

## Operating income grows 9.0% and adjusted EBITDA reaches R\$ 54.7 million in 4Q14

**São Paulo, March 12, 2015** – Eternit S.A. (BM&FBOVESPA: ETER3; OTC: ETNTY), 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 fourth quarter and full year 2014 (4Q14 and 2014). 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 Corporate Law and International Financial Reporting Standards (IFRS). All comparisons made in this press release are with the 4<sup>th</sup> quarter and full year 2013 (4Q13 and 2013), except where indicated otherwise.

### 4Q14

#### Stock price(02/27/15) ETER3

R\$/share	3.07
US\$/share	1.07

#### Shareholder Base (02/27/15)

Total Shares	179,000,000
Free Float	98.5%

#### Market Capitalization - (02/27/15)

R\$ 549.5 million
US\$ 190.9 million

#### Shareholder Payments (2014)

R\$ 0.40 per share
Dividend yield: 9.2%

#### Indicators - (Dec/14)

Book Value (R\$/share)	2.88
Price/Book Value	1.13
Price/Earnings	6.83

#### Conference Call/Webcast

**March 13, 2015**

**Time::** 11:00 a.m. (Brasília) – 10:00 a.m.(New York) and 2:00 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:

[www.eternit.com.br/ir](http://www.eternit.com.br/ir)

#### Talk to IR

Contact the IR team:

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Eternit significantly outperformed the construction materials sector, thanks to the recovery of suppressed demand resulting from the numerous holidays in the first half of the year, combined with a period of higher seasonal demand for the Company. On the other hand, the economic scenario was challenging and caused a decrease in demand for construction materials in the fourth quarter of 2014, according to the Brazilian Construction Materials Industry Association (ABRAMAT).

Chrysotile asbestos sales in 4Q14 totaled 66,700 tons, decreasing 10.8% from 4Q13, partially offset by higher volume of exports. In the same period, fiber-cement sales reached 229,000 tons, increasing 5.5% from 4Q13, whereas concrete roofing tile sales decreased 21.7%, due to lower demand in the high-end roofing market, especially in the B2C (business-to-consumer) segment.

Consolidated net revenue in 4Q14 amounted to R\$263.6 million, up 4.1% from 4Q13, mostly driven by higher fiber-cement and chrysotile mineral exports, and the appreciation of the U.S. dollar against the Brazilian real, which offset the lower sales volume of concrete roofing tiles and chrysotile in the domestic market.

Adjusted EBITDA in 4Q14 reached R\$54.7 million, 22.2% higher than in 4Q13, mainly due to the fact that consolidated net revenue outgrew the cost of goods sold. Net income decreased 8.1% from 4Q13 to R\$23.2 million in 4Q14, mainly due to lower net financial income and negative equity pickup.

Investments in 4Q14 totaled R\$37.2 million, up 59.4% from 4Q13, of which (i) R\$23.2 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\$14.0 million went to the maintenance and modernization of the Group's industrial facilities.

#### Main Indicators

Consolidated - R\$ '000	4th Quarter			Accum. 12 Months		
	2014	2013	% Chg.	2014	2013	% Chg.
<b>Gross revenues</b>	<b>325,792</b>	<b>318,147</b>	<b>2.4</b>	<b>1,235,017</b>	<b>1,219,671</b>	<b>1.3</b>
<b>Net revenues</b>	<b>263,564</b>	<b>253,167</b>	<b>4.1</b>	<b>978,154</b>	<b>957,301</b>	<b>2.2</b>
Gross profit	108,663	95,047	14.3	384,275	381,424	0.7
<i>Gross margin</i>	41%	38%	3 p.p.	39%	40%	- 1 p.p.
<b>Operating income (EBIT) <sup>1</sup></b>	<b>36,152</b>	<b>33,173</b>	<b>9.0</b>	<b>127,796</b>	<b>143,247</b>	<b>(10.8)</b>
<b>Net income</b>	<b>23,235</b>	<b>25,275</b>	<b>(8.1)</b>	<b>85,160</b>	<b>102,256</b>	<b>(16.7)</b>
<i>Net margin</i>	9%	10%	- 1 p.p.	9%	11%	- 2 p.p.
EPS (R\$/share) <sup>2</sup>	0.13	0.28		0.48	1.14	
Investments	37,219	23,350	59.4	116,198	93,574	24.2
<b>EBITDA <sup>3</sup></b>	<b>45,920</b>	<b>42,326</b>	<b>8.5</b>	<b>165,500</b>	<b>178,036</b>	<b>(7.0)</b>
<i>EBITDA Margin</i>	17%	17%	-	17%	19%	- 2 p.p.
<b>Adjusted EBITDA over equity pickup</b>	<b>54,673</b>	<b>44,754</b>	<b>22.2</b>	<b>179,176</b>	<b>184,259</b>	<b>(2.8)</b>
<i>Adjusted EBITDA Margin</i>	21%	18%	3 p.p.	18%	19%	- 1 p.p.

<sup>1</sup> Before financial results.

<sup>2</sup> Considers, to 4Q14 and 2014, the stock split approved at the EGM held on 09/24/2014.

<sup>3</sup> Operating income before interests, taxes, depreciation and amortization

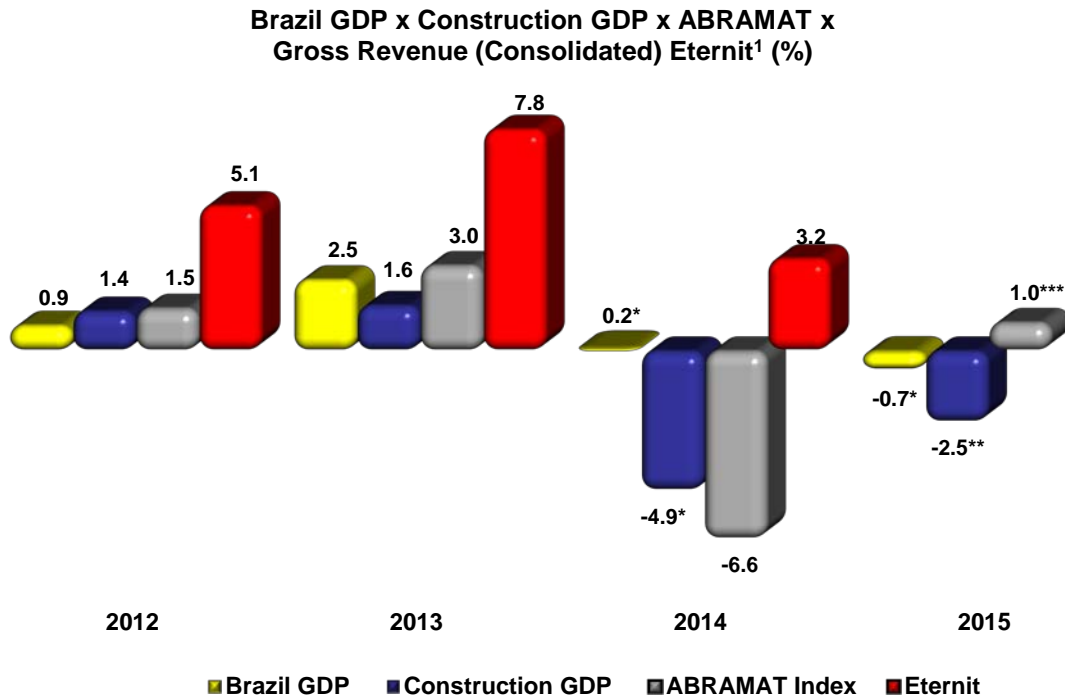
**General and Market Scenario**

Brazil’s economic activity in 2014 was marked by weak economic performance, a slowdown in investments and the credit and consumption markets, among other factors. In accordance with this scenario, projections of economic performance were periodically revised and GDP projection for 2014, in comparison with 2013, was 0.15% at the year-end, with construction GDP falling 4.9%, according to the FOCUS newsletter at the start of January 2015 and the inflation report for December 2014, both published by the Brazilian Central Bank (BACEN).

According to the Brazilian Association of Construction Materials Industry (ABRAMAT), domestic construction material sales in 2014 fell 6.6% from the previous year, falling far short of the 4.5% growth forecast at the beginning of 2014. The market was severely affected by the pessimism surrounding the economy, the fewer business days on account of the World Cup and holidays, and the increase in imports.

Even so, the retail segment, which accounts for nearly 50% of construction material sales in the country according to ABRAMAT, variables such as employment, income and credit affect the sector. In 2014, the retail sector faced difficulties in obtaining loans from banks, in addition to the hike in interest rates caused by a period of uncertainty about the future of the economy, which creates certain insecurity among consumers.

In comparison, Eternit<sup>1</sup> registered growth of 3.2% in consolidated gross revenue in 2014, far above the sector performance. The Company’s chrysotile mining operated at full capacity and in the finished product units, the fiber-cement and concrete roofing tiles line kept pace with market demand throughout 2014.



Source: \* BACEN - projected growth of Brazil’s GDP for 2014 and 2015; projections for construction for 2014.

\*\* BACEN – projection for construction GDP up to the third quarter of 2015.

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

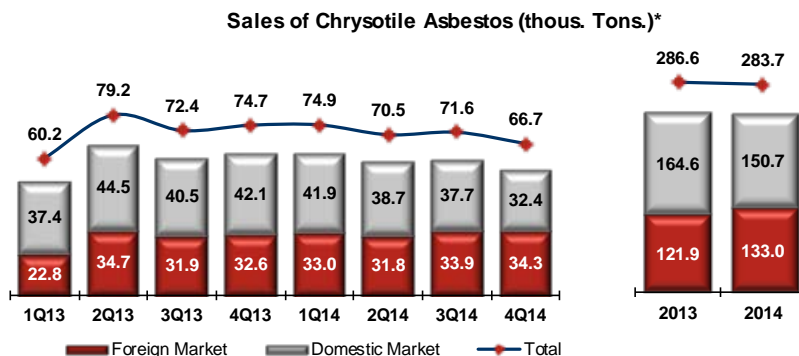
<sup>1</sup> ETERNIT - Growth in Eternit’s consolidated gross revenue compares the period from January to December 2014 with the same period in 2013, deflated by the IGP-M index.

**Operational and Financial Aspects**

**Sales**

**Chrysotile Asbestos**

Chrysotile asbestos sales in 4Q14 reached 66,700 tons, down 10.8% from 4Q13. Domestic sales decreased 23.2% during the period, due to the lower consumption of this mineral, especially in Southern Brazil. On the other hand, exports increased 5.2%, driven by the gradual recovery across Asian markets.



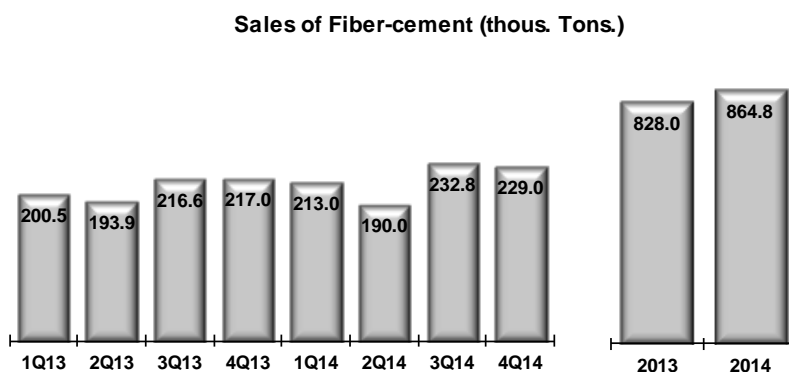
(\* Chrysotile asbestos sales include intercompany sales, which accounted for 43.3% of domestic sales in 4Q14.

Sales in 2014 totaled 283,700 tons, practically stable (down 1.0%) in comparison with 2013. In the same comparison period, exports posted a significant 9.1% growth, due to the factors mentioned above, which partially offset the 8.5% decline in domestic sales.

With annual capacity of 300,000 tons, SAMA maintained its participation as the third largest mining company in the world market production of chrysotile asbestos, in 2014.

**Fiber-cement**

Domestic fiber-cement sales, including construction solutions, totaled 229,000 tons in 4Q14, up 5.5% from 4Q13, mainly due to the replenishment of inventories by construction material retailers on account of suppressed demand after numerous holidays in the first half of the year, combined with a period of higher seasonal demand for the Company.



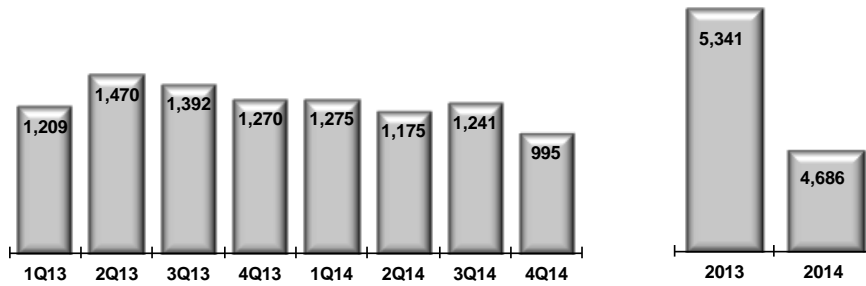
Sales in 2014 totaled 864,800 tons, up 4.4% from 2013, due to the factors mentioned above.

With theoretical annual production capacity of 1 million tons, Eternit retained its leadership of Brazil's fiber-cement market in 2014, with market share of 32%, gaining one percentage point from the previous year.

**Concrete Tiles**

In 4Q14, concrete tile sales totaled 995,000 square meters (equivalent to 8,701,000 pieces), down 21.7% from 4Q13 due to lower demand in the high-end roofing market, especially in the B2C (business-to-consumer) segment.

Sales of Concrete Roofing Tiles (thous.m<sup>2</sup>)



In 2014, sales volume reached 4,686,000 square meters (equivalent to 41,477,000 pieces), down 12.3% from 2013 due to the factors mentioned above.

With annual production capacity of 10 million square meters (equivalent to 105,000,000 pieces), Tégula gained one percentage point in market share, reaching 31% and retaining its leadership of Brazil's concrete roofing tile market in 2014.

**Consolidated Net Revenue**

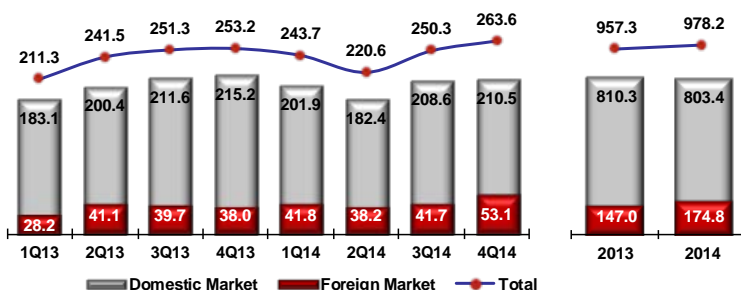
Consolidated net revenue in 4Q14 reached R\$ 263.6 million, up 4.1% from 4Q13. Revenue from the domestic market amounted to R\$210.5 million, a decrease of 2.2% primarily due to the lower chrysotile mineral and concrete roofing tile sales, which was partially offset by increased fiber-cement sales. Net revenue from exports increased 39.7% from 4Q13, totaling R\$53.1 million, driven by higher sales volume of chrysotile mineral and the 11.9% appreciation of the U.S. dollar against the Brazilian real (comparison of the average PTAX rate in the period).

Comparing 4Q13 and 4Q14 by product lines, chrysotile asbestos and fiber-cement recorded revenue growth of 6.4% and 14.8% respectively, while revenue from concrete roofing tiles and roofing accessories decreased 19.0%, reaching R\$84.3 million, R\$155.6 million and R\$16.7 million respectively, due to the factors mentioned above.

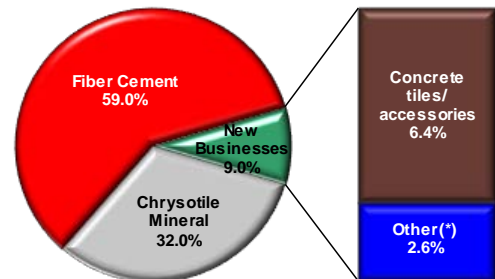
Revenue from other products totaled R\$7.0 million in 4Q14, a decrease of 60.9% from 4Q13, mainly because Companhia Sulamericana de Cerâmica (CSC) started selling bathroom chinaware and lavatory seats in January 2014 due to the transfer of inventories from Eternit to CSC with the start of its industrial operations.

Sales of bathroom chinaware and lavatory seats by CSC since January 2014 are not consolidated since the shareholders (Eternit and Companhia Colombiana de Cerâmica S.A., a company of the Corona Group, a Colombian multinational) exercise joint control, in accordance with CPC 36 and IFRS 10 standards on consolidated financial statements, and CPC 19 and IFRS 11 on joint arrangements.

Consolidated Net Revenue (R\$ million)



Breakdown of Consolidated Net Revenue (4Q14)



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

Consolidated net revenue in 2014 reached R\$978.2 million, increasing 2.2% from 2013. This performance was driven by higher chrysotile exports and the 9.1% appreciation of the U.S. dollar against the Brazilian real (based on the average PTAX rate in the period). Domestic sales totaled R\$803.4 million, virtually stable (down 0.9%) from 2013 due to the factors mentioned above.

## Cost of Mining, Production and Goods Sold

Consolidated cost of goods sold came to R\$154.9 million in 4Q14, down 2.0% compared to 4Q13 as a result of the non-recurring decrease in mining costs. Gross margin increased 3 percentage points during the period to 41%.

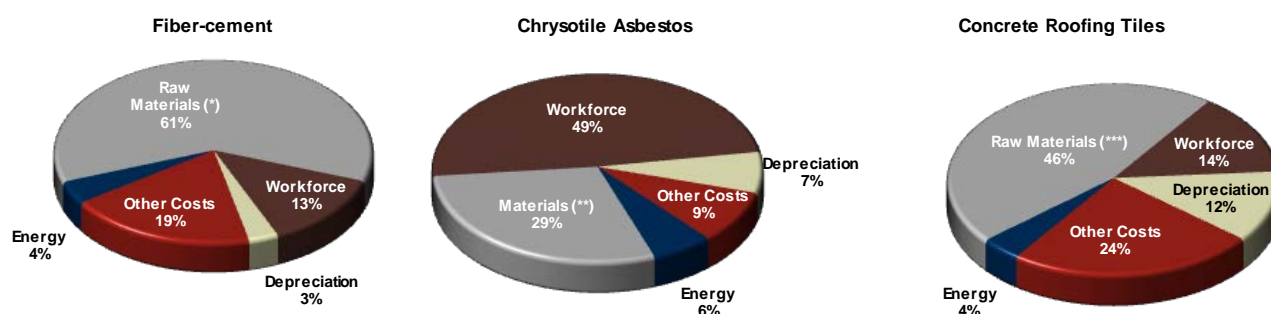
The main variations in mining and production costs are shown below:

**Chrysotile mining:** 6% decrease due to the need to create a safety stock, thus increasing production during in the period.

**Fiber-cement:** 17% increase due to the hike in raw material prices (especially of chrysotile asbestos, pulp and cement) and electricity.

**Concrete roofing tiles:** 8% increase resulting due to the increase in the price of electricity and higher consumption of fuel and packaging.

### Breakdown of Cost of Mining and Production (4Q14)



(\*) Raw materials: cement (45%), chrysotile asbestos (42%) and others (13%).

(\*\*) Materials: fuel, explosives, packaging and others.

(\*\*\*) Raw materials: cement (55%), sand (30%) and others (15%).

In 2014, consolidated cost of goods sold totaled R\$593.9 million, increasing 3.1% from 2013, due to higher mining and production costs of fiber-cement and concrete roofing tiles. Since the increase in the consolidated cost of goods sold outpaced the increase in net consolidated revenue in 2014, gross margin declined 1 percentage point from 2013 to 39%.

## Operating Expenses

Total operating expenses in 4Q14 increased 7.3% from 4Q13, mainly due to the following variations:

**Selling expenses:** 9.9% decrease due to lower logistics costs with chrysotile asbestos and lower commissions due to the reduction in chrysotile asbestos sales in the domestic market and lower concrete roofing tile sales.

**General and administrative expenses:** increase of 9.9% due to higher expenses with the setting up of the research and development unit in the city of Manaus (AM) and with defending the use of chrysotile asbestos.

**Other operating (expenses) revenues:** variation due to untimely used PIS and COFINS in prior years.

In R\$ '000	4th Quarter			Accum. 12 Months		
	2014	2013	Chg. %	2014	2013	Chg. %
Selling expenses	(28,816)	(31,992)	(9.9)	(116,528)	(116,734)	(0.2)
General and administrative expenses	(31,296)	(28,483)	9.9	(122,465)	(113,349)	8.0
Other operating revenues (expenses), net	(3,646)	1,029	-	(3,810)	(1,871)	103.6
<b>Total operating expenses</b>	<b>(63,758)</b>	<b>(59,446)</b>	<b>7.3</b>	<b>(242,803)</b>	<b>(231,954)</b>	<b>4.7</b>
<i>Percentage of net revenue</i>	<i>24%</i>	<i>23%</i>	<i>1 p.p.</i>	<i>25%</i>	<i>24%</i>	<i>1 p.p.</i>

In 2014, operating expenses totaled R\$242.8 million, 4.7% higher than in 2013, due to the increase in administrative expenses and other operating (expenses) revenues, in line with the factors mentioned earlier.



## 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 4Q14, this figure was loss of R\$8.8 million, versus a loss of R\$2.4 million in 4Q13, since it is a greenfield project.

## Net Financial Result

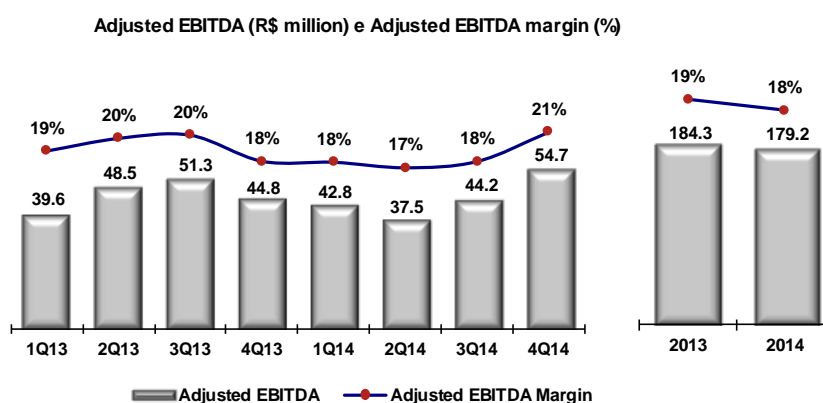
Net financial result declined 70.8% in 4Q14, primarily due to the effects of exchange variation on the Eternit Group's financial operations.

In R\$ '000	4th Quarter			Accum. 12 Months		
	2014	2013	Chg. %	2014	2013	Chg. %
Financial expenses	(15,895)	(12,068)	31.7	(52,674)	(48,553)	8.5
Financial income	16,347	13,617	20.0	54,962	47,535	15.6
<b>Net financial result</b>	<b>452</b>	<b>1,549</b>	<b>(70.8)</b>	<b>2,288</b>	<b>(1,018)</b>	<b>-</b>

In 2014, net financial result was positive at R\$2.3 million, compared to a negative result of R\$1.0 million in 2013, as mentioned earlier.

## Adjusted EBITDA

Adjusted EBITDA totaled R\$54.7 million in 4Q14, 22.2% higher than in 4Q13, mainly due to the fact that consolidated net revenue outgrew the cost of goods sold. As a result, adjusted EBITDA margin in 4Q14 was 21%, up 3 percentage points from 4Q13.



In 2014, adjusted EBITDA totaled R\$179.2 million, down 2.8%, with margin of 18%, down one percentage point from 2013, mainly due to the increased cost of goods sold and operating expenses.

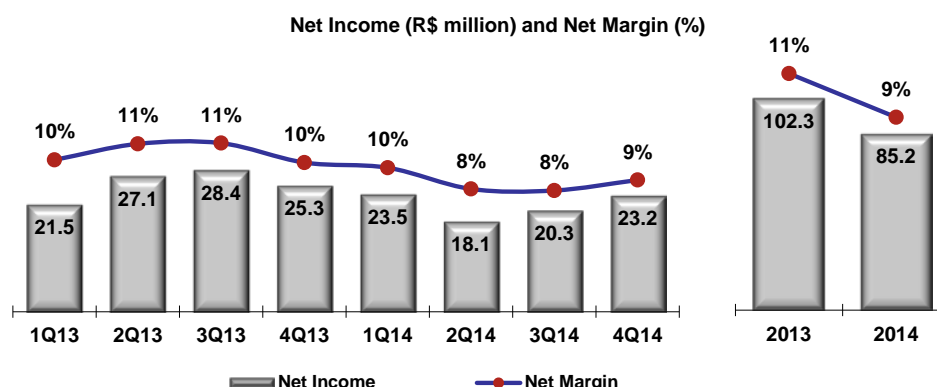
Reconciliation of consolidated EBITDA - (R\$'000)	4th Quarter			Accum. 12 Months		
	2014	2013	% Chg.	2014	2013	% Chg.
<b>Net income</b>	<b>23,235</b>	<b>25,275</b>	<b>(8.1)</b>	<b>85,160</b>	<b>102,256</b>	<b>(16.7)</b>
Income tax and social contributions	13,369	9,447	41.5	44,924	39,973	12.4
Net financial Income	(452)	(1,549)	(70.8)	(2,288)	1,018	-
Depreciation and amortization	9,768	9,153	6.7	37,704	34,789	8.4
<b>EBITDA<sup>1</sup></b>	<b>45,920</b>	<b>42,326</b>	<b>8.5</b>	<b>165,500</b>	<b>178,036</b>	<b>(7.0)</b>
Equity pickup	8,753	2,428	260.5	13,676	6,223	119.8
<b>Adjusted EBITDA over equity pickup<sup>2</sup></b>	<b>54,673</b>	<b>44,754</b>	<b>22.2</b>	<b>179,176</b>	<b>184,259</b>	<b>(2.8)</b>

EBITDA<sup>1</sup> is calculated in accordance with Instruction 527 issued by the Securities and Exchange Commission of Brazil (CVM) on October 4, 2012. With the operational startup of CSC, its results are included in consolidated EBITDA in accordance with the equity pickup method.

Adjusted EBITDA<sup>2</sup> is an indicator used by the Company's Management to analyze its operational economic performance, calculated as net income from the fiscal year, income taxes and social contribution, net financial result, depreciation and amortization and equity pickup and, given Companhia Sulamericana de Cerâmicas' status as a joint venture, its data are not consolidated.

## Net Income

Eternit registered net income of R\$23.2 million in 4Q14, down 8.1% compared to 4Q13. Net margin contracted by 1 percentage point to reach 9%, mainly due to the lower net financial result and negative equity pickup.



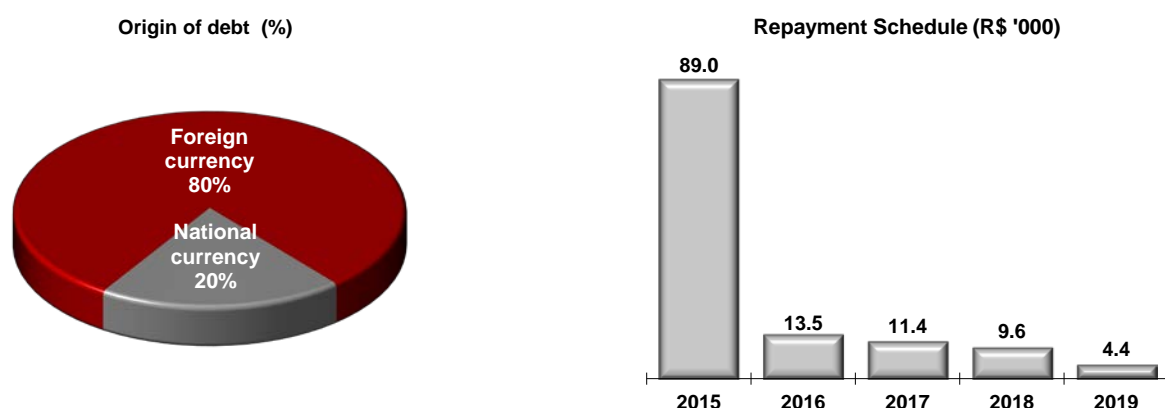
In 2014, net income reached R\$85.2 million and net margin reached 9%, as against R\$102.3 million and 11%, respectively, in 2013, due to the increase in the cost of goods sold and operating expenses, as well as the negative equity pickup.

## Debt

The Company ended 4Q14 with net debt of R\$79.5 million. In 2014, the gross debt of Eternit and its subsidiaries totaled R\$127.9 million, basically explained by: (i) the advances against draft presentation (ACE) for working capital; (ii) financing for the acquisition of machinery and equipment.

Cash, cash equivalents and short-term financial investments totaled R\$48.4 million, with financial investments remunerated at an average rate corresponding to 102% of the variation in the interbank rate (CDI).

DEBT - R\$ '000	Parent Company		Consolidated	
	12/31/14	12/31/13	12/31/14	12/31/13
Short-term gross debt	3,066	8,944	88,946	56,881
Long-term gross debt	5,129	14,368	38,978	25,799
Cash and cash equivalents	(5,711)	(9,516)	(13,367)	(13,295)
Short-term investments (same cash equivalents)	(15,726)	(9,897)	(35,023)	(35,661)
<b>Net debt</b>	<b>(13,242)</b>	<b>3,899</b>	<b>79,534</b>	<b>33,724</b>
EBITDA (last 12 months)	97,356	112,614	165,500	178,036
<b>Net debt / EBITDA x</b>	<b>(0.14)</b>	<b>0.03</b>	<b>0.48</b>	<b>0.19</b>
Adjusted EBITDA over equity pickup	33,582	36,347	179,176	184,259
<b>Net debt / Adjusted EBITDA x</b>	<b>(0.39)</b>	<b>0.11</b>	<b>0.44</b>	<b>0.18</b>
<b>Net debt / Equity</b>	<b>-</b>	<b>0.8%</b>	<b>15.4%</b>	<b>6.7%</b>

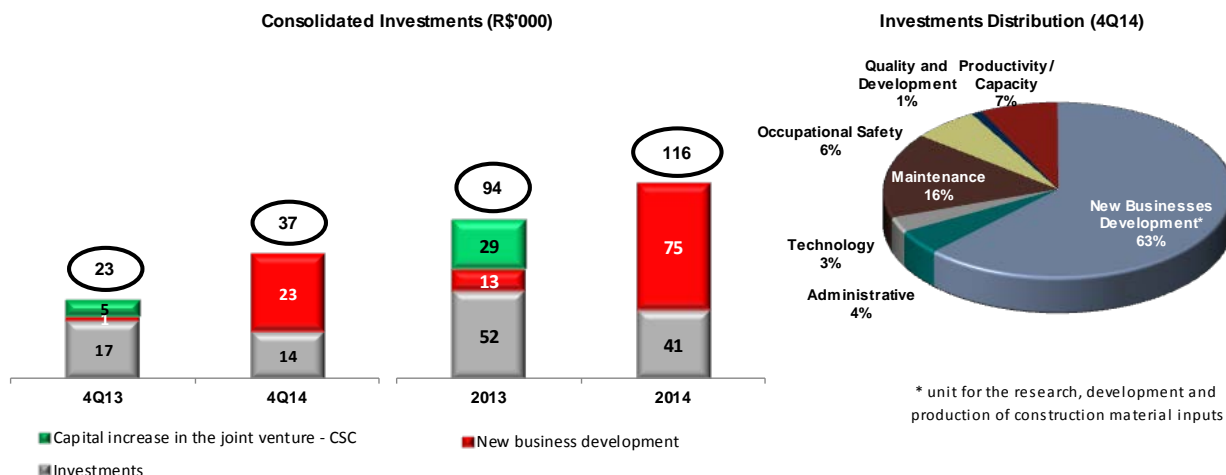


Note that the Company does not contract leveraged operations involving derivative instruments of any type that could be interpreted as speculative positions.

## Investments

Investments made by Eternit and its subsidiaries in 4Q14 totaled R\$37.2 million, 59.4% more than in 4Q13. 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.

In 2014, investments totaled R\$116.2 million, 24.2% more than in 2013, and were allocated as follows: (i) R\$75.2 million to the establishment of a unit for the research, development and production of construction material inputs, and (ii) R\$41.0 million for the maintenance and modernization of the Group's industrial facilities.



In 2015, investments are expected to be around R\$39.8 million, with R\$29.6 million allocated for the maintenance and modernization of the industrial facilities, R\$4.6 million for establishment of the research, development and production unit for construction material inputs in Manaus and R\$5.6 million for strategic investments.

## 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. The Company has also maintained a Level I American Depositary Receipt (ADR) program since May 2010, which allows its shares to trade on the secondary or over-the-counter market in the United States under the stock ticker ETNTY.

In 4Q14, Eternit's shareholder base had a high concentration of individual investors who accounted for 65.1%, while foreign investors accounted for 10.4% and institutional investors, investment clubs, investment funds and foundations accounted for 24.5%.

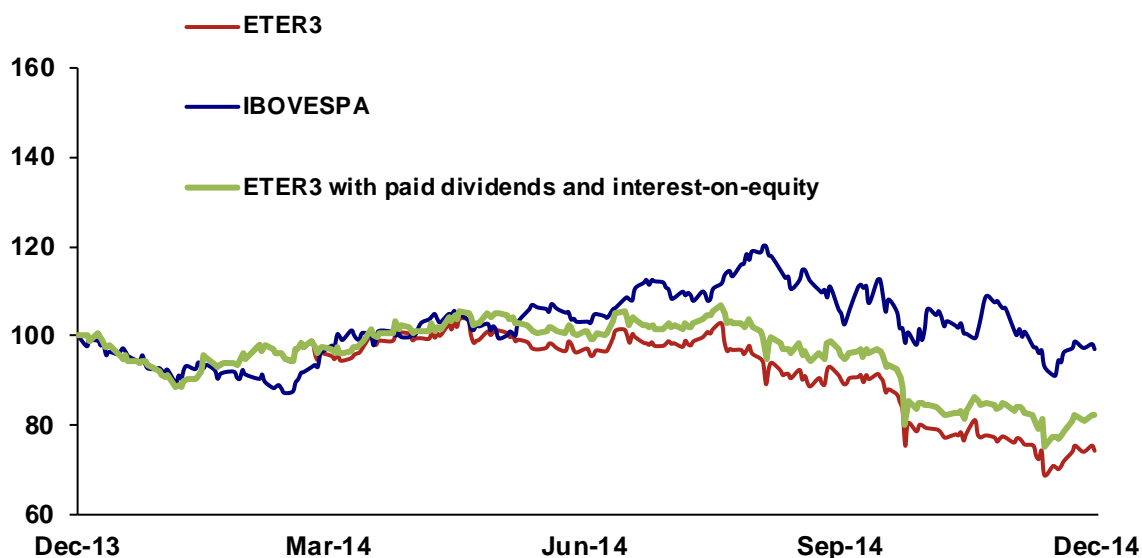
The shares of Eternit (ETER3) were being quoted at R\$3.25 in December 2014, a decrease of 25.6% from the value in December 2013. In the same period, the benchmark Bovespa Index (IBOVESPA) closed at 50,007 points, losing 2.9% in the period. On December 31, 2014, Eternit's market capitalization stood at R\$581.8 million.



Capital Markets					
ETERNIT (ETER3)	4Q13	1Q14	2Q14	3Q14	4Q14
Closing Price (R\$/Share) - Without dividends*	4.37	4.18	4.25	3.94	3.25
Average Volume Traded (Shares)	129,846	105,502	119,013	122,972	139,600
Average Volume Traded (R\$)	598,194	437,625	516,649	513,042	492,597
ETER3 - Quarterly Profitability (%)	-	-4.5	1.7	-7.2	-17.5
ETER3 - 12 Months Profitability (%)	-	-6.3	-10.2	-17.2	-25.6
IBOVESPA - Quarterly Profitability (%)	-	-2.1	5.5	1.8	-7.6
IBOVESPA - 12 Months Profitability (%)	-	-10.5	12.0	3.4	-2.9
Market Capitalization (R\$ Million)	782.2	747.3	759.9	705.3	581.8

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

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



Source: Economática

## Dividends and Interest on Equity

Eternit continues to be one of the publicly held corporations in Brazil delivering the highest returns to shareholders. In 2014, Eternit's dividend yield<sup>1</sup> was 9.2%, with earnings distributed to shareholders amounting to R\$71.6 million.

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.

<sup>1</sup> Dividend yield = Retorno do dividendo: É o resultado da divisão dos proventos (dividendos + juros sobre o capital próprio) por ação, distribuídos durante o exercício (base: data do pagamento), pela cotação de fechamento no exercício anterior.

Dividends Distribution (2013 to 2015)					
Approval Date	Type	Payment Start Date	Total Value R\$ 000	Value per Share (R\$)	
<b>2013</b>					
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	
<b>Total</b>		-	<b>71,577</b>	<b>0.4000</b>	
<b>Closing Price</b>		-	-	<b>4.05</b>	
<b>Dividend Yield</b>		-	-	<b>9.9%</b>	
<b>2014</b>					
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	
<b>Total</b>			<b>71,576</b>	<b>0.4000</b>	
<b>Closing Price</b>		-	-	<b>4.37</b>	
<b>Dividend Yield</b>		-	-	<b>9.2%</b>	
<b>2015</b>					
12/19/14 (*)	BDM	03/31/15	5,905	0.0330	
03/11/15 (*)	BDM	03/31/15	11,989	0.0670	
<b>Total</b>			<b>17,894</b>	<b>0.1000</b>	
<b>Closing Price</b>		-	-	<b>3.25</b>	
<b>Dividend Yield</b>		-	-	<b>3.1%</b>	

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

PS: Value per Share and Closing Prices adjusted after the stock split approved on 09/24/14.

## Social, Environmental and Corporate Responsibility

### Open Doors Program

To contribute to a better understanding by society of the extraction and processing of chrysotile asbestos, the manufacturing of fiber-cement products in a sustainable manner and the health and safety practices adopted, 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 67,000 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](http://www.eternit.com.br/sobre-a-eternit/portas-abertas)).

## Legal issues involving chrysotile mineral

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

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

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

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

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

## 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.

## Recognition

The numerous awards received over the past seven decades since its foundation are proof that the Company is serious about what it does for all its stakeholders. Following are the awards won by the Company in the fourth quarter of 2014:

**PINI 2014 Award** – Eternit ranked first in the categories "Preferred supplier of fiber-cement tiles", "Brand most used by your fiber-cement tile company", "Preferred supplier of cement panels", "Brand most used by your cement panels company" and "Preferred supplier of heat insulation roofing panels," and ranked second in the category "Brand most used by your heat insulation roofing panels company." Tégula ranked first in the categories "Preferred supplier of concrete tiles" and "Brand most used by your concrete tiles company."

**Great Place to Work and Época magazine** – SAMA was selected as one of the Best Companies to Work for in Brazil in the small and mid-sized companies category in ten editions of the ranking, coming third in the Care category.

**13<sup>th</sup> CREA Goiás Environment Award 2014** – organized by the Regional Engineering, Architecture and Agronomy Council of Goiás. SAMA received the award for the outcome of the project "Environmental Recovery of Stacks of Disposed off Overburden and Waste at the Cana Brava Mine," ranking first in the Physical Medium category.

**200 Biggest Brazilian Mines 2014** – SAMA received the award for being one of the 200 Biggest Brazilian Mines, from the Minérios e Minerales magazine. Its participation is due to the company's safety standards in chrysotile asbestos mining, and because it was one of the 15 mining companies that most invested in security and information technology in 2013.

**Entrepreneur Friend of Sports Award** – SAMA received the award in the Best Friend of Sports category in Goiás for its sponsorship of athletes.

**Project for Selective Collection of Batteries at the Minaçu Community** – SAMA was awarded by the Federal Government through the Ministry of Environment (EducaRES) for the project.

**Top 50 Psychologically Healthy Companies in Brazil** – according to a survey of the companies listed in the Best Companies to Work For ranking by magazine *Você S/A* and GPTW, SAMA received the award for good practices in the development of psychologically healthy work environments that are focused on the psychological equilibrium of employees.

**Human Being 2014 Award** – organized by the Brazilian Association of Human Resources. SAMA won in two categories, in recognition of its successful people management practices, ranking first in “Best Practices in Talent Development” and “Best Practices in Sustainability and Social Responsibility.”

## Outlook

In 2015, Brazil's GDP is estimated to shrink 0.66% (Focus market readout of 03/06/15), 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 a moderate expansion of the credit market. In this scenario, projected GDP for the construction industry is -2.5% (until the third quarter of 2015), according to BACEN.

Housing deficit in Brazil, estimated by the João Pinheiro Foundation at 5.8 million units (preliminary results of 2012), 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 Getúlio 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. The study also highlights that zeroing the housing deficit will require investments of approximately R\$760 billion in low-income housing over the course of ten years.

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.

The Brazilian Construction Materials Industry Association (ABRAMAT) projects 1.0% growth this year compared to 2014, which will depend on continuation of the government incentives to the construction industry, on maintenance of employment and income levels, on increased investments in the “My Home, My Life” program, as well as infrastructure projects and increased activity of construction companies, among other factors.

For 2015, the Brazilian Construction Materials Merchants Association (Anamaco) expects a more positive scenario than in the previous year, due to more business days, adjustments to the economy without causing a reduction in employment and income levels, and the outlook for increased consumer financing for construction materials by private banks, and of mortgage loans.

The Management 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.

In 2014, Companhia Sulamericana de Cerâmica (CSC) started conducting equipment trials and obtained the minimum cadence expected for initial production. For 2015, the Management expects to raise production levels in line with the progress of the greenfield project.

The year 2015 will mark the consolidation of all the investments made in recent years, using the strength of our brand and our broad network of over 16,000 points of sale. Eternit 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 the organic growth strategy.

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 fourth quarter of 2014.

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

Date: Friday, March 13, 2015

Time: 11:00 a.m. - Brasília - 10:00 a.m. - New York - 2:00 p.m. - London

The presentation, which is accompanied by slides, can be viewed online by registering at [www.ccall.com.br/eternit/4q14.htm](http://www.ccall.com.br/eternit/4q14.htm) or at Eternit's investor relations website: [www.eternit.com.br/ir](http://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 **March 13, 2015 to March 19, 2015**

Dial-in: **(55-11) 3193-1012 or 2820-4012** - Password for participants: **7364086#**

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<b>ETERNIT S.A.</b>				
<b>Balance Sheet</b>				
Corporate Law (R\$ '000)				
<b>ASSETS</b>	<b>Parent Company</b>		<b>Consolidated</b>	
	12/31/14	12/31/13	12/31/14	12/31/13
<b>Current</b>	<b>200,361</b>	<b>227,911</b>	<b>394,898</b>	<b>389,943</b>
Cash and cash equivalents	5,711	9,516	13,367	13,295
Short-term investments	15,726	9,897	35,023	35,661
Accounts receivable	71,327	69,774	175,933	160,389
Related parties	27,196	31,615	2,427	9,780
Inventories	69,395	85,833	148,093	141,944
Recoverable taxes	6,035	16,542	10,373	19,648
Other current asset	4,971	4,734	9,682	9,226
<b>Assets held for sale</b>	<b>553</b>	<b>-</b>	<b>553</b>	<b>-</b>
Assets held for sale	553	-	553	-
<b>Non-current</b>	<b>494,180</b>	<b>467,026</b>	<b>502,413</b>	<b>443,689</b>
Related parties	29,297	9,723	726	2,018
Deferred income and social contribution taxes	24,750	24,037	53,299	55,112
Recoverable taxes	22,915	22,219	24,456	25,022
Judicial deposits	8,703	8,819	15,307	15,536
Investments	256,080	247,729	34,338	36,032
Plant, property and equipment, net	145,659	149,425	341,684	279,064
Intangible assets	6,437	4,584	30,622	28,676
Other non-current asset	339	490	1,981	2,229
<b>Total assets</b>	<b>695,094</b>	<b>694,937</b>	<b>897,864</b>	<b>833,632</b>

<b>LIABILITIES AND EQUITY</b>	<b>Parent Company</b>		<b>Consolidated</b>	
	12/31/14	12/31/13	12/31/14	12/31/13
<b>Current Liabilities</b>	<b>81,668</b>	<b>88,826</b>	<b>221,252</b>	<b>193,082</b>
Trade accounts payable	22,858	22,444	42,151	39,293
Related parties	7,672	7,243	-	-
Loans and financing	3,066	8,944	88,946	56,881
Taxes, charges and contributions payable	11,866	12,226	29,181	34,015
Provision and social charges	12,738	12,980	28,657	28,009
Dividends and interest on equity payable	17,897	17,881	17,897	17,881
Provision for future benefits to former employees	2,511	2,174	3,677	3,861
Other current liabilities	3,060	4,934	10,743	13,142
<b>Non-Current</b>	<b>98,635</b>	<b>99,998</b>	<b>161,804</b>	<b>134,421</b>
Loans and financing	5,129	14,368	38,978	25,799
Related parties	31,763	29,108	-	-
Provision for future benefits to former employees	27,730	23,710	41,654	34,527
Provision for civil, tax and labor contingencies	26,226	25,115	59,549	54,659
Deferred income and social contribution taxes	7,787	7,697	10,605	9,432
Environmental restoration of degraded mining areas	-	-	10,718	9,726
Other non-current liabilities	-	-	300	278
<b>Equity</b>	<b>514,791</b>	<b>506,113</b>	<b>514,808</b>	<b>506,129</b>
Capital	334,251	334,251	334,251	334,251
Capital reserve	19,460	19,672	19,460	19,672
Treasury stock	(174)	(174)	(174)	(174)
Other Comprehensive Income	(7,491)	(3,443)	(7,491)	(3,443)
Income reserves	168,745	155,807	168,745	155,807
<b>Net equity attributable to non-minority shareholders</b>	<b>514,791</b>	<b>506,113</b>	<b>514,791</b>	<b>506,113</b>
Minority shareholders	-	-	17	16
<b>Total Liabilities and equity</b>	<b>695,094</b>	<b>694,937</b>	<b>897,864</b>	<b>833,632</b>



**ETERNIT S.A. (PARENT COMPANY)**
**Income Statements**

Corporate Law

R\$ '000	4th Quarter			Accum. 12 Months		
	2014	2013	% Chg.	2014	2013	% Chg.
<b>Gross revenues</b>	<b>183,556</b>	<b>176,808</b>	<b>3.8</b>	<b>680,030</b>	<b>684,554</b>	<b>(0.7)</b>
Gross revenues deductions	(42,789)	(42,599)	0.4	(172,365)	(176,029)	(2.1)
<b>Net revenues</b>	<b>140,767</b>	<b>134,209</b>	<b>4.9</b>	<b>507,665</b>	<b>508,525</b>	<b>(0.2)</b>
Cost of products sold	(101,019)	(99,299)	1.7	(370,995)	(372,752)	(0.5)
<b>Gross profit</b>	<b>39,748</b>	<b>34,910</b>	<b>13.9</b>	<b>136,670</b>	<b>135,773</b>	<b>0.7</b>
<i>Gross margin</i>	<i>28%</i>	<i>26%</i>		<i>27%</i>	<i>27%</i>	
<b>Operating revenues (expenses)</b>	<b>(31,556)</b>	<b>(21,389)</b>	<b>47.5</b>	<b>(115,083)</b>	<b>(110,501)</b>	<b>4.1</b>
Sales	(15,247)	(16,067)	(5.1)	(59,715)	(59,097)	1.0
General and administrative	(13,247)	(11,530)	14.9	(52,083)	(54,697)	(4.8)
Other operating (expenses) revenues, net	(3,062)	6,209	-	(3,285)	3,293	-
<b>Operating income before equity pickup (EBIT)</b>	<b>8,192</b>	<b>13,521</b>	<b>(39.4)</b>	<b>21,587</b>	<b>25,272</b>	<b>(14.6)</b>
<i>EBIT margin</i>	<i>6%</i>	<i>10%</i>		<i>4%</i>	<i>5%</i>	
Equity pickup	15,844	9,854	60.8	63,774	76,267	(16.4)
<b>Operating income before financial expenses (EBIT)</b>	<b>24,036</b>	<b>23,376</b>	<b>2.8</b>	<b>85,361</b>	<b>101,539</b>	<b>(15.9)</b>
<b>Net financial income</b>	<b>(353)</b>	<b>666</b>	<b>-</b>	<b>1,040</b>	<b>(1,805)</b>	<b>-</b>
Financial expenses	(5,402)	(5,725)	(5.6)	(19,692)	(18,692)	5.3
Financial income	5,049	6,391	(21.0)	20,732	16,887	22.8
<b>Income before tax and social contribution</b>	<b>23,683</b>	<b>24,042</b>	<b>(1.5)</b>	<b>86,401</b>	<b>99,734</b>	<b>(13.4)</b>
Current	(811)	1,016	-	(858)	472	-
Deferred	362	214	69.1	(384)	2,048	-
<b>Net income</b>	<b>23,234</b>	<b>25,272</b>	<b>(8.1)</b>	<b>85,159</b>	<b>102,254</b>	<b>(16.7)</b>
<i>Net margin</i>	<i>17%</i>	<i>19%</i>		<i>17%</i>	<i>20%</i>	
Earnings per share - R\$	0.13	0.28		0.48	1.14	
<b>EBITDA</b>	<b>27,260</b>	<b>26,240</b>	<b>3.9</b>	<b>97,356</b>	<b>112,614</b>	<b>(13.5)</b>
<i>EBITDA margin</i>	<i>19%</i>	<i>20%</i>		<i>19%</i>	<i>22%</i>	

**ETERNIT S.A. (CONSOLIDATED)**
**Income Statements**

Corporate Law

R\$ '000	4th Quarter			Accum. 12 Months		
	2014	2013	% Chg.	2014	2013	% Chg.
<b>Gross revenues</b>	<b>325,792</b>	<b>318,147</b>	<b>2.4</b>	<b>1,235,017</b>	<b>1,219,671</b>	<b>1.3</b>
Gross revenues deductions	(62,228)	(64,980)	(4.2)	(256,863)	(262,370)	(2.1)
<b>Net revenues</b>	<b>263,564</b>	<b>253,167</b>	<b>4.1</b>	<b>978,154</b>	<b>957,301</b>	<b>2.2</b>
Cost of products sold	(154,901)	(158,120)	(2.0)	(593,879)	(575,877)	3.1
<b>Gross profit</b>	<b>108,663</b>	<b>95,047</b>	<b>14.3</b>	<b>384,275</b>	<b>381,424</b>	<b>0.7</b>
<i>Gross margin</i>	<i>41%</i>	<i>38%</i>		<i>39%</i>	<i>40%</i>	
<b>Operating revenues (expenses)</b>	<b>(63,758)</b>	<b>(59,446)</b>	<b>7.3</b>	<b>(242,803)</b>	<b>(231,954)</b>	<b>4.7</b>
Sales	(28,816)	(31,992)	(9.9)	(116,528)	(116,734)	(0.2)
General and administrative	(31,296)	(28,483)	9.9	(122,465)	(113,349)	8.0
Other operating (expenses) revenues, net	(3,646)	1,029	-	(3,810)	(1,871)	103.6
<b>Operating income before equity pickup (EBIT)</b>	<b>44,905</b>	<b>35,601</b>	<b>26.1</b>	<b>141,472</b>	<b>149,470</b>	<b>(5.4)</b>
<i>EBIT margin</i>	<i>17%</i>	<i>14%</i>		<i>14%</i>	<i>16%</i>	
Equity pickup	(8,753)	(2,428)	260.5	(13,676)	(6,223)	119.8
<b>Operating income before financial expenses (EBIT*)</b>	<b>36,152</b>	<b>33,173</b>	<b>9.0</b>	<b>127,796</b>	<b>143,247</b>	<b>(10.8)</b>
<b>Net financial income</b>	<b>452</b>	<b>1,549</b>	<b>(70.8)</b>	<b>2,288</b>	<b>(1,018)</b>	<b>-</b>
Financial expenses	(15,895)	(12,068)	31.7	(52,674)	(48,553)	8.5
Financial income	16,347	13,617	20.0	54,962	47,535	15.6
<b>Income before tax and social contribution</b>	<b>36,604</b>	<b>34,722</b>	<b>5.4</b>	<b>130,084</b>	<b>142,229</b>	<b>(8.5)</b>
Current	(10,953)	(6,833)	60.3	(41,309)	(41,489)	(0.4)
Deferred	(2,416)	(2,614)	(7.6)	(3,615)	1,516	-
<b>Net income</b>	<b>23,235</b>	<b>25,275</b>	<b>(8.1)</b>	<b>85,160</b>	<b>102,256</b>	<b>(16.7)</b>
<i>Net margin</i>	<i>9%</i>	<i>10%</i>		<i>9%</i>	<i>11%</i>	
Earnings per share - R\$	0.13	0.28		0.48	1.14	
<b>EBITDA</b>	<b>45,920</b>	<b>42,326</b>	<b>8.5</b>	<b>165,500</b>	<b>178,036</b>	<b>(7.0)</b>
<i>EBITDA margin</i>	<i>17%</i>	<i>17%</i>		<i>17%</i>	<i>19%</i>	
<b>Adjusted EBITDA over equity pickup</b>	<b>54,673</b>	<b>44,754</b>	<b>22.2</b>	<b>179,176</b>	<b>184,259</b>	<b>(2.8)</b>
<i>Adjusted EBITDA margin</i>	<i>21%</i>	<i>18%</i>		<i>18%</i>	<i>19%</i>	

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

<b>ETERNIT S.A.</b>				
<b>STATEMENTS OF CASH FLOW</b>				
Corporate Law				
<b>R\$ '000 - Accumulated</b>	<b>Parent Company</b>		<b>Consolidated</b>	
	<b>12/31/14</b>	<b>31/12/13</b>	<b>12/31/14</b>	<b>31/12/13</b>
<b>Operating activities:</b>				
<b>Income before income and social contribution taxes</b>	<b>86,401</b>	<b>99,734</b>	<b>130,084</b>	<b>142,229</b>
<b>Adjustments to reconcile pre-tax income with net cash provided by operating activities:</b>				
Equity pickup	(63,774)	(76,267)	13,676	6,223
Depreciation and amortization	11,995	11,075	37,704	34,789
Gain (loss) from disposal of permanent assets	(405)	(65)	(1,078)	(145)
Provision for impairment losses on accounts receivable	655	402	1,444	985
Provision for civil, tax and labor contingencies	2,912	2,458	7,079	3,711
Provision (reversal) for sundry losses	1,869	6,387	(5,606)	7,660
Financial charges, monetary changes and foreign exchange variation	1,574	2,397	43	1,069
Short-term investment yield	(2,194)	(2,220)	(4,861)	(4,495)
Net changes in prepaid expenses	1,561	1,609	1,750	2,248
	<b>40,594</b>	<b>45,510</b>	<b>180,235</b>	<b>194,274</b>
<b>(Increase) decrease in operating assets:</b>				
Trade accounts receivable	(1,776)	8,878	(15,956)	16,215
Related parties receivable	7,697	(9,800)	7,353	(11,798)
Inventories	14,990	(4,325)	(7,035)	(14,801)
Recoverable taxes	11,616	(7,764)	10,164	(7,539)
Judicial deposits	(1,685)	(2,179)	(1,572)	(2,489)
Received dividends	76,981	79,343	-	-
Other assets	(1,958)	(1,735)	(2,457)	559
<b>Increase (decrease) in operating liabilities</b>				
Trade accounts payable	193	(7,864)	2,604	(9,560)
Related parties payable	429	(1,038)	-	-
Taxes, charges and contribution payable	(83)	(1,996)	4,728	(1,563)
Provisions and social charges	(242)	(4,330)	648	(6,930)
Other liabilities	(2,137)	2,412	(2,649)	1,807
Interest paid	(492)	(452)	(1,507)	(621)
Income and social contribution taxes paid	-	(3,342)	(42,651)	(48,218)
<b>Net cash flow from operating activities</b>	<b>144,127</b>	<b>91,318</b>	<b>131,905</b>	<b>109,336</b>
<b>Cash flow from investment activities</b>				
Additions to property, plant and equipment and intangible assets	(25,608)	(39,802)	(104,216)	(64,348)
Loan from related party receivable	(19,574)	(2,509)	1,293	-
Cash receipt from the sale of property, plant & equipment	577	354	1,488	470
Capital increase in subsidiaries	(28,480)	(29,426)	(11,982)	(29,226)
Short-term investments	(146,820)	(115,783)	(330,977)	(292,141)
Redemptions from short-term investments	143,185	156,718	336,475	339,905
<b>Net cash flow from investment activities</b>	<b>(76,720)</b>	<b>(30,448)</b>	<b>(107,919)</b>	<b>(45,340)</b>
<b>Cash flow from financing activities</b>				
Loans and financing raised	7,177	15,972	220,938	182,624
Loan with related party	(468)	(327)	-	-
Amortization of loans and financing	(8,676)	(1,608)	(175,607)	(180,738)
Payment of dividends and interest on equity	(69,245)	(69,243)	(69,245)	(69,243)
<b>Net cash flow from financing activities</b>	<b>(71,212)</b>	<b>(55,206)</b>	<b>(23,914)</b>	<b>(67,357)</b>
<b>Increase (decrease) in cash and equivalents</b>	<b>(3,805)</b>	<b>5,664</b>	<b>72</b>	<b>(3,361)</b>
<b>Cash and equivalents:</b>				
At the beginning of the year	9,516	3,852	13,295	16,656
At the end of the year	5,711	9,516	13,367	13,295
	<b>(3,805)</b>	<b>5,664</b>	<b>72</b>	<b>(3,361)</b>