

The image features the Eternit logo in red text at the top left. The background is a collage of architectural drawings and photographs. On the left, a photograph shows a modern building with a grey facade and a glass-enclosed balcony. On the right, a photograph shows a two-story house with a balcony, overlaid with a grid of technical drawings. The drawings include various dimensions and labels such as 'B', 'C', 'D', 'E', '120', '500', '747', '3000', '15000', '4110', '2610', '380', '5594', '4110', '3491', '2919', '3316', '364', '130', '310', '510', '1540', '1520', '1540', '4500', '1600', '1540', '3000', '160', and '10%'.

Eternit

Conference Call – Earning Results 2Q14 – 08/08/2014

Disclaimer

“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.”

Highlights of 2Q14 (when compared to 2Q13)






- Economic Figures registered variations of:
 - ✓ GDP Brazil¹: 0.9%
 - ✓ GDP for construction sector¹: -2.2%
 - ✓ ABRAMAT²: -4.6%
 - ✓ Eternit²: 1.0%
- Variation on sales volume in the segments below:
 - ✓ Chrysotile mineral: -11.0%
 - ✓ Fiber-cement: -2.2%
 - ✓ Concrete tiles: -20.0%
- Consolidated Net Revenue amounted to R\$ 220.6 million, down 8.6%;
- EBTIDA decreased 25.7%, reaching R\$ 35.3 million;
- Net Income totaled R\$ 18.1 million, decreasing 33.2%;
- Recognitions: in the areas of Human Resources and Marketing;
- R\$ 53.7 million in earnings distributed and Dividend Yield at 6.9% in the year.

¹ Projected growth for Brazil GDP and construction GDP in 2014.

² Variation in the 1H14vs1H13 corrected for inflation in accordance with the IGP-M indicator.

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The largest and most diversified roof coverings industry in Brazil

					
Activity	Manufacture of fiber-cement and construction solutions and commercialization of metal fixtures		Chrysotile Mining	Manufacture of concrete tiles	Manufacture of bathroom chinaware
Industrial Units	4	1	1	6	1
Market Share – 2013	Leader in fiber-cement – 31% of Market Share		The world's 3 rd largest – 15% of Market Share	Leader in concrete tiles – 30% of Market Share	5 th largest of Brazil in sanitary ware
Annual Capacity	1 million tons / fiber cement		300 thousand tons	10 million m ²	1.5 million pieces
Capacity Used – 2Q14	Fiber cement – around 90%		100%	Around 50%	Ramp-up period

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Operational Performance

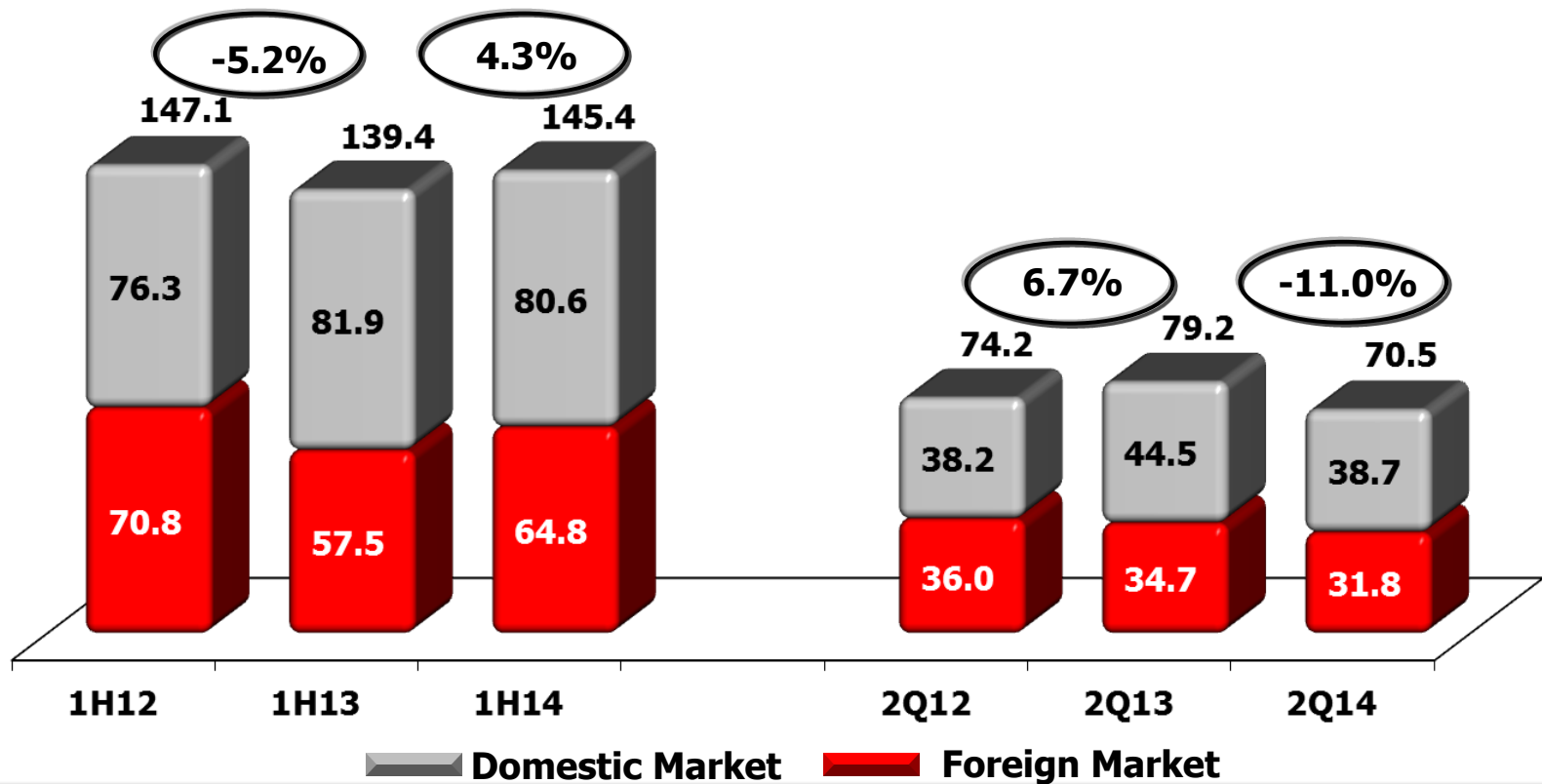
Sales of Chrysotile Mineral (thous. tons)

1H14 x 1H13

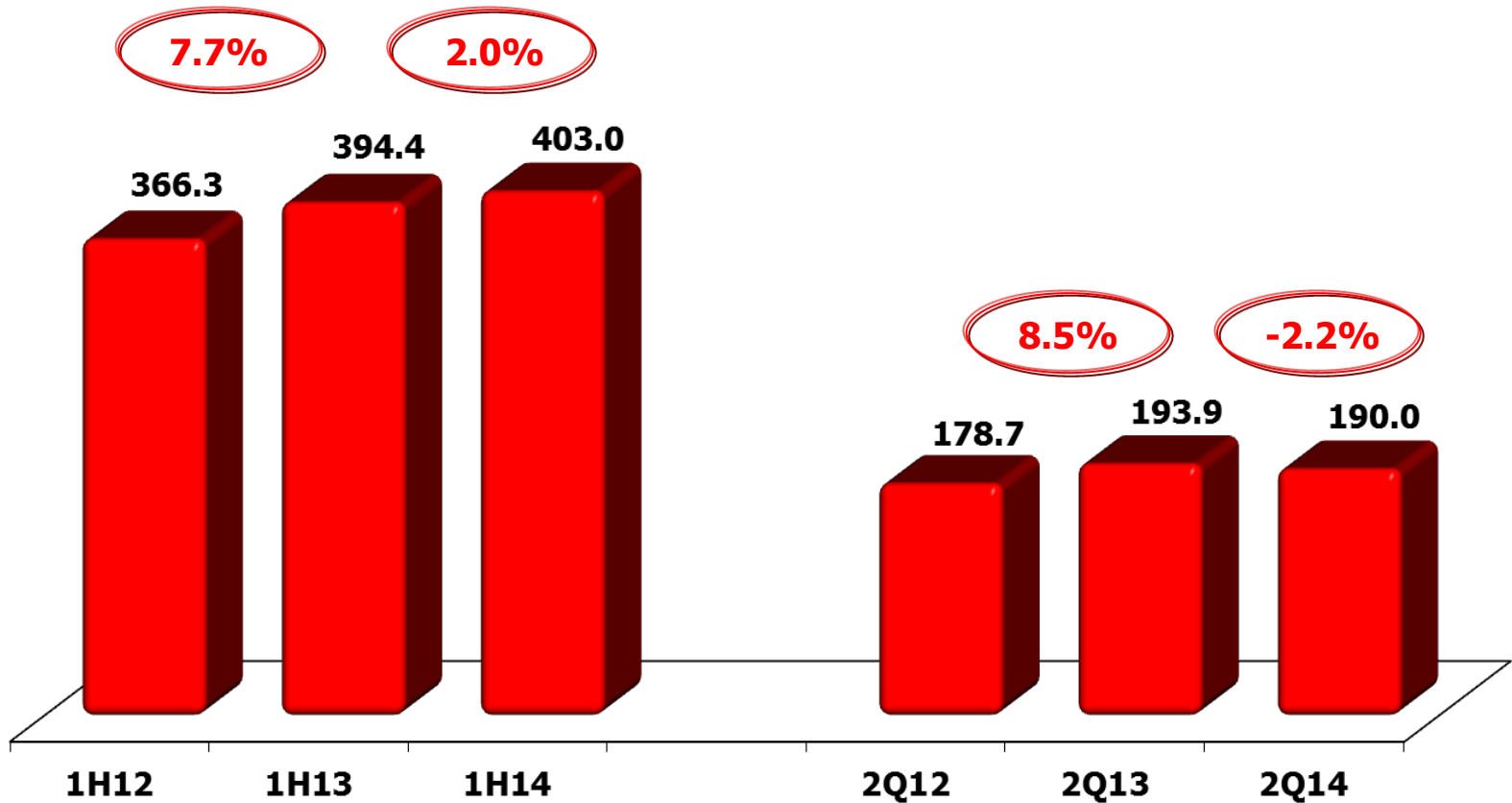
- Domestic Market – decrease of 1.8%
- Foreign Market – increase of 12.8%

2Q14 x 2Q13

- Domestic Market – down by 13.1%
- Foreign Market – decrease of 8.3%

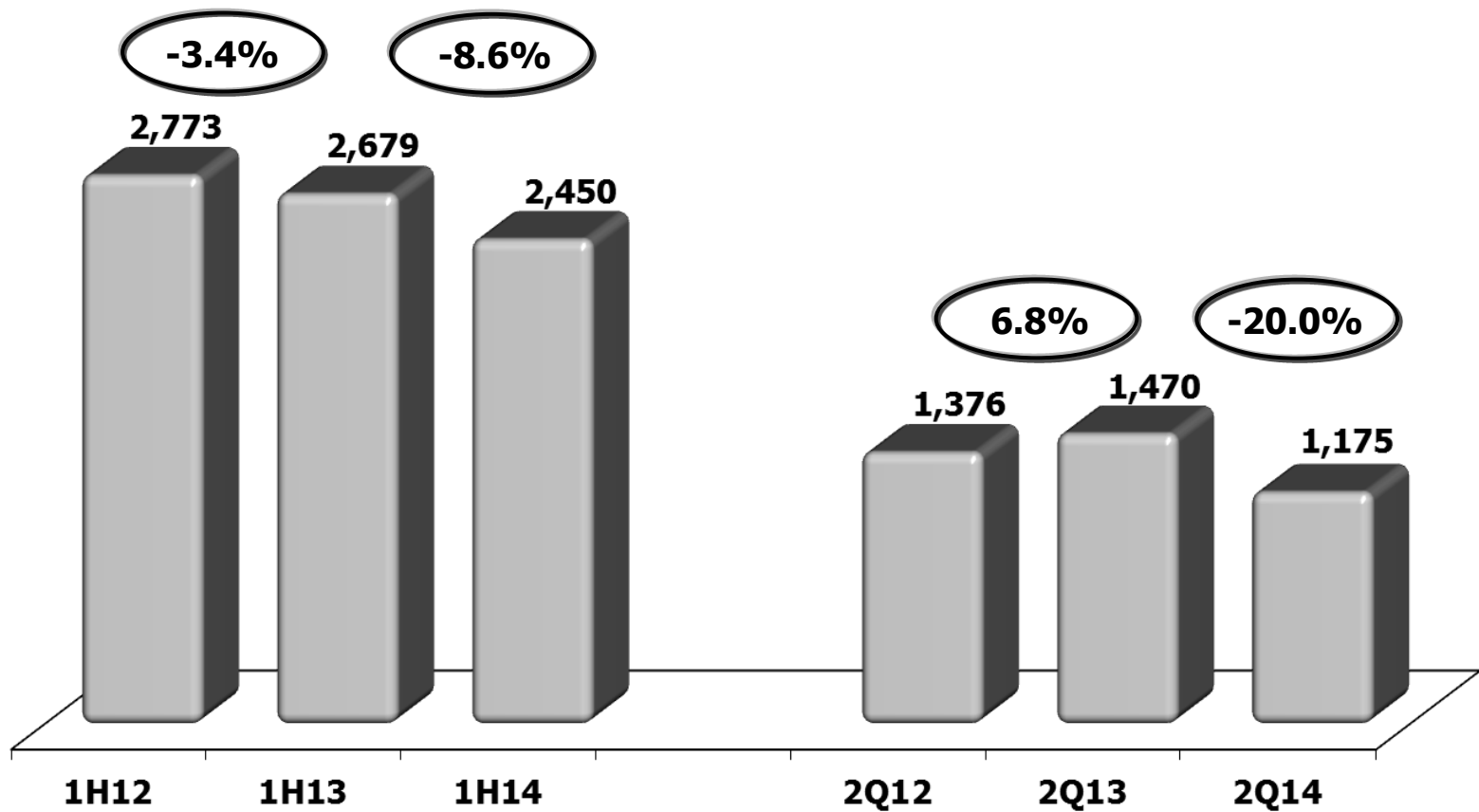


Sales of Fiber-Cement* (thous. tons)



* Includes construction solutions

Sales of Concrete Tiles (thous. square meters)

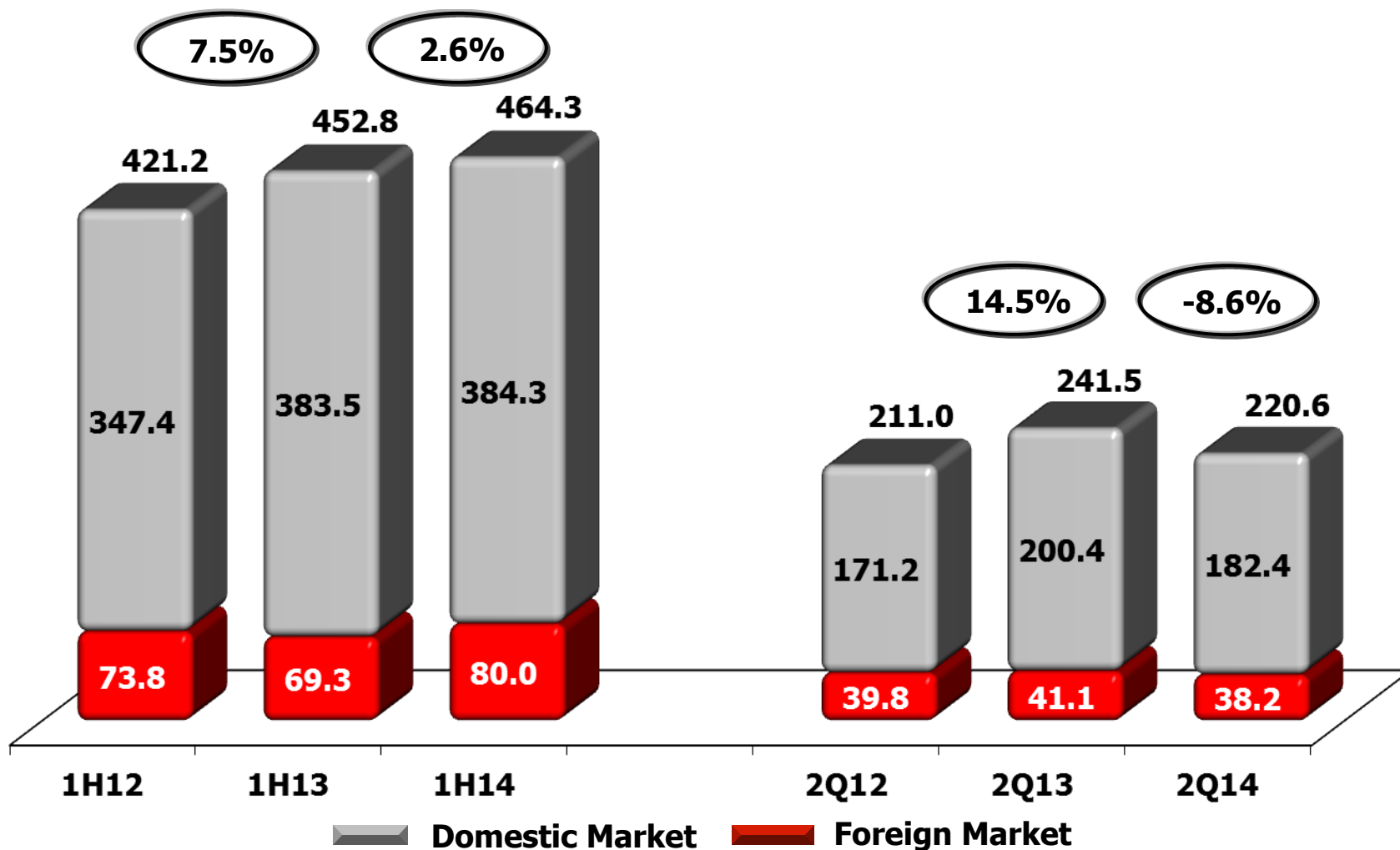


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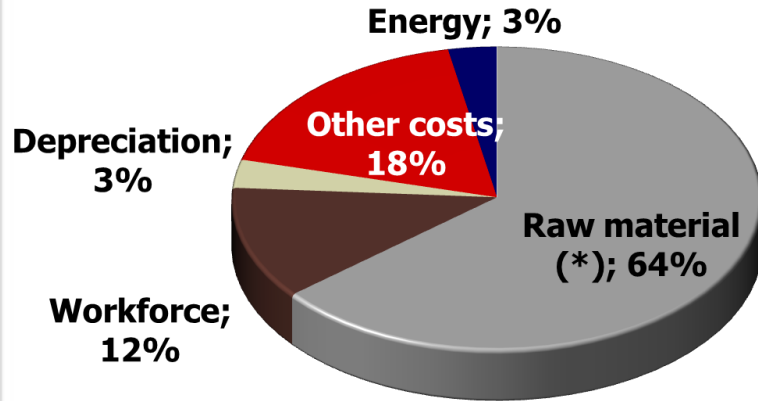
Economic and Financial Information

Consolidated Net Revenue (R\$ million)



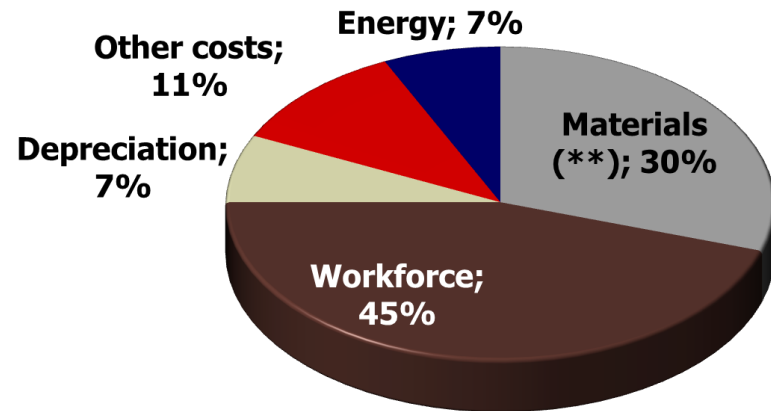
COGS Breakdown – 2Q14

Fiber-Cement



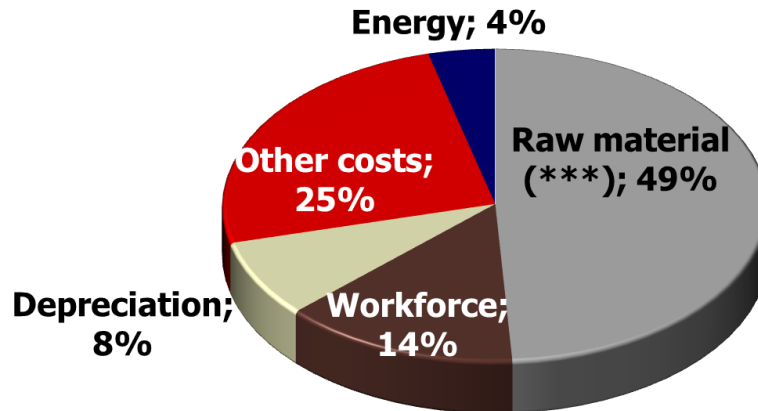
(*) Cement (45%), Chrysotile Mineral (42%) and the others (13%)

Chrysotile Mineral



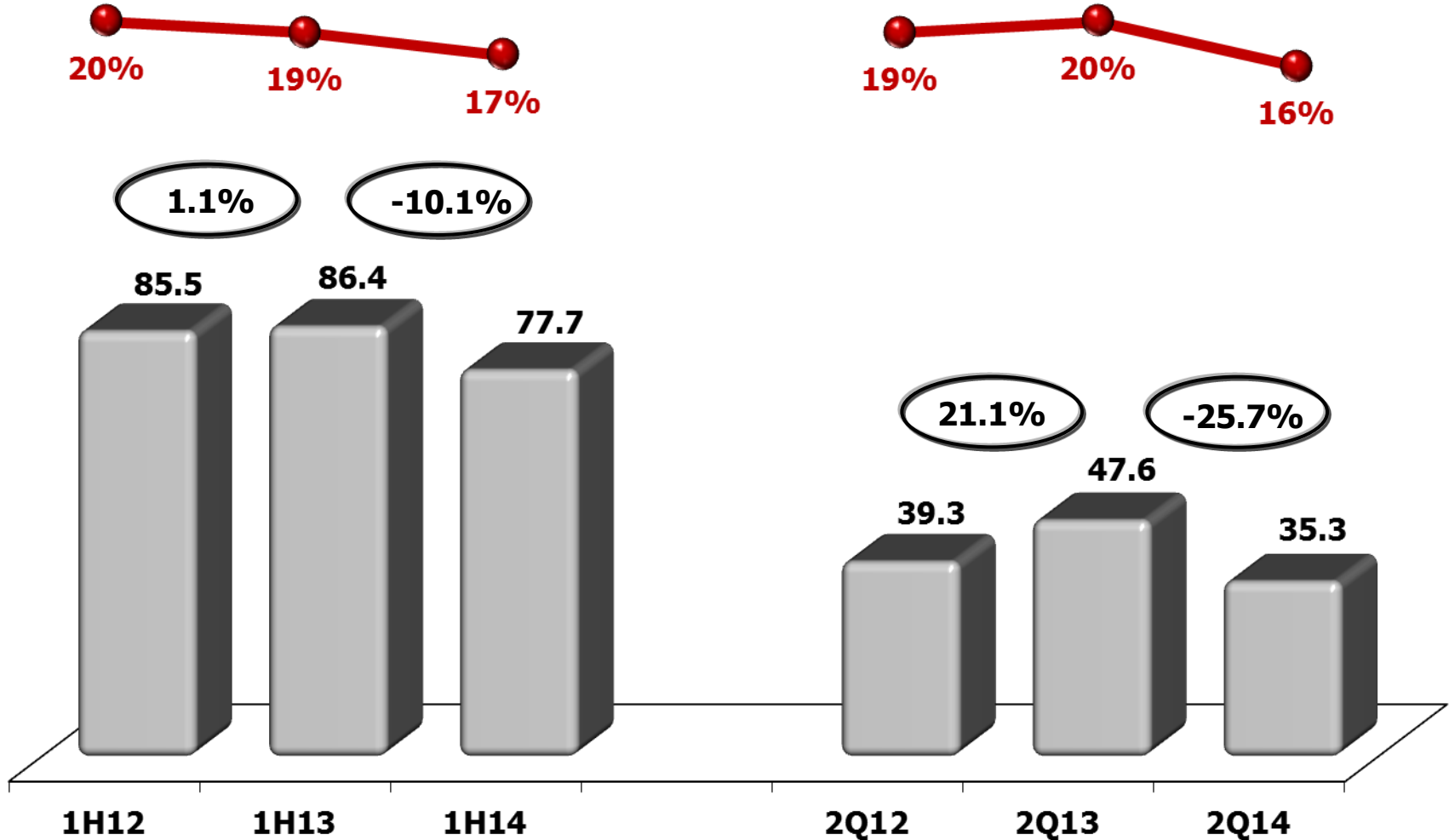
(**) Fuel, explosives, packaging, among the others

Concrete Tiles

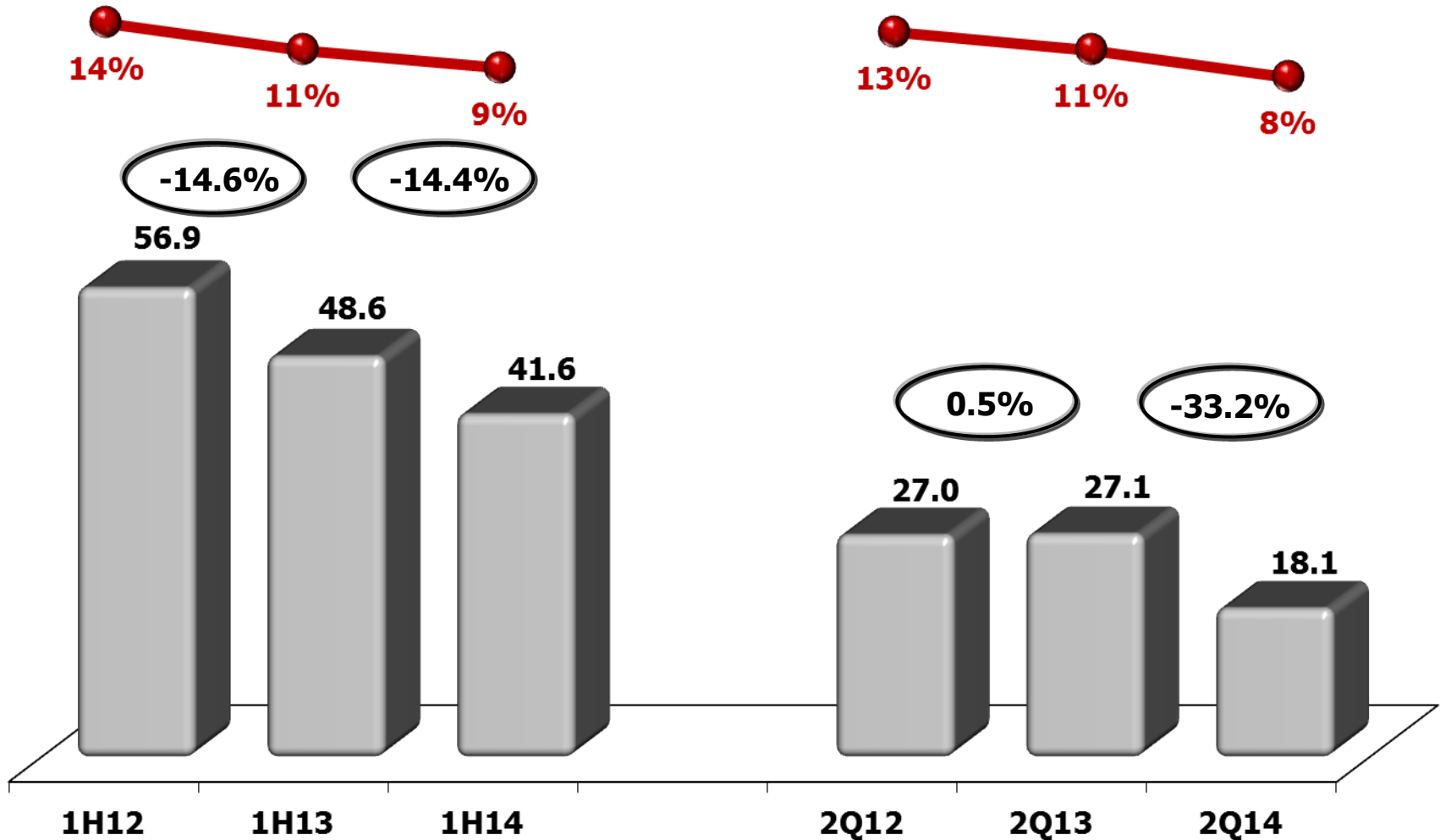


(***) Cement (54%), sand (29%) and the others (17%)

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



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



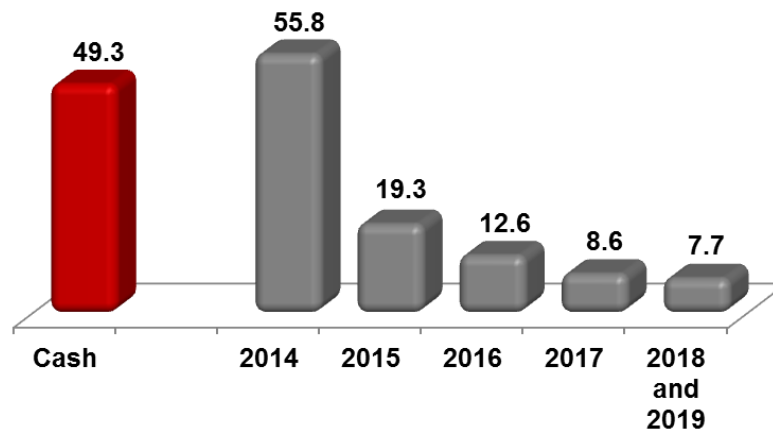
Debt (R\$ million)

Debt	06/30/13	12/31/13	06/30/14
Short-term gross debt	55.6	56.9	55.8
Long-term gross debt	34.4	25.8	48.2
Cash and cash equivalents	(6.6)	(13.3)	(5.0)
Short-term investments (same cash equivalents)	(49.5)	(35.7)	(44.4)
Net debt	33.9	33.7	54.6
EBITDA (last 12 months)	185.3	178.0	169.3
Net debt / EBITDA x	0.18	0.19	0.32
Net debt / Equity	6.9%	6.7%	10.7%

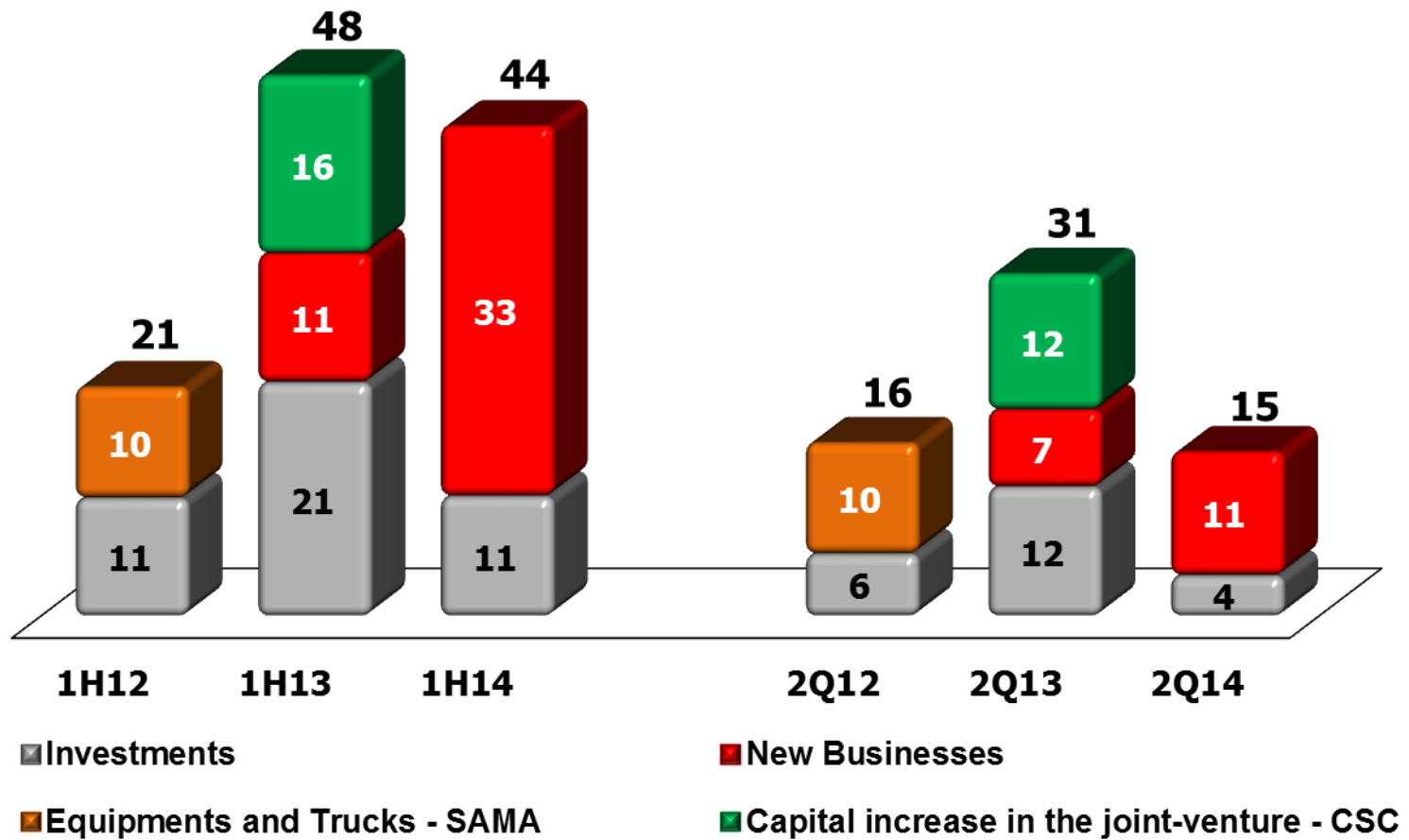
Origin of debt



Repayment Schedule



Capital Expenditures (R\$ million)

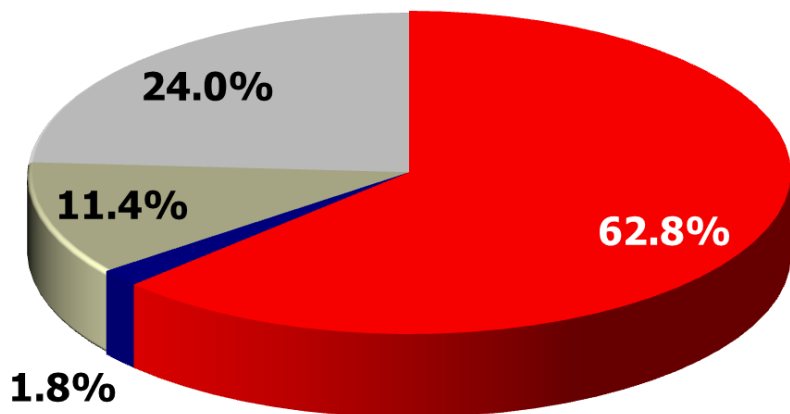


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Capital Markets

Shareholding Structure – Jul/14



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

FREE-FLOAT

98.5%

Highlights

Geração L. Par. F. I. A.	15.25%
Luiz Barsi Filho	13.61%
Victor Adler + VIC DTVM	8.84%
Directors	1.24%
Stocks in Treasury	0.03%

Board of Directors (*)

Member since

Luis Terepins – President	2011
Lírio Albino Parisotto	2004
Marcelo Munhoz Auricchio	2011
Benedito Carlos Dias da Silva	2012
Leonardo Deeke Boguszewski	2014
Marcelo Gasparino da Silva	2014

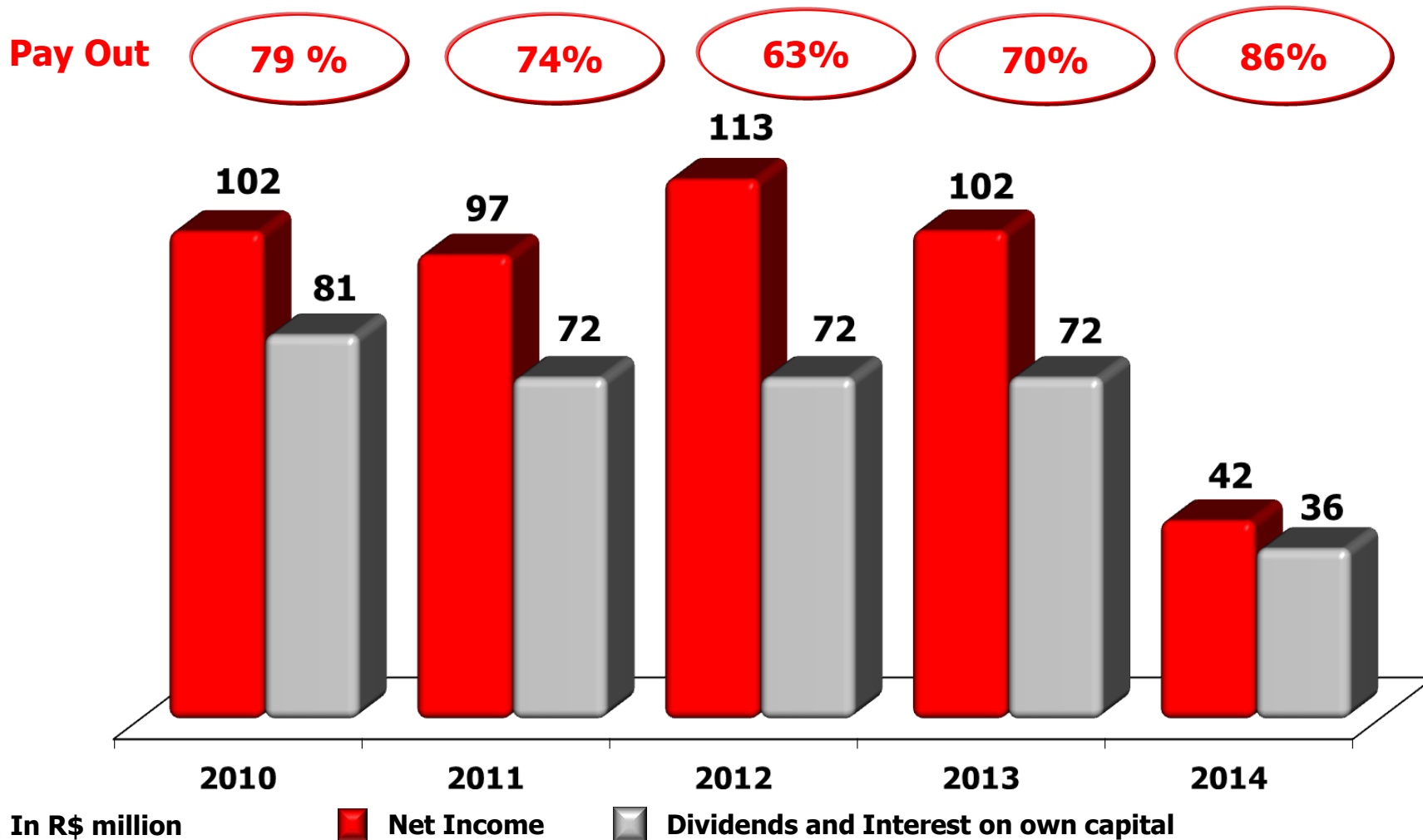
(*) 100% of the Members are independent

Board of Auditors

Member since

André Eduardo Dantas	2013
Edson Carvalho de Oliveira Filho	2013
Paulo Henrique Zukanovich	2013

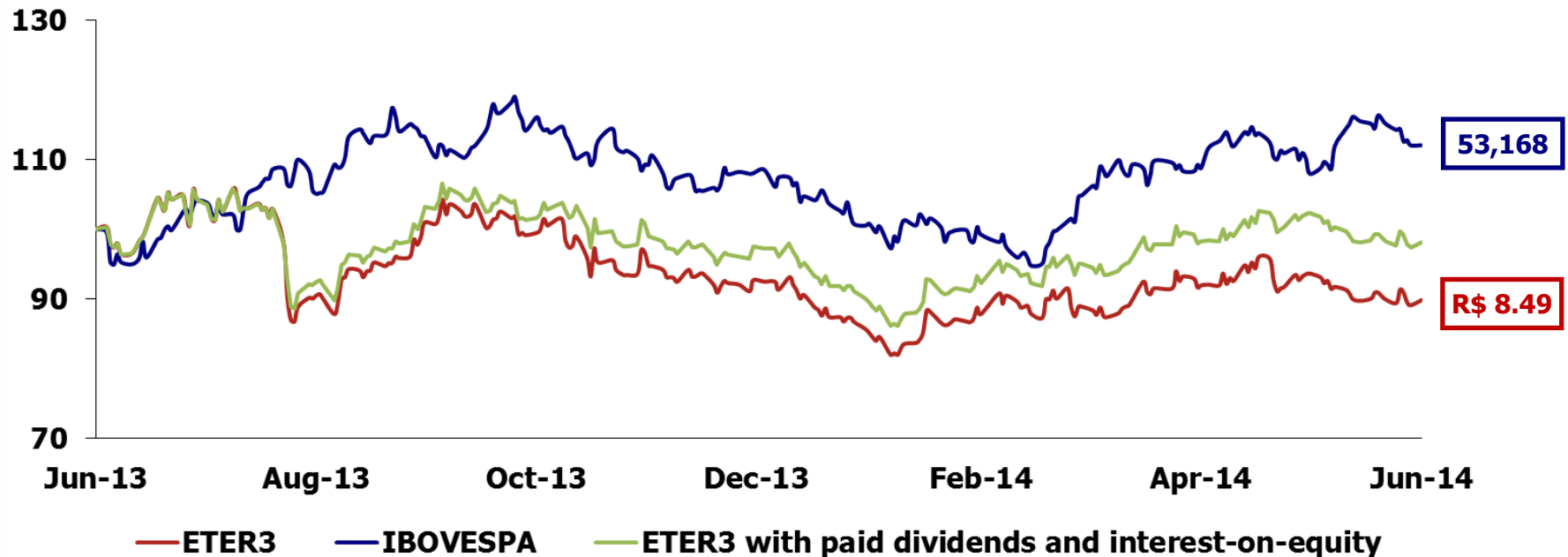
Policy of Remuneration - Net Income X Distributed Earnings



Eternit's Shares Performance

Between 06/28/2013 to 06/30/2014, Eternit's shares depreciated **10.2%** and IBOVESPA appreciated **12.0%**.

In the same period, including the payment of dividends and interest on own capital, Eternit's shares depreciated **1.8%**.





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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.



Serpentinite rock with chrysotile mineral fibers

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

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Recognitions

Recognitions – Human Resources



SAMA was elected the **6th best** between **The 2014 Best Workplaces in Latin America** at GTPW ranking, and was the only mining company awarded at the international GTPW in the category of 500 to 1,000 employees.



SAMA was elected, for the fourth consecutive time, with the prize **GPTW Best Companies to Work for – Midwest – 2014**, getting the **1st position** at GTPW ranking.

Recognitions – Human Resources and Marketing



Messrs. Flávio Grisi e Moacyr de Melo Junior, **HR officer of Eternit** and **the HR manager of SAMA**, were awarded as the **Most Admired HR Departments in Brazil 2014**, organized by Gestão RH magazine.



Eternit received a prize at the **20th ABEMD Award – 2014**, granted by the Brazilian Direct Marketing Association (ABEMD), in the Digital/Mobile – Browsing Optimization category with its **“New Eternit Portal – The Brand of the Owl”** project.

Further Information

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