

Eternit S.A.

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

**Individual and Consolidated Interim
Financial Information**

Eternit S.A.

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

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INTERIM FINANCIAL STATEMENTS (ITR) - 06/30/2015

ETERNIT SA

Information from company / Paid-up capital

Number of shares (Thousands)	Current Quarter 06/30/2015
Paid-in Capital	
Common	179,000
Preferred	0
Total	179,000
Trasury shares	
Common	59
Preferred	0
Total	59

INTERIM FINANCIAL STATEMENTS (ITR) - 06/30/2015**ETERNIT SA****Information from company / Paid-up capital**

Dividends aproved and/or paid during and after
quarter

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

Individual FSs / Balance Sheet Asset

(Thousands of reais)

Account Code	Account Description	Current financial year 06/30/2015	Current financial year 12/31/2014
1	Total Assets	715,384	695,094
1.01	Current Assets	203,268	200,914
1.01.01	Cash and Cash Equivalents	4,003	5,711
1.01.02	Temporary investments	2,457	15,726
1.01.02.02	Financial Investments Valued at Amortized Cost	2,457	15,726
1.01.02.02.01	Securities held until maturity	2,457	15,726
1.01.03	Accounts receivable	72,801	71,327
1.01.03.01	Clients	72,801	71,327
1.01.04	Inventory	78,496	69,395
1.01.06	Recoverable Taxes	6,676	6,035
1.01.06.01	Current and Recoverable Taxes	6,676	6,035
1.01.07	Prepaid expenses	1,849	397
1.01.08	Other Current assets	36,986	32,323
1.01.08.01	Non-Current Assets for Sale	-	553
1.01.08.03	Other	36,986	31,77
1.01.08.03.01	Related parties	33,006	27,196
1.01.08.03.02	Other	3,980	4,574
1.02	Non-current asset	512,116	494,18
1.02.01	Long-term assets	114,556	86,004
1.02.01.03	Accounts receivable	338	339
1.02.01.03.02	Other Accounts Receivable	338	339
1.02.01.06	Deferred Taxes	27,519	24,750
1.02.01.06.01	Differed Income Tax And Social Contribution	27,519	24,750
1.02.01.08	Credits with Related Parties	54,683	29,297
1.02.01.08.02	Credits with Subsidiaries	54,683	29,297
1.02.01.09	Other noncurrent assets	32,016	31,618
1.02.01.09.03	Recoverable taxes	23,535	22,915
1.02.01.09.04	Escrow deposits and tax incentives	8,481	8,703
1.02.02	Investments	239,254	256,080
1.02.02.01	Shareholdings	239,254	256,080
1.02.02.01.02	Shareholding in Subsidiaries	239,254	256,080
1.02.03	Fixed	152,348	145,659
1.02.03.01	Non-current in Operation	116,138	116,679
1.02.03.01.01	Non-current in Operation	119,928	121,824
1.02.03.01.02	Provision for Loss with Non-current	(3,790)	(5,145)
1.02.03.03	Non-current in progress	36,210	28,980
1.02.04	Intangible	5,958	6,437
1.02.04.01	Intangible	5,958	6,437
1.02.04.01.02	Software	4,019	4,726
1.02.04.01.03	Other intangible assets	1,939	1,711

Individual FSs / Balance Sheet Liability

(Thousands of reais)

Account Code	Account Description	Current financial year 06/30/2015	Current financial year 12/31/2014
2	Total Liabilities	715,384	695,094
2.01	Current liabilities	80,145	81,668
2.01.01	Labor and Social Obligations	15,503	12,738
2.01.01.01	Social obligations	2,708	2,514
2.01.01.02	Labor Obligations	12,795	10,224
2.01.02	Trade accounts payable	25,767	22,858
2.01.02.01	National Trade accounts payable	21,603	20,528
2.01.02.02	Foreign Trade accounts payable	4,164	2,330
2.01.03	Tax obligations	9,731	11,866
2.01.03.01	Federal Taxes Obligations	4,603	5,704
2.01.03.01.02	Other Federal Taxes	4,603	5,704
2.01.03.02	State tax obligations	5,128	6,162
2.01.04	Loans and financing	3,679	3,066
2.01.04.01	Loans and financing	3,679	3,066
2.01.04.01.01	In national currency	1,513	1,225
2.01.04.01.02	In foreign currency	2,166	1,841
2.01.05	Other Obligations	22,954	28,629
2.01.05.01	Liabilities with Related Parties	11,239	7,672
2.01.05.02	Other	11,715	20,957
2.01.05.02.01	Payable dividends and interest on capital	6,935	17,897
2.01.05.02.04	Other accounts payable	4,780	3,060
2.01.06	Provisions	2,511	2,511
2.01.06.01	Labor and Civil Social Security Tax Provisions	2,511	2,511
2.01.06.01.05	Provision for future benefits to former employees	2,511	2,511
2.02	Noncurrent liabilities	108,734	98,635
2.02.01	Loans and financing	7,599	5,129
2.02.01.01	Loans and financing	7,599	5,129
2.02.01.01.01	In national currency	3,511	3,409
2.02.01.01.02	In foreign currency	4,088	1,720
2.02.02	Other Obligations	48,269	39,550
2.02.02.01	Liabilities with Related Parties	38,716	31,763
2.02.02.02	Other	9,553	7,787
2.02.02.02.03	Taxes, fees and contributions payable	9,553	7,787
2.02.04	Provisions	52,866	53,956
2.02.04.01	Labor and Civil Social Security Tax Provisions	52,866	53,956
2.02.04.01.02	Labor and Social Security Provisions	18,115	20,258
2.02.04.01.04	Civil Provisions	6,311	5,968
2.02.04.01.05	Provision for future benefits to former employees	28,440	27,730
2.03	Net Property	526,505	514,791
2.03.01	Capital Stock Held	334,251	334,251
2.03.02	Capital Reserves	19,460	19,460
2.03.02.01	Goodwill on the issue of shares	23	23
2.03.02.07	Grants for investment	19,437	19,437
2.03.04	Profit reserves	168,571	168,571
2.03.04.01	Legal reserve	34,891	34,891
2.03.04.02	Statutory Reserve	31,251	31,251
2.03.04.05	Retained Profits Reserve	102,603	102,603
2.03.04.09	Treasury shares	(174)	(174)
2.03.05	Accumulated Profits/Losses	11,714	-
2.03.08	Other Comprehensive Results	(7,491)	(7,491)

Individual FSs / Income Statement

(Thousands of reais)

Account Code	Account Description	Accumulated of Current		Accumulated of Current	
		Current quarter 04/01/2015 to 06/30/2015	financial year 01/01/2015 to 06/30/2015	Current quarter 04/01/2014 to 06/30/2014	financial year 01/01/2014 to 06/30/2014
3.01	Revenue from Sale of Goods and/or Services	119,408	251,333	110,107	232,441
3.02	Cost of Goods and/or Services Sold	(91,071)	(190,318)	(80,597)	(172,182)
3.03	Gross Income	28,337	61,015	29,510	60,259
3.04	Operational Expenses/Revenues	(12,790)	(23,687)	(13,344)	(21,426)
3.04.01	Sale expenses	(14,113)	(28,360)	(15,428)	(29,398)
3.04.02	General and administrative expenses	(14,689)	(27,230)	(12,525)	(25,410)
3.04.04	Other Operational Incomes	1,066	3,350	638	1,939
3.04.05	Other Operational Expenses	(2,221)	(3,880)	(1,418)	(2,897)
3.04.06	Result of equity equivalence	17,167	32,433	15,389	34,340
3.05	Result Before Financial Result and Taxes	15,547	37,328	16,166	38,833
3.06	Financial Results	(1,469)	(3,153)	212	1,914
3.06.01	Financial income	3,068	5,543	5,092	11,975
3.06.02	Financial expenses	(4,537)	(8,696)	(4,880)	(10,061)
3.07	Result Before Income Taxes	14,078	34,175	16,378	40,747
3.08	Income Tax and Social Contribution on Profit	2,710	2,769	1,749	870
3.08.02	Deferred	2,710	2,769	1,749	870
3.09	Net result from continued operations	16,788	36,944	18,127	41,617
3.11	Profit/Loss for the Period	16,788	36,944	18,127	41,617
3.99.01.01	PN	0.09	0.21	0.20	0.47
3.99.02.01	ON	0.09	0.21	0.20	0.47

Individual FSs / Income Statement per Nature

(Thousands of reais)

Account Code	Account Description	Current quarter	Accumulated of Current	Current quarter	Accumulated of Current
		04/01/2015 to 06/30/2015	financial year 01/01/2015 to 06/30/2015	04/01/2014 to 06/30/2014	financial year 01/01/2015 to 06/30/2015
4.01	Net Income for the Period	16,788	36,944	18,127	41,617
4.03	Comprehensive Result for the Period	16,788	36,944	18,127	41,617

Individual FSs / Cash Flow

(Thousands of reais)

Account Code	Account Description	Accumulated of Current financial year 01/01/2015 to 06/30/2015	Accumulated of Current financial year 01/01/2014 to 06/30/2014
6.01	Net Cash Operational Activities	48,005	54,946
6.01.01	Cash Generated by Operations	11,767	13,476
6.01.01.01	Net Income for the Period	34,175	40,747
6.01.01.02	Result of equity equivalence	(32,433)	(34,340)
6.01.01.03	Depreciation, amortization and exhaustion	6,586	5,806
6.01.01.04	Result on discharge of fixed assets	(98)	(162)
6.01.01.05	Provision for credits of doubtful payment	764	351
6.01.01.06	Provision for risks	(439)	1,232
6.01.01.07	Miscellaneous Provisions	244	115
6.01.01.08	Financial charges, monetary and exchange variation	1,926	139
6.01.01.09	Incomes from temporary investments	(821)	(1,163)
6.01.01.10	Realization of anticipated expenses	1,863	751
6.01.02	Variations in assets e liabilities	36,238	41,470
6.01.02.01	Accounts receivable from clients	(2,238)	4,807
6.01.02.02	Receivables from Related parties	763	1,587
6.01.02.03	Dividends received	42,213	31,822
6.01.02.04	Inventory	(8,685)	(121)
6.01.02.05	Taxes recoverable	(822)	9,286
6.01.02.07	Legal deposits	(296)	(294)
6.01.02.08	Other assets	(2,707)	(613)
6.01.02.09	Trade accounts payable	2,909	(3,635)
6.01.02.10	Tax obligations payable	(1,990)	(3,048)
6.01.02.11	Labor and Social Obligations	2,765	2,074
6.01.02.13	Other liabilities	960	(928)
6.01.02.14	Interest paid	(201)	(154)
6.01.02.16	Payables to Related parties	3,567	687
6.02	Net Cash Investing Activities	(23,134)	(32,711)
6.02.01	Acquisition of fixed and intangible assets	(12,620)	(9,072)
6.02.03	Receipt of sale of fixed and intangible assets	782	221
6.02.08	Intercompany loans receivable	(25,386)	(1,318)
6.02.09	Investment Acquisition	-	(12,499)
6.02.10	Short-term investments	(42,800)	(57,700)
6.02.11	Redemption of short-term investments	56,890	47,657
6.03	Net Cash from Financing Activities	(26,579)	(29,994)
6.03.01	Capture of financings - third parties	3,235	5,103
6.03.02	Intercompany loans	5,063	(216)
6.03.05	Amortization of financing	(696)	(294)
6.03.06	Payment of dividends and interest on capital	(34,181)	(34,587)
6.05	Increase (Decrease) in Cash and Cash Equivalents	(1,708)	(7,759)
6.05.01	Initial Balance and Cash and Cash Equivalents	5,711	9,516
6.05.02	Final Balance of Cash and Cash Equivalents	4,003	1,757

Individual FSs / Changes in Equity - 06/30/2015

(Thousands of reais)

Account Code	Account Description	Capital Reserves, Options			Accumulated Profits or Losses	Other Comprehensive Results	Net Property
		Paid-in Capital	Treasury Shares	Profit Reserves			
5.01	Initial Balance	334,251	19,286	168,745	-	(7,491)	514,791
5.03	Initial Adjusted Balance	334,251	19,286	168,745	-	(7,491)	514,791
5.04	Transactions with Capital from the Partners	-	-	-	(25,230)	-	(25,230)
5.04.06	Dividends	-	-	-	(11,273)	-	(11,273)
5.04.07	Interest on equity	-	-	-	(13,957)	-	(13,957)
5.05	Total Comprehensive Result	-	-	-	36,944	-	36,944
5.05.01	Net Income for the Period	-	-	-	36,944	-	36,944
5.07	Final Balances	334,251	19,286	168,745	11,714	(7,491)	526,505

Individual FSs / Changes in Equity - 06/30/2014

(Thousands of reais)

Account Code	Account Description	Capital Reserves, Options			Accumulated Profits or Losses	Other Comprehensive Results	Net Property
		Paid-in Capital	Treasury Shares	Granted and Profit Reserves			
5.01	Initial Balance	334,251	19,498	155,807	-	(3,443)	506,113
5.03	Initial Adjusted Balance	334,251	19,498	155,807	-	(3,443)	506,113
5.04	Transactions with Capital from the Partners	-	-	-	(35,788)	-	(35,788)
5.04.06	Dividends	-	-	-	(23,799)	-	(23,799)
5.04.07	Interest on equity	-	-	-	(11,989)	-	(11,989)
5.05	Total Comprehensive Result	-	-	-	41,617	-	41,617
5.05.01	Net Income for the Period	-	-	-	41,617	-	41,617
5.07	Final Balances	334,251	19,498	155,807	5,829	(3,443)	511,942

Individual FSs / Added Value

(Thousands of reais)

Account Code	Account Description	Accumulated of Current	Accumulated of Current
		financial year 01/01/2015 to 06/30/2015	financial year 01/01/2014 to 06/30/2014
7.01	Revenues	336,684	314,212
7.01.01	Sales of goods, products and services	337,448	314,558
7.01.02	Other revenues	-	5
7.01.04	Provision / Reversal of creds. Doubtful Settlement	(764)	(351)
7.02	Inputs Purchased From Third Parties	(221,217)	(207,194)
7.02.01	Costs Prods., Mercs. and servs. Sold	(155,237)	(147,671)
7.02.02	Materials, energy and services from third parties and others	(60,853)	(54,778)
7.02.03	Loss / Recovery of asset values	(3,679)	(3,136)
7.02.04	Other	(1,448)	(1,609)
7.03	Gross Added Value	115,467	107,018
7.04	Retentions	(6,586)	(5,806)
7.04.01	Depreciation, amortization and exhaustion	(6,586)	(5,806)
7.05	Net added value produced	108,881	101,212
7.06	Added value received in transfer	41,179	49,260
7.06.01	Result of equity equivalence	32,433	34,340
7.06.02	Financial income	5,543	11,975
7.06.03	Other	3,203	2,945
7.07	Total Added Value To Distribute	150,060	150,472
7.08	Distribution Of Value Added	150,060	150,472
7.08.01	Personal	51,189	47,133
7.08.01.01	Direct compensation	35,736	32,310
7.08.01.02	Benefits	12,510	12,081
7.08.01.03	F.G.T.S.	2,943	2,742
7.08.02	Taxes, fees and contributions	49,839	48,025
7.08.02.01	Federal	31,443	31,172
7.08.02.02	State	17,358	16,275
7.08.02.03	Municipal	1,038	578
7.08.03	Remuneration of capital from third parties	12,088	13,697
7.08.03.01	Interest	8,696	10,061
7.08.03.02	Rentals	3,392	3,636
7.08.04	Remuneration of own capital	36,944	41,617
7.08.04.01	Interest on equity	13,957	11,989
7.08.04.02	Dividends	11,273	23,799
7.08.04.03	Retained Profit/Loss for the Period	11,714	5,829

Consolidated FSs / Balance Sheet Asset

(Thousands of reais)

Account Code	Account Description	Current Financial 06/30/2015	Current Financial 12/31/2014
1	Total Assets	935,798	897,864
1.01	Current Assets	416,309	395,451
1.01.01	Cash and Cash Equivalents	13,287	13,367
1.01.02	Temporary investments	21,193	35,023
1.01.02.02	Financial Investments Valued at Amortized Cost	21,193	35,023
1.01.02.02.01	Securities held until maturity	21,193	35,023
1.01.03	Accounts receivable	190,625	175,933
1.01.03.01	Clients	190,625	175,933
1.01.04	Inventory	165,455	148,093
1.01.06	Recoverable Taxes	11,719	10,373
1.01.06.01	Current and Recoverable Taxes	11,719	10,373
1.01.07	Prepaid expenses	2,300	933
1.01.08	Other Current assets	11,730	11,729
1.01.08.01	Non-Current Assets for Sale	-	553
1.01.08.03	Other	11,730	11,176
1.01.08.03.01	Related parties	1,930	2,427
1.01.08.03.02	Other	9,800	8,749
1.02	Non-current asset	519,489	502,413
1.02.01	Long-term assets	109,721	95,769
1.02.01.03	Accounts receivable	1,981	1,981
1.02.01.03.02	Other Accounts Receivable	1,981	1,981
1.02.01.06	Deferred Taxes	59,186	53,299
1.02.01.06.01	Differed Income Tax And Social Contribution	59,186	53,299
1.02.01.08	Credits with Related Parties	8,781	726
1.02.01.08.03	Credits with Controllers	8,781	726
1.02.01.09	Other noncurrent assets	39,773	39,763
1.02.01.09.03	Taxes Recoverable	24,259	24,456
1.02.01.09.04	Escrow deposits and tax incentives	15,514	15,307
1.02.02	Investments	22,126	34,338
1.02.02.01	Shareholdings	22,126	34,338
1.02.02.01.01	Shareholding in Affiliates	22,126	34,338
1.02.03	Fixed	356,675	341,684
1.02.03.01	Non-current in Operation	317,770	234,462
1.02.03.01.01	Non-current in Operation	321,710	239,759
1.02.03.01.02	Provision for Loss with Non-current	(3,940)	(5,297)
1.02.03.03	Non-current in progress	38,905	107,222
1.02.04	Intangible	30,967	30,622
1.02.04.01	Intangible	10,972	10,627
1.02.04.01.02	Software	7,238	7,437
1.02.04.01.03	Other intangible assets	3,734	3,190
1.02.04.02	Goodwill	19,995	19,995

Consolidated FSs / Balance Sheet Liability

(Thousands of reais)

Account Code	Account Description	Current Financial 06/30/2015	Current Financial 12/31/2014
2	Total Liabilities	935,798	897,864
2.01	Current liabilities	235,185	221,252
2.01.01	Labor and Social Obligations	31,699	28,657
2.01.01.01	Social obligations	5,052	4,409
2.01.01.02	Labor Obligations	26,647	24,248
2.01.02	Trade accounts payable	45,985	42,151
2.01.02.01	National Trade accounts payable	41,121	39,408
2.01.02.02	Foreign Trade accounts payable	4,864	2,743
2.01.03	Tax obligations	23,656	29,181
2.01.03.01	Federal Taxes Obligations	14,539	20,155
2.01.03.01.01	Payable income tax and social contribution	5,947	10,674
2.01.03.01.02	Other Federal Taxes	8,592	9,481
2.01.03.02	State tax obligations	9,117	9,026
2.01.04	Loans and financing	109,325	88,946
2.01.04.01	Loans and financing	109,325	88,946
2.01.04.01.01	In national currency	17,444	17,349
2.01.04.01.02	In foreign currency	91,881	71,597
2.01.05	Other Obligations	20,843	28,640
2.01.05.02	Other	20,843	28,640
2.01.05.02.01	Payable dividends and interest on capital	6,935	17,897
2.01.05.02.04	Other accounts payable	13,908	10,743
2.01.06	Provisions	3,677	3,677
2.01.06.01	Labor and Civil Social Security Tax Provisions	3,677	3,677
2.01.06.01.05	Provision for future benefits to former employees	3,677	3,677
2.02	Noncurrent liabilities	174,091	161,804
2.02.01	Loans and financing	46,098	38,978
2.02.01.01	Loans and financing	46,098	38,978
2.02.01.01.01	In national currency	11,465	8,487
2.02.01.01.02	In foreign currency	34,633	30,491
2.02.02	Other Obligations	25,775	21,623
2.02.02.02	Other	25,775	21,623
2.02.02.02.03	Taxes, fees and contributions payable	14,523	10,605
2.02.02.02.04	Reassembling of the mine	11,252	10,718
2.02.02.02.05	Other accounts payable	-	300
2.02.04	Provisions	102,218	101,203
2.02.04.01	Labor and Civil Social Security Tax Provisions	102,218	101,203
2.02.04.01.02	Labor and Social Security Provisions	27,082	29,225
2.02.04.01.04	Civil Provisions	32,375	30,324
2.02.04.01.05	Provision for future benefits to former employees	42,761	41,654
2.03	Consolidated Equity	526,522	514,808
2.03.01	Capital Stock Held	334,251	334,251
2.03.02	Capital Reserves	19,460	19,460
2.03.02.01	Goodwill on the issue of shares	23	23
2.03.02.07	Grants for investment	19,437	19,437
2.03.04	Profit reserves	168,571	168,571
2.03.04.01	Legal reserve	34,891	34,891
2.03.04.02	Statutory Reserve	31,251	31,251
2.03.04.05	Retained Profits Reserve	102,603	102,603
2.03.04.09	Treasury shares	(174)	(174)
2.03.05	Accumulated Profits/Losses	11,714	-
2.03.08	Other Comprehensive Results	(7,491)	(7,491)
2.03.09	Participation of non-controlling shareholders	17	17

Consolidated FSs / Income Statement

(Thousands of reais)

Account Code	Account Description	Current quarter	Accumulated of Current	Current quarter	Accumulated of Current
		04/01/2015 to 06/30/2015	financial year 01/01/2015 to 06/30/2015	04/01/2014 to 06/30/2014	financial year 01/01/2014 to 06/30/2014
3.01	Revenue from Sale of Goods and/or Services	236,422	489,141	220,628	464,320
3.02	Cost of Goods and/or Services Sold	(143,034)	(301,795)	(131,159)	(284,100)
3.03	Gross Income	93,388	187,346	89,469	180,220
3.04	Operational Expenses/Revenues	(65,487)	(126,011)	(63,415)	(120,972)
3.04.01	Sale expenses	(30,323)	(57,954)	(29,490)	(57,925)
3.04.02	General and administrative expenses	(29,784)	(57,109)	(31,287)	(59,804)
3.04.04	Other Operational Incomes	3,832	7,976	1,904	4,704
3.04.05	Other Operational Expenses	(3,521)	(6,712)	(2,397)	(5,345)
3.04.06	Result of equity equivalence	(5,691)	(12,212)	(2,145)	(2,602)
3.05	Result Before Financial Result and Taxes	27,901	61,335	26,054	59,248
3.06	Financial Results	(1,507)	(3,124)	220	2,011
3.06.01	Financial income	19,807	40,475	10,603	25,443
3.06.02	Financial expenses	(21,314)	(43,599)	(10,383)	(23,432)
3.07	Result Before Income Taxes	26,394	58,211	26,274	61,259
3.08	Income Tax and Social Contribution on Profit	(9,606)	(21,267)	(8,147)	(19,642)
3.08.01	Current	(13,203)	(27,154)	(9,907)	(19,310)
3.08.02	Deferred	3,597	5,887	1,760	(332)
3.09	Net result from continued operations	16,788	36,944	18,127	41,617
3.11	Profit/Loss Consolidated for the Period	16,788	36,944	18,127	41,617
3.11.01	Assigned to Partners of the Parent Company	16,788	36,944	18,127	41,617
3.99.01.01	ON	0.09	0.21	0.20	0.47
3.99.02.01	ON	0.09	0.21	0.20	0.47

Consolidated FSs /Income Statement per Nature

(Thousands of reais)

Account Code	Account Description	Current quarter	Accumulated of Current	Current quarter	Accumulated of Current
		04/01/2015 to 06/30/2015	financial year 01/01/2015 to 06/30/2015	04/01/2013 to 06/30/2013	financial year 01/01/2014 to 06/30/2014
4.01	Net Profit Consolidated for the Period	16,788	36,944	18,127	41,617
4.03	Consolidated Comprehensive Income for the Period	16,788	36,944	18,127	41,617
4.03.01	Assigned to Partners of the Parent Company	16,788	36,944	18,127	41,617

Consolidated FSs / Cash Flow

(Thousands of reais)

Account Code	Account Description	Accumulated of Current financial	Accumulated of Current financial
		year 01/01/2015 to 06/30/2015	year 01/01/2014 to 06/30/2014
6.01	Net Cash Operational Activities	31,088	53,472
6.01.01	Cash Generated by Operations	95,746	82,723
6.01.01.01	Net Income for the Period	58,211	61,259
6.01.01.02	Result of equity equivalence	12,212	2,602
6.01.01.03	Depreciation, amortization and exhaustion	19,343	18,468
6.01.01.04	Result on discharge of fixed assets	(117)	(270)
6.01.01.05	Provision for credits of doubtful payment	1,305	800
6.01.01.06	Provision for risks	1,269	3,301
6.01.01.07	Miscellaneous Provisions	1,039	522
6.01.01.08	Financial charges, monetary and exchange variation	2,199	(2,085)
6.01.01.09	Incomes from temporary investments	(2,131)	(2,538)
6.01.01.10	Realization of anticipated expenses	2,416	664
6.01.02	Variations in assets e liabilities	(64,658)	(29,251)
6.01.02.01	Accounts receivable from clients	(18,448)	3,685
6.01.02.02	Receivables from Related parties	497	1,005
6.01.02.04	Inventory	(16,945)	(10,007)
6.01.02.05	Taxes recoverable	(709)	9,055
6.01.02.07	Legal deposits	(726)	(378)
6.01.02.08	Other assets	(5,572)	(2,396)
6.01.02.09	Trade accounts payable	3,834	(1,896)
6.01.02.10	Tax obligations payable	1,026	(5,426)
6.01.02.11	Labor and Social Obligations	3,042	1,932
6.01.02.13	Other liabilities	2,405	577
6.01.02.14	Interest paid	(1,688)	(327)
6.01.02.15	Paid income tax and social contribution	(31,374)	(25,075)
6.02	Net Cash Investing Activities	(18,205)	(49,808)
6.02.01	Acquisition of fixed and intangible assets	(26,968)	(43,982)
6.02.03	Receipt of sale of fixed and intangible assets	857	340
6.02.08	Intercompany loans receivable	(8,055)	-
6.02.10	Short-term investments	(144,208)	(143,549)
6.02.11	Redemption of short-term investments	160,169	137,383
6.03	Net Cash from Financing Activities	(12,963)	(11,983)
6.03.01	Capture of financings - third parties	138,792	116,373
6.03.05	Amortization of financing	(117,574)	(93,769)
6.03.06	Payment of dividends and interest on capital	(34,181)	(34,587)
6.05	Increase (Decrease) in Cash and Cash Equivalents	(80)	(8,319)
6.05.01	Initial Balance and Cash and Cash Equivalents	13,367	13,295
6.05.02	Final Balance of Cash and Cash Equivalents	13,287	4,976

Consolidated FSs / Changes in Equity - 06/30/2015

(Thousands of reais)

Account Code	Account Description	Capital Reserves, Options Granted and			Profit Reserves	Accumulated Profits or Losses	Other Comprehensive Results	Net Property	Participation of non-controller	Consolidated Equity
		Paid-in Capital	Treasury Shares							
5.01	Initial Balance	334,251	19,286	168,745	-	(7,491)	514,791	17	514,808	
5.03	Initial Adjusted Balance	334,251	19,286	168,745	-	(7,491)	514,791	17	514,808	
5.04	Transactions with Capital from the Partners	-	-	-	(25,230)	-	(25,230)	-	(25,230)	
5.04.06	Dividends	-	-	-	(11,273)	-	(11,273)	-	(11,273)	
5.04.07	Interest on equity	-	-	-	(13,957)	-	(13,957)	-	(13,957)	
5.05	Total Comprehensive Result	-	-	-	36,944	-	36,944	-	36,944	
5.05.01	Net Income for the Period	-	-	-	36,944	-	36,944	-	36,944	
5.07	Final Balances	334,251	19,286	168,745	11,714	(7,491)	526,505	17	526,522	

Consolidated FSs / Changes in Equity - 06/30/2014

(Thousands of reais)

Account Code	Account Description	Capital Reserves, Options Granted and			Profit Reserves	Accumulated Profits or Losses	Other Comprehensive Results	Net Property	Participation of non-controller	Consolidated Equity
		Paid-in Capital	Treasury Shares							
5.01	Initial Balance	334,251	19,498	155,807	-	(3,443)	506,113	16	506,129	
5.03	Initial Adjusted Balance	334,251	19,498	155,807	-	(3,443)	506,113	16	506,129	
5.04	Transactions with Capital from the Partners	-	-	-	(35,788)	-	(35,788)	-	(35,788)	
5.04.06	Dividends	-	-	-	(23,799)	-	(23,799)	-	(23,799)	
5.04.07	Interest on equity	-	-	-	(11,989)	-	(11,989)	-	(11,989)	
5.05	Total Comprehensive Result	-	-	-	41,617	-	41,617	-	41,617	
5.05.01	Net Income for the Period	-	-	-	41,617	-	41,617	-	41,617	
5.07	Final Balances	334,251	19,498	155,807	5,829	(3,443)	511,942	16	511,958	

Consolidated FSs / Added Value

(Thousands of reais)

Account Code	Account Description	Accumulated of Current	Accumulated of Current
		financial year 01/01/2015 to 06/30/2015	financial year 01/01/2014 to 06/30/2014
7.01	Revenues	645,775	613,737
7.01.01	Sales of goods, products and services	617,600	588,868
7.01.02	Other revenues	29,461	25,656
7.01.04	Provision / Reversal of creds. Doubtful Settlement	(1,286)	(787)
7.02	Inputs Purchased From Third Parties	(380,028)	(357,708)
7.02.01	Costs Prods., Mercs. and servs. Sold	(274,674)	(258,465)
7.02.02	Materials, energy and services from third parties and others	(98,737)	(93,774)
7.02.03	Loss / Recovery of asset values	(4,050)	(3,144)
7.02.04	Other	(2,567)	(2,325)
7.03	Gross Added Value	265,747	256,029
7.04	Retentions	(19,343)	(18,468)
7.04.01	Depreciation, amortization and exhaustion	(19,343)	(18,468)
7.05	Net added value produced	246,404	237,561
7.06	Added value received in transfer	32,646	26,079
7.06.01	Result of equity equivalence	(12,212)	(2,602)
7.06.02	Financial income	40,475	25,443
7.06.03	Other	4,383	3,238
7.07	Total Added Value To Distribute	279,050	263,640
7.08	Distribution Of Value Added	279,050	263,640
7.08.01	Personal	94,570	95,246
7.08.01.01	Direct compensation	65,338	65,222
7.08.01.02	Benefits	23,709	24,503
7.08.01.03	F.G.T.S.	5,523	5,521
7.08.02	Taxes, fees and contributions	92,507	93,442
7.08.02.01	Federal	60,580	61,639
7.08.02.02	State	30,022	30,780
7.08.02.03	Municipal	1,905	1,023
7.08.03	Remuneration of capital from third parties	55,029	33,335
7.08.03.01	Interest	43,599	23,432
7.08.03.02	Rentals	11,430	9,903
7.08.04	Remuneration of own capital	36,944	41,617
7.08.04.01	Interest on equity	13,957	11,989
7.08.04.02	Dividends	11,273	23,799
7.08.04.03	Retained Profit/Loss for the Period	11,714	5,829

Economy and the Market

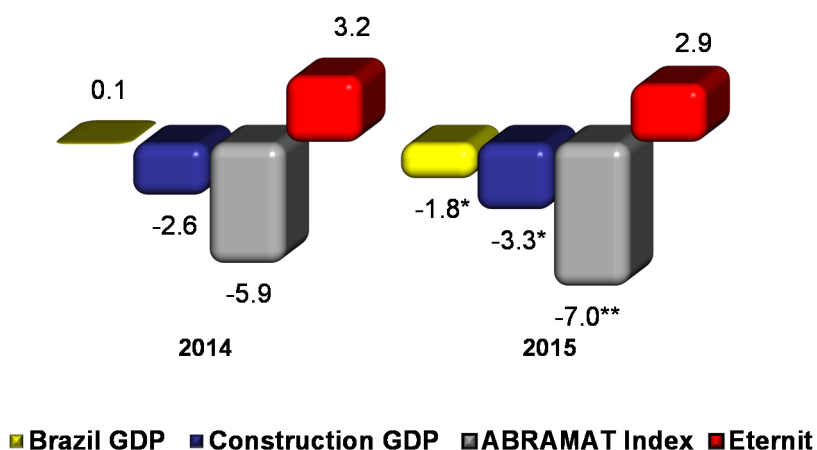
The Monetary Policy Committee (Copom) of the Central Bank of Brazil believes that the pace of domestic economic activity in 2015 will be lower than the potential and should gain momentum as the business and household confidence improves. Copom also points out that investments have decreased and so has household consumption, but the latter should stabilize due to factors such as employment, income and credit.

In line with this scenario, GDP projections for 2015 are a decrease of 1.8% for the economy as a whole and a decline of 3.3% in the construction industry, both in comparison with 2014, according to the FOCUS market readout of July 31, 2015, and the June 2015 Inflation report published by the Brazilian Central Bank (BACEN), respectively.

According to the Brazilian Construction Materials Industry Association (ABRAMAT), in the first half of 2015, total revenue deflated by domestic sales of construction materials declined 7.0% from the same period in 2014. ABRAMAT estimates a 7.0% decline by the end of 2015, revising its estimate in July mainly due to the decrease in renovations caused by the hike in unemployment, drop in household incomes and postponement of investments due to the slowdown of the economy as a whole.

In comparison, Eternit's¹ consolidated gross revenue growth of 2.9% in 1H15 was much higher than the sector performance. Though 2Q15 is a period of seasonally lower demand for the Company, Eternit operated at levels above demand to build inventories for the second half of the year, when demand is traditionally higher.

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



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

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

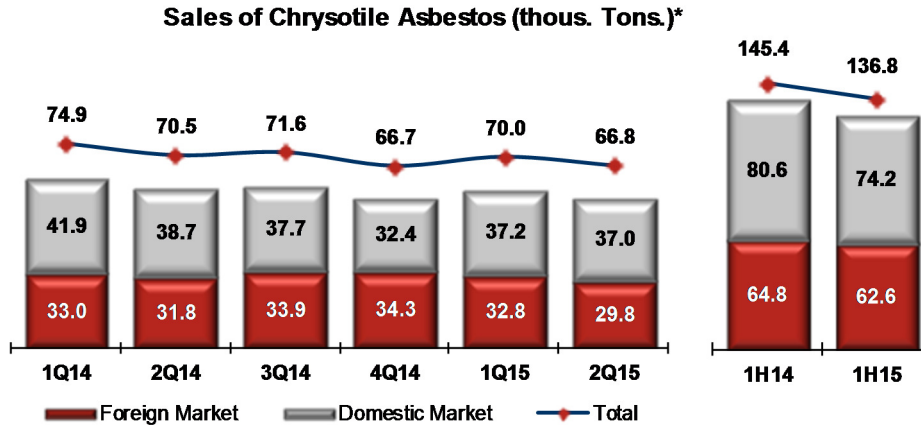
¹ ETERNIT – Growth in Eternit's consolidated gross revenue compares the period from January to June 2015 with the same period in 2014, deflated by the IGP-M index.

Chrysotile Asbestos

Operational and Financial Aspects

Sales

In 2Q15, chrysotile asbestos sales reached 66,800 tons, down 5.3% from 2Q14. Domestic sales dropped 4.5% in the same period due to the slowdown in the construction materials sector, especially in the roofing segment, while exports declined 6.3%, mainly due to the cooling of Asian economies.

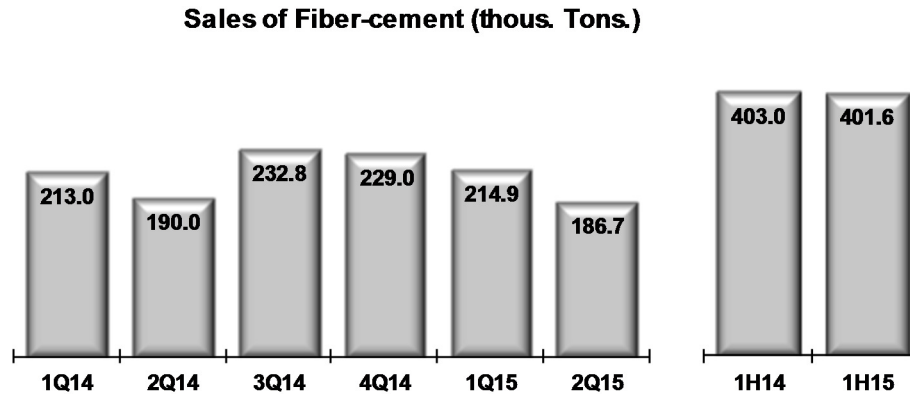


(*) Chrysotile asbestos sales include intercompany sales, which accounted for 45.8% of domestic sales in 2Q15.

Sales in 1H15 totaled 136,800 tons, decreasing 6.0% from 1H14, as previously mentioned.

Fiber-cement

Domestic fiber-cement sales, including construction solutions, totaled 186,700 tons in 2Q15, down 1.8% from 2Q14, mainly due to the contraction of the construction materials sector and also because the second quarter is a period of seasonally lower demand for the Company.

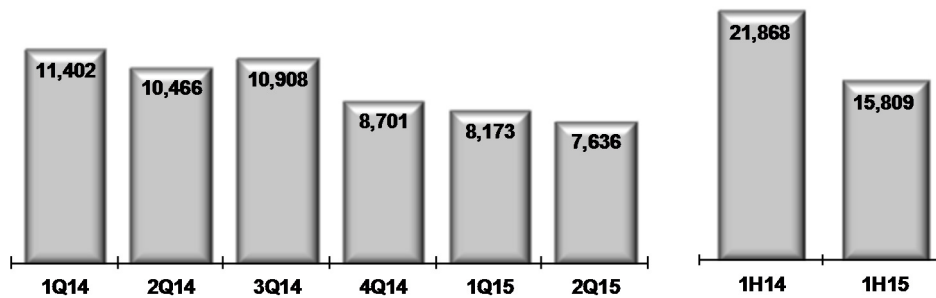


In 1H15, sales reached 401,600 tons, virtually stable (0.4% lower from 1H14).

Concrete Tiles

In 2Q15, concrete tile sales totaled 7,636,000 pieces, a decline of 27.0% from 2Q14, caused by the slump in demand across the industry, especially in this segment, as well as lack of consumer confidence and slowdown among construction companies.

Sales of Concrete Roofing Tiles (thousand pieces)

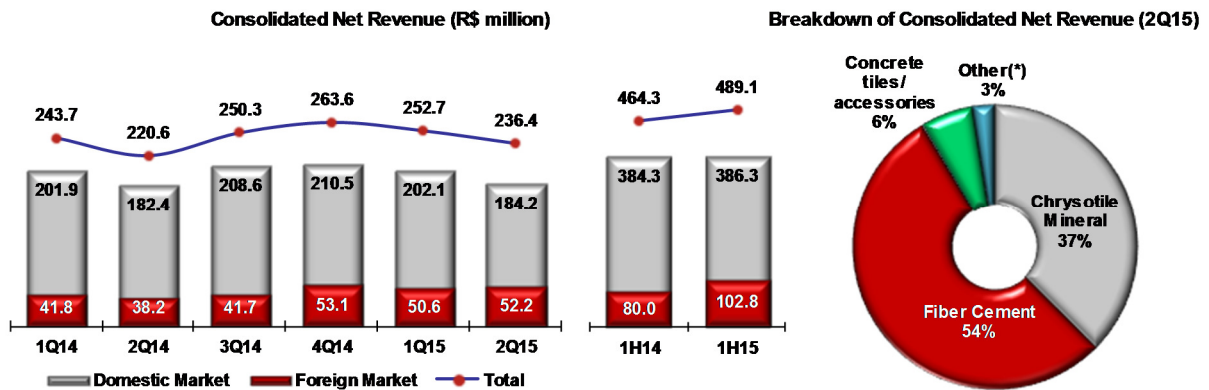


In 1H15, sales volume reached 15,809,000 pieces, down 27.7% from 1H14, due to the factors mentioned above.

Consolidated Net Revenue

Consolidated net revenue in 2Q15 reached R\$236.4 million, up 7.2% from 2Q14. Domestic market revenue reached R\$184.2 million, virtually stable (up 1.0%), due to price repositioning, which offset the decline in sales volumes. Net revenue from exports increased 36.8% from 2Q14, totaling R\$52.2 million, driven by the 37.8% appreciation of the U.S. dollar against the Brazilian real (comparison of the average PTAX rate in the period).

Comparing 2Q14 and 2Q15 by product lines, chrysotile asbestos and fiber-cement recorded revenue growth of 19.2% and 6.7% to reach R\$88.6 million and R\$127.6 million, respectively. In contrast, revenue from concrete roofing tiles and roofing accessories decreased 27.9% to R\$14.2 million, and revenue from other products totaled R\$6.0 million, down 13.9% from 2Q14, due to market contraction.



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

In 1H15, net revenue amounted to R\$489.1 million, up 5.3% compared to the same period in 2014. This performance is driven by exports of R\$102.8 million, which increased 28.6% from 1H14, primarily due to the 29.3% appreciation of the U.S. dollar against the Brazilian real (comparison of average PTAX in the period). Domestic sales totaled R\$386.3 million, virtually stable (up 0.5%) compared to 1H14.

Cost of Mining, Production and Goods Sold

Consolidated cost of goods sold came to R\$143.0 million in 2Q15, up 9.1% from 2Q14 as a result of the increase in mining and production costs. Since the increase in consolidated cost of products sold outpaced the increase in consolidated net revenue in 2Q15, gross margin dropped 1 percentage point to end the quarter at 40%.

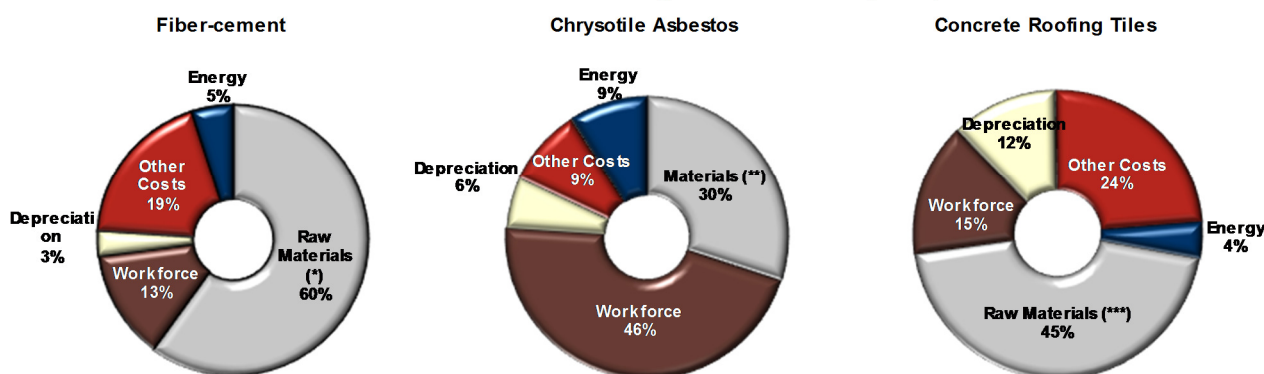
The main variations in mining and production costs are shown below:

Chrysotile mining: 5% increase due to the increase in labor costs, materials (especially fuel) and electricity tariffs.

Fiber-cement: 15% increase due to the increase in the prices of raw materials (especially cement, asbestos and pulp), manpower and electricity, as well as one-off maintenance of the production line.

Concrete roofing tiles: 10% increase resulting from the increase in the prices of raw materials (especially grey cement and pigments) and electricity, as well as low productivity levels.

Breakdown of Cost of Mining and Production (2Q15)



*Raw materials: cement (44%), chrysotile asbestos (42%) and others (14%).

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

*** Raw materials: cement (55%), sand (29%) and others (16%).

In 1H15, consolidated cost of goods sold totaled R\$301.8 million, increasing 6.2% from 1H14, due to the increase in mining and production costs of finished products. Consequently, gross margin declined 1 percentage point from the same period in 2014, closing the period at 38%.

Operating Expenses

Total operating expenses in 2Q15 decreased 2.4% from the year-ago period, mainly due to the administrative and commercial restructuring at the subsidiary Tégula.

In R\$ '000	2nd Quarter			Accum. 6 Months		
	2015	2014	Chg. %	2015	2014	Chg. %
Selling expenses	(30,323)	(29,490)	2.8	(57,954)	(57,925)	0.1
General and administrative expenses	(29,784)	(31,287)	(4.8)	(57,109)	(59,804)	(4.5)
Other operating revenues (expenses), net	311	(493)	-	1,264	(641)	-
Total operating expenses	(59,796)	(61,270)	(2.4)	(113,799)	(118,370)	(3.9)
<i>Percentage of net revenue</i>	<i>25%</i>	<i>28%</i>	<i>- 3 p.p.</i>	<i>23%</i>	<i>25%</i>	<i>- 2 p.p.</i>

In 1H15, operating expenses totaled R\$113.8 million, 3.9% lower than in 1H14, as described above.

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 2Q15, this figure was a loss of R\$5.7 million, versus a loss of R\$2.1 million in 2Q14.

Net Financial Result

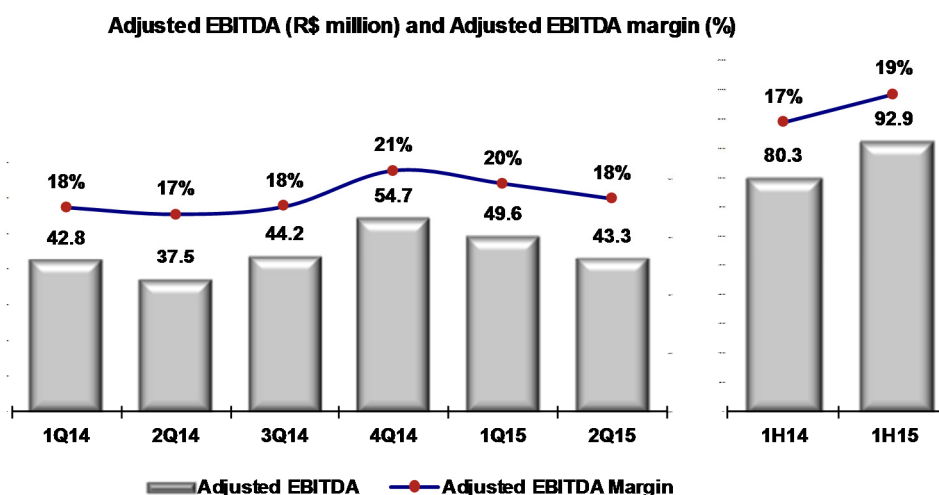
Net financial result in 2Q15 was an expense of R\$1.5 million, compared to an income of R\$220,000 in 2Q14, mainly due to the effects of exchange variation on the Eternit Group's financial operations.

In R\$ '000	2nd Quarter			Accum. 6 Months		
	2015	2014	Chg. %	2015	2014	Chg. %
Financial expenses	(21,314)	(10,383)	105.3	(43,599)	(23,432)	86.1
Financial income	19,807	10,603	86.8	40,475	25,443	59.1
Net financial result	(1,507)	220	-	(3,124)	2,011	-

In 1H15, net financial result was an expense of R\$3.1 million, compared to an income of R\$2.0 million in 2014, as mentioned earlier.

Adjusted EBITDA

Adjusted EBITDA totaled R\$43.3 million in 2Q15, 15.5% higher than in 2Q14, resulting from the 4.4% increase in gross profit, especially due to the appreciation of the U.S. dollar against the Brazilian real, and the reduction in operating expenses. As a result, adjusted EBITDA margin increased 1 percentage point from 2Q14 to end 2Q15 at 18%.



Adjusted EBITDA in 1H15 totaled R\$92.9 million, increasing 15.7%, with EBITDA margin of 19%, up 2 percentage points from 1H14, due to the factors described above.

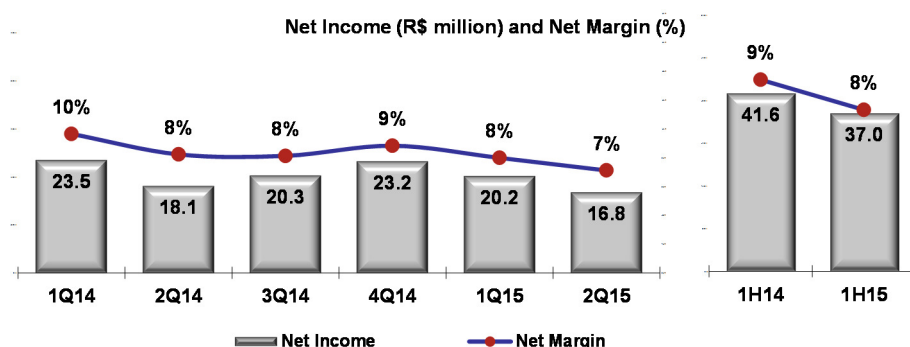
Reconciliation of consolidated EBITDA - (R\$'000)	2nd Quarter			Accum. 6 Months		
	2015	2014	% Chg.	2015	2014	% Chg.
Net income	16,788	18,127	(7.4)	36,944	41,617	(11.2)
Income tax and social contributions	9,606	8,147	17.9	21,267	19,642	8.3
Net financial Income	1,507	(220)	-	3,124	(2,011)	-
Depreciation and amortization	9,719	9,291	4.6	19,343	18,468	4.7
EBITDA¹	37,620	35,345	6.4	80,678	77,716	3.8
Equity pickup	5,691	2,145	165.4	12,212	2,602	369.4
Adjusted EBITDA over equity pickup²	43,311	37,490	15.5	92,890	80,318	15.7

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

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

Net Income

Eternit registered net income of R\$16.8 million in 2Q15, down 7.4% from 2Q14. Net margin declined 1 percentage point to end the quarter at 7%, mainly due to the lower net financial result and negative equity pickup.



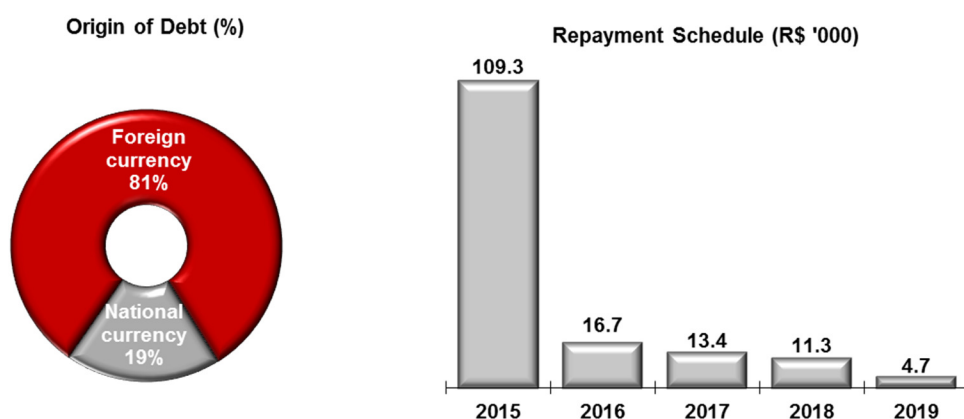
In 1H15, net income amounted to R\$37.0 million, with net margin of 8%, compared to R\$41.6 million and 9%, respectively, in 1H14.

Debt

The Company ended 2Q15 with net debt of R\$120.9 million. In 2015, the gross debt of Eternit and its subsidiaries totaled R\$155.4 million, mainly due to: (i) the advances against draft presentation (ACE) and forward foreign exchange contracts (ACC) contracted for working capital; and (ii) financing for the acquisition of machinery and equipment.

Cash, cash equivalents and short-term investments totaled R\$35.1 million, with financial investments remunerated at an average rate corresponding to 99% of the variation in the interbank rate (CDI).

DEBT - R\$ '000	Parent Company		Consolidated	
	06/30/15	12/31/14	06/30/15	12/31/14
Short-term gross debt	3,679	3,066	109,325	88,946
Long-term gross debt	7,599	5,129	46,098	38,978
Cash and cash equivalents	(4,003)	(5,711)	(13,287)	(13,367)
Short-term investments (same cash equivalents)	(2,457)	(15,726)	(21,193)	(35,023)
Net debt	4,818	(13,242)	120,943	79,534
EBITDA (last 12 months)	96,631	97,355	168,462	165,500
Net debt / EBITDA x	0.05	(0.14)	0.72	0.48
Adjusted EBITDA over equity pickup	34,764	33,581	191,748	179,176
Net debt / Adjusted EBITDA x	0.14	(0.39)	0.63	0.44
Net debt / Equity	0.9%	-	23.4%	15.4%

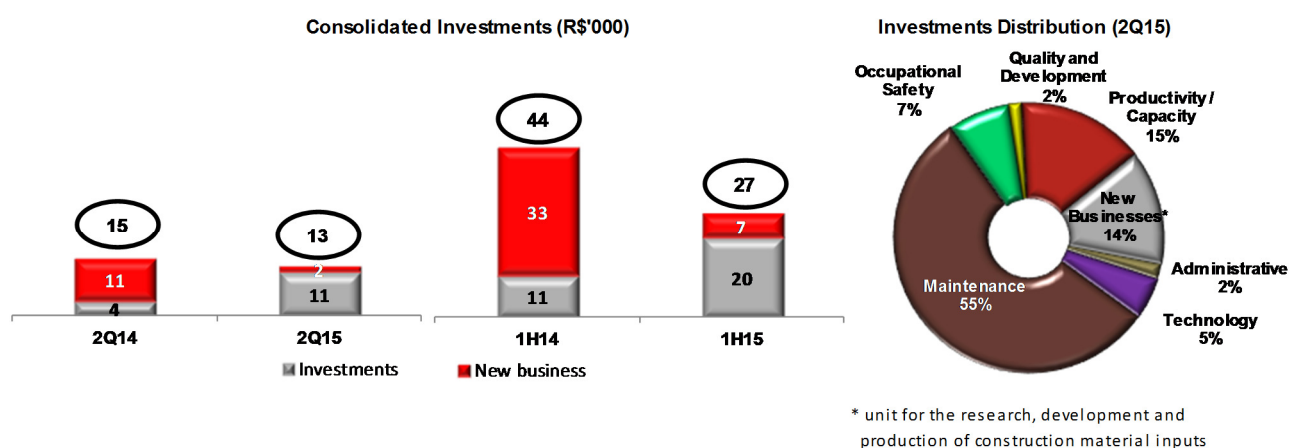


Debt related to ACE and ACC, which corresponds to 62% of foreign currency debt, is naturally hedged by accounts receivable in foreign currency resulting from chrysotile exports.

Investments

Investments made by Eternit and its subsidiaries in 2Q15 totaled R\$12.8 million, 13.2% less than in 2Q14. 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 1H15, investments totaled R\$26.9 million, 38.7% less than in 1H14, and were allocated as follows: (i) R\$6.5 million to the establishment of a unit for the research, development and production of construction material inputs, and (ii) R\$20.4 million for the maintenance and modernization of the Group's industrial facilities.



Capital Markets

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

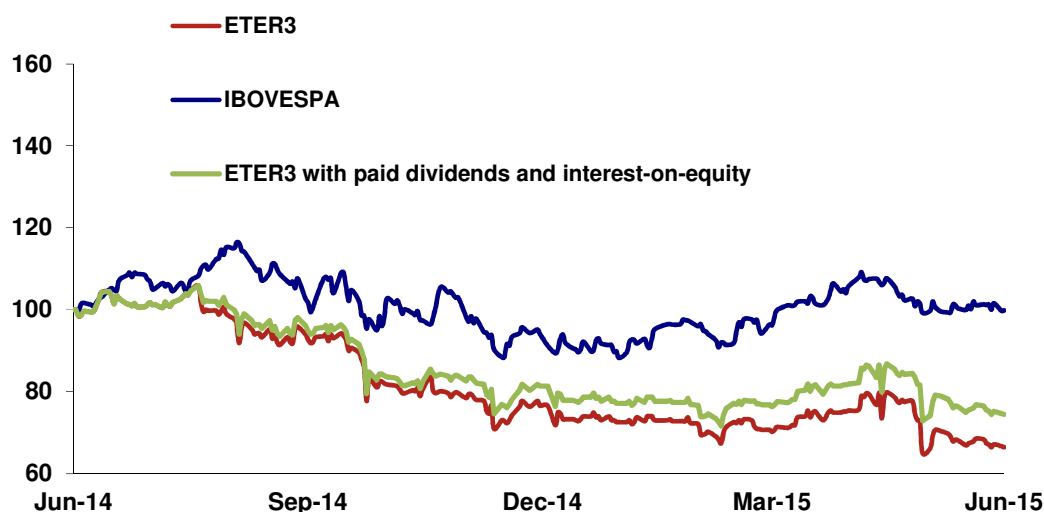
With fragmented ownership and no shareholders' agreement or controlling group, the Company's shareholder base had a high concentration of individual investors, who accounted for 67.5% of the shareholder base on June 30, 2015, while foreign investors accounted for 8.4% and corporate shareholders, clubs, investment funds and foundations accounted for 24.1%.

Eternit stock (ETER3) was quoted at R\$2.82 in June 2015, down 33.6% from June 2014. In the same period, the benchmark Bovespa Index (IBOVESPA) closed at 53,080 points, practically remaining stable (down 0.2%). On June 30, 2015, Eternit's market capitalization stood at R\$504.8 million.

Capital Markets					
ETERNIT (ETER3)	2Q14	3Q14	4Q14	1Q15	2Q15
Closing Price (R\$/Share) - Without dividends*	4.25	3.94	3.25	2.98	2.82
Average Volume Traded (Shares)	119,013	122,972	139,600	127,643	217,902
Average Volume Traded (R\$)	516,649	513,042	492,597	390,795	655,679
ETER3 - Quarterly Profitability (%)	-	-7.2	-17.5	-8.3	-5.4
ETER3 - 12 Months Profitability (%)	-	-17.2	-25.6	-28.6	-33.6
IBOVESPA - Quarterly Profitability (%)	-	1.8	-7.6	2.3	3.8
IBOVESPA - 12 Months Profitability (%)	-	3.4	-2.9	1.5	-0.2
Market Capitalization (R\$ Million)	759.9	705.3	581.8	533.4	504.8

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

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



Dividends and Interest on Equity

In 2015, Eternit's dividend yield¹ is already 7.7%, and earnings paid to shareholders were R\$44.7 million. Eternit's dividends and interest on equity have historically been paid on a quarterly basis. In view of this practice, individual investors account for a major share of Eternit's shareholder base.

Dividends Distribution (2014 to 2015)					
Approval Date	Type	Payment Start Date	Total Value R\$ 000	Value per Share (R\$)	
2014					
12/11/13 (*)	BDM	04/02/14	5,458	0.0305	
03/12/13 (*)	BDM	04/02/14	12,436	0.0695	
05/07/14	BDM	05/28/14	5,994	0.0335	
05/07/14	BDM	05/28/14	11,900	0.0665	
08/06/14	BDM	08/27/14	5,995	0.0335	
08/06/14	BDM	08/27/14	11,899	0.0665	
11/05/14	BDM	11/27/14	5,995	0.0335	
11/05/14	BDM	11/27/14	11,900	0.0665	
Total			71,576	0.4000	
Closing Price		-	-	4.37	
Dividend Yield		-	-	9.2%	
2015					
12/19/14 (*)	BDM	03/31/15	5,905	0.0330	
03/11/15 (*)	BDM	03/31/15	11,989	0.0670	
05/13/15	BDM	06/03/15	6,621	0.0370	
05/13/15	BDM	06/03/15	11,273	0.0630	
08/05/15	BDM	08/18/15	7,336	0.0410	
08/05/15 (**)	BDM	08/18/15	1,610	0.0090	
Total			44,735	0.2500	
Closing Price			-	3.25	
Dividend Yield			-	7.7%	

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

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

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

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

Social, Environmental and Corporate Responsibility

Open Doors Program

To contribute to a better understanding by society of the extraction and processing of chrysotile asbestos, the manufacturing of fiber-cement products in a sustainable manner and the health and safety practices adopted, Eternit created its Open Doors Program in November 2004. The program entails visits by the public to the Group's five fiber-cement units located in Anápolis (Goiás), Colombo (Paraná), Goiânia (Goiás), Rio de Janeiro (Rio de Janeiro), and Simões Filho (Bahia), as well as to SAMA, the mining company located in Minaçu in the north of Goiás. Since its launch, the program, which is considered one of the largest in the market, has already received over 69,000 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).

Legal issues involving chrysotile mineral

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

State Law 10,813/2001 of São Paulo and State Law 2,210/2001 of Mato Grosso do Sul, which prohibited the importation, extraction, processing, sale and installation of products or materials containing any sort of asbestos, in any form, were both, through Direct Actions of Unconstitutionality (ADI) No. 2656 and No. 2396, adjudicated and declared unconstitutional by the Federal Supreme Court (STF), based on the fact that they violated the jurisdiction of the federal government.

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

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

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

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

Further information is available in the [IR website](#).

Recognition

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

Great Place To Work Latin America 2015 – SAMA ranked sixth among the best companies in Latin America to work for, and was the only mining company awarded at the international GPTW, in the 'over 500 employees' category. This was the second consecutive time that SAMA ranks sixth, repeating its achievement of 2014. The 100 Best Companies to Work for in Latin America 2015 award, given by the Great Place to Work Institute, has been honoring the best work environments of companies in Latin America since 2005.

Great Place To Work Midwest 2015 – SAMA was once again elected by the Great Place To Work Institute (GPTW) and the *O Popular* newspaper as one of the Best Companies to Work For in the Midwest region, ranking first.

Most Admired HR Personnel in Brazil 2015 – Flávio Grisi and Moacyr de Melo Junior, respectively the HR officer of Eternit and the HR manager of SAMA, were among the Most Admired HR Personnel in Brazil 2015, in a survey by the magazine *Gestão RH*.

IDHO 2015 Award – Eternit and SAMA are among the "Top 100 companies in Organizational Human Development Indicator (IDHO) 2015" after a nationwide survey conducted by the Gestão RH Group. SAMA was also elected in the category "10 Best Companies in IDHO." The survey is based on the Human Development Index (HDI) indicators used to measure human development in countries, and Editora Gestão e RH evaluates which companies develop solutions for human capital, corporate governance, sustainability and transparency.

17th Brazilian Mining and Metallurgical Industry Excellence Awards 2015 – the magazine Minérios e Minerale awarded SAMA for the project "5% reduction in drinking water in industrial activities" at the 17th Brazilian Mining and Metallurgical Industry Excellence Awards.

Outlook

Brazil's GDP estimate for 2015 is a 1.8% contraction (Focus market readout of 7/31/15) and includes the prospect of moderate economic recovery which, though, depends on improved consumer and business confidence, among other factors. In this scenario, projected GDP for the construction industry is -3.3%, according to BACEN (inflation report of June 2015).

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

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

For the construction materials sector, ABRAMAT's forecast points to a contraction of 7.0% in 2015 compared to 2014, which will depend on factors such as increase in investments and maintenance of employment and income levels, among others. According to ABRAMAT, there could be a gradual improvement in the second half of 2015 compared to the first half, but it should not be sufficient to reverse the decline in sales in 2015.

Eternit believes it is important to take into consideration the current scenario of the Brazilian economy and the following challenges facing the country and the Company's industry: competitive conditions in the Brazilian industry in light of 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.

2015 will be a year of consolidation and utilization of production capacities in which investments had been made by the Company in recent years.

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 second quarter of 2015.

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

Date: Friday, August 7, 2015

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

The presentation, which is accompanied by slides, can be viewed online by registering at www.ccall.com.br/eternit/2q15.htm (or at Eternit's investor relations website: www.eternit.com.br/ir)

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

Playback: A recording of the call will be available from **August 7, 2015 to August 13, 2015**

Dial-in: **(55-11) 3193-1012 or 2820-4012** - Password for participants: **6184065#**

Eternit

Investor Relations

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

Eternit S.A.

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

	Note	Company		Consolidated	
		06/30/2015	12/31/2014	06/30/2015	12/31/2014
Assets					
Current assets					
Cash and cash equivalents	4	4,003	5,711	13,287	13,367
Short-term investments	5	2,457	15,726	21,193	35,023
Accounts receivable	6	72,801	71,327	190,625	175,933
Inventories	7	78,496	69,395	165,455	148,093
Taxes recoverable	8	6,676	6,035	11,719	10,373
Related parties	10	33,006	27,196	1,930	2,427
Other current assets		5,829	4,971	12,100	9,682
		203,268	200,361	416,309	394,898
Assets held for sale					
		-	553	-	553
		-	553	-	553
Total current assets					
		203,268	200,914	416,309	395,451
Noncurrent assets					
Judicial deposits		8,481	8,703	15,514	15,307
Taxes recoverable	8	23,535	22,915	24,259	24,456
Deferred income and social contribution taxes	20.b	27,519	24,750	59,186	53,299
Related parties	10	54,683	29,297	8,781	726
Investments	9	239,254	256,080	22,126	34,338
Property, plant and equipment	11	152,348	145,659	356,675	341,684
Intangible assets	12	5,958	6,437	30,967	30,622
Other noncurrent assets		338	339	1,981	1,981
Total noncurrent assets		512,116	494,180	519,489	502,413
Total assets					
		715,384	695,094	935,798	897,864

	Note	Company		Consolidated	
		06/30/2015	12/31/2014	06/30/2015	12/31/2014
Liabilities and equity					
Current liabilities					
Trade accounts payable	13	25,767	22,858	45,985	42,151
Related parties	10	11,239	7,672	-	-
Loans and financing	14	3,679	3,066	109,325	88,946
Provision and social charges	15	15,503	12,738	31,699	28,657
Dividends and interest on equity payable	18.e	6,935	17,897	6,935	17,897
Provision for future benefits to former employees	17.b	2,511	2,511	3,677	3,677
Taxes, charges and contributions payable	16	9,731	11,866	23,656	29,181
Other current liabilities		4,780	3,060	13,908	10,743
Total current liabilities		80,145	81,668	235,185	221,252
Noncurrent liabilities					
Provision for future benefits to former employees	17.b	28,440	27,730	42,761	41,654
Loans and financing	14	7,599	5,129	46,098	38,978
Related parties	10	38,716	31,763	-	-
Provision for tax, civil, and labor claims	21	24,426	26,226	59,457	59,549
Taxes, charges and contributions payable	16	9,553	7,787	14,523	10,605
Environmental restoration of degraded mining areas	30	-	-	11,252	10,718
Other noncurrent liabilities		-	-	-	300
Total noncurrent liabilities		108,734	98,635	174,091	161,804
Equity					
Capital	18.a	334,251	334,251	334,251	334,251
Capital reserve		19,460	19,460	19,460	19,460
Treasury shares		(174)	(174)	(174)	(174)
Income reserves		168,745	168,745	168,745	168,745
Retained earnings		11,714	-	11,714	-
Other comprehensive income		(7,491)	(7,491)	(7,491)	(7,491)
Equity attributable to controlling interests		526,505	514,791	526,505	514,791
Non-controlling interests		-	-	17	17
Total equity		526,505	514,791	526,522	514,808
Total liabilities and equity		715,384	695,094	935,798	897,864

See accompanying notes.

Eternit S.A.

Income statements

Three and six-month periods ended June 30, 2015 and 2014

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

	Note	Company				Consolidated			
		2Q15	2Q14	1H15	1H14	2Q15	2Q14	1H15	1H14
Net operating revenue	22	119,408	110,107	251,333	232,441	236,422	220,628	489,141	464,320
Cost of sales	23	(91,071)	(80,597)	(190,318)	(172,182)	(143,034)	(131,159)	(301,795)	(284,100)
Gross profit		28,337	29,510	61,015	60,259	93,388	89,469	187,346	180,220
Operating income (expenses)									
Selling expenses	23	(14,113)	(15,428)	(28,360)	(29,398)	(30,323)	(29,490)	(57,954)	(57,925)
General and administrative expenses	23	(13,394)	(10,838)	(23,633)	(22,250)	(27,663)	(28,867)	(51,527)	(55,028)
Management compensation	23	(1,295)	(1,687)	(3,597)	(3,160)	(2,121)	(2,420)	(5,582)	(4,776)
Other operating income (expenses), net	24	(1,155)	(780)	(530)	(958)	311	(493)	1,264	(641)
Equity pickup	9	17,167	15,389	32,433	34,340	(5,691)	(2,145)	(12,212)	(2,602)
Total operating income (expenses)		(12,790)	(13,344)	(23,687)	(21,426)	(65,487)	(63,415)	(126,011)	(120,972)
Financial expenses	25	(4,537)	(4,880)	(8,696)	(10,061)	(21,314)	(10,383)	(43,599)	(23,432)
Financial income	25	3,068	5,092	5,543	11,975	19,807	10,603	40,475	25,443
Financial income (expenses), net		(1,469)	212	(3,153)	1,914	(1,507)	220	(3,124)	2,011
Income before income and social contribution taxes		14,078	16,378	34,175	40,747	26,394	26,274	58,211	61,259
Income and social contribution taxes									
Current	20	-	-	-	-	(13,203)	(9,907)	(27,154)	(19,310)
Deferred	20	2,710	1,749	2,769	870	3,597	1,760	5,887	(332)
Net income for the period		16,788	18,127	36,944	41,617	16,788	18,127	36,944	41,617
Attributable to:									
Non-Minority shareholders		16,788	18,127	36,944	41,617	16,788	18,127	36,944	41,617
Minority shareholders		-	-	-	-	-	-	-	-
Net income for the period		16,788	18,127	36,944	41,617	16,788	18,127	36,944	41,617
Earnings per share basic and diluted (in R\$)	18.c	0.09	0.20	0.21	0.47	0.09	0.20	0.21	0.47

See accompanying notes.

Eternit S.A.

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

	Company				Consolidated			
	2Q15	2Q14	1H15	1H14	2Q15	2Q14	1H15	1H14
Net income for the period	16,788	18,127	36,944	41,617	16,788	18,127	36,944	41,617
Other comprehensive income	-	-	-	-	-	-	-	-
Comprehensive income for the period	16,788	18,127	36,944	41,617	16,788	18,127	36,944	41,617
Attributable to:								
Non-minority shareholders	16,788	18,127	36,944	41,617	16,788	18,127	36,944	41,617
Minority shareholders	-	-	-	-	-	-	-	-

See accompanying notes.

Eternit S.A.

Statements of changes in equity
Six-month periods ended June 30, 2015 and 2014
(In thousands of reais)

	Note	Capital reserve			Income reserves				Other comprehensive income	Total Company	Minority shareholders	Total equity	
		Capital	Investment grants	Goodwill on share acquisition	Treasury stock	Statutory	Legal	Retained profit					Retained earnings
Balances at January 1, 2014		334,251	19,649	23	(174)	26,990	30,630	98,187	-	(3,443)	506,113	16	506,129
Net income for the period		-	-	-	-	-	-	41,617	-	-	41,617	-	41,617
Allocation of net income:													
Interest on equity - R\$0.134 per outstanding share		-	-	-	-	-	-	(11,989)	-	(11,989)	-	-	(11,989)
Dividends – R\$0.266 per outstanding share		-	-	-	-	-	-	(23,799)	-	(23,799)	-	-	(23,799)
Balances at June 30, 2014		334,251	19,649	23	(174)	26,990	30,630	98,187	5,829	(3,443)	511,942	16	511,958
Balances at January 1, 2015		334,251	19,437	23	(174)	31,251	34,891	102,603		(7,491)	514,791	17	514,808
Net income for the period		-	-	-	-	-	-	36,944	-	-	36,944	-	36,944
Allocation of net income:													
Interest on equity - R\$0.078 per outstanding share	18	-	-	-	-	-	-	(13,957)	-	(13,957)	-	-	(13,957)
Dividends – R\$0.063 per outstanding share	18	-	-	-	-	-	-	(11,273)	-	(11,273)	-	-	(11,273)
Balances at June 30, 2015		334,251	19,437	23	(174)	31,251	34,891	102,603	11,714	(7,491)	526,505	17	526,522

See accompanying notes.

Eternit S.A.

Cash flow statements

Six-month periods ended June 30, 2015 and 2014

(In thousands of reais)

Note	Company		Consolidated		
	06/30/2015	06/30/2014	06/30/2015	06/30/2014	
Cash flows from operating activities					
Income before income and social contribution taxes					
Adjustments to reconcile pre-tax income to net cash generated by operating activities:					
Equity pickup	9	(32,433)	(34,340)	12,212	2,602
Depreciation and amortization	11/12	6,586	5,806	19,343	18,468
Gain (loss) on disposal of permanent assets	24	(98)	(162)	(117)	(270)
Provision for impairment losses on accounts receivable	6	764	351	1,305	800
Provision for tax, civil, and labor claims	21	(439)	1,232	1,269	3,301
Reversal of (provision of) sundry losses		244	115	1,039	522
Financial charges, monetary and exchange variations		1,926	139	2,199	(2,085)
Short-term investment yield		(821)	(1,163)	(2,131)	(2,538)
Net changes in prepaid expenses		1,863	751	2,416	664
		11,767	13,476	95,746	82,723
(Increase) decrease in operating assets:					
Accounts receivable		(2,238)	4,807	(18,448)	3,685
Related party receivables	10 a.	763	1,587	497	1,005
Inventories		(8,685)	(121)	(16,945)	(10,007)
Taxes recoverable		(822)	9,286	(709)	9,055
Judicial deposits		(296)	(294)	(726)	(378)
Dividends and interest on equity received		42,213	31,822	-	-
Other assets		(2,707)	(613)	(5,594)	(2,396)
Increase (decrease) in operating liabilities					
Trade accounts payable		2,909	(3,635)	3,834	(1,896)
Related party payables	10	3,567	687	-	-
Taxes, charges and contributions payable		(1,990)	(3,048)	1,026	(5,426)
Provisions and social charges	15	2,765	2,074	3,042	1,932
Other liabilities		960	(928)	2,405	577
Interest paid		(201)	(154)	(1,688)	(327)
Income and social contribution taxes paid		-	-	(31,374)	(25,075)
Net cash generated by operating activities		48,005	54,946	31,088	53,472
Cash flows from investing activities					
Loan from related-party receivable	10	(25,386)	(1,318)	(8,055)	-
Cash receipt from the sale of property, plant and equipment	24	782	221	857	340
Additions to property, plant and equipment and intangible assets		(12,620)	(9,072)	(26,968)	(43,982)
Capital contribution in subsidiaries	9	-	(12,499)	-	-
Short-term investments		(42,800)	(57,700)	(144,208)	(143,549)
Redemption of short-term investments		56,890	47,657	160,169	137,383
Net cash used in investing activities		(23,134)	(32,711)	(18,205)	(49,808)
Cash flows from financing activities					
Loans and financing raised	14	3,235	5,103	138,792	116,373
Amortization of loans and financing	14	(696)	(294)	(117,574)	(93,769)
Loan with related party	10	5,063	(216)	-	-
Payment of dividends and interest on equity		(34,181)	(34,587)	(34,181)	(34,587)
Net cash provided by (used in) financing activities		(26,579)	(29,994)	(12,963)	(11,983)
(Decrease) in cash and cash equivalents		(1,708)	(7,759)	(80)	(8,319)
(Decrease) in cash and cash equivalents					
At beginning of period	4	5,711	9,516	13,367	13,295
At end of period	4	4,003	1,757	13,287	4,976
(Decrease) in cash and cash equivalents		(1,708)	(7,759)	(80)	(8,319)

See accompanying notes.

Eternit S.A.

Statements of value added Six-month periods ended June 30, 2015 and 2014 (In thousands of reais)

	Note	Company		Consolidated	
		06/30/2015	06/30/2014	06/30/2015	06/30/2014
Revenues					
Sales of goods, products and services	22	337,448	314,558	617,600	588,868
Other income		-	5	29,461	25,656
Allowance for doubtful accounts on accounts receivable		(764)	(351)	(1,286)	(787)
Total		336,684	314,212	645,775	613,737
Inputs acquired from third parties					
Cost of sales, materials,		(155,237)	(147,671)	(274,674)	(258,465)
energy, third-party services and other		(60,853)	(54,778)	(98,737)	(93,774)
Loss/recovery of asset values		(3,679)	(3,136)	(4,050)	(3,144)
Other discounts, rebates and donations		(1,448)	(1,609)	(2,567)	(2,325)
		(221,217)	(207,194)	(380,028)	(357,708)
Gross value added		115,467	107,018	265,747	256,029
Depreciation, amortization and depletion	11/12	(6,586)	(5,806)	(19,343)	(18,468)
Net value added generated by the Company		108,881	101,212	246,404	237,561
Value added received in transfer					
Equity pickup	9	32,433	34,340	(12,212)	(2,602)
Financial income	25	5,543	11,975	40,475	25,443
Other		3,203	2,945	4,383	3,238
		41,179	49,260	32,646	26,079
Total value added to be distributed		150,060	150,472	279,050	263,640
Personnel:					
Direct compensation		35,736	32,310	65,338	65,222
Benefits		12,510	12,081	23,709	24,503
Unemployment Compensation Fund (FGTS)		2,943	2,742	5,523	5,521
		51,189	47,133	94,570	95,246
Taxes, charges and contributions					
Federal		31,443	31,172	60,580	61,639
State		17,358	16,275	30,022	30,780
Local		1,038	578	1,905	1,023
		49,839	48,025	92,507	93,442
Debt remuneration					
Interest		8,696	10,061	43,599	23,432
Rent		3,392	3,636	11,430	9,903
		12,088	13,697	55,029	33,335
Equity remuneration:					
Dividends	18	11,273	23,799	11,273	23,799
Interest on Equity (IOE)	18	13,957	11,989	13,957	11,989
Retained profits	18	11,714	5,829	11,714	5,829
		36,944	41,617	36,944	41,617

See accompanying notes.

Eternit S.A.

Notes to individual and consolidated interim financial information

June 30, 2015

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

1. Operations

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

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

The Group is structured as follows:

Company	% - Ownership interest	Voting capital (%)	Headquarters location	Main activity
SAMA S.A.	99.99%	99.99%	Minaçu/GO	Exploration and processing of Chrysotile
Tégula Soluções para Telhados Ltda.	99.99%	99.99%	Atibaia/SP	Manufacturing and sale of concrete roofing and roofing accessories
Precon Goiás Industrial Ltda.	99.99%	99.99%	Anápolis/GO	Manufacturing and sale of fiber cement products
Pre Empreendimentos e Participações Ltda.	99.99%	99.99%	São Paulo/SP	Shareholding interest in industrial and commercial companies
Engedis Distribuição Ltda.	99.94%	99.94%	Minaçu/GO	No economic activity
Wagner Ltda.	99.99%	99.99%	São Paulo/SP	No economic activity
Wagner da Amazônia Ltda.	99.99%	99.99%	São Paulo/SP	No economic activity
Eternit da Amazônia Indústria de Fibrocimento Ltda.	99.99%	99.99%	Manaus/AM	Research, development and production of inputs for the construction industry. Inoperative until the closing of the individual and consolidated interim financial information for the quarter ended June 30, 2015
Companhia Sulamericana de Cerâmica S.A.	60.00%	60.00%	Caucaia/CE	Import, production, sale, export and distribution of sanitary wares and related accessories in general

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

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

1. Operations (Continued)

Significant operational events

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

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

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

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

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

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

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

Eternit S.A.

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

1. Operations (Continued)

Approval of Interim financial information

The presentation of the interim financial information was stated to the Company's Supervisory Board on August 4, 2015, approved and authorized by the Company's Board of Directors on August 5, 2015, to be published on August 6, 2015.

2. Basis of preparation and significant accounting practices

The accounting practices were uniformly applied to the current period, are consistent with those used in the prior reporting period and used for both the Company and subsidiaries. Where necessary, the subsidiaries' individual interim financial information is adjusted to meet this criterion.

2.1. Statement of compliance and basis of preparation

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

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

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

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

Eternit S.A.

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

2. Basis of significant accounting practices (Continued)

2.2. Basis of consolidation and investments in subsidiaries

The consolidated interim financial information includes interim financial information of the Company and its wholly-owned subsidiaries. Control is obtained when the Company has the power to control financial and operational policies and appoint or dissolve the majority of the members in the Executive Board or Board of Directors of an entity in order to benefit from its activities.

Company management, based on shareholder statutes and agreements, controls the companies listed in Note 1 and therefore fully consolidated these entities with the exception of Companhia Sulamericana de Cerâmica S.A (CSC) which is considered based on the parameters described in the prior paragraph as a joint venture and not consolidated given that its income is considered in the consolidated interim financial information based on the equity method as provided in CPC 19R2 (IFRS 11).

Minority interest of fully consolidated companies is identified in the consolidated income statement and in the statement of changes in equity.

In the Company's individual financial information, the subsidiaries' individual interim financial information is recognized under the equity method.

The main consolidation adjustments, among others, include the following eliminations:

- Assets and liabilities account balances, as well as revenues and expenses between Company and subsidiaries, so that the consolidated interim financial information represents balances receivable from and payable to third parties only.
- Interest in capital and net income (loss) for the year of subsidiaries.

The fiscal year of consolidated subsidiaries coincides with that of the Company. All intercompany balances and transactions of subsidiaries were fully eliminated in the consolidated interim financial information. Transactions between the Company and its subsidiaries are carried out under conditions established by the parties.

Profit and loss of subsidiaries acquired or sold over the year are included in the consolidated income statements as of the date they were effectively acquired to the sale date, as applicable.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

2. Basis of significant accounting practices (Continued)

2.3. Standards, amendments and interpretation of standards

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

- a) Standards issued by IASB which were not effective up to the issue date of this interim financial information and not early adopted by the Group.
- IFRS 9 Financial Instruments: In July 2014, the IASB issued the final version of IFRS 9 - Financial Instruments, which reflects all steps of the financial instruments' project, and supersedes IAS 39 - Financial Instruments: Recognition and Measurement and all prior versions of IFRS 9. This standard introduces new requirements on classification and measurement, impairment loss and hedging accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018 and its early adoption is not permitted. Retrospective application is required; however the presentation of comparative information is optional. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) would be permitted if the date of initial application was before February 1, 2015. The adoption of IFRS 9 will have an effect on the classification and measurement of financial assets, but no impact on the classification and measurement of financial liabilities.
 - IFRS 15 - Revenue from Contracts with Customers: IFRS 15 establishes a five-step model that will apply to revenue earned from a contract with a customer, regardless of the type of revenue transaction or the industry. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., sales of property, plant and equipment or intangibles). Extensive disclosures will be required by this standard. The standard must be applied for annual periods beginning on or after January 1, 2018, with earlier application permitted.

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

- IFRS 14 - Regulatory Deferral Accounts - Applicable to annual periods beginning on or after January 1, 2016;

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

2. Basis of preparation and significant accounting practices (Continued)

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

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

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

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

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

3. Significant accounting judgments and sources of uncertainties in estimates

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

The main assumptions about future and other sources of uncertainties in estimates at the end of each reporting period of interim financial information that may lead to significant adjustments in the carrying amounts of assets and liabilities for the next period are set out below.

3. Significant accounting judgments and sources of uncertainties in estimates (Continued)

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

3.1. Impairment of goodwill for expected future profitability

In order to determine whether there is impairment of goodwill, it is necessary to estimate the value in use of cash-generating units to which the goodwill has been allocated. Calculation of value in use requires management to estimate expected future cash flows from cash-generating units and an appropriate discount rate for calculating the present value. No evidence of goodwill impairment was detected.

3.2. Useful lives of property, plant and equipment

From time to time the Group reviews the recoverable amounts and useful life estimates of property, plant and equipment. Economic facts, changes in business, technological changes or any use of the asset item that may affect its useful life are taken into account. Current depreciation rates used appropriately represent the useful life of equipment.

3.3. Income and social contribution taxes and other taxes

Management regularly reviews deferred tax assets and liabilities in terms of recovery, considering the history of profit generated and projected future taxable profit, according to a technical feasibility study. The projections of future taxable profits include several estimates regarding the performance of Brazilian and international economies, exchange rate fluctuations, sales volume, selling prices and tax rates, among others, which can vary in relation to actual data and amounts.

The estimated realization of the deferred tax balance may present changes, because most of them are subject to court decisions over which the group has no control, neither can predict when there will be a decision in higher court.

3.4. Provision for tax, civil, and labor risks

This provision refers to legal proceedings and assessment notices the Group was served. The obligation is recognized when it is considered probable and can be measured with reasonable certainty. The matching entry of this obligation is an expense for the year. This obligation is restated according to the progress of the legal proceeding or financial charges incurred and can be reversed if the estimated loss is no longer probable, or written off when the obligation is settled.

3. Significant accounting judgments and sources of uncertainties in estimates (Continued)

3.5. Provision for future benefits to former employees

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

The current amount of the provision for future benefits to former employees depends on a number of factors that are determined based on actuarial calculation, which restates a number of assumptions, such as discount rate and inflation rate, among others, which are disclosed in Note 17. Change in these estimates may affect the results presented.

4. Cash and cash equivalents

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Cash and banks	4,003	5,711	11,993	11,690
Investments in bank deposit certificates	-	-	1,294	1,677
	4,003	5,711	13,287	13,367

On June 30, 2015, investments were remunerated at average rates of 99% of the Interbank Deposit Certificate (CDI) variation (102% at December 31, 2014), with the portfolio basically comprising investments in repurchase agreements. Balances are highly liquid and readily convertible into cash, in order to meet short-term cash commitments, and subject to insignificant risk of change in value.

5. Short-term investments

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Investment funds	2,457	15,726	21,193	35,023

Most investment funds are fixed-income investments, repurchase agreements, remunerated at average CDI rates of 99% (102% as of December 31, 2014).

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

6. Accounts receivable

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Domestic market	76,776	74,634	112,210	109,199
Foreign market	-	-	86,383	73,753

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

(-) Present value adjustment	-	-	(193)	(330)
	76,776	74,634	198,400	182,622
Allowance for doubtful accounts	(3,975)	(3,307)	(7,775)	(6,689)
	72,801	71,327	190,625	175,933

Aging list of accounts receivable

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Falling due	70,722	69,637	174,492	166,787
Overdue:				
Within 30 days	1,173	1,098	12,751	6,933
From 30 to 60 days	361	293	2,503	1,444
Above 60 days	545	299	879	769
	72,801	71,327	190,625	175,933

Changes in allowance for doubtful accounts

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Opening balance	(3,307)	(3,281)	(6,689)	(6,011)
Addition	(821)	(734)	(1,370)	(1,531)
Reversal	57	79	65	87
Write-off	96	629	219	766
Closing balance	(3,975)	(3,307)	(7,775)	(6,689)

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

7. Inventories

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Finished products	45,556	36,060	104,592	88,370
Semi-finished products	-	-	2,093	2,444
Resale	8,198	7,749	12,106	12,343
Raw materials	20,064	21,793	23,138	21,503
Support materials	6,077	5,658	25,298	25,671
(-) Provision for losses (*)	(1,399)	(1,865)	(1,772)	(2,238)
	78,496	69,395	165,455	148,093

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

Changes in provision for inventory losses for the quarter ended June 30, 2015 and for the year ended December 31, 2014 are as follows:

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Opening balance	(1,865)	(417)	(2,238)	(1,352)
Provision	(131)	(1,865)	(131)	(2,009)
Reversal	597	417	597	1,123
Closing balance	(1,399)	(1,865)	(1,772)	(2,238)

In the course of the six-month period ended June 30, 2015, consumption of raw material reached approximately R\$123,746 (R\$117,574 in June 2014), recorded as cost in Company, and R\$205,617 (R\$ 194,660 in June 2014) in Consolidated, as mentioned in Note 23.

Eternit S.A.

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

8. Taxes recoverable

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Current:				
State Value-Added Tax (ICMS)	1,691	1,760	4,208	3,803
Withholding Income Tax (IRRF)	189	204	460	401
Corporate Income Tax (IRPJ)	774	602	1,248	1,051
Social Contribution Tax on Net Profit (CSLL)	271	140	327	194
Withholding Income Tax (IRRF) on interest on equity	1,195	996	1,195	996
FOMENTAR fund - ICMS (*)	1,850	1,661	1,850	1,661
Contribution Tax on Gross Revenue for Social Security Financing (COFINS) and other	706	672	2,431	2,267
	6,676	6,035	11,719	10,373
Noncurrent:				
State Value-Added Tax (ICMS)	1,366	1,164	2,090	2,705
Withholding Income Tax (IRRF)	14,107	13,841	14,107	13,841
Corporate Income Tax (IRPJ)	8,062	7,910	8,062	7,910
	23,535	22,915	24,259	24,456

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

9. Investments

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

Summary of investment breakdown:

	Company							Total
	Eternit da Amazônia	Precon	Prel	SAMA	CSC	Tégula	Wagner	
Investments	9,104	24,088	7,966	90,362	22,126	64,865	4,184	222,695
Surplus value of net assets	-	-	-	16,559	-	-	-	16,559
Balance at June 30, 2015	9,104	24,088	7,966	106,921	22,126	64,865	4,184	239,254

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

9. Investments (Continued)

	Eternit da Amazônia	Precon	Prel	SAMA	CSC	Tégula	Wagner	Total
At January 1, 2014	(738)	20,221	8,058	108,311	36,032	71,787	4,058	247,729
Dividends	-	(7,121)	(2,803)	(65,691)	-	-	-	(75,615)
Interest on equity	-	(955)	-	(4,509)	-	-	-	(5,464)
Equity pickup	(4,075)	11,842	3,080	70,935	(13,676)	(4,455)	123	63,774
Reversal of supplementary monetary restatement - IFRS	-	(2)	(505)	(221)	-	(198)	(17)	(943)
Equity pickup of comprehensive income	-	-	-	(1,881)	-	-	-	(1,881)
Capital contribution	16,498	-	-	-	11,982	-	-	28,480
At December 31, 2014	11,685	23,985	7,830	106,944	34,338	67,134	4,164	256,080
Dividends	-	(3,700)	(658)	(41,747)	-	-	-	(46,105)
Interest on equity	-	(645)	-	(2,509)	-	-	-	(3,154)
Equity pickup	(2,581)	4,448	794	44,233	(12,212)	(2,269)	20	32,433
Equity pickup of comprehensive income	-	-	-	-	-	-	-	-
Capital contribution	-	-	-	-	-	-	-	-
At June 30, 2015	9,104	24,088	7,966	106,921	22,126	64,865	4,184	239,254

The balance of investments in the consolidated financial information at June 30, 2015, amounting to R\$22,126 (R\$34,338 at December 31, 2014), refers to investment in the jointly-controlled entity with CSC.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

9. Investments (Continued)

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

	Subsidiaries						Join Ventures
	Eternit da Amazônia	Precon	Prel	SAMA	Tégula	Wagner	Companhia Sulamericana de Cerâmica S.A.
Current assets	11,943	24,618	1,770	188,653	37,755	978	73,648
Noncurrent assets	90,260	15,056	7,049	116,082	56,579	4,785	121,606
Current liabilities	20,816	9,944	851	151,657	16,339	19	44,820
Noncurrent liabilities	72,282	5,641	-	57,376	13,123	1,554	113,559
Equity	9,105	24,089	7,967	95,703	64,872	4,190	36,876
Proportional interest	99.9900%	99.9946%	99.9977%	99.9977%	99.9900%	99.8400%	60%
Book value of investments	9,104	24,088	7,966	95,701	64,865	4,184	22,126
Net operating revenue	-	33,953	-	223,591	29,418	-	21,401
Cost of sales	-	(24,426)	-	(114,001)	(21,148)	-	(22,187)
Unrealized profits in inventories	-	-	-	696	-	-	-
Net income (loss) for continuing operations	(2,581)	4,449	794	44,233	(2,269)	20	(20,354)
Attributable to:							
Company interest	(2,581)	4,448	794	44,233	(2,269)	20	(12,212)

10. Related parties

a) Balances and transactions of the Company with related parties

	Current assets				Noncurrent Assets		Current liabilities				Noncurrent liabilities	
	Trade accounts receivable		Dividends		Loan agreement receivable		Trade accounts payable		Other accounts payable		Loan agreement payable	
	jun/15	dec/14	jun/15	dec/14	jun/15	dec/14	jun/15	dec/14	jun/15	dec/14	jun/15	dec/14
Eternit da Amazônia (ii) and (iii)	162	53	-	-	37,050	20,150	-	-	-	-	-	-
Precon (i) and (ii)	777	980	1,755	1,964	-	-	9	-	-	8	-	-
SAMA (ii),(i) and (iii)	194	311	26,752	19,974	-	-	11,094	7,544	31	29	33,370	31,763
Prel (I) and (iii)	-	-	658	654	-	-	-	-	97	91	2,346	-
Wagner (iii)	-	-	-	-	-	-	-	-	8	-	3,000	-
Tégula (i),(ii) and (iii)	72	127	706	706	8,852	8,421	-	-	-	-	-	-
Companhia Sulamericana de Cerâmica (i) and (iii)	1,930	2,427	-	-	8,781	726	-	-	-	-	-	-
Total	3,135	3,898	29,871	23,298	54,683	29,297	11,103	7,544	136	128	38,716	31,763

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

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

(iii) These refer to intercompany loans subject to Tax on Financial Transactions (IOF) and Withholding Income Tax (IRRF) levy, and bear interest of 100% of the CDI, for repayment within 24 months as from loan agreement execution date, term of which may be extended for further 24 months.

Eternit S.A.

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

10. Related parties (Continued)

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

	Company							
	Sales		Purchases		Expense		Other revenues	
	06/30/2015	06/30/2014	06/30/2015	06/30/2014	06/30/2015	06/30/2014	06/30/2015	06/30/2014
Precon	1,044	1,535	-	-	-	-	-	-
Tégula	139	271	-	-	-	-	-	-
SAMA	-	-	40,993	37,843	-	-	-	-
Companhia Sulamericana de Cerâmica	-	1,705	-	-	-	-	-	-
Discounts obtained - Sama	-	-	-	30	-	-	-	-
Administrative expenses - Prel	-	-	-	-	546	526	-	-
Interest on loans - SAMA	-	-	-	-	1,890	1,442	-	-
Interest on loans - Tégula	-	-	-	-	-	-	505	384
Interest on equity - SAMA	-	-	-	-	-	-	2,509	2,262
Interest on equity - Precon	-	-	-	-	-	-	645	475
Total	1,183	3,511	40,993	37,873	2,436	1,968	3,659	3,121

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

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

b) Key management personnel compensation

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

	Company		Consolidated	
	06/30/2015	06/30/2014	06/30/2015	06/30/2014
Salaries, fees and benefits	2,648	1,937	2,961	2,393
Social charges	726	581	805	665
Profit sharing (PLRE)	1,479	1,621	1,582	1,948
Supplementary bonus	714	735	737	1,062
Post-employment benefits	47	48	47	59
	5,614	4,922	6,132	6,127

Eternit S.A.

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

10. Related parties (Continued)

b) Key management personnel compensation (Continued)

The Group's Board of Directors approved a stock option plan for the Company's Officers. The Group grants supplementary bonus as profit sharing to officers that invest up to 100% of their profit sharing net amount for the purchase of Company shares. This supplementary bonus is proportional to the net amount of profit sharing that is so invested and must be fully used to acquire Company shares. The plan establishes specific share purchase and sale rules, such as minimum term of three years after share purchase for purposes of share sale, limited to 30% after the third year, 30% after the fourth year, 30% after the fifth year, and the remaining 10% may only be sold upon officer's dismissal/retirement. Share purchase and sale guidelines in CVM Rule No. 358/02 must also be followed by officers.

The stock option plan is not considered share-based payment (CPC 10 R1 - Share-based Payment), as the executive officer does not receive shares directly from Eternit, but the total equivalent to 100% paid as profit sharing, and purchases Company shares by means of an outside brokerage.

For the period ended June 30, 2015, the Executive Board's shareholding position was 2,226,048 shares - ETER3 (2,121,148 shares - ETER3 for the year ended December 31, 2014).

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

11. Property, plant and equipment

	Company									
	Land	Buildings and improvements	Machinery and equipment	Tooling and molds	Facilities	Vehicles	Furniture and fixtures	IT equipment	Construction in progress	Total
Cost										
Balance at January 1, 2014	701	32,804	101,651	12,955	79,088	2,787	5,743	4,004	38,164	277,897
Additions	-	-	-	-	-	-	-	-	19,511	19,511
Write-offs	(553)	(16)	(664)	(4)	(178)	(1,221)	(73)	(196)	(14,473)	(17,378)
Transfers	1,873	697	9,027	131	4,836	93	374	543	(17,574)	-
Exchange gain (loss)	-	-	-	-	-	-	-	-	3,352	3,352
Balance at December 31, 2014	2,021	33,485	110,014	13,082	83,746	1,659	6,044	4,351	28,980	283,382
Additions	-	-	1,357	-	-	-	-	-	11,035	12,392
Write-offs	-	-	(19)	-	(6)	(244)	(11)	(6)	-	(286)
Transfers	1,157	236	1,825	-	760	-	55	80	(4,113)	-
Exchange gain (loss)	-	-	-	-	-	-	-	-	308	308
Balance at June 30, 2015	3,178	33,721	113,177	13,082	84,500	1,415	6,088	4,425	36,210	295,796
Average depreciation rates %	-	4%	8.6%	15%	10%	20%	10%	20%	-	-
Accumulated depreciation										
Balance at January 1, 2014	-	(19,353)	(45,646)	(9,738)	(46,113)	(2,056)	(2,736)	(2,830)	-	(128,472)
Additions	-	(742)	(2,934)	(928)	(5,509)	(120)	(477)	(393)	-	(11,103)
Write-offs	-	16	273	2	173	1,140	54	194	-	1,852
Transfers	-	-	29	-	(30)	-	1	-	-	-
Balance at December 31, 2014	-	(20,079)	(48,278)	(10,664)	(51,479)	(1,036)	(3,158)	(3,029)	-	(137,723)
Additions	-	(384)	(1,701)	(432)	(2,860)	(44)	(246)	(212)	-	(5,879)
Write-offs	-	-	19	-	1	120	9	5	-	154
Transfers	-	-	(3)	-	3	-	-	-	-	-
Balance at June 30, 2015	-	(20,463)	(49,963)	(11,096)	(54,335)	(960)	(3,395)	(3,236)	-	(143,448)
Net book value										
At January 1, 2014	701	13,451	56,005	3,217	32,975	731	3,007	1,174	38,164	149,425
At December 31, 2014	2,021	13,406	61,736	2,418	32,267	623	2,886	1,322	28,980	145,659
At June 30, 2015	3,178	13,258	63,214	1,986	30,165	455	2,693	1,189	36,210	152,348

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

11. Property, plant and equipment (Continued)

	Consolidated												Total	
	Land	Buildings and improvements	Machinery and equipment	Extraction machinery	Tooling and molds	Facilities	Vehicles	Off-road vehicles	Furniture and fixtures	IT equipment	Renovation of mining areas	Mineral resources		Construction in progress
Cost														
Balance at January 1, 2014	4,084	81,540	195,773	27,570	26,723	216,394	24,705	4,539	17,328	8,453	5,778	13,387	43,784	670,058
Additions	-	25	627	-	7	92	855	-	52	119	-	-	94,077	95,854
Write-offs	(553)	(906)	(1,461)	(7)	(6)	(178)	(2,435)	(2,763)	(194)	(309)	-	-	-	(8,812)
Transfers	1,873	1,360	12,865	2,495	131	13,860	550	-	1,052	1,052	-	-	(35,238)	-
Exchange gain (loss)	-	-	-	-	-	-	-	-	-	-	-	-	4,599	4,599
Balance at December 31, 2014	5,404	82,019	207,804	30,058	26,855	230,168	23,675	1,776	18,238	9,315	5,778	13,387	107,222	761,699
Additions	-	-	1,367	-	13	-	-	-	-	10	-	-	25,329	26,719
Write-offs	-	-	(60)	-	-	(13)	(411)	(58)	(215)	(165)	-	-	-	(922)
Transfers	1,157	5,016	87,422	529	-	5,520	137	-	247	213	-	-	(100,241)	-
Exchange gain (loss)	-	-	-	-	-	-	-	-	-	-	-	-	6,595	6,595
Balance at June 30, 2015	6,561	87,035	296,533	30,587	26,868	235,675	23,401	1,718	18,270	9,373	5,778	13,387	38,905	794,091
Average depreciation rates	-	4%	8.6%	28.4%	15%	10%	20%	26.8%	10%	20%	2.9%	5.3%	-	-
Accumulated depreciation														
Balance at January 1, 2014	-	(47,981)	(105,171)	(19,062)	(19,973)	(158,415)	(16,680)	(4,041)	(8,559)	(6,218)	(1,319)	(3,575)	-	(390,994)
Additions	-	(1,752)	(6,311)	(4,491)	(2,369)	(11,925)	(5,561)	(180)	(1,575)	(796)	(231)	(696)	-	(35,887)
Write-offs	-	565	703	7	4	173	2,334	2,617	161	302	-	-	-	6,866
Transfers	-	-	28	-	-	(30)	-	-	(2)	4	-	-	-	-
Balance at December 31, 2014	-	(49,168)	(110,751)	(23,546)	(22,338)	(170,197)	(19,907)	(1,604)	(9,975)	(6,708)	(1,550)	(4,271)	-	(420,015)
Additions	-	(907)	(3,859)	(2,500)	(1,155)	(7,084)	(944)	(63)	(668)	(439)	(115)	(400)	-	(18,134)
Write-offs	-	-	60	-	-	8	232	58	211	164	-	-	-	733
Transfers	-	-	1	-	-	3	-	-	(4)	-	-	-	-	-
Balance at June 30, 2015	-	(50,075)	(114,549)	(26,046)	(23,493)	(177,270)	(20,619)	(1,609)	(10,436)	(6,983)	(1,665)	(4,671)	-	(437,416)
Net book value														
At January 1, 2014	4,084	33,559	90,602	8,508	6,750	57,979	8,025	498	8,769	2,235	4,459	9,812	43,784	279,064
At December 31, 2014	5,404	32,851	97,053	6,512	4,517	59,971	3,768	172	8,263	2,607	4,228	9,116	107,222	341,684
At June 30, 2015	6,561	36,960	181,984	4,541	3,375	58,405	2,782	109	7,834	2,390	4,113	8,716	38,905	356,675

Due to legal proceedings, subsidiary SAMA gave in warranty PP&E items (machinery and equipment) in the net book value of R\$892 (R\$1,172 at December 31, 2014).

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

12. Intangible assets

Company	Software	Software in progress	Other	Total
Cost				
Balance at January 1, 2014	7,230	2,844	11	10,085
Additions	133	2,612	-	2,745
Transfers	3,756	(3,756)	-	-
Balance at December 31, 2014	11,119	1,700	11	12,830
Additions	-	228	-	228
Balance at June 30, 2015	11,119	1,928	11	13,058
<u>Useful life (in years)</u>	5	-	-	-
Amortization				
Balance at January 1, 2014	(5,501)	-	-	(5,501)
Additions	(892)	-	-	(892)
Balance at December 31, 2014	(6,393)	-	-	(6,393)
Additions	(707)	-	-	(707)
Balance at June 30, 2015	(7,100)	-	-	(7,100)
<u>Net book value</u>				
Balance at January 1, 2014	1,729	2,844	11	4,584
Balance at December 31, 2014	4,726	1,700	11	6,437
Balance at June 30, 2015	4,019	1,928	11	5,958

Consolidated	Software	Goodwill	Trademarks and patents	Software in progress	Other	Total
Cost						
Balance at January 1, 2014	14,260	19,995	1,416	2,844	75	38,590
Additions	552	-	-	3,211	-	3,763
Transfers	4,355	-	-	(4,355)	-	-
Balance at December 31, 2014	19,167	19,995	1,416	1,700	75	42,353
Additions	1,029	-	-	560	-	1,589
Write-offs	(37)	-	-	-	-	(37)
Transfers	16	-	-	(16)	-	-
Balance at June 30, 2015	20,175	19,995	1,416	2,244	75	43,905
<u>Useful life (in years)</u>	5	-	-	-	-	-
Amortization						
Balance at January 1, 2014	(9,913)	-	-	-	(1)	(9,914)
Additions	(1,817)	-	-	-	-	(1,817)
Balance at December 31, 2014	(11,730)	-	-	-	(1)	(11,731)
Additions	(1,209)	-	-	-	-	(1,209)
Write-offs	2	-	-	-	-	2
Balance at June 30, 2015	(12,937)	-	-	-	(1)	(12,938)
<u>Net book value</u>						
Balance at January 1, 2014	4,347	19,995	1,416	2,844	74	28,676
Balance at December 31, 2014	7,437	19,995	1,416	1,700	74	30,622
Balance at June 30, 2015	7,238	19,995	1,416	2,244	74	30,967

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

13. Trade accounts payable

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Domestic market	21,603	20,528	41,121	39,408
Foreign market	4,164	2,330	4,864	2,743
	25,767	22,858	45,985	42,151

14. Loans and financing

	Interest rate and commissions %	Company		Consolidated	
		06/30/15	12/31/14	06/30/15	12/31/14
Current:					
Domestic currency for acquisition of machinery and equipment	From 1.14% to 10% p.a. + TJLP	1,513	1,225	6,737	6,595
Foreign currency for acquisition of machinery and equipment	From 1.03% to 3.56% p.a.	2,162	1,841	13,781	13,255
Foreign currency for acquisition of raw material	2.22% p.a.	4	-	-	-
Foreign currency (finance lease) for acquisition of vehicle	1.23% p.a.	-	-	244	363
Foreign currency for working capital	From 0.9% + 100% of CDI	-	-	10,463	10,391
Foreign currency for working capital (Advances on Export Contracts - ACE and Advances on Exchange Contracts - ACC)	Average of 1.89% p.a.	-	-	78,100	58,342
		3,679	3,066	109,325	88,946
Noncurrent:					
Domestic currency for acquisition of machinery and equipment	From 1.14% to 10% p.a. + TJLP	3,511	3,409	5,907	8,254
Domestic currency for acquisition of machinery and equipment and services	From 7.06% to 8.24% p.a.	-	-	5,328	-
Foreign currency for acquisition of machinery and equipment	From 1.03% to 3.56% p.a.	2,009	1,720	34,633	30,491
Foreign currency for acquisition of raw material	2.22% p.a.	2,079	-	-	-
Domestic currency (finance lease) for acquisition of vehicle	1.23% p.a.	-	-	230	233
		7,599	5,129	46,098	38,978

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

14. Loans and financing (Continued)

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Noncurrent payment flow:				
2016	4,527	2,084	16,660	13,470
2017	2,465	2,067	13,365	11,429
2018	604	924	11,322	9,641
2019	3	54	4,751	4,438
	7,599	5,129	46,098	38,978

The Group has loan agreements with non-financial covenants with which it was compliant as of June 30, 2015.

15. Personnel expenses

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
13 th monthly salary	3,137	-	5,522	-
Vacation pay	8,541	7,843	15,702	15,077
Profit sharing (a)	1,117	2,381	5,423	8,671
Unemployment Compensation Fund (FGTS)	433	555	893	1,011
Social Security Tax (INSS)	2,256	1,951	3,775	3,476
Other	19	8	384	422
	15,503	12,738	31,699	28,657

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

	Profit sharing	
	06/30/2015	06/30/2014
Company	1,930	2,202
Consolidated	3,726	5,709

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

16. Taxes, charges and contributions payable

	Company		Consolidated	
	06/30/15	12/31/14	06/30/15	12/31/14
Current:				
Income taxes				
Corporate Income Tax (IRPJ)	-	-	4,482	8,923
Social Contribution Tax on Net Profit (CSLL)	-	-	1,465	1,751
Other taxes				
State Value Added Tax (ICMS)	5,128	6,162	9,117	9,026
Federal Value Added Tax (IPI)	2,074	2,345	2,370	2,686
Contribution Tax on Gross Revenue for Social Security Financing (COFINS)	880	1,408	1,891	2,274
Contribution Tax on Gross Revenue for Social Integration Program (PIS)	131	280	349	467
Withholding Income Tax (IRRF)	1,349	1,394	1,857	2,128
Mineral resource offsetting financial contribution			1,687	1,413
Other	169	277	438	513
Total current	9,731	11,866	23,656	29,181
Noncurrent:				
State VAT (ICMS) (*)	9,553	7,787	14,523	10,605

(*) ICMS deriving from tax incentive programs PRODUZIR and DESENVOLVE in the Company, FOMENTAR in subsidiary Precon, and FUNDOPEM and PRODUZIR in subsidiary Tégula.

17. Provision for future benefits to former employees

l) Future health benefits

Based on an actuarial report prepared by a specialized independent company, the Group records a provision for future health benefits (health care and laboratory exams) to former employees. Assumptions and calculations are reviewed on an annual basis.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

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

I) Future health benefits (Continued)

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

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

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

	<u>Company</u>		<u>Consolidated</u>	
	<u>06/30/2015</u>	<u>12/31/2014</u>	<u>06/30/2015</u>	<u>12/31/2014</u>
Current	2,511	2,511	3,677	3,677
Noncurrent	28,440	27,730	42,761	41,654
	<u>30,951</u>	<u>30,241</u>	<u>46,438</u>	<u>45,331</u>

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

	<u>Company</u>		<u>Consolidated</u>	
	<u>06/30/2015</u>	<u>06/30/2014</u>	<u>06/30/2015</u>	<u>06/30/2014</u>
Current service and interest cost	(1,965)	(1,616)	(2,946)	(2,397)
Benefits paid	(1,256)	(1,088)	(1,839)	(1,930)
Net expense with the benefit	<u>(3,221)</u>	<u>(2,704)</u>	<u>(4,785)</u>	<u>(4,327)</u>

Supplementary private pension plan

The Group has an open-ended supplementary private pension plan with a duly authorized private pension entity. The plan is for defined contributions and deductible for income tax purposes (PGBL) and offered to all employees and officers. There is no provision recorded in June 2015.

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

	<u>Company</u>		<u>Consolidated</u>	
	<u>06/30/2015</u>	<u>06/30/2014</u>	<u>06/30/2015</u>	<u>06/30/2014</u>
Contributions:	713	1,405	2,118	1,789

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

18. Equity

a) Capital

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

Shareholding structure	06/30/2015		12/31/2014	
	Shareholders	Shares	Shareholders	Shares
Individuals	9,997	120,795,151	9,012	116,445,329
Legal entities	92	3,126,948	94	3,102,086
Persons resident abroad	104	15,072,845	137	18,680,383
Clubs, funds and foundations	101	39,946,324	114	40,713,470
	10,294	178,941,268	9,357	178,941,268
Treasury stock	-	58,732	-	58,732
	10,294	179,000,000	9,357	179,000,000

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

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

18. Equity (Continued)

b) Treasury shares

At June 30, 2015, market value of treasury stock was R\$166 (R\$95 as of December 31, 2014).

c) Earnings per share

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

	Company	
	06/30/2015	06/30/2014
Dilutive effect		
Net income for the period attributable to noncontrolling interests	<u>36,944</u>	<u>41,617</u>
Weighted average number of outstanding common shares, less the average of treasury common shares	<u>178,941</u>	<u>89,470</u>
Basic and diluted earnings per share - R\$	<u>0.21</u>	<u>0.47</u>

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

d) Dividends

Dividends proposed for the six-month period ended June 30, 2015 were as follows:

Event	Payment beginning on	Total amount	Amount per share - R\$
BDM (*) held on May 13, 2015	06/03/2015	11,273	0.063

(*) BDM – Board of Directors' Meeting.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

18. Equity (Continued)

e) Interest on equity

Interest on equity proposed for the quarter ended June 30, 2015 was as follows:

<u>Event</u>	<u>Payment beginning On</u>	<u>Total amount</u>	<u>Amount per share - R\$</u>
BDM (*) held on May 13, 2015	06/03/2015	6,621	0.037
BDM (*) held on August 5, 2015	08/18/2015	7,336	0.041

(*) BDM – Board of Directors' Meeting.

Dividends and interest on equity payable

Dividends and interest on equity outstanding balance as of June 30, 2015 represent:

	<u>Company and consolidated</u>	
	<u>06/30/2015</u>	<u>12/31/2014</u>
Interest on equity	6,236	5,204
Dividends	-	11,989
Proceeds from prior years	699	704
	<u>6,935</u>	<u>17,897</u>

f) Retained earnings

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

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Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

19. Government grants

Tégula - Investment subsidy - Goiás Industrial Development Program – Produzir/Fomentar

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

For the six-month period ended June 30, 2015, the benefit totaled R\$573 (R\$971 at December 31, 2014). The benefit is treated as an investment subsidy because the Company benefits through reduction, refund or exemption from taxes due, and intends to expand its activities.

Precon - Investment subsidy - Agência de Fomento Goiás S.A. - company in Goiás state - FOMENTAR

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

This benefit is treated as an investment subsidy because the Company benefits through reduction, refund or exemption from taxes due, and intends to expand its activities.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

19. Government grants (Continued)

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

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

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

20. Income and social contribution taxes

a) Reconciliation of income and social contribution tax expenses with their nominal amounts

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

	Company		Consolidated	
	06/30/2015	06/30/2014	06/30/2015	06/30/2014
Income before income and social contribution taxes	34,175	40,747	58,211	61,259
Nominal rate	34%	34%	34%	34%
Income and social contribution taxes at nominal rates	(11,620)	(13,854)	(19,792)	(20,828)
Effect of income and social contribution taxes on permanent differences:				
Equity pickup	11,027	11,675	(4,152)	(885)
Interest on equity	3,673	3,146	4,746	4,076
Donations and gifts	(63)	(72)	(370)	(356)
Nondeductible taxes and fines	(17)	(20)	(29)	(22)
Tax incentive	-	-	85	213
Other permanent (additions) exclusions on temporary differences	(231)	(5)	(1,755)	(1,840)
Income and social contribution taxes on P&L	2,769	870	(21,267)	(19,642)
Effective rate	8%	2%	-37%	-32%

Breakdown of income and social contribution tax expenses presented in individual and consolidated interim financial information for the six-month periods ended June 30, 2015 and 2014 is as follows:

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

20. Income and social contribution taxes (Continued)

- a) Reconciliation of income and social contribution tax expenses with their nominal amounts
(Continued)

	Company		Consolidated	
	06/30/2015	06/30/2014	06/30/2015	06/30/2014
Current income and social contribution taxes	-	-	(27,154)	(19,310)
Deferred income and social contribution taxes	2,769	870	5,887	(332)
	2,769	870	(21,267)	(19,642)

- b) Breakdown of deferred income and social contribution taxes

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

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Income and social contribution tax losses	9,045	5,108	18,716	14,779
Future benefits to former employees	10,298	10,282	15,564	15,413
Provision for tax, civil and labor claims	7,366	8,059	16,569	16,773
Unrealized income in inventories	-	-	2,751	2,392
Allowance for doubtful accounts	-	-	703	703
Provision for profit sharing	380	810	1,147	1,972
Provision for losses on PP&E	947	1,750	947	1,750
Unshipped products	-	-	2,603	-
Other provisions	(517)	(1,259)	186	(483)
	27,519	24,750	59,186	53,299

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Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

20. Income and social contribution taxes (Continued)

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

Expected realization of tax credits

i. Income and social contribution tax losses

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

	<u>Company</u>	<u>Consolidated</u>
	<u>06/30/2015</u>	<u>06/30/2015</u>
2015	3,365	3,365
2016	758	854
2017	758	1,078
2018	758	1,418
2019 to 2024	3,406	12,001
	<u>9,045</u>	<u>18,716</u>

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

As of June 30, 2015, subsidiary Tégula had accumulated income tax loss of R\$35,362 and social contribution tax loss of R\$35,512, for which deferred taxes were not recorded, since up to June 30, 2015 there were no future taxable profit projections confirming realization thereof.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

20. Income and social contribution taxes (Continued)

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

Expected realization of tax credits (Continued)

ii. Temporary differences

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

	<u>Company</u>	<u>Consolidated</u>
	<u>06/30/2015</u>	<u>06/30/2015</u>
2015	3,899	9,263
2016	1,620	7,323
2017	1,620	2,317
2018	1,620	3,898
2019 to 2024	9,716	17,669
	<u>18,475</u>	<u>40,470</u>

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

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

21. Provision for tax, civil and labor risks

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

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

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Labor claims (i)	18,115	20,258	27,082	29,225
Civil claims	-	-	4,930	4,930
Tax claims (ii)	6,311	5,968	27,445	25,394
	24,426	26,226	59,457	59,549

i) Labor claims include:

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

ii) Tax claims include:

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

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

	Company		
	Provisions for labor claims	Provisions for tax claims	Total
Balance at January 1, 2014	19,780	5,335	25,115
Additions	3,973	1,266	5,239
Write-offs	(1,801)	-	(1,801)
Reversals	(1,694)	(633)	(2,327)
Balance at December 31, 2014	20,258	5,968	26,226
Additions	996	343	1,339
Write-offs	(1,361)	-	(1,361)
Reversals	(1,778)	-	(1,778)
Balance at June 30, 2015	18,115	6,311	24,426

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

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

ii) Tax claims include: (Continued)

	Consolidated			Total
	Provisions for labor claims	Provisions for civil claims	Provisions for tax claims	
Balance at January 1, 2014	29,219	4,397	21,043	54,659
Additions	5,557	533	8,353	14,443
Write-offs	(1,801)	-	(388)	(2,189)
Reversals	(3,750)	-	(3,614)	(7,364)
Balance at December 31, 2014	29,225	4,930	25,394	59,549
Additions	996	-	2,051	3,047
Write-offs	(1,361)	-	-	(1,361)
Reversals	(1,778)	-	-	(1,778)
Balance at June 30, 2015	27,082	4,930	27,445	59,457

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

At June 30, 2015, there were civil, tax, administrative and labor claims against the Group whose likelihood of loss was assessed by legal advisors as possible in the consolidated amount of R\$12,527 (R\$10,863 at December 31, 2014), accordingly, no provision was recorded for these claims and proceedings.

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

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

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

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

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

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

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

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

22. Operating revenue, net

	Company		Consolidated	
	06/30/2015	06/30/2014	06/30/2015	06/30/2014
Gross sales revenue	337,448	314,558	617,600	588,868
Unconditional discounts and rebates	(1,378)	(1,434)	(1,694)	(1,545)
Sales taxes	(84,737)	(80,683)	(126,765)	(123,003)
Operating revenue, net	251,333	232,441	489,141	464,320

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

23. Information on the nature of expenses

	Company		Consolidated	
	06/30/2015	06/30/2014	06/30/2015	06/30/2014
Cost of sales	(190,318)	(172,182)	(301,795)	(284,100)
Selling expenses	(28,360)	(29,398)	(57,954)	(57,925)
General and administrative expenses and management fees	(27,230)	(25,410)	(57,109)	(59,804)
	(245,908)	(226,990)	(416,858)	(401,829)
Raw material used	(123,746)	(117,574)	(205,617)	(194,660)
(-) Present value adjustment	-	1,308	-	1,677
Personnel expenses and charges	(57,771)	(53,209)	(80,306)	(83,646)
Material, electric energy and services	(21,057)	(15,594)	(24,741)	(22,107)
Third-party services	(12,304)	(10,224)	(29,381)	(26,073)
Depreciation and amortization	(6,586)	(5,806)	(19,343)	(18,468)
Sales commissions	(5,984)	(5,534)	(10,138)	(10,280)
Variable selling expenses	(4,884)	(5,261)	(19,253)	(19,859)
Lease of chattels	(3,279)	(3,568)	(5,053)	(5,818)
Travel expenses	(2,707)	(2,214)	(4,256)	(4,021)
Expenses with materials and IT services	(1,946)	(1,769)	(3,202)	(3,109)
Advertising and publicity	(1,728)	(3,987)	(2,866)	(5,250)
Trade union contribution	(1,483)	(1,184)	(4,969)	(4,659)
Taxes	(987)	(1,032)	(2,376)	(2,033)
Expense with allowance for doubtful accounts	(764)	(351)	(1,305)	(800)
Other	(682)	(991)	(4,052)	(2,723)
	(245,908)	(226,990)	(416,858)	(401,829)

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

24. Other operating income (expenses), net

	Company		Consolidated	
	06/30/15	06/30/14	06/30/15	06/30/14
<u>Other operating income:</u>				
PP&E disposal	782	221	857	340
Provision for labor risks	1,753	-	1,753	-
Lease	-	-	976	1,572
Previously unused credit	-	-	1,327	-
FI Fund - Private Pension (i)	-	1,446	1,349	1,446
Other	815	272	1,714	1,346
	3,350	1,939	7,976	4,704
<u>Other operating expenses:</u>				
Provision for tax, civil and labor risks	(75)	(280)	(75)	(534)
Provision for future benefits to former employees	(1,965)	(1,616)	(2,946)	(2,397)
Environmental recovery	-	-	(534)	(484)
Taxes on other sales	(30)	(219)	(469)	(582)
Quality control	(564)	(248)	(728)	(422)
Replacement of defective products	(193)	(140)	(202)	(140)
Expenses with labor and civil indemnifications	(293)	(146)	(539)	(430)
Cost of PP&E disposal	(684)	(59)	(740)	(70)
Other	(76)	(189)	(479)	(286)
	(3,880)	(2,897)	(6,712)	(5,345)
Total	(530)	(958)	1,264	(641)

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

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

25. Financial income (expenses)

	Company		Consolidated	
	06/30/2015	06/30/2014	06/30/2015	06/30/2014
Financial income:				
Short-term investment yields - including Bank Deposit Certificates (CDB)	821	1,163	2,214	2,616
Discounts obtained	34	66	49	107
Interest income	1,520	4,195	3,043	6,225
Monetary gains	442	1,763	465	1,819
Exchange gains	2,726	4,786	34,704	14,582
Other financial income	-	2	-	94
	5,543	11,975	40,475	25,443
Financial expenses:				
Interest on financing	(187)	(174)	(292)	(439)
Interest on loans	(1,890)	(1,442)	-	-
Interest payable	(122)	(1,449)	(1,207)	(2,693)
Bank expenses	(657)	(583)	(836)	(701)
Discounts granted	(702)	(638)	(1,620)	(1,329)
Tax on Financial Transactions (IOF)	(238)	(165)	(556)	(352)
PIS and COFINS - Interest on equity	(292)	(126)	(292)	(126)
Exchange losses	(3,258)	(4,290)	(35,587)	(14,857)
Monetary losses	(1,163)	(1,056)	(2,969)	(2,607)
Other	(187)	(138)	(240)	(328)
	(8,696)	(10,061)	(43,599)	(23,432)
Financial income (expenses), net	(3,153)	1,914	(3,124)	2,011

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

26. Segment reporting

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

Operational segments defined by senior management are as follows:

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

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

26. Segment reporting (Continued)

Significant consolidated segment reporting for the six-month period ended June 30, 2015 and year ended December 31, 2014 is as follows:

	06/30/2015		06/30/2015					
	Total assets	Liabilities	Net revenue	Gross profit	Income (loss) before taxes	Depreciation and amortization	Financial income (expenses)	IRPJ/ CSLL
Fiber cement and synthetic fiber cement								
Southeast	189,914	42,258	45,828	11,260	1,039	1,706	(455)	131
South	34,821	53,401	71,981	17,510	1,455	2,483	(715)	206
Midwest	67,421	65,003	100,725	25,992	3,527	1,788	(1,001)	288
North and Northeast	20,200	35,721	52,053	12,637	1,027	1,044	(517)	150
	312,356	196,383	270,587	67,399	7,048	7,021	(2,688)	775
Chrysotile Mineral								
Domestic market	304,735	80,453	72,793	58,376	40,571	3,785	269	(8,847)
Foreign market	-	-	102,828	50,159	25,007	5,347	380	(12,498)
	304,735	80,453	175,621	108,535	65,578	9,132	649	(21,345)
Concrete roof tiles								
Domestic market	93,726	28,809	26,661	8,261	(1,726)	2,494	(1,016)	(551)
Other (*)								
Domestic market	224,981	103,632	16,272	3,152	(12,689)	696	(69)	(146)
Total	935,798	409,277	489,141	187,347	58,211	19,343	(3,124)	(21,267)

26. Segment reporting (Continued)

	12/31/2014		06/30/2014					
	Total assets	Liabilities	Net revenue	Gross profit	Income (loss) before taxes	Depreciation and amortization	Financial income (expenses)	IRPJ/ CSLL
Fiber cement and synthetic fiber cement								

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

	Southeast	236,354	41,232	43,821	11,253	2,110	1,331	405	(116)
	South	42,586	50,117	66,684	17,353	3,439	2,409	616	(177)
	Midwest	70,437	59,972	95,259	26,335	6,460	1,416	880	(252)
	North and Northeast	24,519	33,852	46,128	11,954	2,330	896	426	(122)
		373,896	185,173	251,892	66,895	14,339	6,052	2,327	(667)
Chrysotile Mineral									
	Domestic market	280,938	92,180	77,110	60,407	38,158	9,490	(119)	(8,687)
	Foreign market	-	-	79,987	37,146	14,067	-	(123)	(9,011)
		280,938	92,180	157,097	97,553	52,225	9,490	(242)	(17,698)
Concrete roof tiles									
	Domestic market	92,153	25,008	34,879	12,027	(2,181)	2,450	(713)	(909)
Other (*)	Domestic market	150,877	80,695	20,452	3,745	(3,124)	476	639	(368)
Total		897,864	383,056	464,320	180,220	61,259	18,468	2,011	(19,642)

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

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

27. Insurance coverage

As of June 30, 2015, the insurance taken out by the Group, under the guidance from its insurance advisors, against any risks is as follows:

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

28. Financial instruments

28.1. Identification and assessment of financial instruments

a) Financial instrument analysis

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

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

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Fair value measurement				
Financial assets				
Cash and cash equivalents	4,003	5,711	13,287	13,367
Short-term investments	2,457	15,726	21,193	35,023
Accounts receivable – foreign market	-	-	86,383	73,753
	6,460	21,437	120,863	122,143
	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Measured at amortized cost				
Financial liabilities				
Trade accounts payable	25,767	22,858	45,985	42,151
Loans and financing	11,278	8,195	155,423	127,924
	37,045	31,053	201,408	170,075

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

28. Financial instruments (Continued)

28.1. Identification and assessment of financial instruments (Continued)

b) Fair value hierarchy

The Company adopted the assumption that cash and cash equivalents, short-term investments and accounts receivable have no difference book value and fair value ("market value"). Measurement of these financial assets is considered to be "Level 1", on which measurement is performed through calculation based on assets/liabilities with market quotation, without any adjustment.

Over the quarter ended June 30, 2015, there was no fair value measurement transfer between Level I and Level II, or fair value measurement transfer between Level III and Level II.

28.2. Financial risk management

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

I. Market risk

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

a) *Currency risk*

Currency risk is the risk that fair value of future cash flows of a financial instrument floats due to exchange rate variations. Company exposure to exchange rate fluctuation refers mostly to the Group's operating activities (when revenues or expenses are denominated in a currency other than the Group's functional currency).

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

28. Financial instruments (Continued)

28.2 Financial risk management (Continued)

I. Market risk (Continued)

a) Currency risk (Continued)

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

	Consolidated		Quote as of
	06/30/2015	12/31/2014	06/30/2015 (US\$ / € 1.00 = R\$1.00)
Foreign market customers	86,383	73,753	3.10
Foreign market suppliers	(4,864)	(2,743)	3.10
ACE and ACC	(78,100)	(58,342)	3.10
Financing taken (USD)	(47,402)	(42,808)	3.10
Financing (EUR)	(1,012)	(938)	3.46
Total currency exposure	(44,995)	(31,078)	

a1) Sensitivity analysis

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

Balances (foreign currency) - Consolidated	Risk	Rate (*)	Position at 06/30/2015	Rate depreciation		Rate appreciation	
				Scenario I (-50%)	Scenario II (-25%)	Scenario III (+25%)	Scenario IV (+50%)
USD			3.10	1.55	2.33	3.88	4.65
Foreign customers	USD		86,383	43,192	64,927	108,118	129,575
Trade accounts payable - foreign market	USD		(4,864)	(2,432)	(3,656)	(6,088)	(7,296)
ACE and ACC	USD		(78,100)	(39,050)	(58,701)	(97,751)	(117,150)
Financing	USD		(47,402)	(23,701)	(35,628)	(59,239)	(71,103)
EUR			3.46	1.73	2.60	4.33	5.19
Financing	EUR		(1,012)	(506)	(760)	(1,266)	(1,518)
Total exposure			(44,995)	(22,497)	(33,818)	(56,226)	(67,492)

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

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

28. Financial instruments (Continued)

28.2 Financial risk management (Continued)

I. Market risk (Continued)

b) *Interest rate risks*

Interest rate risk is the risk that fair value of future cash flows of a financial instrument floats due to market interest rate variations.

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

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

	Company		Consolidated	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Short-term investments (cash equivalents)	-	-	1,294	1,677
Short-term investments	2,457	15,726	21,193	35,023
Total exposure to interest rate	2,457	15,726	22,487	36,700

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

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

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

28. Financial instruments (Continued)

28.2 Financial risk management (Continued)

I. Market risk (Continued)

b) *Interest rate risk* (Continued)

Short-term investments – Consolidated	Index	Position at 06/30/2015	Probable scenario	Projection of financial income – one year			
				Reduction risk		Increase risk	
				Scenario I (-50%)	Scenario II (-25%)	Scenario II (+25%)	Scenario IV (+50%)
CDI			13.65%	6.83%	10.24%	17.06%	20.48%
Short-term investments (cash equivalents)	CDI	1,294	1,471	1,382	1,427	1,515	1,559
Short-term investments	CDI	21,193	24,086	22,640	23,363	24,809	25,533

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

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

- Multiproduct plant in the Industrial District of Porto de Pecém, in Ceará state, a joint venture with the Colombian multinational "Colceramica", a company of Organizations Corona. Eternit holds 60% interest and brings together the know-how of the Brazilian market and efficient logistics, whereas Colceramica holding 40% interest with the know-how of manufacturing at competitive production costs.
- Installation of an R&D unit, development and production of inputs and raw material for construction - 13th unit of Eternit Group - in the city of Manaus, Amazonas state.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

28. Financial instruments (Continued)

28.2 Financial risk management (Continued)

I. Market risk (Continued)

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

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

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

- d) *Growth-related risk*

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

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

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

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

28. Financial instruments (Continued)

28.2 Financial risk management (Continued)

II. Credit risk

Trade accounts receivable

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

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

Demand deposits and short-term investments

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

III. Liquidity risk

The liquidity risk consists in the Group's occasionally not having sufficient funds to meet its commitments, given the different currencies and realization/settlement terms of its rights and obligations.

The control over the Group's liquidity and cash flow is monitored daily by management, in such way as to ensure that the operating cash generation and the available lines of credit, as necessary, are sufficient to meet their schedule of commitments, not generating liquidity risks to the Group.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

28. Financial instruments (Continued)

28.2 Financial risk management (Continued)

IV. Capital management

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

	Company		Consolidated	
	Leverage		Leverage	
	06/30/2015	12/31/2014	06/30/2015	12/31/2014
Loans and financing	11,278	8,195	155,423	127,924
(-) Cash and cash equivalents	(4,003)	(5,711)	(13,287)	(13,367)
Net debt	7,275	2,484	142,136	114,557
Equity	526,505	514,791	526,522	514,808
Net debt and equity	519,230	512,307	384,386	400,251

29. Commitments and guarantees

As of June 30, 2015, the Group had the following guarantees:

- (i) Guarantee of the electric energy purchase and sale agreement entered into by subsidiary SAMA and the supply company Tractebel, amounting to R\$3,989, with Banco Safra, maturing in January 2016;
- (ii) Guarantee of tax enforcement payment - DNPM (National Department of Mineral Production) amounting to R\$1,440, with Banco Bradesco, with indefinite maturity;
- (iii) Financing guarantee to the Goiás State Development Agency, amounting to R\$6,034, with Banco Bradesco, maturing in February 2016;
- (iv) Guarantee amounting to R\$40,909 (60%) of the financing entered into between Companhia Sulamericana de Cerâmica and BNB, Banco do Nordeste, for installation of a sanitary ware plant, with Banco Bradesco, maturing in January 2016;
- (v) PP&E items given as guarantee for legal proceedings, in the amount of R\$892, as mentioned in Note 11;
- (vi) In December 2014, Eternit in Amazônia entered into an agreement amounting to R\$37,000, referring to the Bank Credit Bill (CCB) with Banco da Amazônia for implementing its R&D plant in Manaus. The Group offered a property and respective improvements located in the city and state of Rio de Janeiro as guarantee, whose market value is R\$62,500.

Eternit S.A.

Notes to individual and consolidated interim financial information (Continued)

June 30, 2015

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

30. Provision for mine reconstruction

Environment

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

	2015 and 2014	
Discount rate	10% p.a.	
Long-term inflation rate	5% p.a.	
	06/30/2015	12/31/2014
Present value of expected cash outlays		
2032	4,228	4,028
2033	3,629	3,457
2034	1,881	1,791
2035 to 2039	1,514	1,442
Total	<u>11,252</u>	<u>10,718</u>

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

Expenses recognized for environmental restoration of degraded mining areas for the six-month period ended June 30, 2015 totaled R\$534 (R\$484 as of June 30, 2014), calculated based on current production of Chrysotile.

31. Subsequent events

On August 05, 2015 the Company's Board of Directors approved the payment of dividends, which will impact the treasury shares in the amount of R\$ 1,610, representing R\$ 0,009 per shares.

SHAREHOLDING POSITION OF THE OWNERS OF MORE THAN 5% OF SHARES OF EACH SPECIES AND CLASS OF THE COMPANY, TO THE INDIVIDUAL ENTITY LEVEL.				
Company: ETERNIT S.A.			Position on 06/30/2015 (In Units)	
Shareholder	Ordinary Shares		Total	
	Qty.	%	Qty.	%
Generation L. Pair Shares Investment Fund	24.710.000	13,80	24.710.000	13,80
Luiz Barsi Filho	24.610.000	13,75	24.610.000	13,75
Victor Adler	12.600.000	7,04	12.600.000	7,04
Shares in treasury	58.732	0,03	58.732	0,03
Others	117.021.268	65,38	117.021.268	65,38
Total	179.000.000	100,00	179.000.000	100,00

SHAREHOLDING POSITION OF THE OWNERS OF MORE THAN 5% OF SHARES OF EACH SPECIES AND CLASS OF THE COMPANY, TO THE INDIVIDUAL ENTITY LEVEL.				
Company: ETERNIT S.A.			Position on 06/30/2014 (In Units)	
Shareholder	Ordinary Shares		Total	
	Qty.	%	Qty.	%
Generation L. Pair Shares Investment Fund	13.650.000	15,25	13.650.000	15,25
Luiz Barsi Filho	12.175.000	13,60	12.175.000	13,60
Victor Adler	6.276.600	7,01	6.276.600	7,01
Shares in treasury	29.366	0,03	29.366	0,03
Others	57.369.034	64,11	57.369.034	64,11
Total	89.500.000	100,00	89.500.000	100,00

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

ADMINISTRATORS AND CONTROLLERS AND CURRENT SHARES CONSOLIDATED SHAREHOLDING POSITION					
Shareholder	Quantity of ordinary shares (in units) on 06/30/2015	%	Quantity of ordinary shares (in units) Activity	Quantity of ordinary shares (in units) 06/30/2014	%
Controller	N/A	-	N/A	N/A	-
Administrators					
Board of Directors	24.675.066	13,78	24.445.633	229.433	0,26
Advisory Council Management	2.364.548	1,32	1.256.465	1.108.083	1,24
Tax Council	754.400	0,42	741.338	13.062	0,01
Shares in treasury	58.732	0,03	29.366	29.366	0,03
Other shareholders	151.147.254	84,45	63.027.198	88.120.056	98,46
Total	179.000.000	100,00	89.500.000	89.500.000	100,00
Current shares	151.147.254	84,45	63.027.198	88.120.056	98,46

Independent auditor's review report on interim financial information

The Shareholders, Board of Directors and Officers of

Eternit S.A.

São Paulo - SP

Introduction

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

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with Accounting Pronouncement CPC 21 (R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the presentation of this financial information in accordance with the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review of interim financial information (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly information referred to above was not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of Quarterly Information (ITR), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

Emphasis of matters

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

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

Other matters

Statements of value added

We have also reviewed the individual and consolidated Statements of Value Added (SVA) for the six-month period ended June 30, 2015, prepared under the responsibility of the Company management and whose presentation in the interim financial information is required by the rules issued by the Brazilian Securities and Exchange Commission (CVM), applicable to the preparation of the quarterly financial information (ITR), and as supplementary information under the IFRS, whereby no SVA presentation is required.. These statements have been submitted to the same review procedures previously described and, based on our review, nothing has come to our attention that causes us to believe that they are not prepared, in all material respects, in accordance with the overall accompanying interim financial information.

São Paulo, August 05, 2015.

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

Clinton L. Fernandes
Accountant CRC-1SP205541/O-2

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

ETERNIT S.A.

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

Company Registry (NIRE): 35.300.013.344

AUDIT BOARD REPORT

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

Based on its examination, and also taking into account the unqualified report of the independent auditors ERNST & YOUNG Auditores Independentes SS. that will be issued on August 05, 2015, as well as the information and clarifications provided during the said three-month period, the Audit Board believes the documents are in fair conditions to be submitted to the Board of Directors.

São Paulo, August 4, 2015.

André Eduardo Dantas - Coordinator

Paulo Henrique Zukanovich Funchal

Robert Juenemann

Pedro Paulo de Souza

Luciano Luiz Barsi

Declaration by the Executive Board

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

São Paulo, August 6, 2015.

The Management