



# Eternit

Conference Call – Earning Results 3Q15 – 11/06/2015

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

- Economic figures registered variations of:
  - ✓ GDP Brazil<sup>1</sup>: -3.1%
  - ✓ GDP for construction sector<sup>1</sup>: -7.8%
  - ✓ ABRAMAT<sup>2</sup>: -9.0%
  - ✓ Eternit<sup>3</sup>: -3.2%
- Variation on sales volume in the segments below:
  - ✓ Chrysotile mineral: -19.4%
  - ✓ Fiber-cement: -13.1%
  - ✓ Concrete tiles: -20.3%
- Consolidated Net Revenue reached R\$245.0 million, decline of 2.1%
- Adjusted EBTIDA increased 14.2%, reaching R\$50.4 million
- Net income totaled R\$4.7 million, decreasing 76.7%
- Recognitions in the Human Resources and Commercial areas

<sup>1</sup> Projected growth for Brazil GDP and construction GDP in 2015. (Source: BACEN)

<sup>2</sup> Projection for domestic construction material sales in 2015, adjusted for inflation.

<sup>3</sup> Growth of the consolidated gross revenue in 9M15 vs 9M14 corrected for inflation in accordance with the IGP-M index.



# Eternit

Operational Performance

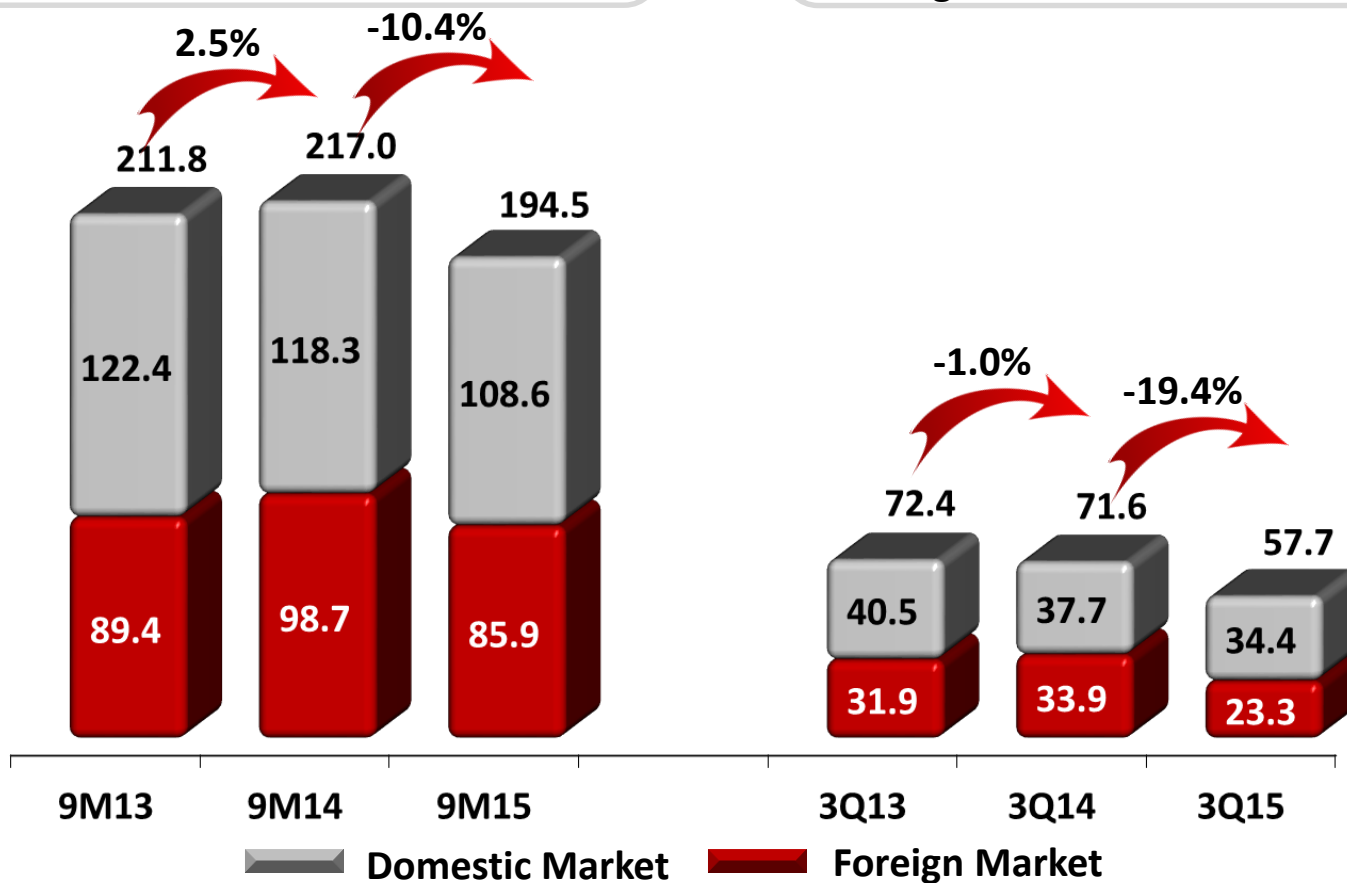
## Sales of Chrysotile Mineral (thousand tons)

9M15 x 9M14

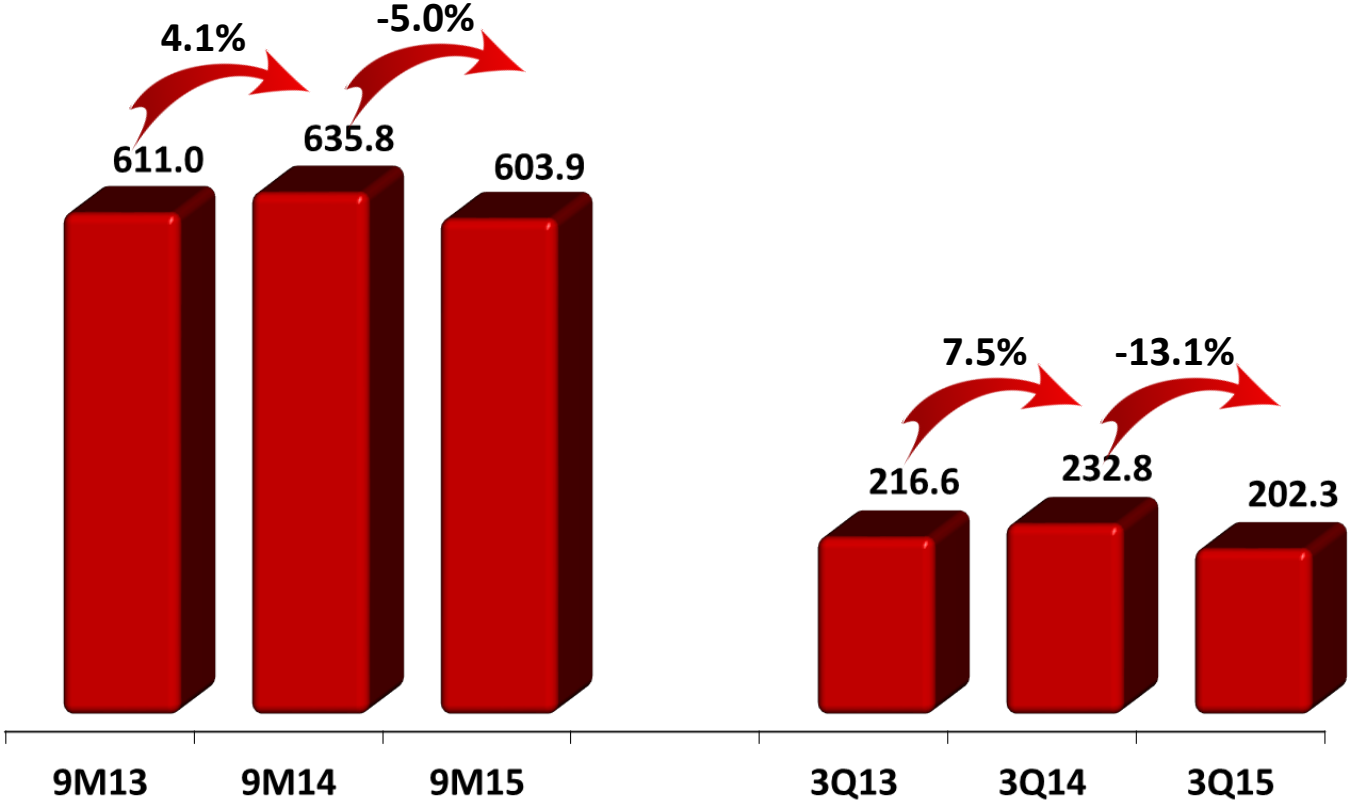
- Domestic Market – down by 8.3%
- Foreign Market – decline of 13.0%

3Q15 x 3Q14

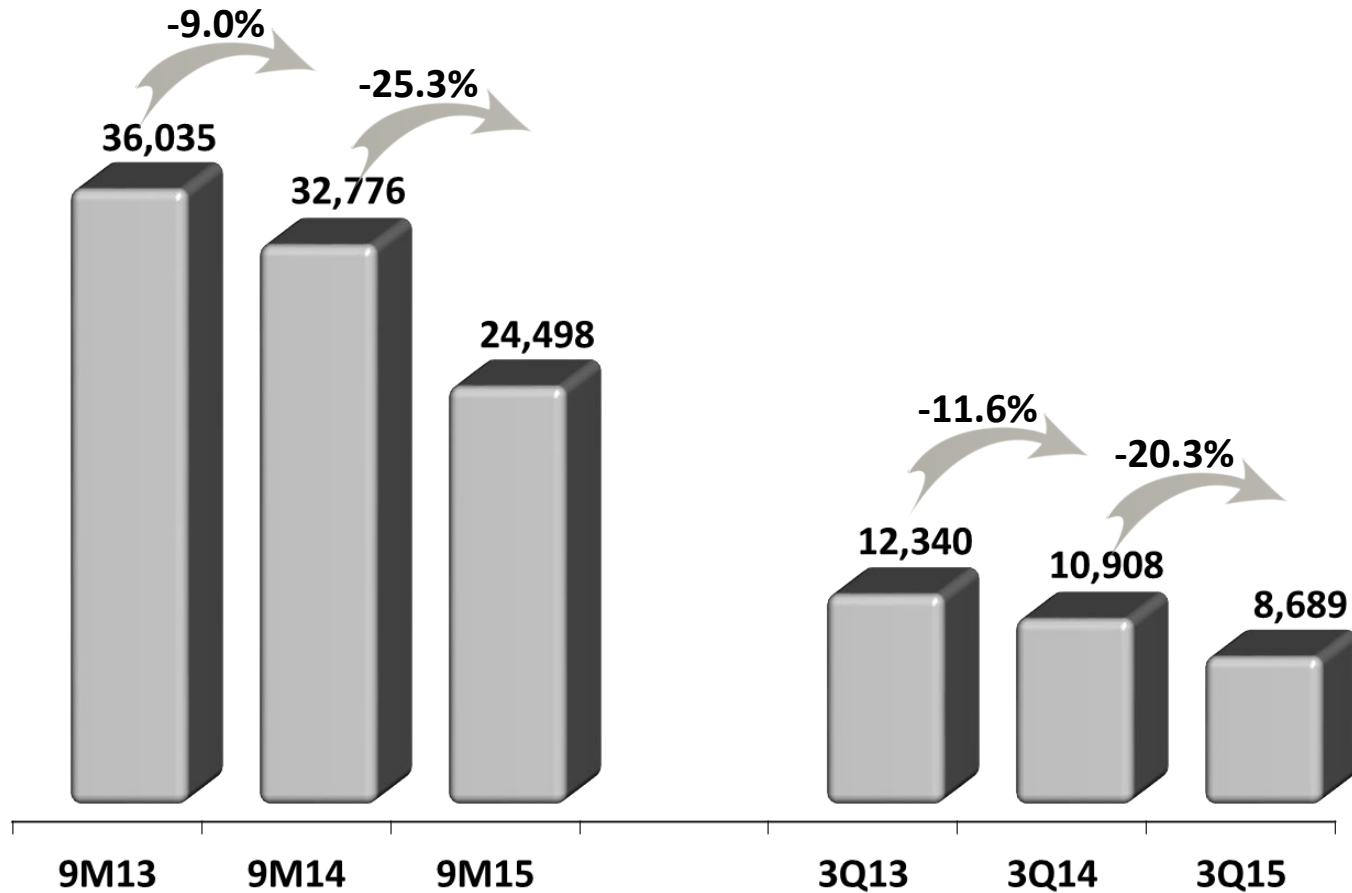
- Domestic Market – drop of 8.7%
- Foreign Market – decrease of 31.3%



## Sales of Fiber-Cement (thousand tons)



## Sales of Concrete Tiles (thousand pieces)





# Eternit

**Economic and Financial Information**



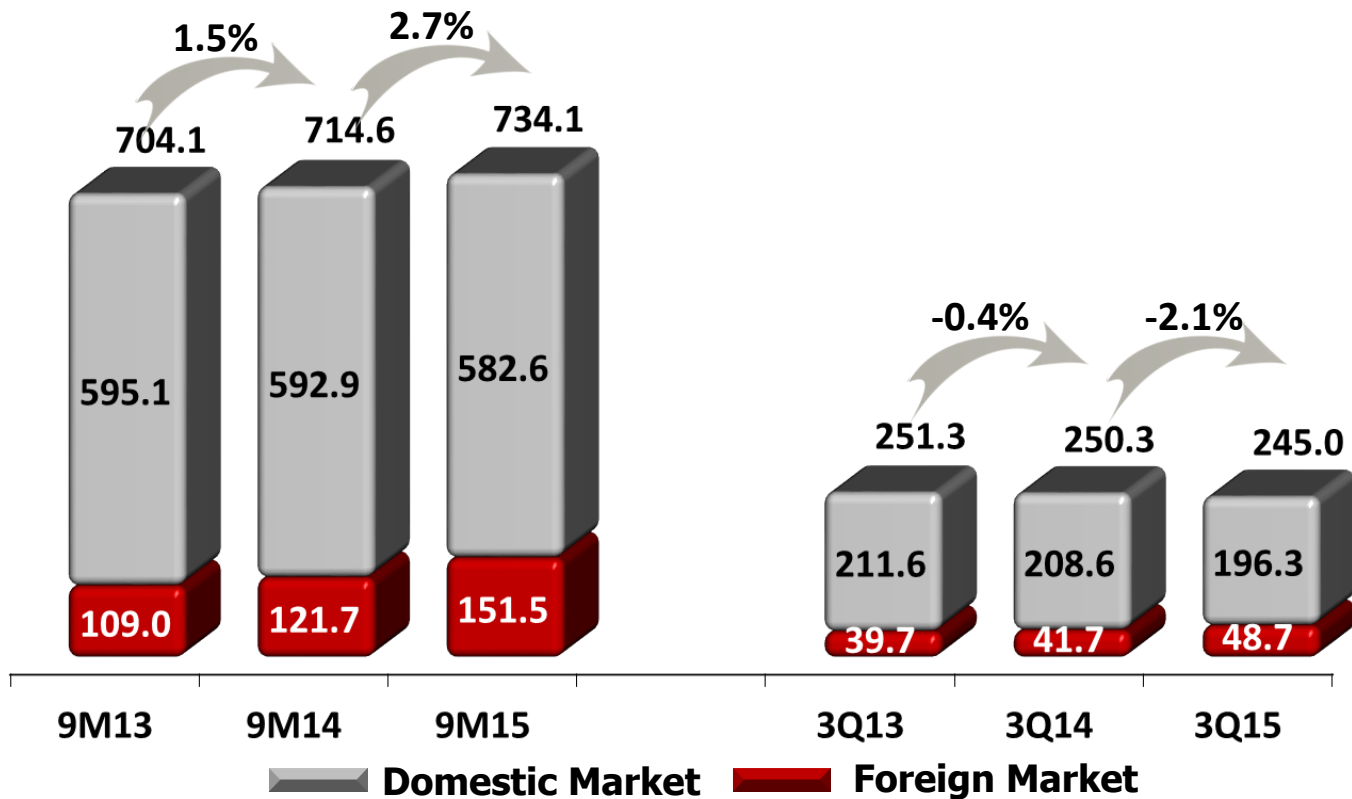
## Consolidated Net Revenue (R\$ million)

### 9M15 x 9M14

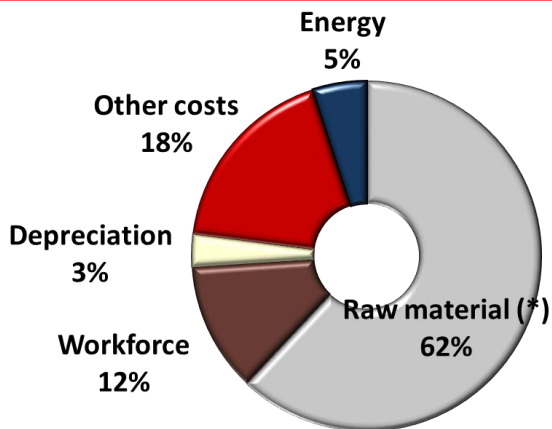
- Domestic Market – down by 1.7%
- Foreign Market – increase of 24.5%

### 3Q15 x 3Q14

- Domestic Market – drop of 5.9%
- Foreign Market – growth of 16.7%

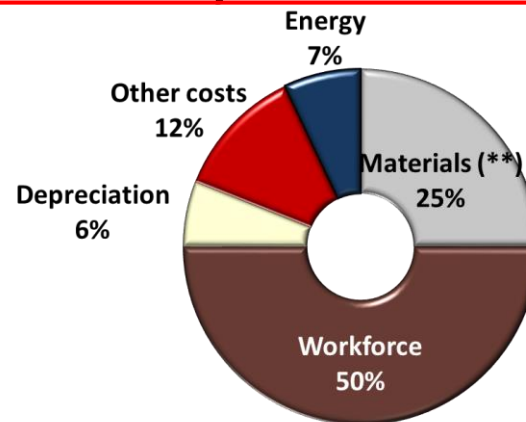


### Fiber-cement



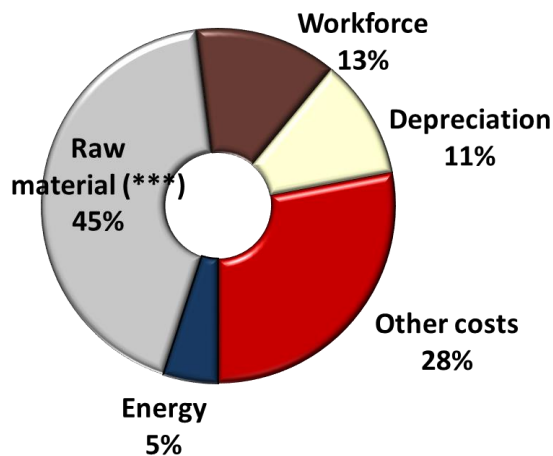
(\*) Cement (43%), Chrysotile Mineral (43%) and the others (14%)

### Chrysotile Mineral



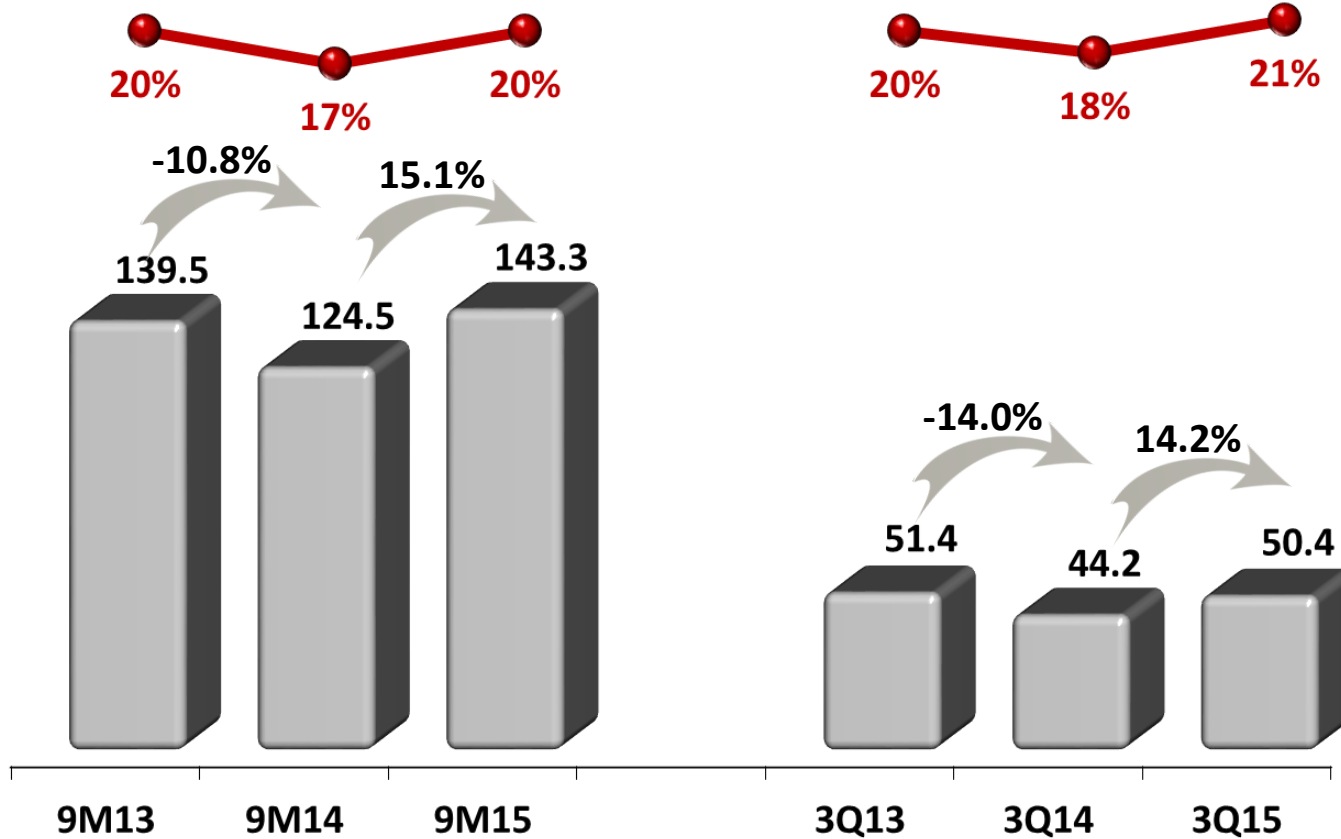
(\*\*) Fuel, explosives, packaging, among the others

### Concrete Tiles

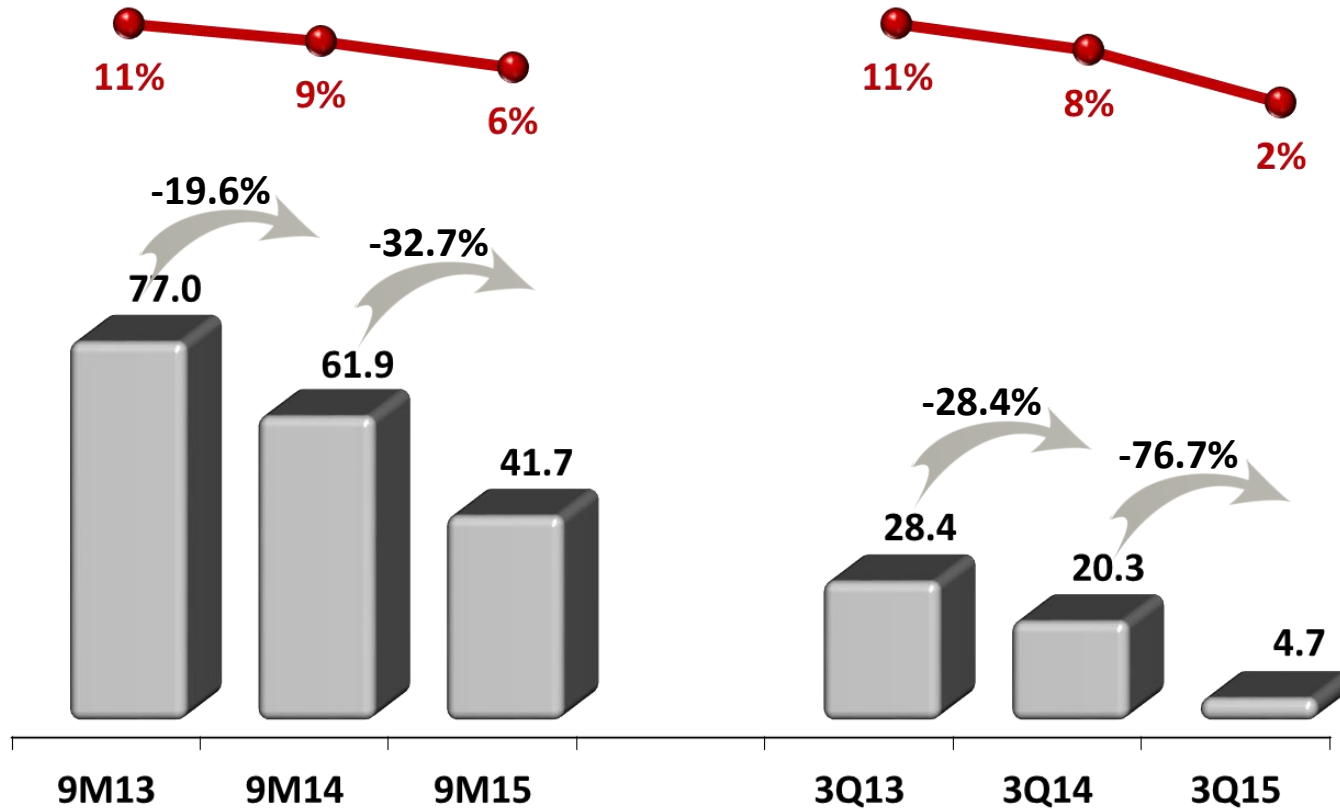


(\*\*\*) Cement (52%), sand (31%) and the others (17%)

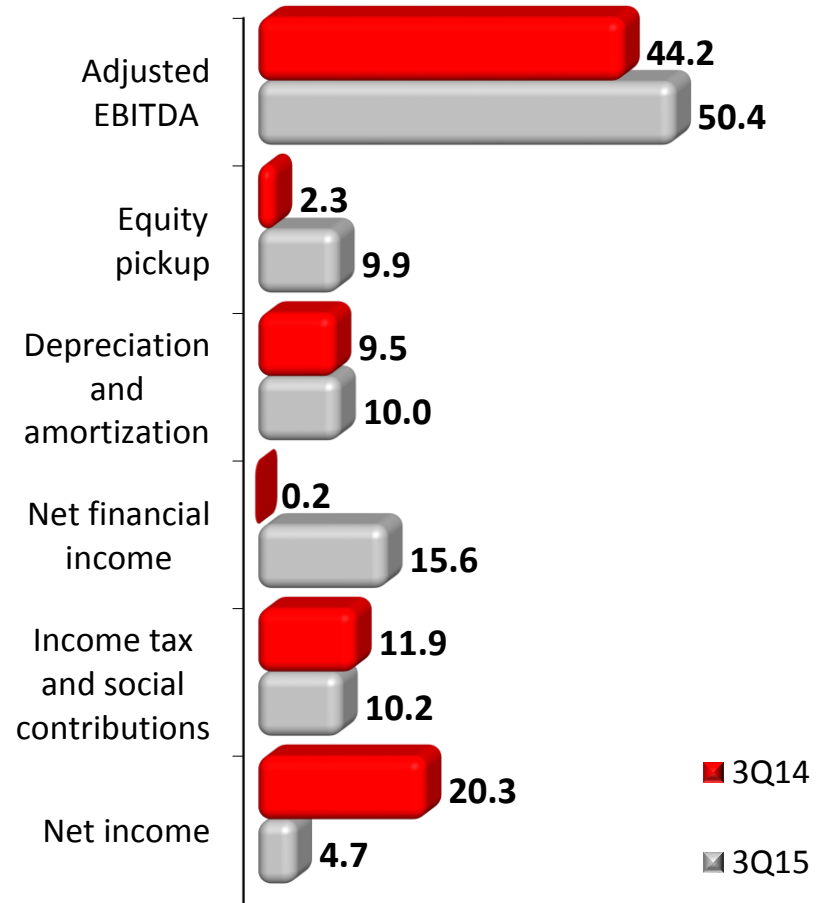
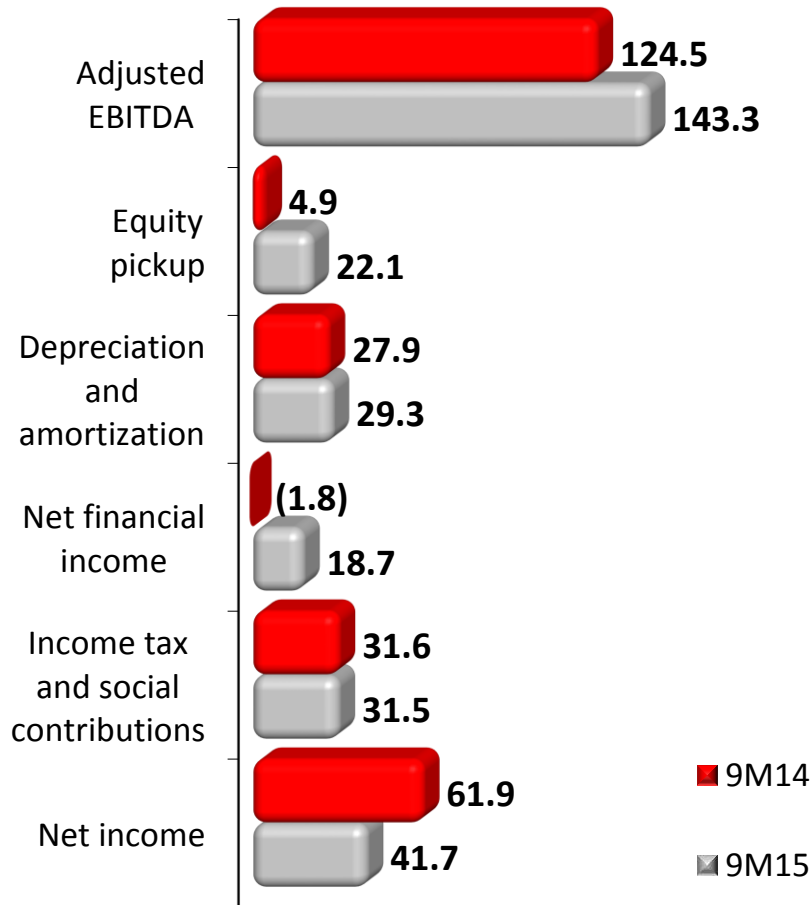
## Adjusted EBITDA (R\$ million) and Adjusted EBITDA Margin (%)



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



## Reconciliation of Adjusted EBITDA X Net Income



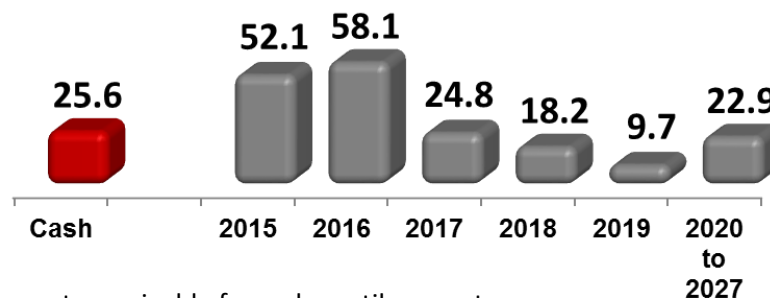
## Debt (R\$ million)

Debt	09/30/13	09/30/14	09/30/15
Short-term gross debt	40.7	66.6	107.4
Long-term gross debt	27.5	60.0	78.4
Cash and cash equivalents	(8.3)	(5.6)	(4.9)
Short-term investments (same cash equivalents)	(31.1)	(36.5)	(20.7)
<b>Net debt</b>	<b>28.8</b>	<b>84.5</b>	<b>160.2</b>
EBITDA (last 12 months)	189.3	161.9	167.2
<b>Net debt / EBITDA x</b>	<b>0.15</b>	<b>0.52</b>	<b>0.96</b>
EBITDA (last 12 months)	193.5	169.3	198.0
<b>Net debt / EBITDA x</b>	<b>0.15</b>	<b>0.50</b>	<b>0.81</b>
<b>Net debt / Equity</b>	<b>5.7%</b>	<b>16.4%</b>	<b>30.7%</b>

### Origin of debt

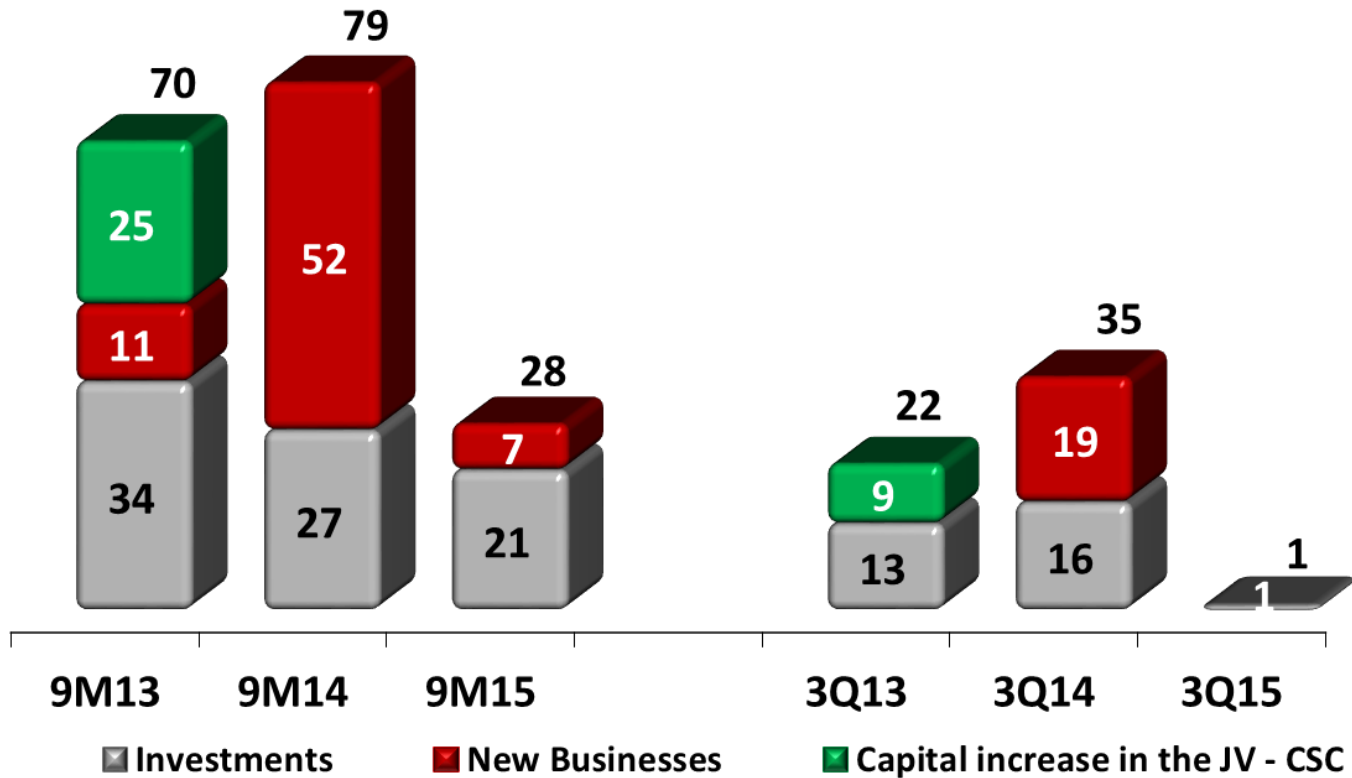


### Repayment Schedule



\* In 3Q15 the debt in foreign currency was 86% naturally hedged by accounts receivable from chrysotile exports.

## Capital Expenditures (R\$ million)

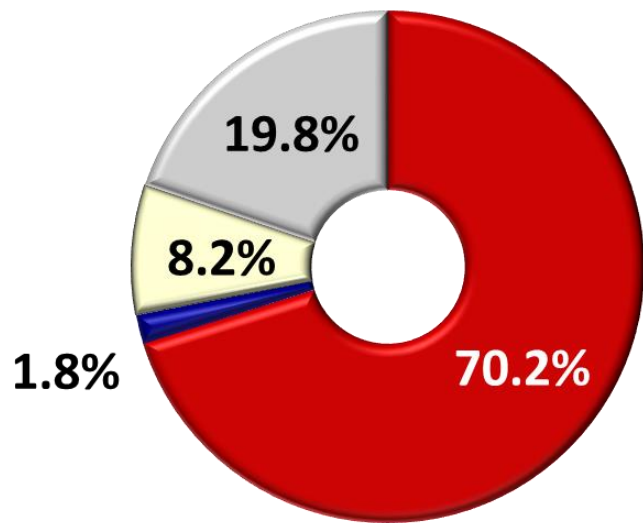




# Eternit

Capital Markets





- Individual Investors
- Corporations
- Investors Abroad
- Clubs, Funds and Foundations

**FREE-FLOAT** | **84.6%**

\*Independent directors in accordance with BM&FBOVESPA Novo Mercado Regulations

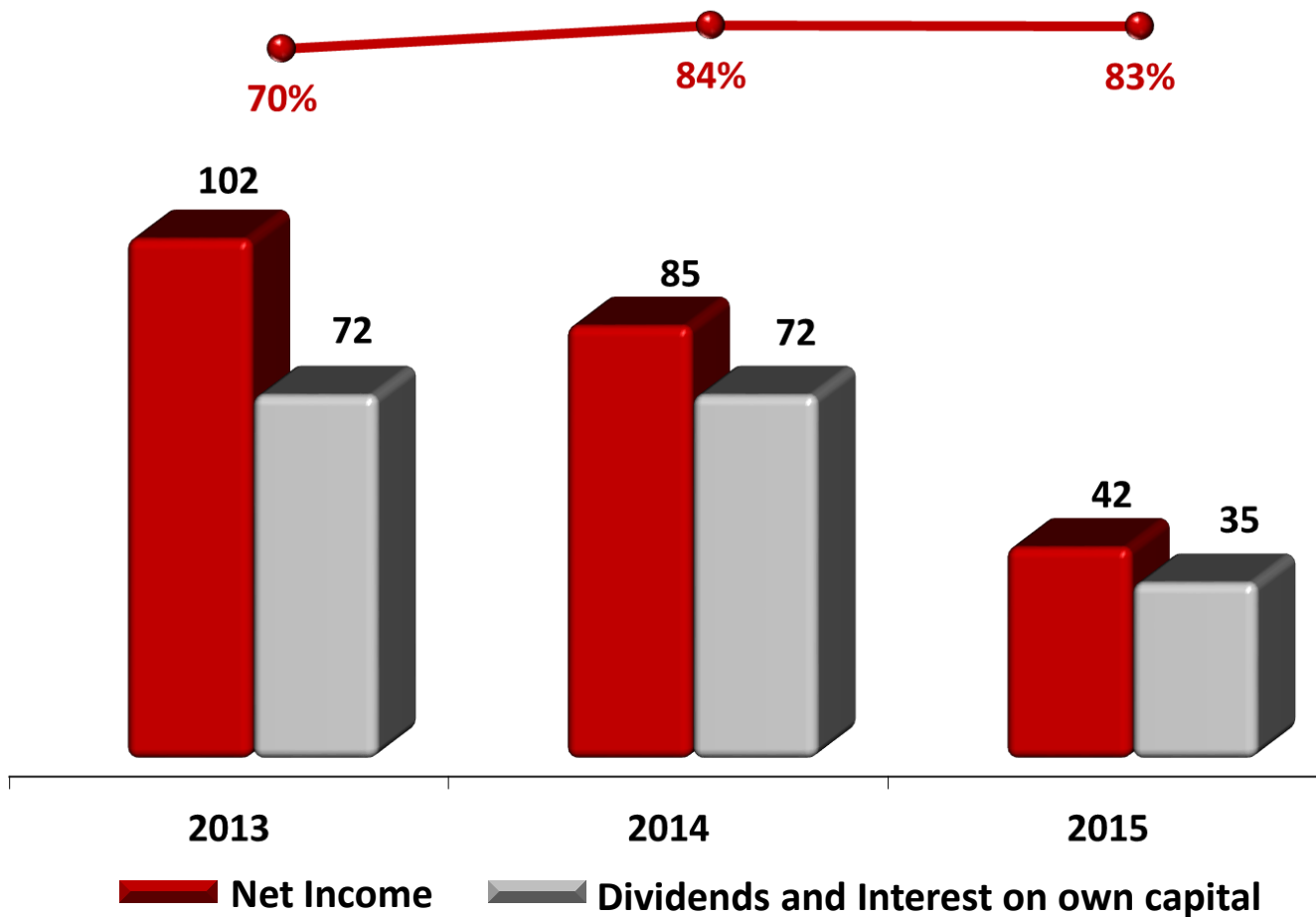
Highlights	
Geração L. Par. F. I. A.	13.80%
Luiz Barsi Filho	13.75%
Victor Adler	7.59%
Directors	1.12%
Stocks in Treasury	0.03%

Board of Directors	Member since
Luis Terepins* - President	2011
Lírio Albino Parisotto*	2004
Marcelo Munhoz Auricchio*	2011
Leonardo Deeke Boguszewski*	2014
Marcelo Gasparino da Silva*	2014
Luiz Barsi Filho*	2015
Raphael Manhães Martins*	2015

Board of Auditors	Member since
André Eduardo Dantas - Coordinator	2013
Paulo Henrique Z. Funchal	2013
Benedito Carlos Dias da Silva	2015
Luciano Luiz Barsi	2015
Robert Juenemann	2015

## Policy of Remuneration Net Income x Distributed Earnings (R\$ million)

Pay Out





# Eternit

**Chrysotile – The Brazilian Mineral**

## Chrysotile – The Brazilian Mineral

The use of Chrysotile ore in Brazil is regulated by the Federal Law 9,055/95, by Decree 2,350/97 and by regulatory standards for occupational health and safety. It is also provided in the Convention 162 of the International Labor Organization (OIT).

White Mineral

Bends and silky fibers without tip

High Concentration of Magnesium:  $3\text{MgOSiO}_2\text{H}_2\text{O}$

Biopersistence\*: 2.5 days

**\*Biopersistence:** Time that a inhaled particle remains in the lungs before being eliminated by the body's defense mechanisms. To cause lung damage, the fiber must have penetration and durability capacities in the alveoli.



Serpentine rock with chrysotile mineral fibers

For further information, please visit: <http://www.eternit.com.br/ir>



# Eternit

Recognitions

### Human Resources

- Eternit
  - 150 Best Companies to Work For
- SAMA
  - Great Place To Work Brazil 2015
  - 150 Best Companies to Work For



### Commercial

- Eternit
  - 2015 ANAMACO Award



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