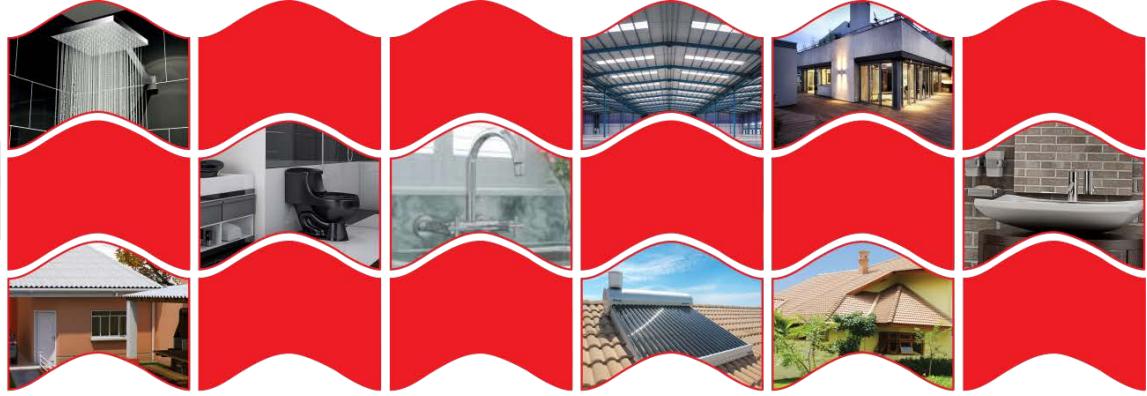


Eternit



Adjusted EBITDA grows 14% to R\$50.4 million in 3Q15

São Paulo, November 5, 2015 – Eternit S.A. (BM&FBovespa: ETER3;), which was founded 75 years ago and is Brazil's leading manufacturer of roofing tiles and a manufacturer of bathroom chinaware, metal fixtures and construction solutions, announces its results for the third quarter of 2015 (3Q15). Except where stated otherwise, the operational and financial information of the Company is presented on a consolidated basis in Brazilian real, in accordance with Brazilian Corporation Law and International Financial Reporting Standards (IFRS). All comparisons made in this press release are with the 3rd quarter of 2014 (3Q14), except where indicated otherwise.

3Q15

Stock price (10/30/15) ETER3

R\$/share 2.24
US\$/share 0.58

Shareholder base (10/30/15)

Total - Shares 179,000,000
Free Float 84.63%

Market Capitalization (10/30/15)

R\$400.9 million
US\$103.9 million

Shareholder payments (2015)

R\$0.294 per share
Dividend yield: 9.0%

Indicators - (Sep/15)

Book Value (R\$/share) 2.92
Price/Book Value 0.60
Price Earnings 4.80

Conference Call / Webcast

November 6, 2015

Time: 2:00 p.m. (Brasília) – 11:00 a.m. (New York) and 4:00 p.m. (London)

Dial in:

Participants in Brazil: **(55 11) 3193-1001 or 2820-4001**
Participants in other countries: **+1 786 924-6977**
Password: **Eternit**

Conference Call:

www.eternit.com.br/ir

Talk to IR

Contact the IR team:

ri@eternit.com.br

For more information, visit:

www.eternit.com.br/ir



@Eternit_RI

Construction materials registered weak sales in the domestic market in the third quarter of 2015, according to the Brazilian Construction Materials Industry Association (ABRAMAT). During the period, despite the economic deceleration and contraction in the segment, Eternit outperformed the industry.

Chrysotile asbestos sales in 3Q15 totaled 57,700 tons, decreasing 19.4% from 3Q14 due to lower demand in the construction materials industry. In the same period, fiber-cement sales reached 202,300 tons, down 13.1% from 3Q14, whereas concrete roofing tiles sales decreased 20.3%, mainly due to the industry slowdown, higher unemployment, lower household income and credit restrictions.

Consolidated net revenue in 3Q15 amounted to R\$245.0 million, down 2.1% from 3Q14, due to the decrease in volume sold, which was partially offset by the increase in the net revenue from exports by the subsidiary SAMA.

Adjusted EBITDA in 3Q15 reached R\$50.4 million, 14.2% higher than in 3Q14, due to the 5.1% increase in gross profit and the reduction in operating expenses. Net income decreased by 76.7% from 3Q14 to reach R\$4.7 million in 3Q15, mainly due to net foreign exchange loss on the Company's debt in foreign currency amounting to R\$11.3 million.

In line with the Company's strategy to consolidate the investments which had been made in recent years, investments in 3Q15 totaled R\$1.5 million and were allocated to maintenance and modernization of the Group's industrial facilities.

A notable event subsequent to the reporting period was the election of Eternit in October 2015 as one of the 150 Best Companies to Work For by the 2015 Guide of the *Você S/A* magazine. This achievement is recognition of the Company's constant pursuit of excellence in corporate governance, with the focus on employee development, good management practices and maintenance of a safe and pleasant work environment.

Main Indicators

Consolidated - R\$ '000	3 rd Quarter			Accum. 9 Months		
	2015	2014	% Chg.	2015	2014	% Chg.
Gross revenues	306,055	320,357	(4.5)	923,655	909,225	1.6
Net revenues	244,986	250,270	(2.1)	734,127	714,590	2.7
Gross profit	100,255	95,392	5.1	287,601	275,612	4.4
<i>Gross margin</i>	41%	38%	3 p.p.	39%	39%	-
Operating income (EBIT) ¹	30,589	32,396	(5.6)	91,924	91,644	0.3
Net income	4,734	20,308	(76.7)	41,678	61,925	(32.7)
<i>Net margin</i>	2%	8%	- 6 p.p.	6%	9%	- 3 p.p.
EPS (R\$/share) ²	0.03	0.11		0.23	0.35	
Investments	1,498	34,998	(95.7)	28,466	78,980	(64.0)
EBITDA ²	40,595	41,864	(3.0)	121,273	119,581	1.4
<i>EBITDA Margin</i>	17%	17%	-	17%	17%	-
Adjusted EBITDA over equity pickup	50,451	44,185	14.2	143,341	124,504	15.1
<i>Adjusted EBITDA Margin</i>	21%	18%	3 p.p.	20%	17%	3 p.p.

¹ Before financial results.

² Operating income before interests, taxes, depreciation and amortization

Economy and the Market

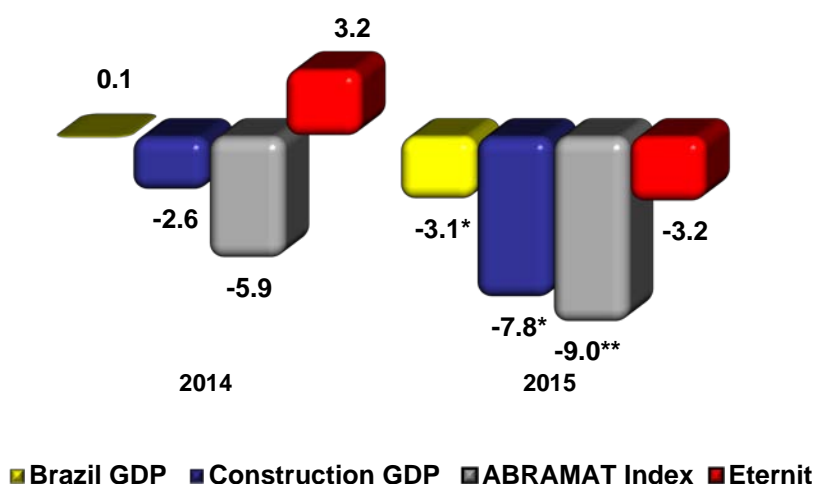
The Monetary Policy Committee (Copom) of the Central Bank of Brazil believes that domestic economic activity in 2015 continues to be influenced by the macroeconomic adjustment currently being implemented and that the growth pace of domestic economic activity will be lower than its potential. Copom also points out that after the necessary period of adjustments, economic activity should gain momentum as business and consumer confidence increase.

In line with this scenario of economic change, lower consumer confidence and sluggish industrial activity, projections of economic performance have dipped. Compared to 2014, Gross Domestic Product (GDP) in 2015 is expected to shrink by 3.1%, whereas construction GDP should decrease by 7.8%, according to the FOCUS market readout of October 30, 2015 and the September 2015 Inflation report, respectively, published by the Brazilian Central Bank (BACEN).

According to ABRAMAT, total revenue deflated by domestic construction material sales in 9M15 declined 11.4% from the same period in 2014, below the forecast contraction for 2015 of 9.0%, due to economic uncertainties, higher unemployment, lower household income and credit restrictions.

In comparison, Eternit's¹ consolidated gross revenue growth of -3.2% in 9M15 was superior to industry's performance, as previously stated.

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 in the year.

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

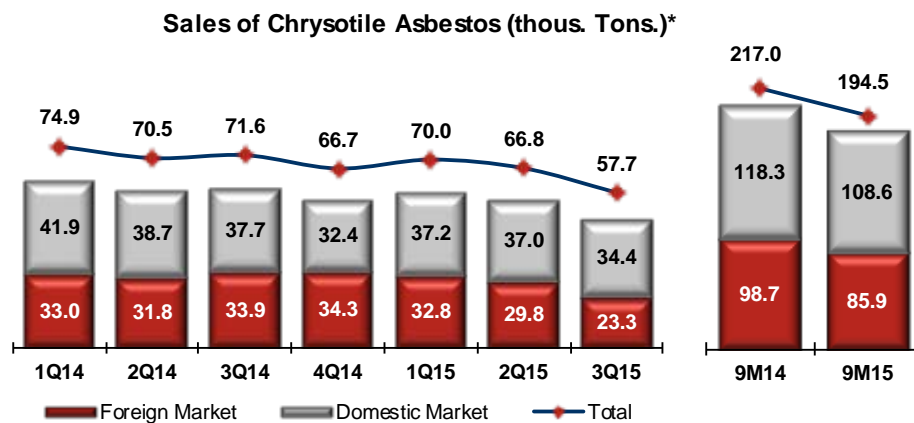
¹ ETERNIT – Growth of Eternit's consolidated gross revenue compares the period from January to September 2015 with the same period in 2014, deflated by the IGP-M index.

Operational and Financial Aspects

Sales

Chrysotile Mineral

In 3Q15, chrysotile mineral sales reached 57,700 tons, down 19.4% from 3Q14. Domestic sales decreased by 8.7% in the same period, mainly due to the lower demand for construction materials, while exports declined 31.3%, mainly due to the cooling down of the Asian economies.

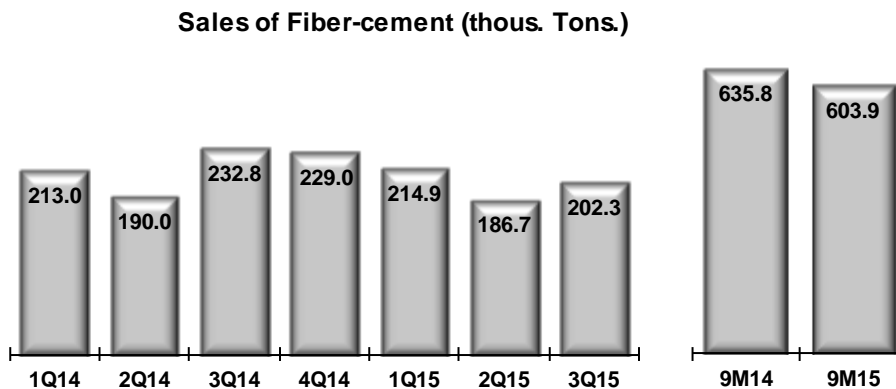


(* Chrysotile asbestos sales include intercompany sales, which accounted for 46.6% of domestic sales in 3Q15.

Sales in 9M15 totaled 194,500 tons, decreasing 10.4% from 9M14, as previously mentioned.

Fiber-cement

Sales of fiber-cement, including construction solutions, totaled 202,300 tons in 3Q15, down 13.1% from 3Q14, due to the contraction of the construction materials industry, higher unemployment, lower household income and credit restrictions.

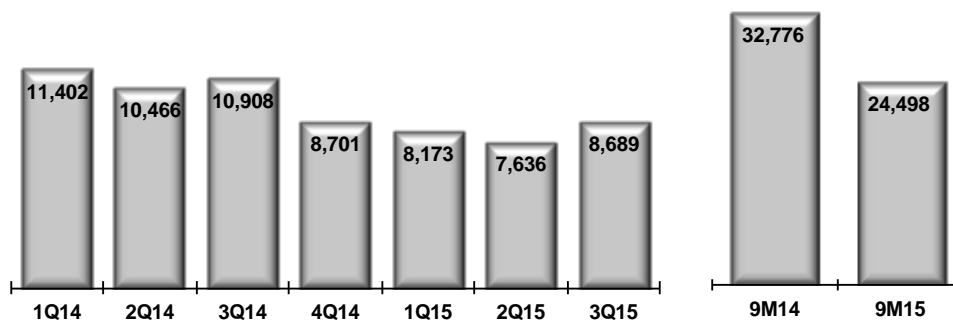


In 9M15, sales reached 603,900 tons, down 5.0% from 9M14 due to the aforementioned aspects.

Concrete Tiles

In 3Q15, the concrete tiles sales totaled 8,689,000 pieces, a decline of 20.3% from 3Q14, caused by the sharp decline in demand across the industry, especially in this segment, as well as lack of consumer confidence and the slower pace of construction work due to economic uncertainties.

Sales of Concrete Roofing Tiles (thousand pieces)



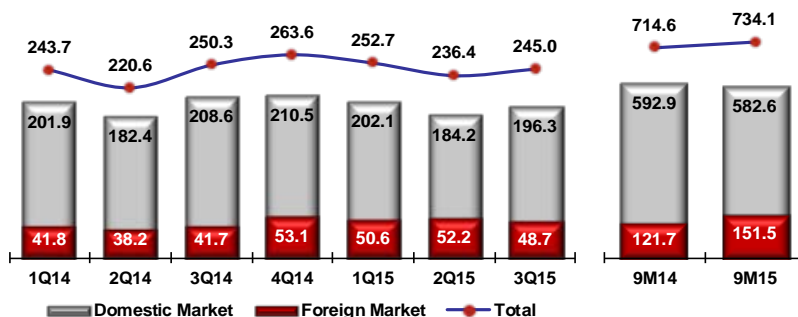
In 9M15, sales volume reached 24,498,000 pieces, down 25.3% from 9M14, due to the factors mentioned above.

Consolidated Net Revenue

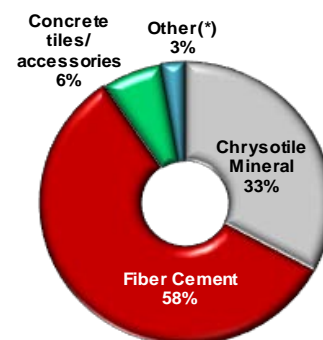
Consolidated net revenue in 3Q15 reached R\$245.0 million, down 2.1% from 3Q14. Domestic market revenue was R\$196.3 million, down 5.9%, mainly due to the slump in demand across the construction materials sector. Net revenue from exports increased 16.7% from 3Q14, totaling R\$48.7 million, driven by the 55.5% appreciation of the U.S. dollar against the Brazilian real (comparison of the average PTAX rate in the period).

Comparing 3Q15 and 3Q14 by product lines, chrysotile mineral recorded revenue growth of 6.9% to reach R\$80.6 million. In contrast, revenue from fiber-cement and concrete roofing tiles and roofing accessories declined by 3.7% and 21.4% to R\$141.3 million and R\$16.3 million, respectively. Revenue from other products totaled R\$6.8 million, 8.7% lower than in 3Q14 due to lower market demand.

Consolidated Net Revenue (R\$ million)



Breakdown of Consolidated Net Revenue (3Q15)



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

In 9M15, net revenue amounted to R\$734.1 million, up 2.7% from the same period in 2014. This performance was driven by exports, which totaled R\$151.5 million, increasing by 24.5% from 9M14, primarily due to the 38.0% appreciation of the U.S. dollar against the Brazilian real (comparison of average PTAX in the period). Domestic sales totaled R\$582.6 million, virtually stable (down 1.7%) compared to the same period in 2014.

Cost of Mining, Production and Goods Sold

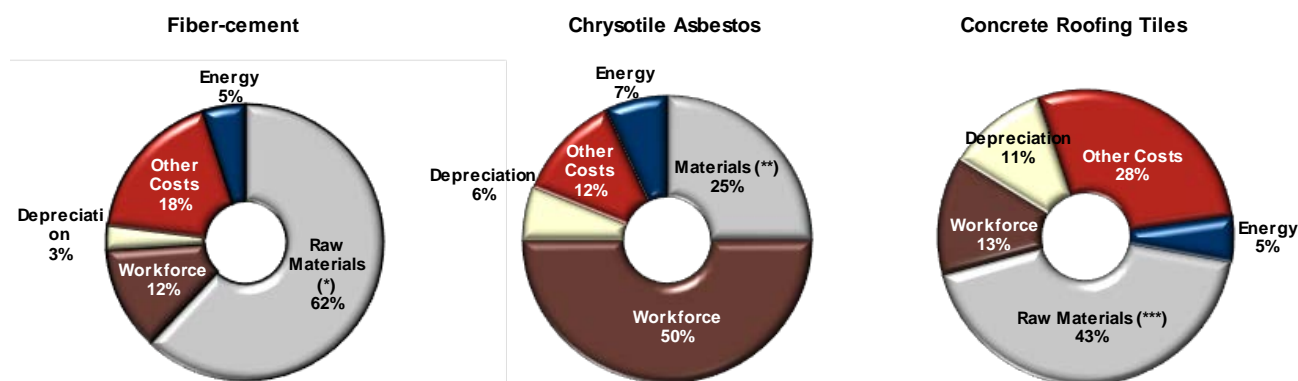
Consolidated cost of goods sold totaled R\$144.7 million in 3Q15, down 6.6% from 3Q14 as a result of lower sales volume. Due to price repositioning and appreciation of the U.S. dollar against the Brazilian real, as from January 2015 gross margin reached 41%, up 3 percentage points from the year-ago period.

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

Chrysotile mining: 28% increase due to decrease in the number working days to adjust the inventory level, higher costs of labor and materials (especially fuel) and higher electricity tariffs.

Fiber-cement: 12% increase due to the increase in the prices of raw materials (especially cement, chrysotile mineral and pulp), labor and electricity tariffs.

Concrete roofing tiles: 9% increase resulting from the increase in the prices of raw materials (especially sand, pigments and varnish) and electricity, in addition to low productivity levels.

Breakdown of Cost of Mining and Production (3Q15)


*Raw materials: cement (43%), chrysotile mineral (43%) and others (14%).

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

*** Raw materials: cement (52%), sand (31%) and others (17%).

In 9M15, consolidated cost of products sold totaled R\$446.5 million, virtually stable (up 1.7%) in relation to 9M14. Consequently, gross margin remained stable compared to 9M14, closing the period at 39%.

Operating Expenses

Total operating expenses in 3Q15 went down 1.4% from 3Q14, mainly due to the decrease in selling expenses on account of a decrease in sales volume.

In R\$ '000	3 rd Quarter			Accum. 9 Months		
	2015	2014	Chg. %	2015	2014	Chg. %
Selling expenses	(27,419)	(29,787)	(7.9)	(85,373)	(87,712)	(2.7)
General and administrative expenses	(30,414)	(31,365)	(3.0)	(87,523)	(91,169)	(4.0)
Other operating revenues (expenses), net	(1,977)	477	-	(713)	(164)	334.1
Total operating expenses	(59,810)	(60,675)	(1.4)	(173,609)	(179,045)	(3.0)
<i>Percentage of net revenue</i>	<i>24%</i>	<i>24%</i>	<i>-</i>	<i>24%</i>	<i>25%</i>	<i>- 1 p.p.</i>

In 9M15, operating expenses totaled R\$173.6 million, down 3.0% from 9M14, mainly due to the 4.0% decline in general and administrative expenses on account of the lower provision for profit sharing and the administrative and commercial restructuring at the subsidiary Tégula.

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. Due to the appreciation of the U.S. dollar in the period, equity pickup in 3Q15 was a negative R\$9.9 million, compared to a negative result of R\$2.3 million in 3Q14.

Net Financial Result

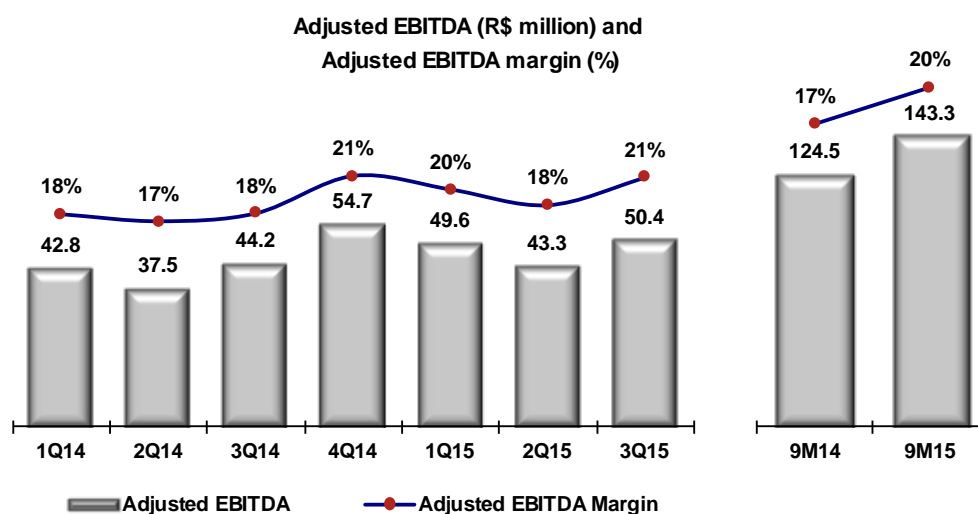
Net financial result in 3Q15 was an expense of R\$15.6 million, compared to an expense of R\$175,000 in 3Q14, mainly due to the effects of net foreign exchange loss on the Company's debt in foreign currency amounting to R\$11.3 million.

In R\$ '000	3 rd Quarter			Accum. 9 Months		
	2015	2014	Chg. %	2015	2014	Chg. %
Financial expenses	(84,912)	(13,347)	536.2	(128,511)	(36,779)	249.4
Financial income	69,288	13,172	426.0	109,763	38,615	184.2
Net financial result	(15,624)	(175)	8,824.9	(18,748)	1,836	-

In 9M15, net financial result was an expense of R\$18.7 million, compared to an income of R\$1.8 million in 2014, as mentioned earlier.

Adjusted EBITDA

Adjusted EBITDA totaled R\$50.4 million in 3Q15, 14.2% higher than in 3Q14, driven by the growth of 5.1% in gross profit and the decrease in operating expenses. As a result, adjusted EBITDA margin increased 3 percentage points from 3Q14 to end 3Q15 at 21%.



Adjusted EBITDA in 9M15 totaled R\$143.3 million, up 15.1%, with margin of 20%, an increase of 3 percentage points from 9M14, as mentioned above.

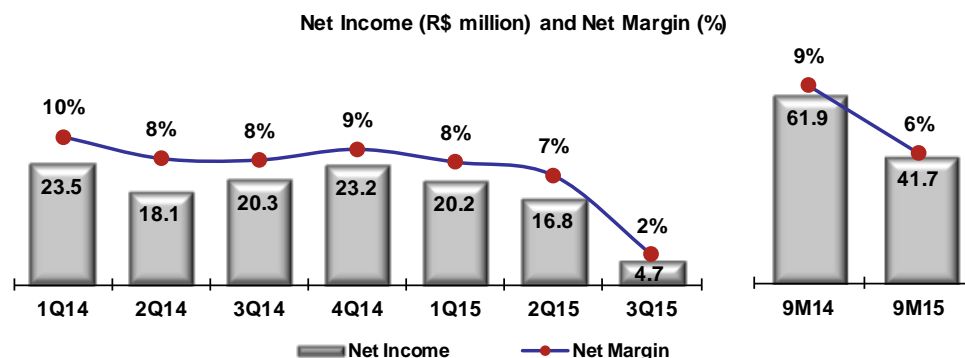
Reconciliation of consolidated EBITDA - (R\$'000)	3 rd Quarter			Accum. 9 Months		
	2015	2014	% Chg.	2015	2014	% Chg.
Net income	4,734	20,308	(76.7)	41,678	61,925	(32.7)
Income tax and social contributions	10,231	11,913	(14.1)	31,498	31,555	(0.2)
Net financial Income	15,624	175	8,824.9	18,748	(1,836)	-
Depreciation and amortization	10,006	9,468	5.7	29,349	27,936	5.1
EBITDA¹	40,595	41,864	(3.0)	121,273	119,581	1.4
Equity pickup	9,856	2,321	324.7	22,068	4,923	348.3
Adjusted EBITDA over equity pickup²	50,451	44,185	14.2	143,341	124,504	15.1

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 of Brazil.

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\$4.7 million in 3Q15, 76.7% lower than in 3Q14. Net margin decreased 6 percentage points to end the quarter at 2%, mainly due to negative equity pickup and net foreign exchange loss, as described above.



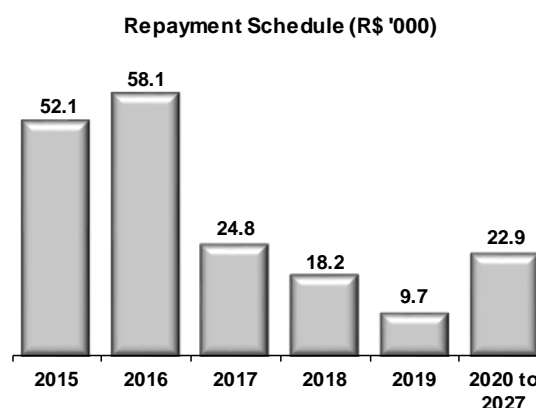
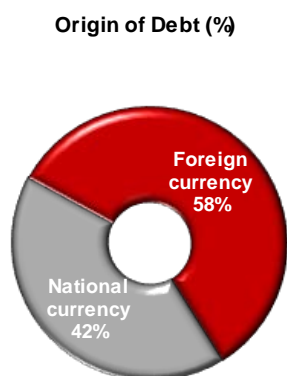
In 9M15, net income amounted to R\$41.7 million, with net margin of 6%, compared to R\$61.9 million and 9%, respectively, in 9M14.

Debt

The Company ended 3Q15 with net debt of R\$160.2 million, equivalent to 0.81 times the adjusted EBITDA for the last 12 months. In 2015, the gross debt of Eternit and its subsidiaries totaled R\$185.8 million, mainly due to: (i) the advances on export contracts (ACE), as well as the bank letters of credit (CCB) and export credit notes (NCE) contracted to meet working capital requirements; and (ii) financing for the acquisition of machinery and equipment.

Cash, cash equivalents and short-term investments totaled R\$25.6 million, with investments remunerated at an average rate corresponding to 101% of the variation in the interbank rate (CDI).

DEBT - R\$ '000	Parent Company		Consolidated	
	09/30/15	12/31/14	09/30/15	12/31/14
Short-term gross debt	5,528	3,066	107,375	88,946
Long-term gross debt	15,487	5,129	78,384	38,978
Cash and cash equivalents	(1,482)	(5,711)	(4,866)	(13,367)
Short-term investments (same cash equivalents)	(7,484)	(15,726)	(20,702)	(35,023)
Net debt	12,049	(13,242)	160,191	79,534
EBITDA (last 12 months)	81,096	97,355	167,193	165,500
Net debt / EBITDA x	0.15	(0.14)	0.96	0.48
Adjusted EBITDA over equity pickup (last 12 months)	28,281	33,581	198,015	179,176
Net debt / Adjusted EBITDA x	0.43	(0.39)	0.81	0.44
Net debt / Equity	2.3%	-	30.7%	15.4%

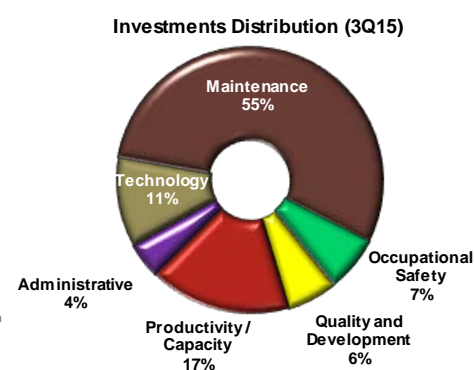
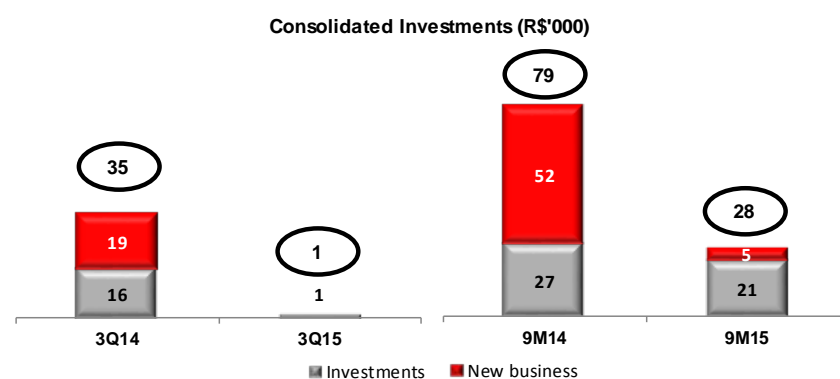


In 3Q15 the debt in foreign currency was 86% naturally hedged by accounts receivable from chrysotile exports.

Investments

Investments made by Eternit and its subsidiaries in 3Q15 totaled R\$1.5 million, and were allocated to the maintenance and modernization of the Group's industrial facilities.

In line with the Company's strategy to consolidate the investments which had been made in recent years, investments in 9M15 totaled R\$28.5 million, down 64.0% from 9M14.



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.

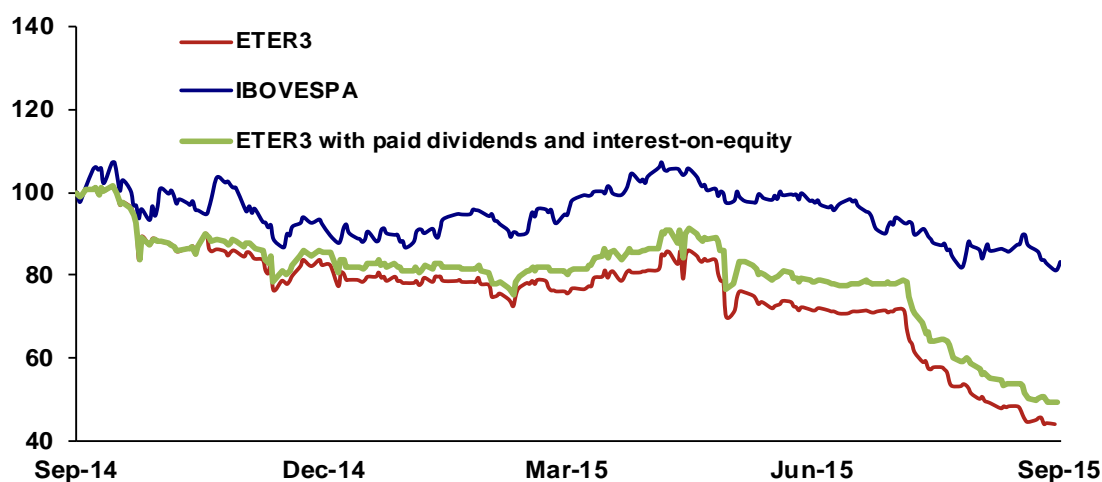
With fragmented ownership and no shareholders' agreement or controlling group, the Company's shareholder base had a high concentration of individual investors, who accounted for 69.4% of the shareholder base on September 30, 2015, while foreign investors accounted for 8.4% and legal entities, clubs, investment funds and foundations accounted for 22.2%.

Eternit stock (ETER3) was quoted at R\$1.74 in September 2015, depreciating 55.8% when compared to September 2014. In the same period, the benchmark Bovespa Index (IBOVESPA) closed at 45,059 points, losing 16.7%. On September 30, 2015, Eternit's market capitalization stood at R\$311.5 million.

Capital Markets					
ETERNIT (ETER3)	3Q14	4Q14	1Q15	2Q15	3Q15
Closing Price (R\$/Share) - Without dividends*	3.94	3.25	2.98	2.82	1.74
Average Volume Traded (Shares)	122,972	139,600	127,643	217,902	169,462
Average Volume Traded (R\$)	513,042	492,597	390,795	655,679	380,391
ETER3 - Quarterly Profitability (%)	-	-17.5	-8.3	-5.4	-38.3
ETER3 - 12 Months Profitability (%)	-	-25.6	-28.6	-33.6	-55.8
IBOVESPA - Quarterly Profitability (%)	-	-7.6	2.3	3.8	-15.1
IBOVESPA - 12 Months Profitability (%)	-	-2.9	1.5	-0.2	-16.7
Market Capitalization (R\$ Million)	705.3	581.8	533.4	504.8	311.5

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

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



Source: Economática

Dividends and Interest on Equity

In 2015, Eternit's dividend yield¹ is already 9.0%, and earnings paid to shareholders totaled R\$52.6 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.

¹ 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.

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	
11/04/15	BDM	11/17/15	7,873	0.0440	
Total			52,608	0.2940	
Closing Price		-	-	3.25	
Dividend Yield		-	-	9.0%	

(*) 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.

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 70,000 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 (<http://www.eternit.com.br/sobre-a-eternit/portas-abertas>).

Legal issues involving chrysotile mineral

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

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

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

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

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

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 the state.

More information is available at the Company's [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 are the awards won by the Company during the third quarter of 2015:

2015 ANAMACO Award – Eternit was awarded by the National Association of Construction Material Merchants (ANAMACO) in the following categories: a) Master award - fiber-cement roofing panels; b) Coverage and Large clients - 2nd place - fiber-cement roofing panels (without asbestos).

Great Place To Work GPTW 2015 – Época Magazine – SAMA was elected the best company to work for in Brazil in the mid-sized Brazilian companies category, notably in the "Celebrate" management practice.

Events Subsequent to the Reporting Period

Eternit was elected one of the **150 Best Companies to Work For**, in October 2015, for the 4th consecutive time by the 2015 Guide of the *Você S/A* magazine. SAMA S.A. Minerações Associadas, a subsidiary of Eternit, was also recognized for the 8th straight year, ranking first in the mining segment.

This award is recognition of the Company's constant pursuit of excellence in corporate governance, with the focus on employee development, good management practices and maintenance of a safe and pleasant work environment.

Outlook

Brazil's GDP estimate for 2015 is a 3.1% contraction (Focus market readout of 10/30/15) and includes the prospect weaker economic activity in Brazil, emphasizing that the intensification of this process depends, among other factors, on improved consumer and business confidence. In this scenario, projected GDP for the construction industry is -7.8%, according to BACEN (inflation report of September 2015).

Housing deficit in Brazil, estimated by the João Pinheiro Foundation at 5.4 million units (2011-2012 results), is formed by families that are burdened by excessively high rents and by cohabitation of families, which represents over 75% 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 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 9.0% in 2015 compared to 2014, due to higher unemployment levels and lower income distribution, among other factors. According to ABRAMAT, economic adjustments need to be concluded swiftly to restore the market's confidence and for Brazil to resume growth.

Eternit believes it is important to take into consideration the following challenges facing the country and the Company's industry: competitive conditions of Brazil's industrial sector in light of infrastructure bottlenecks, tax

aspects and appreciation of the U.S. dollar, maintenance of job and income levels, sustainable economic policies, and increase in consumer and business confidence.

Management is aware of the impacts and changes that may occur due to the current economic scenario in Brazil and the industry in which the Company operates, and has adopted a series of initiatives focused on the sustainability of its business.

Regardless of the challenges mentioned above, the Company 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 third quarter of 2015.

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

Date: Friday, November 6, 2015

Time: 2:00 p.m. - Brasília - 11:00 a.m. - New York - 4:00 p.m. - London

The presentation, which is accompanied by slides, can be viewed online by registering at <http://www.ccall.com.br/eternit/3q15.htm> or 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 **November 6, 2015 to November 12, 2015**

Dial-in: **(55-11) 3193-1012 or 2820-4012** - Password for participants: **2689050#**

Public Meeting with Shareholders, Investors and Analysts – APIMEC–SUL

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

Date: Tuesday, November 17, 2015

Time: 6:00 p.m. – Registration

6:30 p.m. – Start of presentation (cocktails will be served after the presentation)

Place: Hotel Embaixador - Rua Jerônimo Coelho, 354 - Centro Histórico - Porto Alegre (RS) - CEP: 90010-240

RSVP: APIMEC-SUL - Phone: (51) 3224-3121/ (51) 3224-6580 or by email: eventos@apimecsul.com.br

Public Meeting with Shareholders, Investors and Analysts – APIMEC–RIO

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

Date: Thursday, November 26, 2015

Time: 6:00 p.m. – Registration

6:30 p.m. – Start of presentation (cocktails will be served after the presentation)

Place: Head Office of APIMEC-RIO - Av. Rio Branco, 103, 21º andar – Centro - CEP: 20040-004

RSVP: APIMEC-RIO - Phone: +55 (21) 2509-9596 or by email: eventos@apimecRIO.com.br

		
Investor Relations		
Rodrigo Lopes da Luz	rodrigo.luz@eternit.com.br	(55-11) 3038-3818
Paula D. A. Barhum Macedo	paula.barhum@eternit.com.br	(55-11) 3194-3881
Thiago Scheider	thiago.scheider@eternit.com.br	(55-11) 3194-3872

ETERNIT S.A.				
Balance Sheet				
Corporate Law (R\$ '000)				
ASSETS	Parent Company		Consolidated	
	09/30/15	12/31/14	09/30/15	12/31/14
Current	239,382	200,914	447,002	395,451
Cash and cash equivalents	1,482	5,711	4,866	13,367
Short-term investments	7,484	15,726	20,702	35,023
Accounts receivable	78,568	71,327	202,632	175,933
Related parties	36,827	27,196	3,139	2,427
Inventories	103,316	69,395	184,589	148,093
Recoverable taxes	6,937	6,035	15,216	10,373
Other current asset	4,768	4,971	15,858	9,682
Assets held for sale	-	553	-	553
Assets held for sale	-	553	-	553
Non-current	497,166	494,180	520,311	502,413
Related parties	25,365	29,297	13,596	726
Deferred income and social contribution taxes	31,012	24,750	63,601	53,299
Recoverable taxes	23,688	22,915	24,390	24,456
Judicial deposits	11,879	8,703	19,001	15,307
Investments	246,076	256,080	12,269	34,338
Plant, property and equipment, net	153,140	145,659	355,192	341,684
Intangible assets	5,667	6,437	30,392	30,622
Other non-current asset	339	339	1,870	1,981
Total assets	736,548	695,094	967,313	897,864

LIABILITIES AND EQUITY	Parent Company		Consolidated	
	09/30/15	12/31/14	09/30/15	12/31/14
Current Liabilities	95,109	81,668	237,306	221,252
Trade accounts payable	22,128	22,858	41,152	42,151
Related parties	21,108	7,672	-	-
Loans and financing	5,528	3,066	107,375	88,946
Taxes, charges and contributions payable	13,101	11,866	26,617	29,181
Provision and social charges	19,232	12,738	35,661	28,657
Dividends and interest on equity payable	7,362	17,897	7,362	17,897
Provision for future benefits to former employees	2,511	2,511	3,677	3,677
Other current liabilities	4,139	3,060	15,462	10,743
Non-Current	119,565	98,635	208,115	161,804
Loans and financing	15,487	5,129	78,384	38,978
Related parties	39,707	31,763	-	-
Provision for future benefits to former employees	28,794	27,730	43,315	41,654
Provision for civil, tax and labor contingencies	25,612	26,226	61,496	59,549
Deferred income and social contribution taxes	9,965	7,787	13,390	10,605
Environmental restoration of degraded mining areas	-	-	11,528	10,718
Other non-current liabilities	-	-	2	300
Equity	521,874	514,791	521,892	514,808
Capital	334,251	334,251	334,251	334,251
Capital reserve	19,460	19,460	19,460	19,460
Treasury stock	(174)	(174)	(174)	(174)
Other Comprehensive Income	(7,491)	(7,491)	(7,491)	(7,491)
Income reserves	175,828	168,745	175,828	168,745
Net equity attributable to non-minority shareholders	521,874	514,791	521,874	514,791
Minority shareholders	-	-	18	17
Total Liabilities and equity	736,548	695,094	967,313	897,864

ETERNIT S.A. (PARENT COMPANY)
Income Statements

Corporate Law

R\$ '000	3 rd Quarter			Accum. 9 Months		
	2015	2014	% Chg.	2015	2014	% Chg.
Gross revenues	170,738	181,916	(6.1)	508,186	496,474	2.4
Gross revenues deductions	(42,442)	(47,459)	(10.6)	(128,558)	(129,576)	(0.8)
Net revenues	128,295	134,457	(4.6)	379,628	366,898	3.5
Cost of products sold	(95,613)	(97,794)	(2.2)	(285,931)	(269,976)	5.9
Gross profit	32,682	36,663	(10.9)	93,697	96,922	(3.3)
<i>Gross margin</i>	<i>25%</i>	<i>27%</i>		<i>25%</i>	<i>26%</i>	
Operating revenues (expenses)	(30,457)	(27,761)	9.7	(86,577)	(83,527)	3.7
Sales	(14,179)	(15,070)	(5.9)	(42,539)	(44,468)	(4.3)
General and administrative	(15,678)	(13,426)	16.8	(42,908)	(38,836)	10.5
Other operating (expenses) revenues, net	(600)	735	-	(1,130)	(223)	405.8
Operating income before equity pickup (EBIT)	2,225	8,902	(75.0)	7,120	13,395	(46.8)
<i>EBIT margin</i>	<i>2%</i>	<i>7%</i>		<i>2%</i>	<i>4%</i>	
Equity pickup	4,538	13,590	(66.6)	36,971	47,930	(22.9)
Operating income before financial expenses (EBIT)	6,763	22,492	(69.9)	44,091	61,325	(28.1)
Net financial income	(5,523)	(521)	959.9	(8,676)	1,393	-
Financial expenses	(17,898)	(4,229)	323.2	(26,594)	(14,290)	86.1
Financial income	12,375	3,708	233.8	17,918	15,683	14.3
Income before tax and social contribution	1,240	21,971	(94.4)	35,415	62,718	(43.5)
Current	-	(47)	(100.0)	-	(47)	(100.0)
Deferred	3,493	(1,616)	-	6,262	(746)	-
Net income	4,733	20,308	(76.7)	41,677	61,925	(32.7)
<i>Net margin</i>	<i>4%</i>	<i>15%</i>		<i>11%</i>	<i>17%</i>	
Earnings per share - R\$	0.03	0.11		0.23	0.35	
EBITDA	9,922	25,457	(61.0)	53,836	70,095	(23.2)
<i>EBITDA margin</i>	<i>8%</i>	<i>19%</i>		<i>14%</i>	<i>19%</i>	

ETERNIT S.A. (CONSOLIDATED)
Income Statements

Corporate Law

R\$ '000	3 rd Quarter			Accum. 9 Months		
	2015	2014	% Chg.	2015	2014	% Chg.
Gross revenues	306,055	320,357	(4.5)	923,655	909,225	1.6
Gross revenues deductions	(61,069)	(70,087)	(12.9)	(189,528)	(194,635)	(2.6)
Net revenues	244,986	250,270	(2.1)	734,127	714,590	2.7
Cost of products sold	(144,731)	(154,878)	(6.6)	(446,526)	(438,978)	1.7
Gross profit	100,255	95,392	5.1	287,601	275,612	4.4
<i>Gross margin</i>	<i>41%</i>	<i>38%</i>		<i>39%</i>	<i>39%</i>	
Operating revenues (expenses)	(59,810)	(60,675)	(1.4)	(173,609)	(179,045)	(3.0)
Sales	(27,419)	(29,787)	(7.9)	(85,373)	(87,712)	(2.7)
General and administrative	(30,414)	(31,365)	(3.0)	(87,523)	(91,169)	(4.0)
Other operating (expenses) revenues, net	(1,977)	477	-	(713)	(164)	334.1
Operating income before equity pickup (EBIT)	40,445	34,717	16.5	113,992	96,567	18.0
<i>EBIT margin</i>	<i>17%</i>	<i>14%</i>		<i>16%</i>	<i>14%</i>	
Equity pickup	(9,856)	(2,321)	324.7	(22,068)	(4,923)	348.3
Operating income before financial expenses (EBIT*)	30,589	32,396	(5.6)	91,924	91,644	0.3
Net financial income	(15,624)	(175)	8,824.9	(18,748)	1,836	-
Financial expenses	(84,912)	(13,347)	536.2	(128,511)	(36,779)	249.4
Financial income	69,288	13,172	426.0	109,763	38,615	184.2
Income before tax and social contribution	14,965	32,221	(53.6)	73,176	93,480	(21.7)
Current	(14,645)	(11,046)	32.6	(41,799)	(30,356)	37.7
Deferred	4,414	(867)	-	10,301	(1,199)	-
Net income	4,734	20,308	(76.7)	41,678	61,925	(32.7)
<i>Net margin</i>	<i>2%</i>	<i>8%</i>		<i>6%</i>	<i>9%</i>	
Earnings per share - R\$	0.03	0.11		0.23	0.35	
EBITDA	40,595	41,864	(3.0)	121,273	119,581	1.4
<i>EBITDA margin</i>	<i>17%</i>	<i>17%</i>		<i>17%</i>	<i>17%</i>	
Adjusted EBITDA over equity pickup	50,451	44,185	14.2	143,341	124,504	15.1
<i>Adjusted EBITDA margin</i>	<i>21%</i>	<i>18%</i>		<i>20%</i>	<i>17%</i>	

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

ETERNIT S.A.				
STATEMENTS OF CASH FLOW				
Corporate Law				
R\$ '000 - Accumulated	Parent Company		Consolidated	
	09/30/15	09/30/14	09/30/15	09/30/14
Operating activities:				
Income before income and social contribution taxes	35,415	62,718	73,176	93,480
Adjustments to reconcile pre-tax income with net cash provided by operating activities:				
Equity pickup	(36,971)	(47,930)	22,068	4,923
Depreciation and amortization	9,745	8,771	29,349	27,936
Gain (loss) from disposal of permanent assets	(98)	(130)	(126)	(265)
Provision for impairment losses on accounts receivable	1,084	446	1,712	1,038
Provision for civil, tax and labor contingencies	747	2,077	3,308	4,729
Provision (reversal) for sundry losses	599	564	1,839	1,410
Financial charges, monetary changes and foreign exchange variation	5,770	1,077	7,653	1,359
Short-term investment yield	(878)	(1,559)	(2,702)	(3,570)
Net changes in prepaid expenses	2,886	1,206	3,950	1,345
	18,299	27,240	140,227	132,385
(Increase) decrease in operating assets:				
Trade accounts receivable	(8,325)	(17,231)	(19,326)	(24,001)
Related parties receivable	(4,974)	680	(712)	493
Inventories	(33,504)	2,173	(36,078)	(10,920)
Recoverable taxes	(991)	11,531	(4,091)	10,709
Judicial deposits	(3,694)	(911)	(4,212)	(813)
Received dividends	71,093	57,252	-	-
Other assets	(2,660)	(2,662)	(10,577)	(4,055)
Increase (decrease) in operating liabilities				
Trade accounts payable	(730)	(1,104)	(999)	(557)
Related parties payable	13,436	1,950	-	-
Taxes, charges and contribution payable	886	3,125	2,641	3,256
Provisions and social charges	6,494	3,594	7,004	5,537
Other liabilities	605	(597)	3,824	1,391
Interest paid	(314)	(471)	(4,266)	(1,058)
Income and social contribution taxes paid	-	-	(46,756)	(32,545)
Net cash flow from operating activities	55,621	84,569	26,679	79,822
Cash flow from investment activities				
Additions to property, plant and equipment and intangible assets	(16,100)	(17,689)	(28,466)	(78,980)
Addition to exchange gains (losses) converted into capital	-	-	(13,902)	-
Loan from related party receivable	3,932	(8,700)	(12,870)	(2,176)
Cash receipt from the sale of property, plant & equipment	782	241	873	398
Capital increase in subsidiaries	(29,522)	(16,498)	-	-
Short-term investments	(49,800)	(85,000)	(187,936)	(226,153)
Redemptions from short-term investments	58,920	84,427	204,959	228,859
Net cash flow from investment activities	(31,788)	(43,219)	(37,342)	(78,052)
Cash flow from financing activities				
Loans and financing raised	12,506	7,085	242,441	186,994
Loan with related party	4,888	(340)	-	-
Amortization of loans and financing	(3,232)	(5,346)	(198,055)	(144,557)
Payment of dividends and interest on equity	(42,224)	(51,912)	(42,224)	(51,912)
Net cash flow from financing activities	(28,062)	(50,513)	2,162	(9,475)
Increase (decrease) in cash and equivalents	(4,229)	(9,163)	(8,501)	(7,705)
Cash and equivalents:				
At the beginning of the year	5,711	9,516	13,367	13,295
At the end of the year	1,482	353	4,866	5,590
	(4,229)	(9,163)	(8,501)	(7,705)