Net consolidated revenue reaches R$ 242 million, with EBITDA up 21% in 2Q13

São Paulo, August 8, 2013 – Eternit S.A. (BM&FBOVESPA: ETER3; OTC: ETNTY), founded 73 years ago, market leader in the Brazilian roofing segment, with a significant presence in the bathroom chinaware and metal bathroom fittings segments and a manufacturer of components for construction systems, today announces its results for the second quarter of 2013 (2Q13). The Company's operational and financial information, except where otherwise indicated, is shown on a consolidated basis in Brazilian Reais, in accordance with Brazilian Corporation Law, and International Financial Reporting Standards - IFRS. All the comparisons made in this press release are with the second quarter of 2012 (2Q12), except where otherwise indicated.

2Q13

Share Price Quote (07/31/13) ETER3

R$/share 9.57
US$/share 4.18

Shareholding Base (07/31/13)

Total Shares 89,500,000
Free Float 84.5%

Market Capitalisation - (07/31/13)

R$ 857 million
US$ 374 million

Shareholder Remuneration (2013)

R$ 0.600 per share
Dividend yield: 7.4%

Indicators - (Jun/13)

VPS (R$/share)	5.50
Quote/VPS	1.72
P/E	8.08

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Contact the Investor Relations team on the following numbers:

(55-11) 3038-3818
(55-11) 3194-3881
(55-11) 3194-3872

ri@eternit.com.br

For more information, access:
www.eternit.com.br/ir

@Eternit_RI

Demand for construction materials showed a slightly increase during the second quarter of 2013, according to the Brazilian Construction Materials Industry Association (ABRAMAT). However, Eternit outperformed the construction materials sector, despite the fact that the second quarter of the year is seasonally the period of lowest demand for the Company.

Chrysotile mineral sales volumes saw an increase of 6.7% in 2Q13, compared to 2Q12, due to increased demand for roofing materials in the domestic market and the recovery in the inventory levels of its clients. Over the same period, fiber-cement sales volume amounted to 193,900 tons, up 8.6% compared to 2Q12, while concrete tile sales showed an increase of 6.8%, as a result of these products being also made available through construction material stores.

Consolidated net revenue in 2Q13, amounted to R$ 241.5 million, up 14.4% compared to 2Q12, due to a satisfactory sales policy, and consequently higher sales volumes.

Despite the fact that the Cost of Goods Sold (COGS) increased by more than net revenue, EBITDA came to a total of R$ 47.6 million, an increase of 21.3% compared to that reported in 2Q12, as consequence of better control over operational expenses.

Net earnings amounted to R$ 27.1 million in 2Q13, practically stable (up 0.5%) compared to 2Q12, as a result of the negative net financial result and expenses associated with setting up the bathroom chinaware plant in the state of Ceará (CE).

Total investment amounted to R$ 30.5 million, 94.5% more than that in 2Q12. These funds were allocated, in the main, to construction of the bathroom chinaware plant in the state of Ceará, the setting up of the unit for research, development and production of construction material inputs in the state of Amazonas, as reported on April 15, 2013, and the updating of the Group's industrial park.

Eternit continues to be one of the companies with the highest rate of return for its shareholders, among Brazil's listed companies, being one of the few to reconcile growth with the distribution of dividends. In 2013, Eternit's dividend yield amounted to 7.4%, with R$ 53.7 million being distributed to shareholders.

Main Indicators

Consolidated - R$ `000	2nd Quarter			Accum. 6 Months		
	2013	2012	% Chg.	2013	2012	% Chg.
Gross Revenues	**302,829**	**272,598**	**11.1**	**579,129**	**545,205**	**6.2**
Net Revenues	**241,500**	**211,025**	**14.4**	**452,763**	**421,269**	**7.5**
Gross Profit	98,918	91,948	7.6	183,474	185,956	(1.3)
Gross Margin	*41%*	*44%*	*- 3 p.p.*	*41%*	*44%*	*- 3 p.p.*
Operating Income (EBIT) [1]	**38,768**	**32,326**	**19.9**	**68,732**	**72,416**	**(5.1)**
Net Income	**27,140**	**27,013**	**0.5**	**48,613**	**56,920**	**(14.6)**
Net Margin	*11%*	*13%*	*- 2 p.p.*	*11%*	*14%*	*- 3 p.p.*
EPS (R$/share)	0.30	0.30	0.5	0.54	0.64	(14.6)
Investments	30,495	15,676	94.5	48,270	20,557	134.8
EBITDA [2]	**47,596**	**39,242**	**21.3**	**86,417**	**85,475**	**1.1**
EBITDA Margin	*20%*	*19%*	*+ 1 p.p.*	*19%*	*20%*	*- 1 p.p.*

[1] Before financial results.
[2] Operating income before interests, taxes, depreciation and amortization

General Scenario and Markets

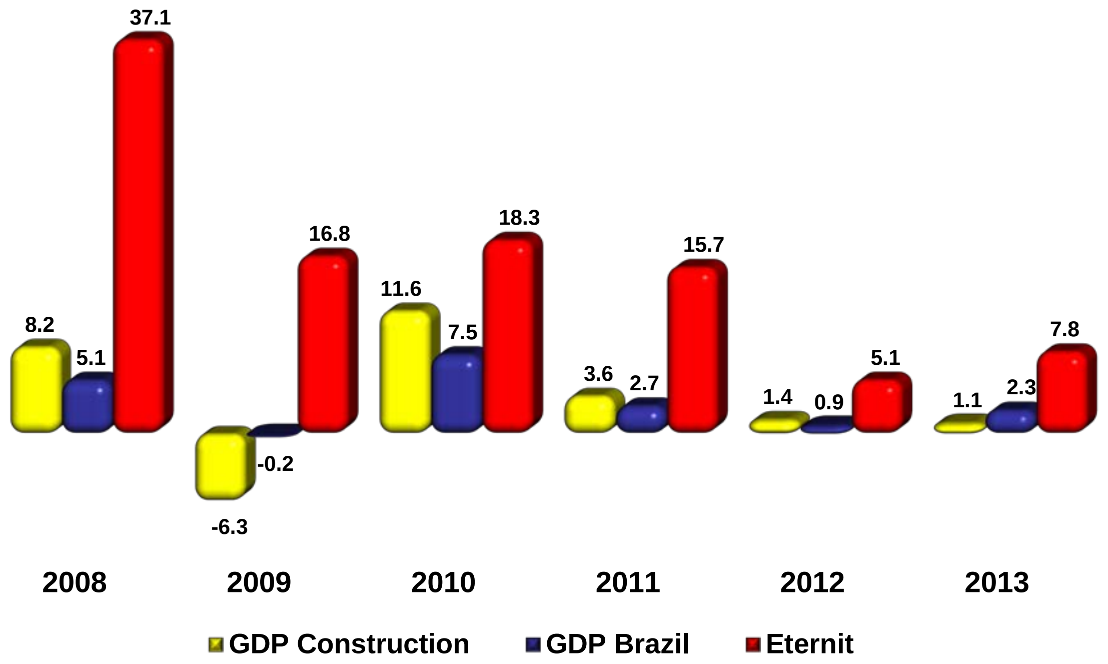
On the international front, since 2012, risks to global financial stability have remained high, principally during the ongoing process of de-leveraging in the main economic blocks and the exposure of international banks to the sovereign debt of countries with a fiscal imbalance. In this context, despite attributing a low probability of extreme events occurring in international financial markets, the Committee of Brazilian Central Bank (BACEN) is of the opinion that the international scenario will remain complex.

Continuing on the international front, in general terms, prospects for global economic activity remain unaltered. All the evidence is pointing to growth rates in the mature economies that are low, and below potential, despite signs of recovery in the major economies. This scenario, according to the figures published by Brazilian Central Bank (BACEN), assumes a GDP growth forecast of 2.3% (lower than the estimate that was being cited in the first quarter of the year) and a GDP growth of 1.1% for the building sector for 2013.

According to the Brazilian Construction Materials Industry (ABRAMAT), sales of construction material in the first half of 2013 saw an increase of 3.7% compared to the same period the previous year, below the forecast of 4.5% in 2013. Performance was also better than in the previous quarter.

Expectations for the next few months are for continuing positive results compared to 2012, but in order for expectations to be met this will depend on further government stimulus for the construction sector, continuing stability in terms of family incomes and employment levels, and some speeding-up in the rate at which infrastructure works are carried out, such as highways, ports and airports, in the second half of the year, as well as the availability of credit.

GDP Brazil x GDP Construction x Gross Revenue (Consolidated) Eternit (%)



Source: BACEN - GDP growth forecasts for Brazil and the Construction Sector for 2013.
The growth in Eternit's consolidated gross revenue compares the period accumulated from January to June 2013, with the same accumulated period in 2012, deflated by the IGP-M index.

Continuing works as part of government programs, such as the *Minha Casa Minha Vida* (my house, my life), the increase in the sales of construction materials related to the infrastructure programs mentioned above, as well as the faster rate of investment in the mega-sporting events – the 2014 World Cup and the 2016 Olympic Games – and the additional works required by them, all indicate good prospects for the next few years and favourable to the construction sector, of which Eternit is a part, in addition to the creation of jobs, the distribution of income as a result of these works, and the stimulus being offered by private and public-sector commercial banks for the purchase of construction materials - all of which have a positive impact on the growth in demand for products in our portfolio.

Operational and Financial Aspects

Despite the fact that the second quarter of the year is seasonally the period of weaker demand for the Company, performance was better than that for the construction materials sector as a whole. Current annual production capacity is around 300,000 tons at the chrysotile asbestos mining operation, 1 million tons of fiber-cement manufacturing capacity, and 10 million square meters for concrete tiles.

Global demand for chrysotile asbestos remained stable during the second quarter of 2013, which led Eternit to maintain its strategy of running its mining operation at full capacity. In its line of finished products, production accompanied demand, with a capacity utilization rate of approximately 90% for the fiber-cement operations and 50% for the concrete tile operations.

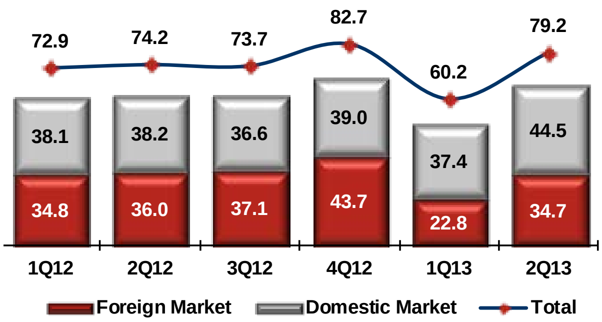
Sales

Chrysotile Asbestos

Sales volume of chrysotile asbestos in 2Q13 amounted to 79,200 tons, up 6.7% compared to the second quarter in 2012. Of particular note was the domestic market, where sales were up 16.5% as a result of the increase in demand for roofing materials, which compensated for the retraction of 3.6% seen in the export markets, compared to 2Q12.

In the first half of 2013, sales amounted to 139,400 tons, down 5.2% compared to 1H12, as a consequence of shipments not carried out in the period, due to logistics complications. Compared to the first half in 2012, sales to the domestic market were up 7.4%, as a result of the aspects commented on the above, while exports were down 18.8%, this being partially compensated for by sales to the domestic market.

Sales of Chrysotile Mineral (thous. Tons.)*



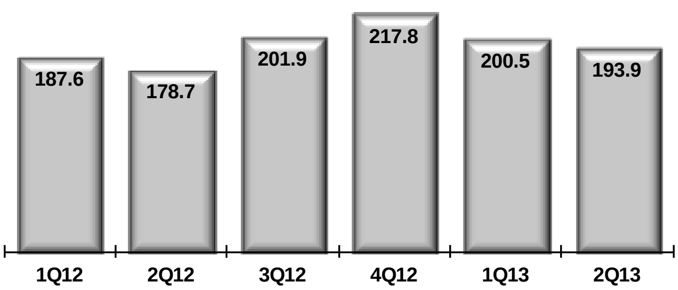
(*) The chrysotile asbestos sales volume shown includes inter-company sales, which represented 36.1% of the sales volume to the domestic market in 2Q13.

Fiber-cement

Fiber-cement sales volume, including components for construction systems, amounted to 193,900 tons in 2Q13, up 8.6% compared to that reported in 2Q12, due to the increase in demand for construction materials, despite the fact that this period is normally seasonally weaker.

In the first six months of 2013, sales came to a total of 394,400 tons, 7.7% higher than in the same period a year earlier, as commented on previously.

Sales of Fiber Cement (thous. Tons.)

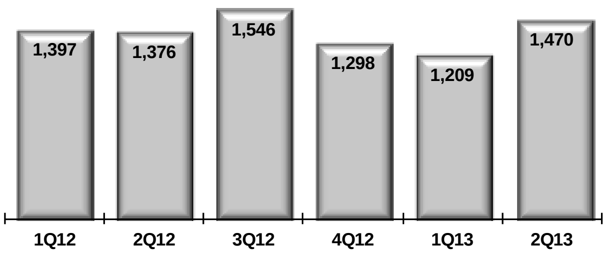


Concrete Tiles

In 2Q13, sales of concrete tiles amounted to a total of 1,470,000 square meters, up 6.8% compared to the second quarter in 2012, as a result of Tégula's new strategy of also making its products available through construction materials stores.

In the first half of 2013, sales volume amounted to 2,679,000 square meters, 3.4% less than in 1H12, as a consequence of the retraction in demand seen in the first quarter of the year. Tégula has a portfolio available of 33 product lines, the majority of which are concrete tiles.

Sales of Concrete Tiles (thous.m²)



Other Products

Bathroom chinaware products are playing an increasingly important role in the portfolio of the Company, which is making preparations to start up operations at its plant in the state of Ceará. In only four years in the bathroom chinaware segment Eternit has already attained a leading position in the segment, having even overtaken a number of traditional players.

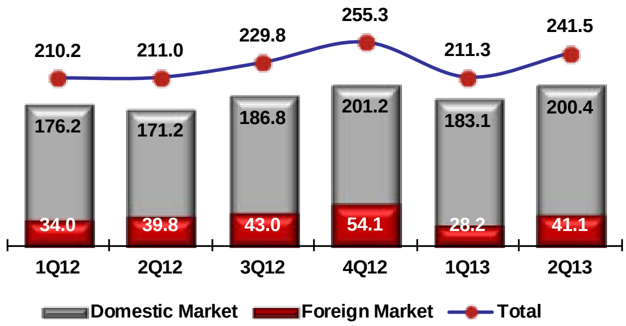
Other products sold, although on a lower scale, are metal bathroom fittings, lavatory seats, metal tiles, among others.

Net Consolidated Revenue

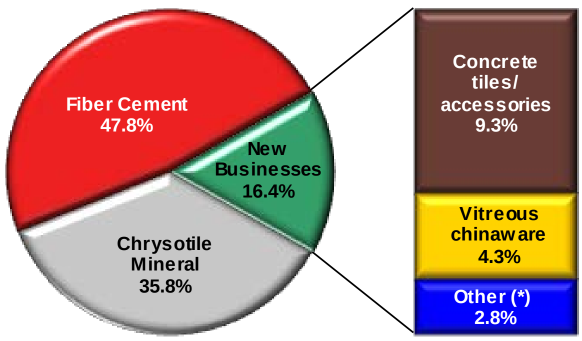
Consolidated net revenue in 2Q13 amounted to R$ 241.5 million, up 14.4% compared to the same period in 2012, due to the good performance of the domestic market.

Revenue from the domestic market, which includes finished products and chrysotile asbestos, came to a total of R$ 200.4 million in 2Q13, up 17.0%, due to satisfactory sales policy and higher sales volume. In export markets, net revenue grew by 3.4% compared to 2Q12, principally because of the increase in price and the appreciation in the US dollar against Brazilian real.

Net Consolidated Revenue (R$ million)



Breakdown of Net Consolidated Revenue (2Q13)



(*) Others: metal tiles, polyethylene water tanks, lavatory seats, metal bathroom fittings, synthetic marble, water pipe filters and components for construction systems.

Comparing 2Q13 and 2Q12, performance by product line showed an increase of 21.1% in revenue from chrysotile asbestos, 12.8% from fiber-cement and 3.5% from Tégula's concrete tiles and accessories, amounting to R$ 86.4 million, R$ 115.5 billion and R$ 22.4 million respectively, as a function of the aspects commented on previously.

Sales of other products (metal tiles, polyethylene water tanks, bathroom chinaware, lavatory seats, metal bathroom fittings, synthetic marble, water pipe filters and components for construction systems) amounted to a total of R$ 17.2 million in 2Q13, up 9.9% compared to 2Q12. The bathroom chinaware segment performed best, responsible for 4.3% of Consolidated net revenue, the result of efficient logistics and the strength of Eternit's brand name, both of which are differentials which assist the Company in the diversification of its portfolio.

In the first half of 2013, net revenue came to R$ 452.8 million, up 7.5% compared to the same period in 2012. The good performance was due to sales in the domestic market, which came to a total R$ 383.5 million, up 10.4% compared to 1H12, due to an increase in demand for construction materials and a satisfactory sales policy. Sales to the export market came to R$ 69.3 million, down 6.2% compared to the same period a year earlier, as a result of volumes unshipped due to logistics complications, which were compensated for by price increases and the appreciation in the US dollar.

On a comparison between 1H13 and 1H12, revenue from chrysotile asbestos totalled R$ 146.6 million, up 7.6% due to the increase in sales in the domestic market and the appreciation of 8.9% in the US dollar against the Brazilian real, (comparing the average "ptax" rate in the first half of 2013 and 2012). Taking the same comparison period, sales in the fiber-cement segment showed an increase of 9.5%, coming to a total of R$ 230.7 million, while sales of concrete tiles, including the line of associated accessories, showed a drop of 4.3%, amounting to R$ 41.4 million, as commented on earlier.

Sales of the Company's line of other products were up 9.9% to R$ 34.1 million, of particular note being bathroom chinaware, which was responsible for 4.3% of consolidated net revenue, in addition to the increase in the sales of construction systems, and the Company's entry into the metal bathroom fittings.

Costs of Extraction, Production and Products Sold

The consolidated cost of products sold totalled R$ 142.6 million in 2Q13, up 19.7% compared to 2Q12, as a result of the increase in the cost of asbestos extraction and production. As a result of the rise in the consolidated cost of products sold being higher than the increase in consolidated net revenue in 2Q13, gross margin amounted to 41%, a narrowing of 3 percentage points compared to 2Q12.

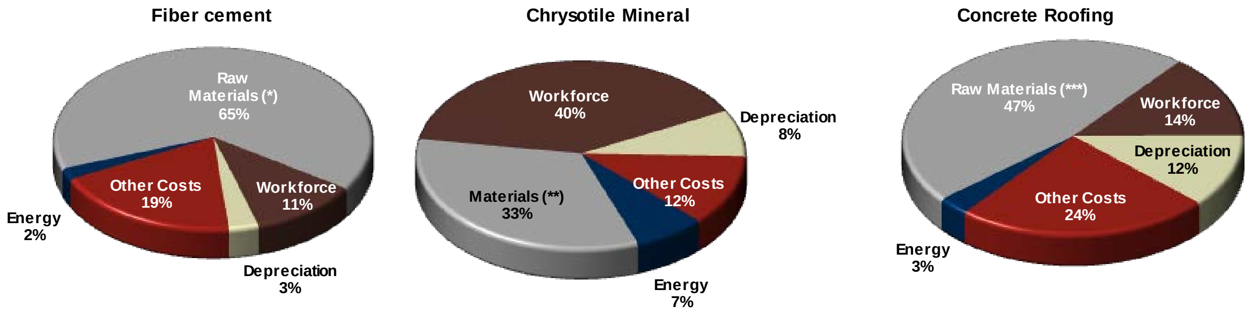
The variations in the cost of mineral extraction and production are shown below:

Chrysotile asbestos mining: up 7%, basically due to the higher consumption of materials (inputs), and the maintenance and depreciation of trucks, machinery and equipment.

Fiber-cement: increase of 3%, due to the increase in the price of raw materials (principally cement and reinforcement fibres), packaging, and the higher maintenance costs for the industrial park.

Concrete tiles: increase of 7% due to the rise in the price of raw materials (principally cement and varnish), and higher depreciation costs following the modernisation of the industrial park.

Breakdown of Cost of Goods Sold (2Q13)



(*) Raw materials: cement (47%), chrysotile asbestos (41%) and others (12%).
(**) Materials: fuel, explosives, packaging, among others.
(***) Raw materials: cement (54%), sand (28%) and others (18%).

In the first half of 2013, the consolidated cost of goods sold (COGS) totalled R$ 269.3 million, an increase of 14.4% compared to the figure recorded in the first half of 2012. As a consequence, gross margin narrowed by 3 percentage points compared to the same period a year earlier, ending 1H13 at 41%.

Operational Expenses

Operational expenses in 2Q13 remained practically stable (reduction of 0.7%) compared to the same period a year earlier, of particular note being:

Sales expenses: up 8.0%, due to higher commission expenses, as a consequence of the increase in sales volume and marketing campaigns to leverage sales of bathroom chinaware and metal bathroom fittings.

General and administrative expenses: reduction of 7.3% as a function of seasonal decrease of expenditure on defending the Company's activities, which had the effect of neutralising the rise in payroll expenditure as a result of a collective wage increase agreement.

Other operational revenues (expenses): retraction of 20.0% as a result of contingency provisions, which were booked in 2Q12, in accordance with an analysis carried out of the probability of court cases being won or lost.

In R$ '000	2nd Quarter			Accum.6 Months		
	2013	2012	Chg. %	2013	2012	Chg. %
Selling expenses	(29,542)	(27,351)	8.0	(56,208)	(52,858)	6.3
General and administrative expenses	(28,294)	(30,532)	(7.3)	(54,018)	(57,540)	(6.1)
Other operating revenues (expenses), net	(1,391)	(1,739)	(20.0)	(2,774)	(3,142)	(11.7)
Total operating expenses	**(59,227)**	**(59,622)**	**(0.7)**	**(113,000)**	**(113,540)**	**(0.5)**
Chg. % of consolidated net revenues	**24.5%**	**28.3%**		**25.0%**	**27.0%**	

In the first half of 2013, operational expenses totalled R$ 113.0 million, practically stable compared to 1H12.

The negative equity income result is a consequence of the expenses involved in the setting up of the bathroom chinaware plant in the state of Ceará, a joint-venture between the Eternit Group and the Corona Organization, the Colombian multi-national.

The net financial result was a negative R$ 1.6 million in the second quarter of 2013, while the result in 2Q12 was a positive R$ 2.3 million, as a function of:

Financial expenses: positive variation of 5.0% due to higher interest on the financing of machinery, trucks and equipment, monetary correction applied to the contingency provision balances, and exchange rate variation as a consequence of the increase in the exchange rate.

Financial revenues: negative variation of 23.9% as a result of lower returns from financial applications due to the reduction in the level of cash and equivalents held and lower gains resulting from variation in the foreign exchange rate.

In R$ '000	2nd Quarter			Accum.6 Months		
	2013	2012	Chg. %	2013	2012	Chg. %
Financial expenses	(12,129)	(11,546)	5.0	(20,956)	(20,423)	2.6
Financial income	10,570	13,891	(23.9)	19,187	25,185	(23.8)
Net financial result	**(1,559)**	**2,345**	**(166.5)**	**(1,769)**	**4,762**	**(137.1)**

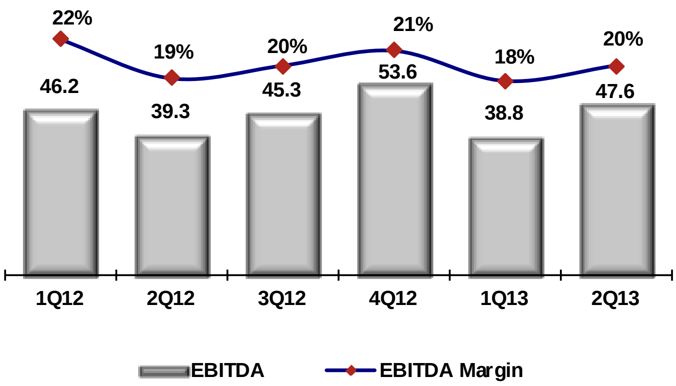
In the first six months of 2013, the next financial result was a negative R$ 1.8 million, compared to a positive figure of R$ 4.8 million in 1H12, due to the aspects commented on above.

EBITDA

Consolidated EBITDA (earnings before interest, tax, depreciation and amortisation) totalled R$ 47.6 million in 2Q13, 21.3% higher than in 2Q12. This good performance was due to better control over operational expenses, which represented 24.5% of consolidated net revenue, compared to 28.3% in 2Q12, a reduction of 3.8 percentage points. EBITDA margin showed an increase of 1 percentage point, ending 2Q13 at 20%.

In the first half of 2013, EBITDA totalled R$ 86.4 million, an increase of 1.1%, with an EBITDA margin of 19%, narrow of 1 percentage point compared to 1H12.

EBITDA (R$ million) and EBITDA Margin (%)



Reconciliation of Consolidated EBITDA - (R$'000)	2nd Quarter			Accum. 6 Months		
	2013	2012	% Chg.	2013	2012	% Chg.
Net income	**27,140**	**27,013**	**0.5**	**48,613**	**56,920**	**(14.6)**
Income tax and social contributions	10,069	7,658	31.5	18,350	20,258	(9.4)
Net Financial Income	1,559	(2,345)	(166.5)	1,769	(4,762)	(137.2)
Depreciation and amortization	8,828	6,916	27.6	17,685	13,059	35.4
EBITDA	**47,596**	**39,242**	**21.3**	**86,417**	**85,475**	**1.1**

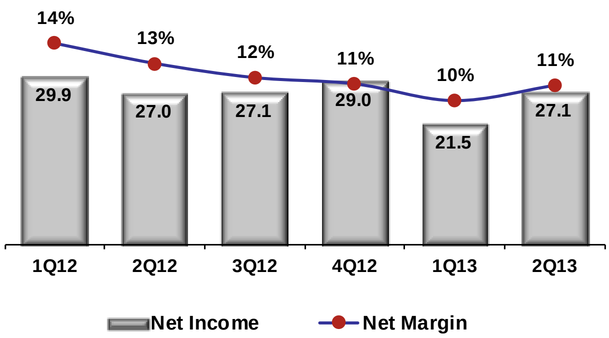
The calculation of EBITDA is in accordance with CVM Instruction No. 527 of October 4, 2012.

Net Earnings

Eternit reported net earnings of R$ 27.1 million in 2Q13, practically unchanged compared to 2Q12, as a function of the negative net financial result and the expenses of setting up the new bathroom chinaware plant in the State of Ceará. As a consequence, net margin showed a retraction of 2 percentage points, ending the second quarter of 2013 at 11%.

In 1H13, net earnings totalled R$ 48.6 million, with a net margin of 11%, compared to R$ 56.9 million, and a net margin of 14% in 1H12.

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



Indebtedness

The company ended 2Q13 with a net debt of R$ 33.9 million. In June 2013, the gross debt of Eternit and its subsidiaries came to a total of R$ 90.0 million, basically as a function of (i) a function of advances on export contracts (ACE), raised in US dollars at an average exchange rate of R$ 2.2150 and corrected to the current rate of R$ 2.2156, as at June 30, 2013 at an average funding cost of 3.25% a year (PRIME rate) and (ii) financing of the machinery and equipment of subsidiary SAMA for its operations financed through FINIMP (import financing) raised in US dollars at an average exchange rate of R$ 1.9902 e R$ 2.0464 and corrected by the current rate of R$ 2.2156 as at June 30, 2013, with interest added of 2.936% a year.

Cash, cash equivalents and short-term financial applications of R$ 56.0 million, with financial applications being remunerated at an average of variation 103% in the CDI rate (Interbank Deposit Certificate).

DEBT	Parent Company		Consolidated	
	06/30/13	12/31/12	06/30/13	12/31/12
Gross debt	21,265	8,785	89,953	79,946
Cash and cash equivalents	(1,536)	(3,852)	(6,556)	(16,656)
Short-term investments (same cash equivalents)	(16,636)	(48,612)	(49,515)	(78,930)
Net Debt	**3,093**	**(43,679)**	**33,882**	**(15,640)**

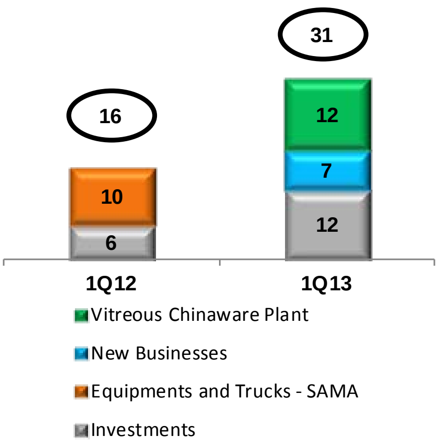
It should be emphasized that the Company does not have leveraged operations with derivatives of any type, which could be interpreted as speculative positions.

Investments

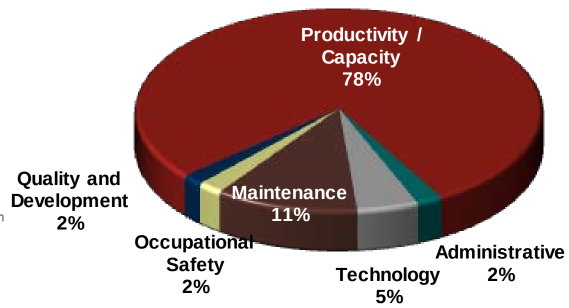
The investments of Eternit at its subsidiaries, in 2Q13, totalled R$ 30.5 million, an increase of 94.5% compared to the second quarter of 2012. Funds were allocated, in the main, to the construction of the new bathroom chinaware plant, via a capital injection into Companhia Sulamericana de Cerâmica (CSC), in the state of Ceará, the setting up of a unit for research, development and production of inputs for construction materials, in the state of Amazonas and updating of the Group's industrial park.

In the first half of 2013, investments totalled R$ 48.3 million, an increase of 134.8% compared to the same period a year earlier, being (i) R$ 16.0 million in the construction of the bathroom chinaware plant; (ii) R$ 11.5 million in the setting up of the unit for research, development and production of inputs for construction materials and (iii) R$ 20.8 million for the maintenance and updating of the industrial park.

Consolidated Investments (R$´000)



Investments Distribution (2Q13)



In line with its Structured Plan for Expansion and Diversification, the focus of the Company's investment continues to be on productivity, with the construction of its first bathroom chinaware plant, at the multi-product unit, under construction in the Port of Pecém, in the state of Ceará and in the installation of the unit for research, development and production of inputs for construction materials, in the city of Manaus, Amazonas.

Works on the bathroom chinaware plant are scheduled for completion in December 2013, with investment in assets of approximately R$ 100 million, 60% of which will be raised by Companhia Sulamericana de Cerâmica from public-sector banks, with around 40% coming from its own resources, in the proportion of joint-venture shareholding split, of 60% for the Eternit Group and 40% for the Corona Organization.

The setting up of the Eternit Group's 13th unit will be over the short and medium term, with planned investment of approximately R$ 40 million, for which the Company will use funding from third parties on a preferential basis.

The investment budget for 2013 is approximately R$ 94 million, with R$ 46.4 million to be spent on the maintenance and updating of the industrial park; R$ 16 million in the form of capital injections for the new bathroom chinaware plant and R$ 31.6 million for new businesses.

It is worth pointing out that the funding from the private-sector banks that will be allocated to the bathroom chinaware plant has not been computed in the capital expenditure forecast for 2013, due to its joint-venture status.

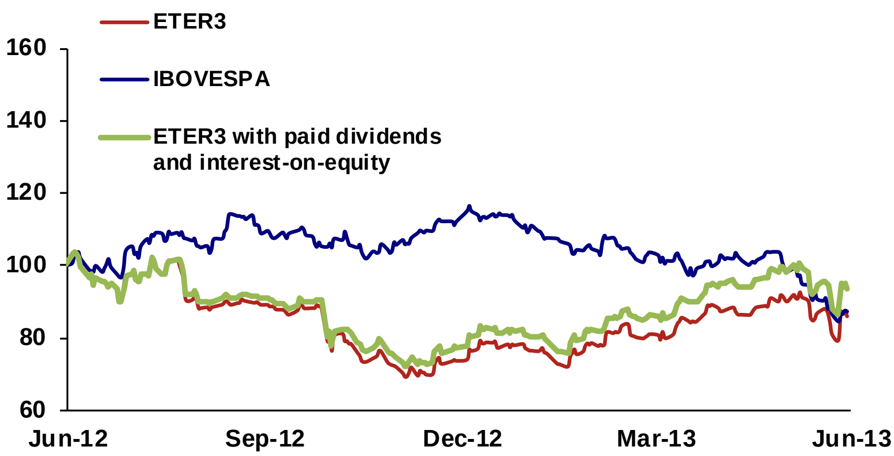
Capital Markets

Eternit has had its shares are listed on the stock exchange since 1948, and since 2006 the shares have been traded on the Novo Mercado, the section of BM&FBOVESPA with the highest level of corporate governance, under the ticker code ETER3. The Company also has had a Level I ADR program (*American Depositary Receipts*), since May 2010, enabling its shares to be traded on the secondary, or over-the-counter market, in the United States, under the ticker code ETNTY.

The shares of Eternit (ETER3) were being quoted at R$ 9.45 in June 2013, showing a depreciation of 14.0% compared to June 2012. At the end of June 2013, the Bovespa Index closed at 47,457 points, a depreciation of 12.7%, compared to the same period in 2012. As at June 30, 2013, Eternit's market capitalisation amounted to R$ 845.8 million.

Capital Markets					
ETERNIT (ETER3)	2Q12	3Q12	4Q12	1Q13	2Q13
Closing Price (R$/Share) - Without dividends	10.99	9.80	8.10	8.91	9.45
Average Volume Traded (Shares)	169,439	117,354	146,497	95,939	139,741
Average Volume Traded (R$)	1,679,921	1,206,071	1,273,847	818,932	1,326,183
ETER3 - Quarterly Profitability (%)	-	-10.8	-17.3	10.0	6.1
ETER3 - 12 Months Profitability (%)	-	18.8	-9.0	-3.6	-14.0
IBOVESPA - Quarterly Profitability (%)	-	8.9	3.0	-7.5	-15.8
IBOVESPA - 12 Months Profitability (%)	-	11.1	7.4	-12.6	-12.7
Market Capitalization (R$ Million)	983.6	877.1	725.0	797.4	845.8

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



Source: Economática

In the second quarter of 2013, Eternit's shareholding base showed a high concentration of private individual shareholders, of 60.9%, with 26.7% consisting of corporate investors, investment clubs, investment funds and foundations, and 12.4% consisting of foreign investors.

Dividends and Interest-on-Equity

Eternit continues to be one of the listed companies in Brazil with the highest rate of return to its shareholders, being one of the few companies to reconcile growth with the distribution of dividends. In 2013, Eternit's dividend yield amounted to 7.4%, with a total amount distributed to shareholders of R$ 53.7 million.

Payment of dividends and interest-on-equity has traditionally always taken place on a quarterly basis. As a result of this practice, there is a large percentage of private individual shareholders in Eternit's shareholding base.

Dividends Distribution (2011 to 2013)				
Approval Date	Type	Payment Start Date	Total Value R$ 000	Value per Share (R$)
2011				
12/08/10 (*)	BDM	03/25/11	5,637	0.063
03/02/11 (*)	BDM	03/25/11	21,204	0.237
04/27/11	BDM	05/20/11	5,905	0.066
04/27/11	BDM	05/20/11	9,305	0.104
08/03/11	BDM	08/24/11	5,905	0.066
08/03/11	BDM	08/24/11	11,989	0.134
10/26/11	BDM	11/18/11	5,905	0.066
10/26/11	BDM	11/18/11	14,673	0.164
Total		-	**80,523**	**0.900**
Closing Price		-	-	**12.00**
Dividend Yield		-	-	**7.5%**
2012				
12/07/11 (*)	BDM	03/28/12	5,905	0.066
03/07/12 (*)	BDM	03/28/12	11,989	0.134
04/25/12	BDM	05/17/12	5,905	0.066
04/25/12	BDM	05/17/12	11,989	0.134
08/08/12	BDM	08/29/12	6,710	0.075
08/08/12	BDM	08/29/12	11,184	0.125
10/24/12	BDM	11/14/12	5,726	0.064
10/24/12	BDM	11/14/12	12,168	0.136
Total		-	**71,576**	**0.800**
Closing Price		-	-	**8.90**
Dividend Yield		-	-	**9.0%**
2013				
12/12/12 (*)	BDM	03/26/13	5,726	0.064
03/06/13 (*)	BDM	03/26/13	12,168	0.136
04/17/13	BDM	05/10/13	5,726	0.064
04/17/13	BDM	05/10/13	12,168	0.136
08/07/13	BDM	08/28/13	5,726	0.064
08/07/13	BDM	08/28/13	12,168	0.136
Total		-	**53,682**	**0.600**
Closing Price		-	-	**8.10**
Dividend Yield		-	-	**7.4%**

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

Definition:

Dividend yield = dividend return: this is the result of dividing the amount distributed (dividends + interest-on-equity) per share, distributed during the year (payment base date), by the closing share price at the end of the previous year.

Payout = is the percentage of earnings distributed by the Company to its shareholders in the form of dividends or interest-on-equity.

Socio-environmental and Corporate Responsibility

Open Doors Program

In November 2004 Eternit launched its Open Doors Program, with the objective of contributing to the greater understanding by society of the extraction and processing of chrysotile asbestos, the manufacturer of fiber-cement products in a sustainable manner, and health and safety practices. The program consists of visits by the public to the five fiber-cement units in the Group – Anápolis (GO), Colombo (PR), Goiânia (GO), Rio de Janeiro (RJ) and Simões Filho (BA) as well as the mining company SAMA, located in Minaçu, in the north of the state of Goiás. Since its introduction the program, considered to be one of the most comprehensive in the market, has received more than 58,000 visitors.

In order to schedule a visit, please check which is the unit closest to you and send a message to the e-mail address contained on Eternit's website (www.eternit.com.br/portasabertas).

Renovation of the Global Compact

The Company has been a signatory of the United Nations Global Compact since 2007, and in May this year renewed its commitment to the UN, this Compact having the objective of mobilising the international business community in the adoption, as part of its business practices, of fundamental and internationally accepted values in the areas of human rights, labour relations, the environment and the combat of corruption.

Positioning with respect to the legal question of Chrysotile Mineral (chrysotile asbestos)

The Company wishes to make clear that the extraction, industrialization, use, sale and transport of chrysotile asbestos and products which contain it, are all regulated by Federal Law No. 9055/95 – Decree No. 2350/97 and the Regulatory Standards of the Minister for Labor and Employment. Therefore the responsibility for legislation falls to the Federal Union, in accordance with all constitutional concepts.

In 2001, the first laws against asbestos were introduced in Brazil. Law No. 10,813 of 2001 in the state of São Paulo and Law No. 2210 in the state of Mato Grosso do Sul. Both were ruled upon by the Federal Supreme Court (STF), following allegations of being unconstitutional (ADI) Nº 2656 and No. 2396, and declared unconstitutional due to the fact that they encroached on the powers of the Union.

Currently, there are four sanctioned state laws in existence (Rio de Janeiro, Rio Grande do Sul, São Paulo and Pernambuco) restricting the use of asbestos, that are currently being discussed through ADIs (direct allegation of unconstitutionality) before the Supreme Court (STF), as well as calling into question, also via ADI, Article 2 of Federal Law No. 9055 of 1995. The ADIs proposed against the state laws are awaiting judgment on merit. It is worth pointing out that the state of Mato Grosso has approved law against the use of asbestos, which has yet to be sanctioned.

As a result of an injunction, the law in the state of Rio de Janeiro has been suspended. With regard to Law No. 12,684/2007 in the state of São Paulo, the Company wishes to make it clear that on June 4, a session of the Supreme Court revoked the injunction granted on December 20, 2007, against the said law. It is important to point out that the merit of this case has yet to be ruled on, being therefore sub judice, **so therefore prohibition has yet to become definitive**. Meanwhile, the law in the state of Rio Grande do Sul is being contested in two instances: (i) at the state level being ruled as having merit, in a definitive decision, authorising the sale of asbestos-based products, under the terms of law No. 9.055/95; (ii) at the federal level, being ruled as groundless, with the judge not accepting the request for unconstitutionality of the law, which has yet to become definitive.

A new Bill against chrysotile asbestos is currently before the Legislative Assembly of the State of Minas Gerais (ALMG), Bill 1.259/11, which prohibits the use of products, materials or artefacts which contain any type of asbestos, the progress of which is being monitored by the Brazilian Chrysotile Institute (IBC).

On 10/31/12 the Supreme Court began its judgment on the merits of ADI 3357 questioning State Law No. 11,643/2001 of the state of Rio Grande do Sul, which prohibits the production and sale of asbestos-based products, within the jurisdiction of that member state and ADI No. 3937 questioning State Law No. 12,684/2007, of the State of São Paulo, which prohibits the use, in the State of São Paulo, of products, materials or artifacts that contain any type of asbestos.

Minister Ayres Britto, and President of the Supreme Court (on the date in question), began the judgment process, voting in favor of the constitutionality of the state laws of São Paulo and Rio Grande do Sul, while Minister Marco Aurélio Mello voted for the unconstitutionality of these laws. Following the vote by Minister Marco Aurélio Mello, the President of the Supreme Court suspended proceedings.

The Company points out that the start of judgment on the merits of the ADIs is taking place after exhaustive debates of a scientific nature with Brazilian society, through a public audience conducted by the Supreme Court, on August 24 and 31, 2012, conducted by Minister Marco Aurélio Mello, which also had the eminent presence of Ministers Ricardo Lewandowski and Rosa Weber.

The objective of the public hearing was to evaluate the use of chrysotile asbestos from a medical-scientific view-point, given its importance for Brazil.

This matter is currently pending, with no date as yet being set for being re-entered on the Supreme Court's agenda for the judgment's conclusion. More information on this is available on website www.stf.jus.br

Research related to the use of asbestos

The use of fiber-cement products, water tanks and roofing tiles that contain chrysotile asbestos do not constitute a risk to the health of the population. **No case has ever been registered in Brazil of any**

inhabitant that has developed a disease as a result of living in one of the more than 25 million homes that use fiber-cement roofing tiles containing asbestos. This fact has been proven through national research, carried out by a renowned medical team with links to Brazil's main universities, project and final report from which was approved by the National Council for Scientific and Technological Development - CNPq, available on the following website links http://www.sectec.go.gov.br/portal/ – www.crisotilabrasil.org.br – www.eternit.com.br/ir

There has been no instance of any asbestos-related disease involving respiratory dysfunction among employees joining the mining company in the last 30 years or at the fiber-cement plants in the Eternit Group.

At the behest of FIESP (Industrial Federation of the State of São Paulo) the Getulio Vargas Foundation (FGV) conducted a study on the role of asbestos-based products in the construction chain. This study had the aim of ascertaining the importance of chrysotile-based products in the construction industry, both from an income and employment perspective, as well as the role they play in the competitive make-up and price formation for the sector. The full research document can be found on the following website link: http://www.fiesp.com.br/indices-pesquisas-e-publicacoes/o-papel-dos-produtos-de-amianto-na-cadeia-da-construcao-civil-aspectos-relevantes-da-dimensao-economica-da-cadeia-dos-produtos-de-amianto/.

In view of this scenario, Eternit reaffirms its conviction that its products are safe for the population and that the sustainable management of its various units does not constitute a risk to the health of its employees. Furthermore, it believes that the Federal Supreme Court will consider the scientific and technical information in its judgment on the merit of this issue, not giving way to pressure groups favoring the banning of chrysotile asbestos based only on the European experience, where another type of asbestos was used (asbestos in the amphibole group - blue and brown asbestos) without the necessary precautions being taken, principally for jet applications.

Recognitions

The various awards received over the last seven decades, since the Company's foundation, demonstrate that the Company takes what it does for its stakeholders seriously. Below is a list of the awards from one in the second quarter of 2013:

Listed company awards – Category B – awarded by APIMEC (National Association of Capital Market Analysts and Investment Professionals), **for the second year running**, Eternit was outstanding in the category of companies with annual net consolidated revenue of up to R$3 billion, and which hold at least three regional public APIMEC meetings a year.

Best IR for individual investors – the Company's Investor Relations program, **for the third year running**, was elected as the best in Brazil for private individual investors in the small & mid cap category (annual net consolidated revenue of up to R$3 billion), by IR Magazine Awards Brazil 2013.

Best companies to work for in 2013 – Latin America – SAMA was elected as the seventh best company to work for in Latin America, by the Great Place to Work (GPTW), in the category of companies with more than 500 employees which is comprised of the 25 best companies in the issue of credibility, respect, fairness, pride and camaraderie.

Best companies to work for in the Midwest – SAMA and Precon Goiás were elected "Best Companies to work for in the Center-West" by the Great Place to Work (GPTW). SAMA came 2nd and Precon Goiás came 6th place, according to the ranking published by GPTW Consulting.

Top of Mind – Revenda Construção – Eternit was elected **Top of Mind – Revenda Construção**, in the fiber-cement tile category, receiving the Ruy Ohtake trophy. Organised by Quinta Essência Pesquisas & Inteligência de Mercado and Grupo Revenda, the awards recognise those companies most active in the construction materials sector throughout the Country.

Top best 100 companies in IDHO – Eternit and SAMA were awarded as being among the 100 best companies in IDHO – Human Organizational Development Index, by the magazine Gestão and RH.

Outlook

The GDP growth estimate for 2013 is for 2.3%, and takes into account the low growth prospects as well as the uncertainties about future developments in the global economy in addition to assuming a moderate rate of economic recovery in the major emerging economies, such as countries in Latin America and Asia.

For the Brazilian government, the Construction Industry is of strategic importance for economic growth and the generation of jobs and incomes across the Country. The Federal Government has significantly expanded its investment in housing, basic sanitation and infrastructure, because to invest in construction provides incentive for a sector which contributes greatly to the development of the Brazilian economy. This scenario is likely to be repeated over the next few years and for 2013 the GDP growth forecast for the construction industry is 1.1%, according to Brazilian Central Bank

For the construction materials sector ABRAMAT, the Brazilian Construction Materials Industry Association, is forecasting year-on-year sales growth of 4.5% for 2013, which represents a growth rate of 3.7% for the first half of 2013, compared to the same period in 2012. ABRAMAT's forecast for the next few months indicates continuing positive results, compared to the previous year, which will depend on new government stimulus packages for the sector, as well as the maintaining of income and employment levels, and the availability of credit;

According to a report from ANAMACO, the National Association of Construction Material Merchants, Brazil has approximately 57.8 million permanent homes with 77% requiring some type of remodeling or expansion. Currently, poor housing is one of the great indicators of social inequality, as well as having a negative influence on the health, education, productivity and well-being of those living in such conditions, so there is significant pent-up demand to deal with the needs of the population.

The housing deficit, estimated at 5.5 million homes, consists of families that occupy houses that are in a precarious situation, who are overburdened with rent, with an excessive density of population living in cramped conditions in a rented housing, and housing holding more than one family group with the intention of each family group subsequently obtaining their own homes. These needs, together with the various others in the sector, such as remodeling and extensions, **represent a concentration of self-managed construction projects**, because 90.2% of the housing deficit is concentrated among families earning up to 3 minimum salaries, a segment in which there is no significant presence on the part of construction firms.

Just with the generation of jobs and distribution of incomes as a consequence of the works mentioned above, the incentives for the purchase of construction materials, and the investments in infrastructure and basic sanitation commented on earlier, as well as the housing units to be built under the Minha Casa, Minha Vida (my house, my life) program, will all help towards solving the housing problem, which will also have a positive impact on Eternit’s businesses, as there will be an increase for demand for products in our portfolio, principally for independently self-managed construction projects.

In line with its Program for Structured Expansion and Diversification, the Company has begun a new cycle and is preparing itself to be the most diversified construction materials manufacturing company in Brazil, with approximately 50% of its sales linked to diversification over the long term. The first phase of this program has established Eternit as the largest and most diversified roofing material manufacturer in the Country, ending the second quarter of 2013 with approximately 16% of its sales coming from diversification.

The second phase of the program which has been called “Welcome to the next 70 years” is based on the following directives: (i) organic growth, with the objective of expanding current capacity to sell more of the same; (ii) diversified organic growth, with the objective of including new products in the Company's portfolio, using third parties for production capacity or product development (iii) inorganic growth, with the objective of acquiring companies in the construction materials segment.

The management considers the following challenges in the sector to be important: the competitive conditions of national industry with respect to infrastructure bottlenecks and appreciation in the exchange rate; the combating of inflation, the availability of qualified labour, and the increasing of production in the construction chain; and also the question of housing referring to the cost of land which could suffer from excessive appreciation, thus hampering investment.

As a particular noteworthy aspect, it is important to bear in mind the current scenario in the Brazilian economy, with low GDP growth, rising unemployment, in addition to the widespread public demonstrations that took place in June and July, all of which could have an impact on investment projects in Brazil, in addition to the creation of jobs and the distribution of income.

With respect to the challenges that the Company faces, the most important of these is the legal question of chrysotile asbestos, for which a ruling by the Supreme Court is still awaited. Independently of any decision by the Supreme Court, demand for products without asbestos is likely to increase over the next few years and Eternit is working to offer the two alternatives to its customers and in the future to be a provider of alternative fibers. It is worth pointing out that Brazil is still a long way from having a technical solution that is economically viable for the replacement of chrysotile asbestos, Abrupt banning of this mineral would have an immediate impact on self-managed construction projects, as a result of the higher costs, and could even bring the roofing segment to a standstill due to the lack of alternative fibers available in the global market to meet Brazilian demand, and demand from other countries to which SAMA currently exports this mineral.

If it is decided by Brazilian society to maintain a chrysotile asbestos-based industry, the Company will achieve its objective of being the most diversified manufacturer of construction materials as part of a natural process.

Eternit is confident that there will be a recovery in the Brazilian economy, especially in the sector of which it is a part. Having a satisfactory capital structure, a low level of indebtedness and investments that are consistent with its Expansion and Diversification Plan, the Company is well-positioned to capitalize on the opportunities in the sector.

Welcome to the next 70 years!

Vote for Eternit

Eternit is competing in the category POP+ of IR Global Rankings, the aim of which is to determine, by popular voting, the world's most popular IR site.

The competition has the objective of providing the general public with a more in-depth knowledge of the investor relations area of companies, through their respective IR websites, as well as recognising and valuing those listed companies that communicate well to their shareholders.

Votes can be cast up to August 19, and the results will be published at the world IR Global Rankings Awards, planned for November 2013.

To participate, please access the following website link:
http://www.irglobalrankings.com/irgr2010/web/conteudo_eni.asp?idioma=1&conta=46&tipo=46465

Please register and place your vote for Eternit!

Conference call / *Webcast*

The Executive Board of **Eternit** hereby invites you to participate in its announcement of its results for the second quarter of 2013.

Conference call with Webcast (in Portuguese - with simultaneous translation into English)

Presentation: Élio A. Martins - President and Investor Relations Director
Date: Friday, August 9, 2013.
Time: 11.00 a.m. Brazilian Local Time – 10.00 a.m. Eastern Standard Time (New York) – 3.00 p.m. British Standard Time (London)

The presentation, accompanied by slides, can be followed on the web, through registration on the following website link **www.ccall.com.br/eternit/2q13.htm** or on Eternit's investor relations website link: **www.eternit.com.br/ir**

In order to follow the presentation by telephone, please dial the following telephone numbers: **(55-11) 4688-6361** for Brazil and **(1 786) 924-6977** for other countries - Password for participants: **Eternit**

Playback: A recording of the presentation will be available from **08/09/2013** to **08/15/2013**
Telephone number: **(55-11) 4688-6312 -** Password for participants: **1365307#**

Public Meeting for Shareholders, Investors and Analysts – APIMEC – Minas Gerais (in Portuguese)
Presentation: Élio A. Martins - President and Investor Relations Director
Date: August 20, 2013
Time: 6.00 p.m. – Registration
6.30 p.m – Start of presentation (cocktails will be served after the presentation)
Location: Hotel Mercure BH – Av. do Contorno, 7315 – Lourdes – Belo Horizonte (MG) CEP: 30110-047
RSPV: APIMEC - MG - Telephone: (55-31) 3213-0693 or via e-mail: apimecmg@apimecmg.com.br

Eternit

Investor Relations

Rodrigo Lopes da Luz	rodrigo.luz@eternit.com.br	(55-11) 3038-3818
Paula D. A. Barhum Macedo	paula.barhum@eternit.com.br	(55-11) 3194-3881

ETERNIT S.A.

Balance Sheet

Corporate Law (R$ '000)

ASSETS	Parent Company		Consolidated	
	06/30/13	12/31/12	06/30/13	12/31/12
Current	**254,051**	**250,801**	**418,304**	**426,031**
Cash and cash equivalents	1,536	3,852	6,556	16,656
Short-term investments	16,636	48,612	49,515	78,930
Accounts receivable	77,800	79,158	171,773	177,982
Related parties	28,613	21,648	0	-
Inventories	112,320	81,925	163,851	127,560
Recoverable taxes	11,257	11,167	14,389	13,881
Other current asset	5,889	4,439	12,220	11,022
Non-Current	**436,859**	**402,892**	**415,992**	**384,089**
Related parties	7,423	7,214	-	-
Deferred income and social contribution taxes	20,767	19,994	54,029	51,820
Recoverable taxes	21,590	21,114	24,763	24,534
Judicial deposits	7,454	6,640	13,924	13,047
Investments	238,813	221,916	27,304	13,029
Plant, property and equipment, net	138,224	123,060	267,160	252,457
Intangible assets	2,101	2,514	25,603	26,040
Other non-current asset	487	440	3,209	3,162
Total Assets	**690,910**	**653,693**	**834,296**	**810,120**

LIABILITIES AND EQUITY	Parent Company		Consolidated	
	06/30/13	12/31/12	06/30/13	12/31/12
Current Liabilities	**99,707**	**91,450**	**204,686**	**208,094**
Trade accounts payable	35,908	30,417	54,317	48,968
Related parties	10,328	8,281	-	-
Loans and financing	1,908	1,519	55,559	55,839
Taxes, charges and contributions payable	10,847	11,801	28,971	36,932
Provision and social charges	19,131	17,310	34,205	34,938
Dividends and interest on equity payable	17,850	18,133	17,850	18,133
Provision for future benefits to former employees	1,645	1,645	3,253	2,926
Other current liabilities	2,090	2,344	10,531	10,358
Non-Current	**98,858**	**82,723**	**137,249**	**122,492**
Loans and financing	19,357	7,266	34,394	24,107
Related parties	28,045	27,252	-	-
Provision for future benefits to former employees	19,094	18,263	31,099	30,019
Provision for civil, tax and labor contigencies	23,356	22,657	52,741	51,116
Deferred income and social contribution taxes	9,006	7,285	9,991	8,139
Environmental restoration of degraded mining areas	-	-	8,493	8,201
Other non-current liabilities	-	-	531	910
Equity	**492,345**	**479,520**	**492,361**	**479,534**
Capital	334,251	334,251	334,251	334,251
Capital reserve	19,388	19,388	19,388	19,388
Treasury stock	(174)	(174)	(174)	(174)
Income reserves	126,055	126,055	126,055	126,055
Retained earnings	12,825	-	12,825	-
Net equity attributable to non-minority shareholders	**492,345**	**479,520**	**492,345**	**479,520**
Minority shareholders	-	-	16	14
Total Liablities and Equity	**690,910**	**653,693**	**834,296**	**810,120**

ETERNIT S.A. (PARENT COMPANY)

Income Statements

Corporate Law

R$ ´000	2nd Quarter 2013	2nd Quarter 2012	% Chg.	Accum. 6 Months 2013	Accum. 6 Months 2012	% Chg.
Gross Revenues	**164,352**	**144,896**	**13.4**	**325,052**	**297,740**	**9.2**
Gross Revenues Deductions	(43,155)	(38,697)	11.5	(85,102)	(78,767)	8.0
Net Revenues	**121,197**	**106,199**	**14.1**	**239,950**	**218,973**	**9.6**
Cost of products sold	(88,678)	(75,243)	17.9	(174,774)	(153,290)	14.0
Gross Profit	**32,519**	**30,956**	**5.0**	**65,176**	**65,683**	**(0.8)**
Gross Margin	***27%***	***29%***		***27%***	***30%***	
Operating Revenues (Expenses)	**(29,440)**	**(28,431)**	**3.5**	**(57,963)**	**(55,343)**	**4.7**
Sales	(14,508)	(13,497)	7.5	(28,501)	(26,527)	7.4
General and administrative	(13,758)	(13,827)	(0.5)	(27,115)	(27,184)	(0.3)
Other operating (expenses) revenues, net	(1,174)	(1,107)	6.1	(2,347)	(1,632)	43.8
Operating Income before Equity Income (EBIT)	**3,079**	**2,525**	**22.0**	**7,213**	**10,340**	**(30.2)**
EBIT Margin	***3%***	***2%***		***3%***	***5%***	
Equity pickup	24,014	22,002	9.1	42,052	44,605	(5.7)
Operating Income before Financial Expenses (EBIT)	***27,093***	***24,527***	10.5	***49,265***	***54,945***	(10.3)
Net Financial Income	**(1,352)**	**587**	**-**	**(1,425)**	**2,059**	**(169.2)**
Financial expenses	(3,697)	(2,313)	59.8	(6,732)	(4,767)	41.2
Financial income	2,345	2,900	(19.1)	5,307	6,826	(22.3)
Income before tax and social contribution	**25,741**	**25,114**	**2.5**	**47,840**	**57,004**	**(16.1)**
Current	-	1,961	(100.0)	-	2,162	-
Deferred	1,399	(62)	(2,356.1)	773	(2,246)	(134.4)
Net Income	**27,140**	**27,013**	**0.5**	**48,613**	**56,920**	**(14.6)**
Net margin	***22%***	***25%***		***20%***	***26%***	
Earnings per Share - R$	0.30	0.30	0.5	0.54	0.64	(14.6)
EBITDA	**8,596**	**5,495**	**56.4**	**15,504**	**16,352**	**(5.2)**
EBITDA Margin	***7%***	***5%***		***6%***	***7%***	

ETERNIT S.A. (CONSOLIDATED)

Income Statements

Corporate Law

R$ ´000	2nd Quarter 2013	2nd Quarter 2012	% Chg.	Accum. 6 Months 2013	Accum. 6 Months 2012	% Chg.
Gross Revenues	**302,829**	**272,598**	**11.1**	**579,129**	**545,205**	**6.2**
Gross Revenues Deductions	(61,329)	(61,573)	(0.4)	(126,366)	(123,936)	2.0
Net Revenues	**241,500**	**211,025**	**14.4**	**452,763**	**421,269**	**7.5**
Cost of products sold	(142,582)	(119,077)	19.7	(269,289)	(235,313)	14.4
Gross Profit	**98,918**	**91,948**	**7.6**	**183,474**	**185,956**	**(1.3)**
Gross Margin	***41%***	***44%***		***41%***	***44%***	
Operating Revenues (Expenses)	**(59,227)**	**(59,622)**	**(0.7)**	**(113,000)**	**(113,540)**	**(0.5)**
Sales	(29,542)	(27,351)	8.0	(56,208)	(52,858)	6.3
General and administrative	(28,294)	(30,532)	(7.3)	(54,018)	(57,540)	(6.1)
Other operating (expenses) revenues, net	(1,391)	(1,739)	(20.0)	(2,774)	(3,142)	(11.7)
Operating Income before Equity Income (EBIT)	**39,691**	**32,326**	**22.8**	**70,474**	**72,416**	**(2.7)**
EBIT Margin	***16%***	***15%***		***16%***	***17%***	
Equity Income	(923)	-	**-**	(1,742)	-	**-**
Operating Income before Financial Expenses (EBIT*)	***38,768***	***32,326***	**19.9**	***68,732***	***72,416***	**(5.1)**
Net Financial Income	**(1,559)**	**2,345**	**(166.5)**	**(1,769)**	**4,762**	**(137.1)**
Financial expenses	(12,129)	(11,546)	5.0	(20,956)	(20,423)	2.6
Financial income	10,570	13,891	(23.9)	19,187	25,185	(23.8)
Income before tax and social contribution	**37,209**	**34,671**	**7.3**	**66,963**	**77,178**	**(13.2)**
Current	(12,674)	(9,840)	28.8	(20,559)	(20,594)	(0.2)
Deferred	2,605	2,182	19.4	2,209	336	557.3
Minority shareholders	-	-	-	-	-	-
Net Income	**27,140**	**27,013**	**0.5**	**48,613**	**56,920**	**(14.6)**
Net Margin	***11%***	***13%***		***11%***	***14%***	
Earnings per Share - R$	0.30	0.30	0.5	0.54	0.64	(14.6)
EBITDA	**47,596**	**39,242**	**21.3**	**86,417**	**85,475**	**1.1**
EBITDA Margin	***20%***	***19%***		***19%***	***20%***	

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

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STATEMENTS OF CASH FLOW

Corporate Law

R$ '000 - Accumulated	Parent Company		Consolidated	
	06/30/13	06/30/12	06/30/13	06/30/12
Operating Activities:				
Income before income and social contribution taxes	**47,840**	**57,004**	**66,963**	**77,178**
Adjustments to reconcile pre-tax income with net cash provided by operating activities:				
Equity pickup	(42,052)	(44,605)	1,742	-
Depreciation and amortization	5,517	6,012	17,685	13,059
Gain (loss) from disposal of permanent assets	(50)	(107)	(97)	353
Provision for impairment losses on accounts receivable	220	250	458	925
Provision for civil, tax and labor contigencies	699	1,416	1,625	2,021
Provision (reversal) for sundry losses	802	262	1,715	810
Financial charges, monetary changes and foreign exchange variation	2,604	930	(137)	(2,180)
Short-term investment yield	(1,364)	(1,101)	(2,254)	(1,101)
Net changes in prepaid expenses	771	204	1,076	712
	14,987	**20,265**	**88,776**	**91,777**
(Increase) decrease in operating assets:				
Trade accounts receivable	1,098	2,545	5,660	(3,697)
Related parties receivable	161	1,178	-	-
Inventories	(30,395)	(16,499)	(36,291)	(27,202)
Recoverable taxes	(290)	(7,006)	(461)	(8,011)
Judicial deposits	(814)	(855)	(877)	(2,269)
Received dividends	33,622	32,035	-	-
Other assets	(2,248)	(2,037)	(2,602)	(4,305)
Increase (decrease) in operating liabilities				
Trade accounts payable	5,560	(1,046)	5,424	8,829
Related parties payable	2,047	(2,477)	-	-
Taxes, charges and contribution payable	(247)	5,741	(292)	3,524
Provisions and social charges	1,821	2,650	(733)	3,496
Other liabilities	(314)	490	(260)	2,295
Interest paid	(200)	(27)	(287)	(71)
Income and social contribution taxes paid	(16)	(689)	(27,569)	(18,341)
Net cash flow from operating activities	**24,771**	**34,268**	**30,488**	**46,025**
Cash flow from investment activities				
Additions to property, plant and equipment and intangible assets	(20,555)	(3,353)	(32,253)	(20,557)
Loan from related party receivable	(246)	(1,471)	-	-
Cash receipt from the sale of property, plant & equipment	337	165	399	165
Capital increase in subsidiaries	(16,017)	(360)	(16,017)	(360)
Short-term investments	(60,083)	-	(149,501)	-
Redemptions from short-term investments	93,423	-	181,170	-
Other investments	-	-	-	-
Temporary investments	-	2,915	-	2,915
Net cash flow from investment activities	**(3,141)**	**(2,104)**	**(16,202)**	**(17,837)**
Cash flow from financing activities				
Loans and financing raised	10,838	78	91,617	149,926
Loan with related party	(139)	(173)	-	-
Amortization of loans and financing	(109)	(2,665)	(81,466)	(85,365)
Payment of dividends and interest on equity	(34,537)	(34,833)	(34,537)	(34,833)
Net cash flow from financing activities	**(23,947)**	**(37,593)**	**(24,386)**	**29,728**
Increase (decrease) in cash and equivalents	**(2,316)**	**(5,429)**	**(10,100)**	**57,916**
Cash and equivalents:				
At the beginning of the year	3,852	21,352	16,656	42,333
At the end of the year	1,536	15,923	6,556	100,249
	(2,316)	**(5,429)**	**(10,100)**	**57,916**