that establishes the principles and indicators for reporting business and corporate sustainability information. GRI establishes an international framework to prepare reports, considering environmental, social, economic and financial aspects, measured by indicators.

It is also used to renew the Company's commitment to the United Nations Global Compact, which takes place every year to engage the international business community in adopting in their business practices the fundamental and internationally accepted values in the areas of human rights, work relationships, environment and fight against corruption that are reflected in 10 principles.

For the first time, Eternit created its materiality matrix to determine the content of the 2014 Annual Report, in compliance with the new G4 version of GRI indicators and improving its internal sustainability management practices. Access the full report at the [IR site](#), at the section Financial Information / Annual Reports.

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 2,210/2001 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 12,589/2007 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 this state.

Public Interest Civil Actions

In 2013 and 2014, the Labor Prosecution Offices of the states of São Paulo and Rio de Janeiro filed two public interest civil lawsuits against the Company on different issues related to working conditions and occupational illness. The claims in each lawsuit include payment of R\$1 billion for collective pain and suffering, to be paid to entities or projects recommended by the Labor Prosecution Office or the Workers' Support Fund (FAT).

In parallel, the Brazilian Association of People Exposed to Asbestos (ABREA) also filed two lawsuits that were forwarded to the Labor Courts of São Paulo and Rio de Janeiro given that they deal with the same facts claimed in the lawsuits mentioned above. The defense for both lawsuits has already been submitted and we are awaiting the court decision.

The Company reaffirms its belief in Brazil's legal system and expects that the technical and scientific evidence be considered during the judgment of these lawsuits.

Outlook

In 2015, Brazil's GDP is estimated to shrink 1.2% (Focus market readout of May 8, 2015), and considers the outlook for moderate economic recovery, while pointing out that the intensification of the recovery process depends, among other factors, on the strengthening of consumer and business confidence as well as a moderate expansion of the credit market. In this scenario, projected GDP for the construction industry is - 5.5%, according to BACEN (Inflation report from March 2015).

Housing deficit in Brazil, estimated by the João Pinheiro Foundation at 5.8 million units (2012 preliminary results), is formed by families that are burdened by excessively high rents and by cohabitation of families, which represents over 70% of the country's housing shortage, followed by precarious living conditions and excessive density in the rented houses. Although the "My Home, My Life" program reduced the housing deficit, according to a study by the Fundação Getulio Vargas (FGV) in 2014, estimates indicate that in 2024, considering the population growth, Brazil will have approximately 16.4 million new families, of which 10 million will have family income of up to three minimum wages.

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

ABRAMAT projects 2.0% reduction in 2015 compared to 2014, which will depend on factors such as continuation of the government incentives to the construction industry, expansion of investments through concessions and through the "My Home, My Life" Program, increase in real estate financing and maintenance of employment and income levels, among others.

Eternit believes it is important to take into consideration the current scenario of the Brazilian economy and the following challenges facing the country and the Company's industry: competitive conditions in the Brazilian industry against infrastructure bottlenecks, tax aspects and appreciation of the U.S. dollar, job creation and income distribution, sustainable economic policies, and increase in consumer and business confidence.

With regard to Companhia Sulamericana de Cerâmica (CSC), which started experimental production to test its equipment in 2014, the plan is to increase production levels in line with the progress of the greenfield project.

According to Eternit's Management, 2015 will be a year of consolidation and utilization of production capacities in which investments had been made in recent years. The Company is well positioned to meet the demand for construction materials and, if market conditions hold out, it will maximize opportunities in the industry, increasing the production capacity of the fiber-cement line, in line with its organic growth strategy. To drive its diversified organic growth, the company will start testing equipment at the research, development and production unit for construction material inputs in Manaus.

Regardless of the challenges mentioned above, Eternit 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 first quarter of 2015.

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

Date: Friday, May 15, 2015

Time: 11:00 a.m. - Brasília - 10:00 a.m. - New York - 3:00 p.m. - London

The presentation, which is accompanied by slides, can be viewed online by registering at www.ccall.com.br/eternit/1q15.htm or at 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 **May 15, 2015** to **May 21, 2015**

Dial-in: **(55-11) 3193-1012 or 2820-4012** - Password for participants: **3675183#**

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ETERNIT S.A.				
Balance Sheet				
Corporate Law (R\$ '000)				
ASSETS	Parent Company		Consolidated	
	03/31/15	12/31/14	03/31/15	12/31/14
Current	207,116	200,914	410,096	395,451
Cash and cash equivalents	4,083	5,711	10,861	13,367
Short-term investments	11,021	15,726	32,148	35,023
Accounts receivable	83,982	71,327	205,580	175,933
Related parties	33,178	27,196	992	2,427
Inventories	62,869	69,395	137,881	148,093
Recoverable taxes	6,028	6,035	10,474	10,373
Other current asset	5,402	4,971	11,607	9,682
Assets held for sale	553	553	553	553
Assets held for sale	553	553	553	553
Non-current	506,894	494,180	515,773	502,413
Related parties	45,671	29,297	5,445	726
Deferred income and social contribution taxes	24,809	24,750	55,589	53,299
Recoverable taxes	23,403	22,915	24,661	24,456
Judicial deposits	8,747	8,703	15,749	15,307
Investments	249,040	256,080	27,817	34,338
Plant, property and equipment, net	148,760	145,659	354,235	341,684
Intangible assets	6,125	6,437	30,295	30,622
Other non-current asset	339	339	1,982	1,981
Total assets	714,010	695,094	925,869	897,864

LIABILITIES AND EQUITY	Parent Company		Consolidated	
	03/31/15	12/31/14	03/31/15	12/31/14
Current Liabilities	91,730	81,668	242,359	221,252
Trade accounts payable	24,122	22,858	44,603	42,151
Related parties	9,384	7,672	-	-
Loans and financing	3,734	3,066	102,085	88,946
Taxes, charges and contributions payable	15,146	11,866	29,740	29,181
Provision and social charges	15,200	12,738	30,462	28,657
Dividends and interest on equity payable	17,603	17,897	17,603	17,897
Provision for future benefits to former employees	2,511	2,511	3,677	3,677
Other current liabilities	4,030	3,060	14,189	10,743
Non-Current	105,227	98,635	166,440	161,804
Loans and financing	5,964	5,129	41,448	38,978
Related parties	37,866	31,763	-	-
Provision for future benefits to former employees	28,085	27,730	42,208	41,654
Provision for civil, tax and labor contingencies	24,212	26,226	58,388	59,549
Deferred income and social contribution taxes	9,100	7,787	13,114	10,605
Environmental restoration of degraded mining areas	-	-	10,982	10,718
Other non-current liabilities	-	-	300	300
Equity	517,053	514,791	517,070	514,808
Capital	334,251	334,251	334,251	334,251
Capital reserve	19,460	19,460	19,460	19,460
Treasury stock	(174)	(174)	(174)	(174)
Other Comprehensive Income	(7,491)	(7,491)	(7,491)	(7,491)
Income reserves	171,007	168,745	171,007	168,745
Net equity attributable to non-minority shareholders	517,053	514,791	517,053	514,791
Minority shareholders	-	-	17	17
Total Liabilities and equity	714,010	695,094	925,869	897,864

ETERNIT S.A. (PARENT COMPANY)
Income Statements

Corporate Law

R\$ '000	1 st Quarter		
	2015	2014	% Chg.
Gross revenues	178,520	165,715	7.7
Gross revenues deductions	(46,595)	(43,381)	7.4
Net revenues	131,925	122,334	7.8
Cost of products sold	(99,247)	(91,585)	8.4
Gross profit	32,678	30,749	6.3
<i>Gross margin</i>	25%	25%	
Operating revenues (expenses)	(26,163)	(27,033)	(3.2)
Sales	(14,247)	(13,970)	2.0
General and administrative	(12,541)	(12,885)	(2.7)
Other operating (expenses) revenues, net	625	(178)	-
Operating income before equity pickup (EBIT)	6,516	3,716	75.3
<i>EBIT margin</i>	5%	3%	
Equity pickup	15,266	18,951	(19.4)
Operating income before financial expenses (EBIT)	21,781	22,667	(3.9)
Net financial income	(1,684)	1,702	-
Financial expenses	(4,159)	(5,181)	(19.7)
Financial income	2,475	6,883	(64.0)
Income before tax and social contribution	20,097	24,369	(17.5)
Current	-	-	-
Deferred	59	(879)	-
Net income	20,156	23,490	(14.2)
<i>Net margin</i>	15%	19%	
Earnings per share - R\$	0.11	0.26	
EBITDA	25,085	25,557	(1.8)
<i>EBITDA margin</i>	19%	21%	

ETERNIT S.A. (CONSOLIDATED)
Income Statements

Corporate Law

R\$ '000	1 st Quarter		
	2015	2014	% Chg.
Gross revenues	321,547	310,688	3.5
Gross revenues deductions	(68,828)	(66,996)	2.7
Net revenues	252,719	243,692	3.7
Cost of products sold	(158,761)	(152,941)	3.8
Gross profit	93,958	90,751	3.5
<i>Gross margin</i>	37%	37%	
Operating revenues (expenses)	(54,003)	(57,100)	(5.4)
Sales	(27,631)	(28,435)	(2.8)
General and administrative	(27,325)	(28,517)	(4.2)
Other operating (expenses) revenues, net	953	(148)	-
Operating income before equity pickup (EBIT)	39,955	33,651	18.7
<i>EBIT margin</i>	16%	14%	
Equity pickup	(6,521)	(457)	1,327.1
Operating income before financial expenses (EBIT*)	33,434	33,194	0.7
Net financial income	(1,617)	1,791	-
Financial expenses	(22,285)	(13,049)	70.8
Financial income	20,668	14,840	39.3
Income before tax and social contribution	31,817	34,985	(9.1)
Current	(13,951)	(9,403)	48.4
Deferred	2,290	(2,092)	-
Net income	20,156	23,490	(14.2)
<i>Net margin</i>	8%	10%	
Earnings per share - R\$	0.11	0.26	
EBITDA	43,058	42,371	1.6
<i>EBITDA margin</i>	17%	17%	
Adjusted EBITDA over equity pickup	49,579	42,828	15.8
<i>Adjusted EBITDA margin</i>	20%	18%	

(*) Adjusted EBIT due to the result of the joint venture Companhia Sulamerica de Cerâmica

ETERNIT S.A.				
STATEMENTS OF CASH FLOW				
Corporate Law				
R\$ '000 - Accumulated	Parent Company		Consolidated	
	03/31/15	31/03/14	03/31/15	31/03/14
Operating activities:				
Income before income and social contribution taxes	20,097	24,369	31,817	34,985
Adjustments to reconcile pre-tax income with net cash provided by operating activities:				
Equity pickup	(15,266)	(18,951)	6,521	457
Depreciation and amortization	3,304	2,890	9,624	9,177
Gain (loss) from disposal of permanent assets	7	(163)	(3)	(157)
Provision for impairment losses on accounts receivable	478	194	880	431
Provision for civil, tax and labor contingencies	(1,171)	520	(318)	1,963
Provision (reversal) for sundry losses	20	351	740	666
Financial charges, monetary changes and foreign exchange variation	1,108	(213)	(8,847)	(2,652)
Short-term investment yield	(508)	(553)	(1,256)	(1,240)
Net changes in prepaid expenses	704	408	1,213	182
	8,773	8,852	40,371	43,812
(Increase) decrease in operating assets:				
Trade accounts receivable	(13,133)	(2,414)	(26,019)	(9,983)
Related parties receivable	1,738	(962)	1,435	(1,588)
Inventories	6,861	5,688	10,547	8,361
Recoverable taxes	(249)	7,467	(83)	7,645
Judicial deposits	(44)	478	(442)	343
Received dividends	14,361	8,735	-	-
Other assets	(1,129)	(2,262)	(3,377)	(3,487)
Increase (decrease) in operating liabilities				
Trade accounts payable	1,264	2,920	2,452	4,998
Related parties payable	1,712	1,914	-	-
Taxes, charges and contribution payable	3,823	(1,046)	6,294	488
Provisions and social charges	2,462	382	1,805	(1,288)
Other liabilities	128	(195)	2,665	2,568
Interest paid	(120)	(115)	(189)	(381)
Income and social contribution taxes paid	-	-	(17,933)	(17,970)
Net cash flow from operating activities	26,447	29,442	17,526	33,518
Cash flow from investment activities				
Additions to property, plant and equipment and intangible assets	(6,081)	(6,415)	(14,138)	(29,204)
Loan from related party receivable	(16,374)	(201)	(4,719)	-
Cash receipt from the sale of property, plant & equipment	-	221	10	221
Capital increase in subsidiaries	-	(2,389)	-	-
Short-term investments	(25,400)	(39,900)	(68,696)	(90,480)
Redemptions from short-term investments	30,613	9,836	72,827	59,302
Net cash flow from investment activities	(17,242)	(38,848)	(14,716)	(60,161)
Cash flow from financing activities				
Loans and financing raised	1,395	4,608	55,369	68,934
Loan with related party	5,213	(105)	-	-
Amortization of loans and financing	(305)	(172)	(43,549)	(47,686)
Payment of dividends and interest on equity	(17,136)	-	(17,136)	-
Net cash flow from financing activities	(10,833)	4,331	(5,316)	21,248
Increase (decrease) in cash and equivalents	(1,628)	(5,075)	(2,506)	(5,395)
Cash and equivalents:				
At the beginning of the year	5,711	9,516	13,367	13,295
At the end of the year	4,083	4,441	10,861	7,900
	(1,628)	(5,075)	(2,506)	(5,395)