



Conference Call 1Q17 Earning Results

May 17 , 2017

“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.”

- The sector of construction materials and the Company registered retraction of:
 - ✓ ABRAMAT¹: 6.3%
 - ✓ Eternit²: 22.8%
- Reduction on sales volume in the segments below:
 - ✓ Chrysotile mineral: 26.4%
 - ✓ Fiber-cement: 15.6%
 - ✓ Concrete tiles: 39.6%
- Consolidated Net Revenue reached R\$167.7 million, decline of 26.7%;
- Adjusted EBTIDA decreased 49.5%, reaching R\$19.3 million;
- Reduction of net debt by 15.0%, reaching R\$99.6 million;
- Restructuring of the Executive Board.

¹ Brazilian Construction Materials Industry Association Index during 1Q17.

² Growth in Eternit's consolidated gross revenue compares January to March, 2017 vs January to March, 2016, deflated by the IGP-M index.

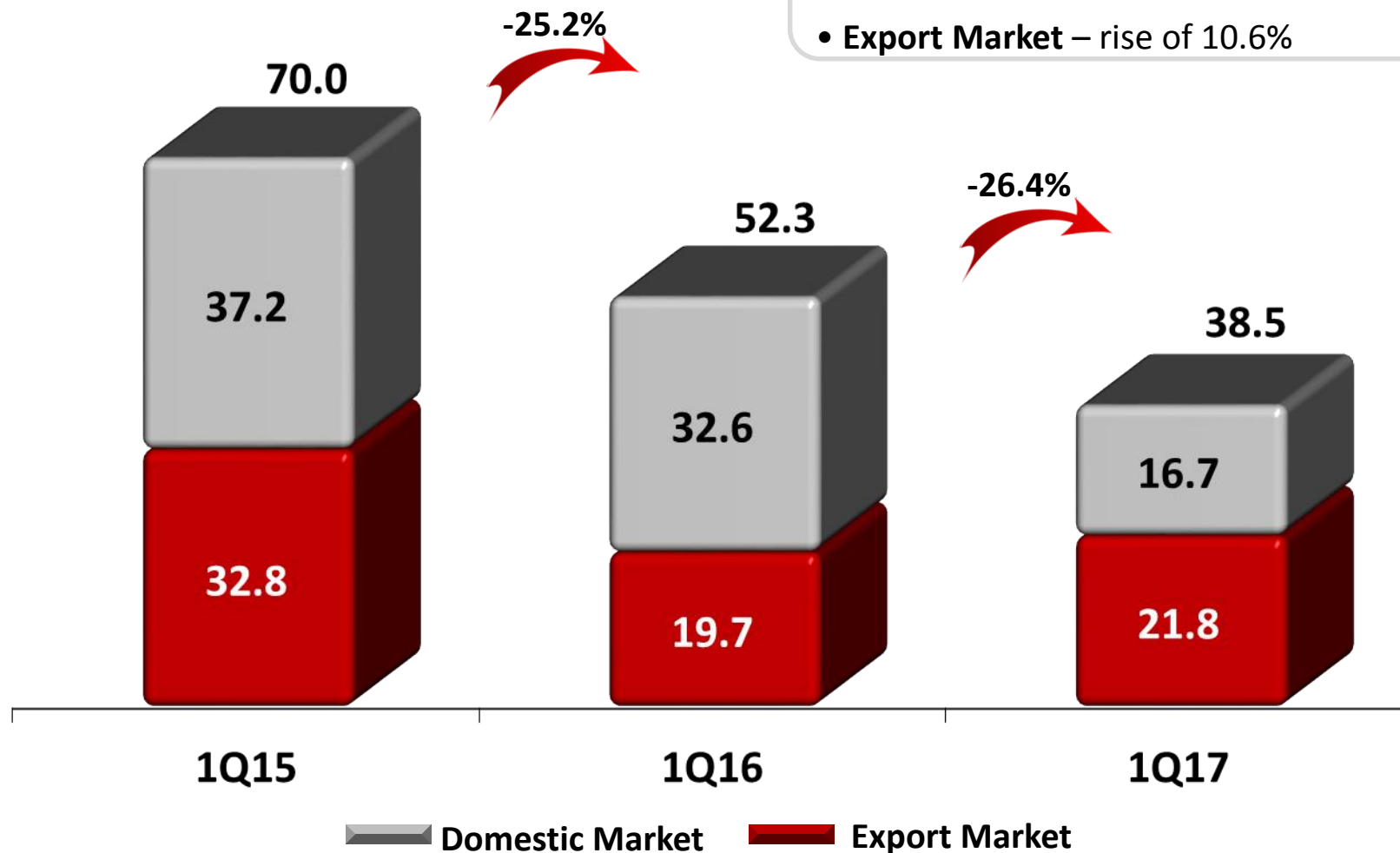
Eternit

Operational Performance

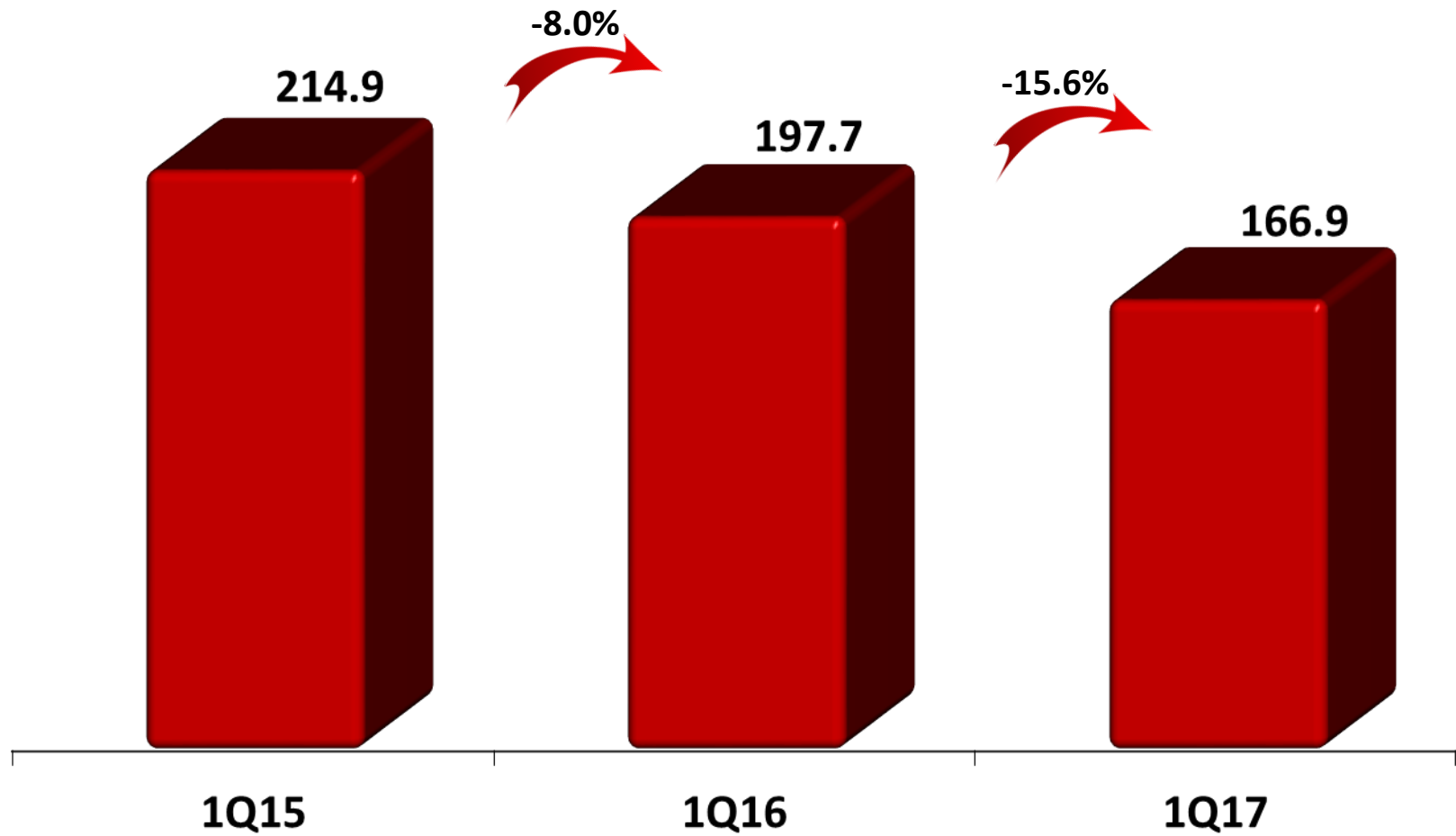
Sales of Chrysotile Mineral ('000 tons)

1Q17 x 1Q16

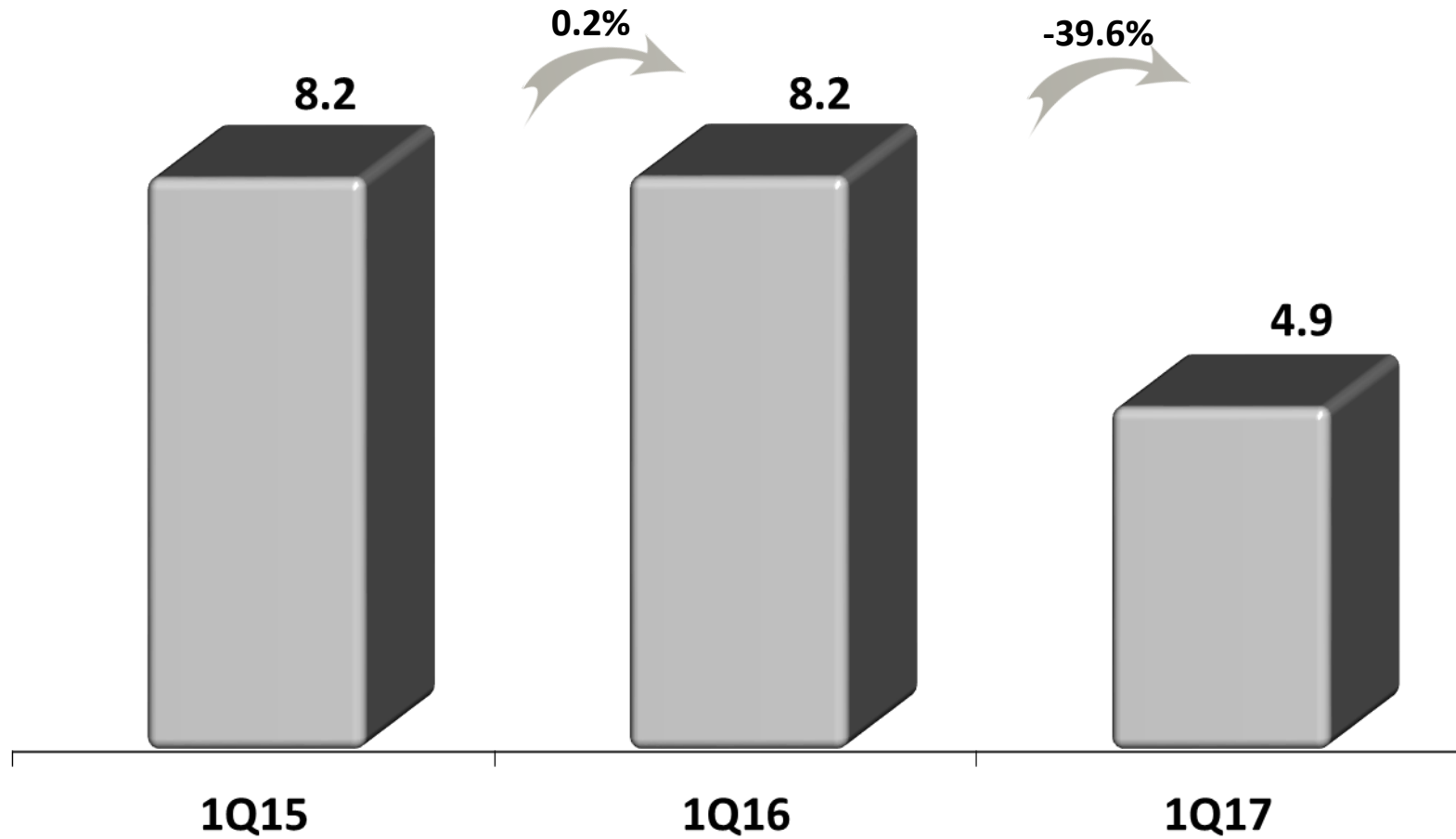
- Domestic Market – reduction of 48.8%
- Export Market – rise of 10.6%



Sales of Fiber-Cement ('000 tons)



Sales of Concrete Tiles (million pieces)



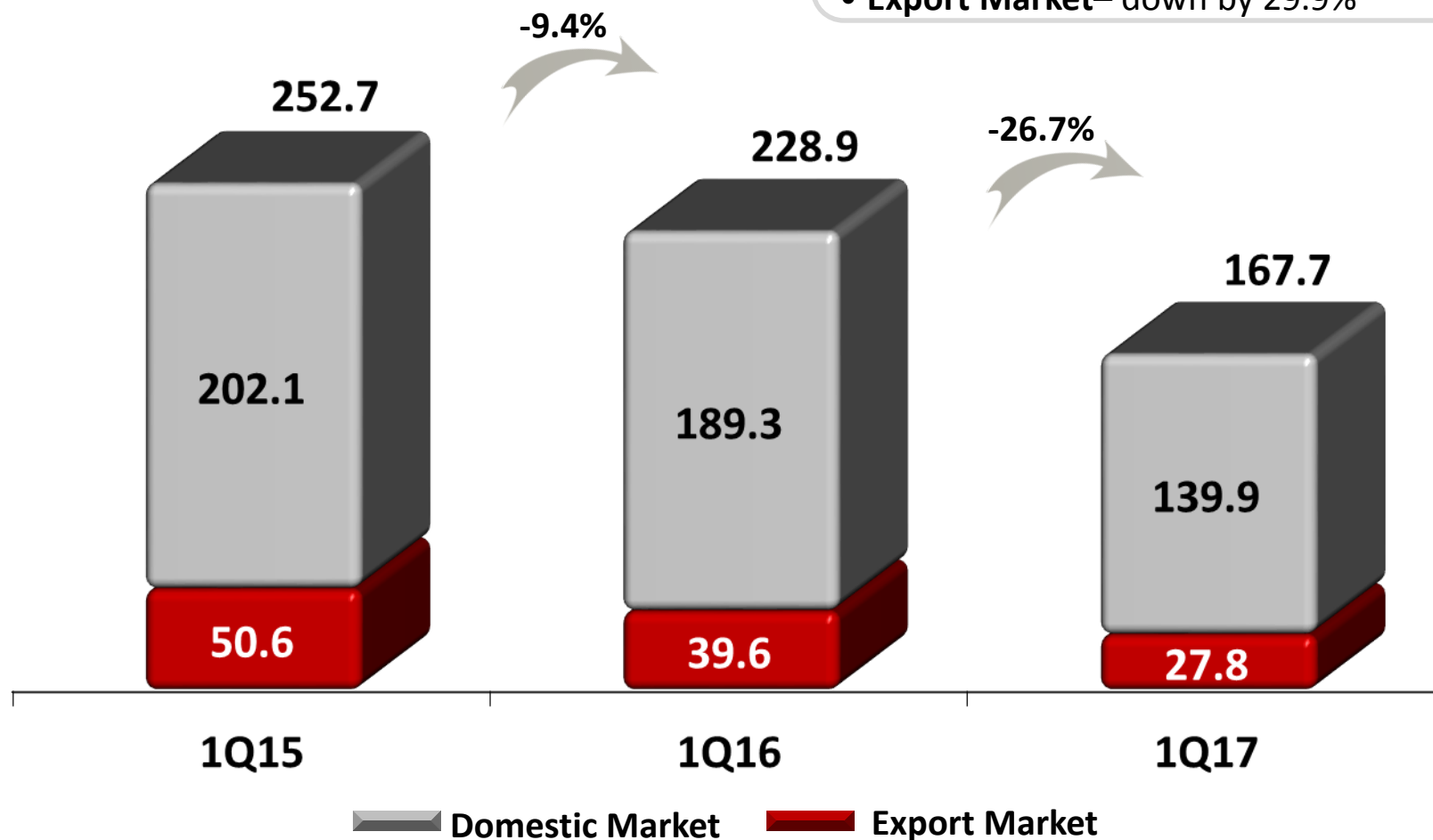
Eternit

Economic and Financial Information

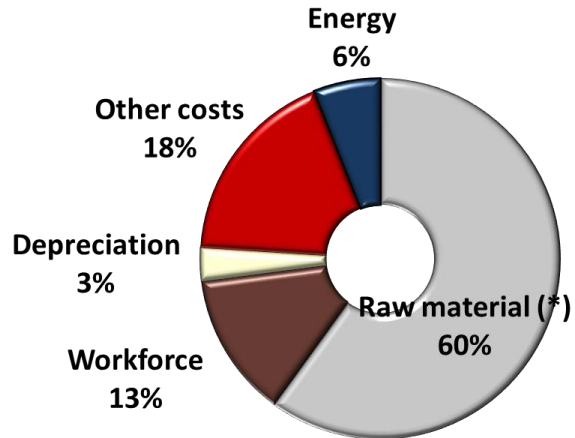
Consolidated Net Revenue (R\$ million)

1Q17 x 1Q16

- Domestic Market– reduction of 26.1%
- Export Market– down by 29.9%

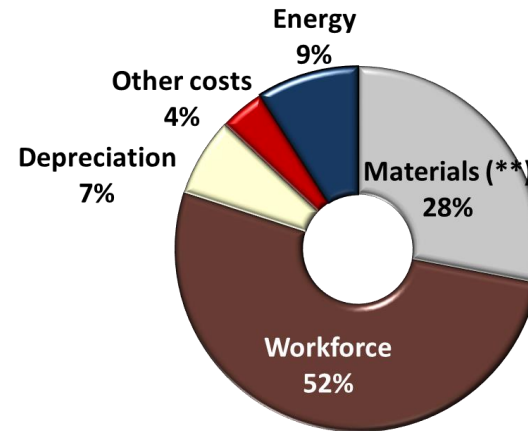


Fiber-cement



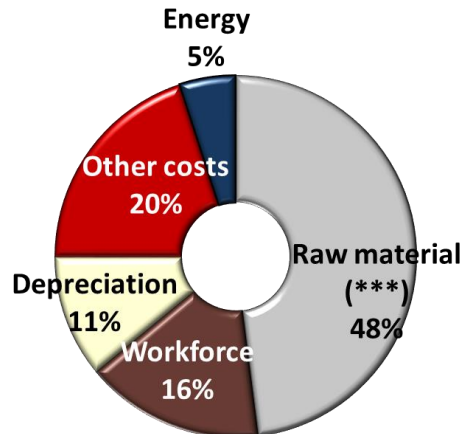
(*) Cement (39%), chrysotile mineral (35%) and the others (26%)

Chrysotile Mineral



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

Concrete Tiles



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

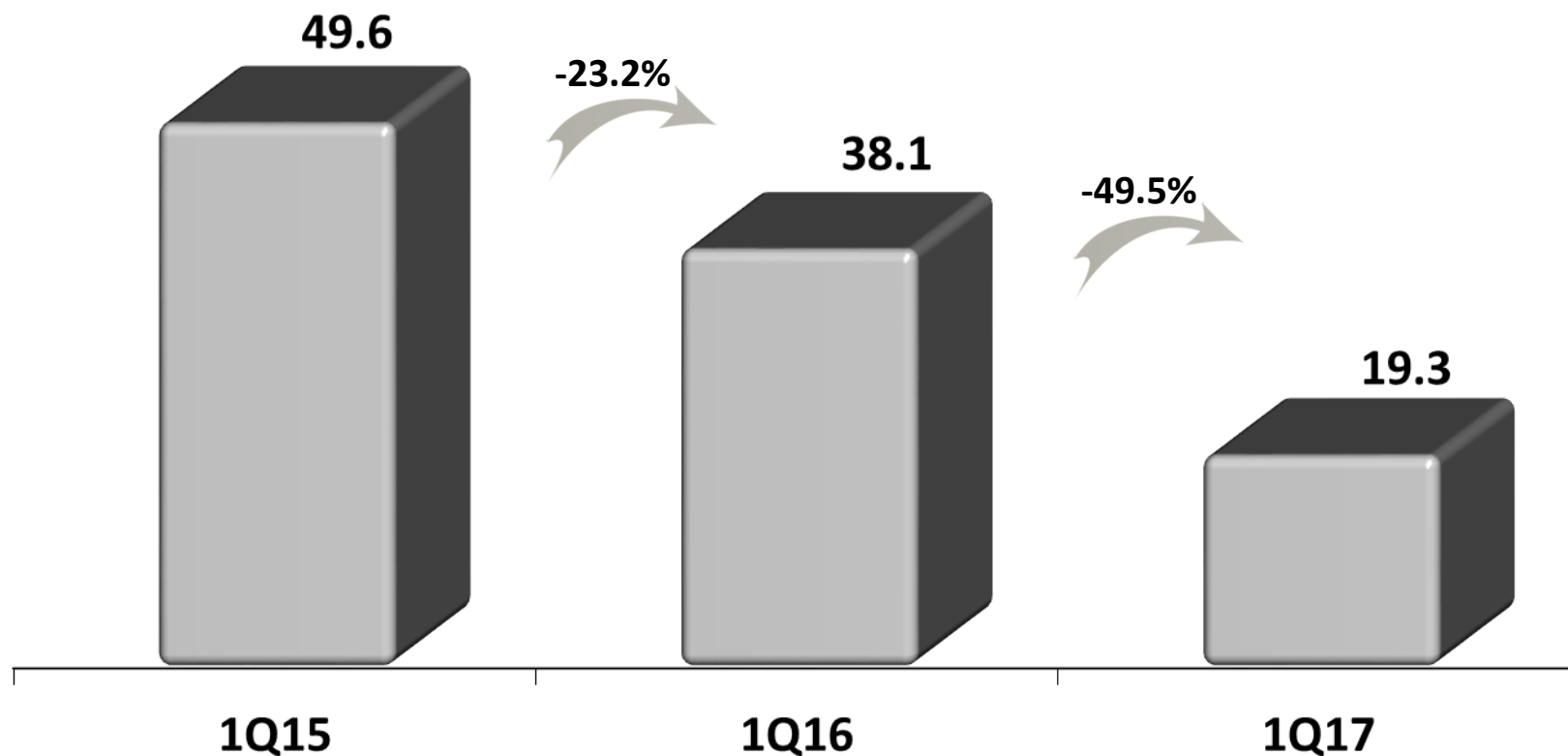
Adjusted EBITDA* (R\$ million)

Adjusted EBITDA margin (%)

20%

17%

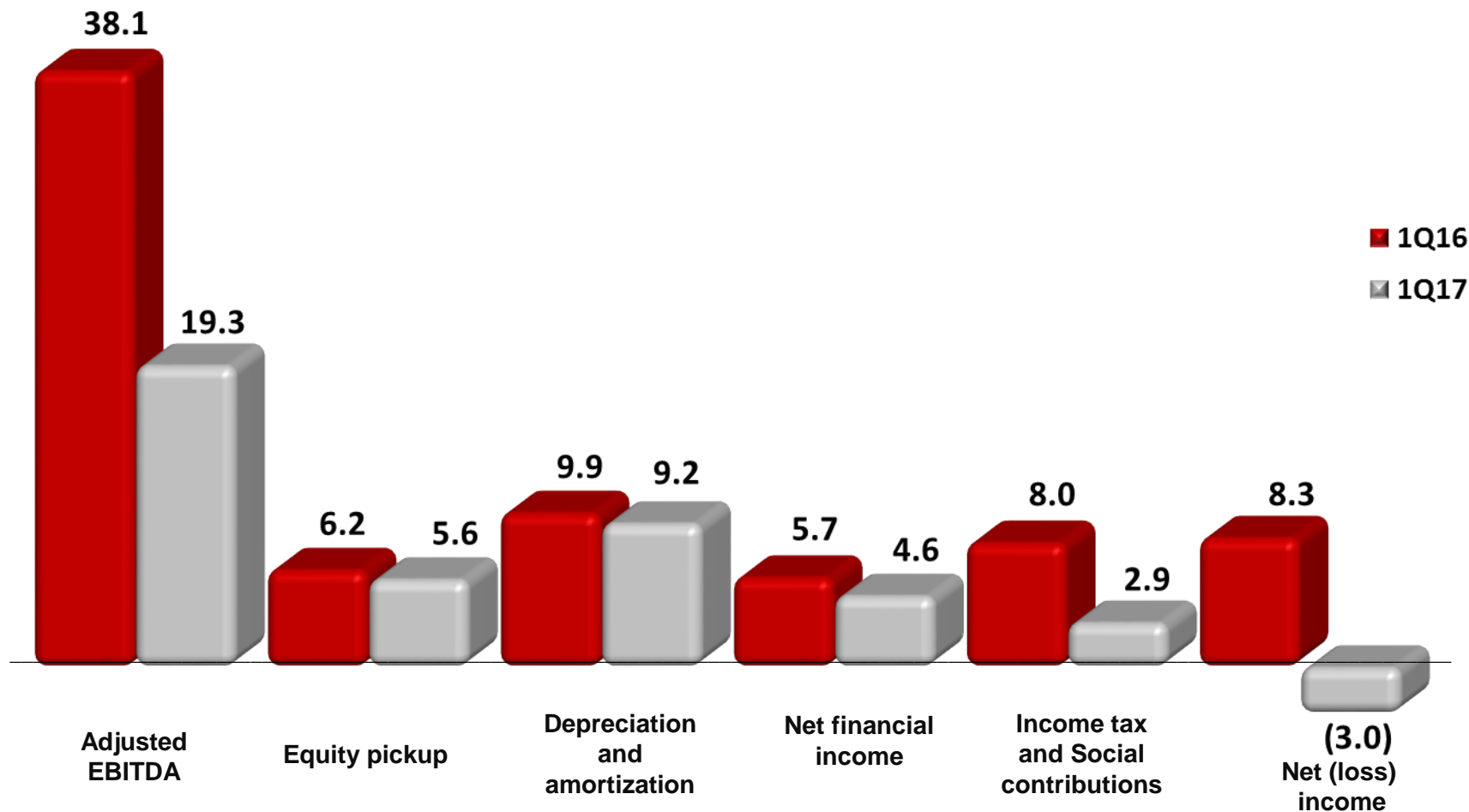
11%



*Adjusted EBITDA is an indicator used by the Company's Management to analyze the operational and financial performance of its wholly-owned businesses, excluding equity pickup, due to the fact that CSC is a joint venture and its information is not consolidated.

Reconciliation of Adjusted EBITDA*

In R\$ million



*Adjusted EBITDA is an indicator used by the Company's Management to analyze the operational and financial performance of its wholly-owned businesses, excluding equity pickup, due to the fact that CSC is a joint venture and its information is not consolidated.

Net (Loss) Income (R\$ million)

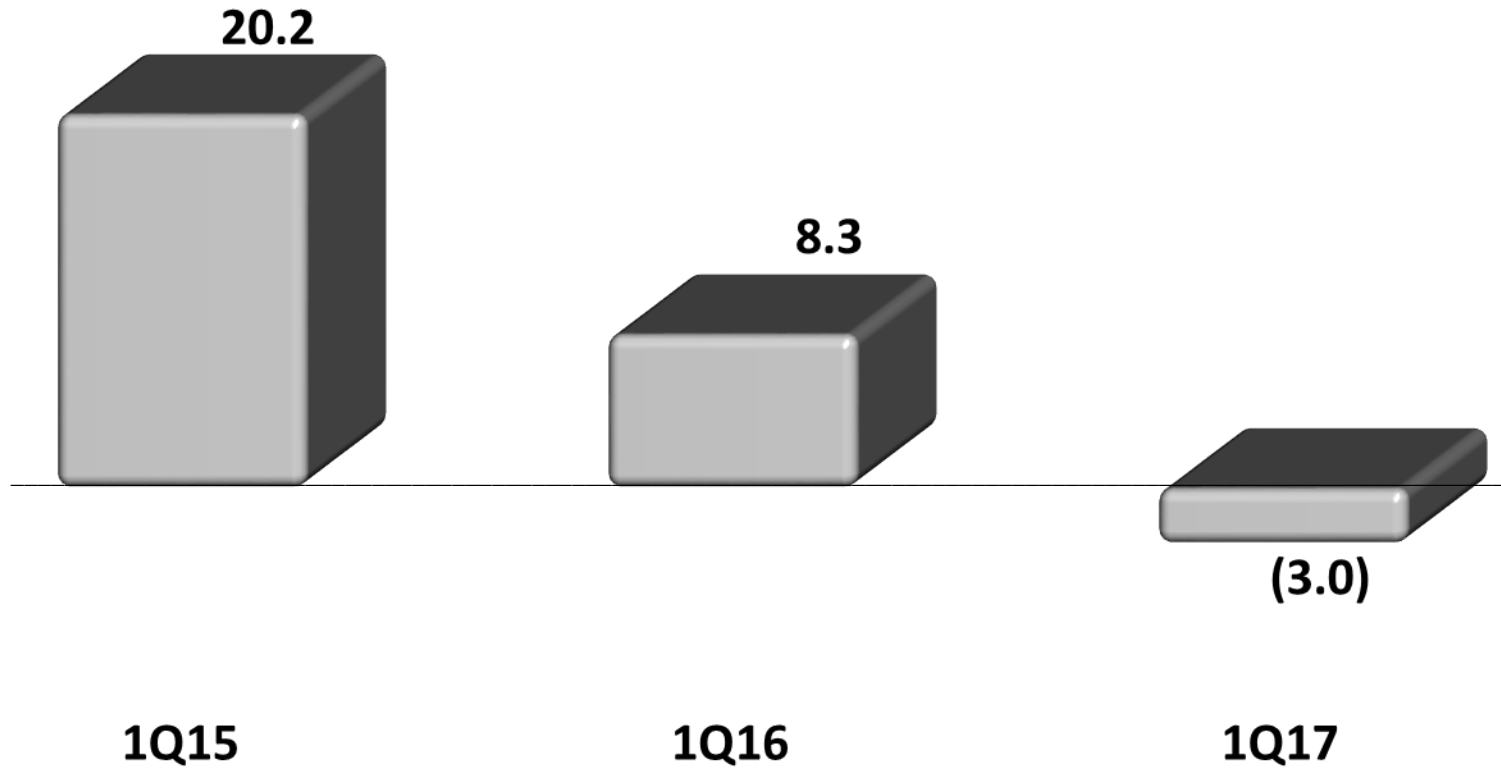


Net margin (%)

8%

4%

-2%

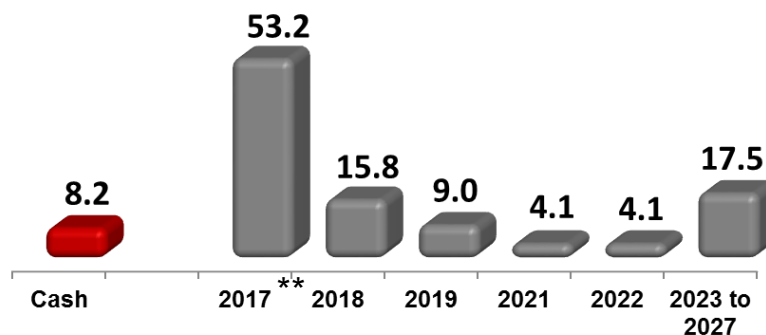


Debt	03/31/16	12/31/16	03/31/17
Short-term gross debt	75.9	69.4	59.0
Long-term gross debt	72.1	55.7	48.8
Total gross debt	148.0	125.1	107.8
Availabilities *	(21.5)	(7.9)	(8.2)
Net debt	126.5	117.2	99.6
Adjusted EBITDA	147.7	78.8	59.9
Net debt / Adjusted EBITDA x	0.86	1.49	1.66
Net debt / Equity	24.9%	25.5%	21.8%

Origin of debt



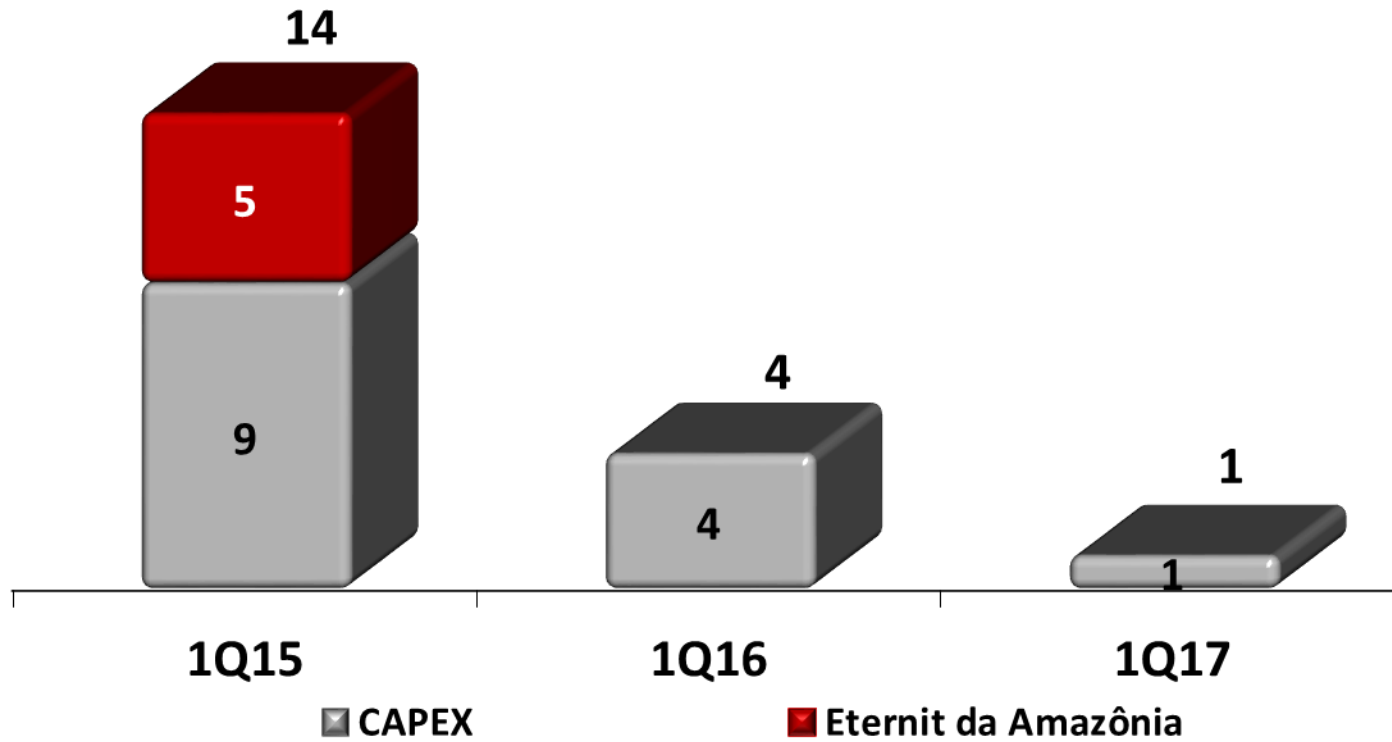
Repayment Schedule



* Availabilities = Cash and cash equivalents + short-term investments

** 87,7% of the amortization schedule set for the year 2017 are linked to accounts receivable from export.

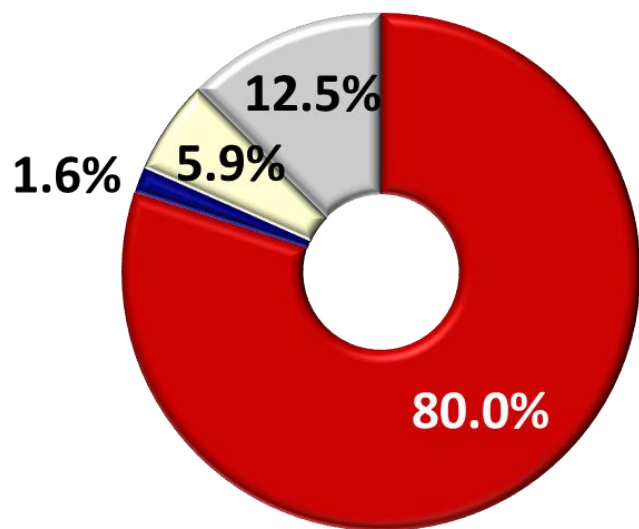
Capital Expenditures (R\$ million)



Eternit

Capital Markets

Shareholding Structure – Apr/17



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

FREE-FLOAT

85.9%

* Shareholders with a stake higher than 5%

** 100% of the Board of Director are considered independent in accordance with BM&FBOVESPA Novo Mercado Regulations

Main shareholders	Share
Luiz Barsi Filho *	13.66%
Victor Adler and controlled companies *	11.39%
Geração L. Par. F. I. A. *	8.05%
Executive Board	0.21%
Stock in treasury	0.03%

Board of Directors **	Member since
Marcelo Gasparino da Silva – President	2014
Marcelo Munhoz Auricchio	2011
Luiz Barsi Filho	2015
Raphael Manhães Martins	2015
Manoel Arlindo Zaroni Torres	2016
Marcelo Amaral Moraes	2016
François Moreau	2017

Board of Auditors	Member since
Paulo Henrique Zukanovich Funchal - Coordinator	2017
Pedro Paulo de Souza	2015
Aloisio Macário Ferreira de Souza	2017

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Recent events

Board of Directors:

- Election of the 7th Board of Directors member: **François Moreau**;
- Election of the President of the Board of Directors: **Marcelo Gasparino da Silva**.

Audit Board:

- Instalment of the Board of Auditors – statutory members: **Aloisio Macário Ferreira de Souza, Paulo Henrique Zukanovich Funchal** and **Pedro Paulo de Souza**, and their alternate members;
- Election of the Audit Board Coordinator: **Paulo Henrique Zukanovich Funchal**.

Restructuring of the Executive Board:

- Election of the CEO: **Luís Augusto Barcelos Barbosa**.

Access the [IR website](#) in the Corporate Governance / Management section for more information.

Public-Interest Civil Action filed in Rio de Janeiro

Eternit was officially notified on March 27, 2017, of the full content of the judgment passed by the 49th Labor Court of Rio de Janeiro, partially granting the Public-Interest Civil Action filed by the Labor Prosecution Office of Rio de Janeiro. The conviction requires:

- i. replacing the asbestos raw material at the Rio de Janeiro unit within 18 months;
- ii. observing the maximum limit of 0.1 fiber/cm³ of asbestos in all work areas established in the National Agreement in conjunction with Article 3 of Federal Law 9,055/95;
- iii. expanding the list of medical examinations for all current and former employees of the Rio de Janeiro unit;
- iv. bearing the travel and accommodation expenses of all former employees of the Rio de Janeiro unit, who demonstrably reside more than 100 km away from where the medical services are offered; and
- v. paying indemnification for collective pain and suffering in the amount of R\$30 million.

The Company hereby informs that it will take all applicable legal measures to reverse the Court decision.

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