

UNICASA

**Earnings Release
3Q19**





Investors relationship

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Bento Gonçalves, Rio Grande do Sul, November 13, 2019. Unicasa Indústria de Móveis S.A. (BM&FBovespa: UCAS3, Bloomberg: UCAS3:BZ, Reuters: UCAS3), one of the leading companies in Brazil's custom-made furniture industry and the only Brazilian publicly held company in the sector, announces today its results for the third quarter of 2019. Except where stated otherwise, all variations and comparisons are in relation to the same period of the previous year. The following financial and operating information, except where stated otherwise, is presented with consolidated data (including Unicasa Comércio de Móveis Ltda.), in thousands of Brazilian reais and in accordance with the International Financial Reporting Standards (IFRS).

Period highlights

Net income of R\$4.4 million in the quarter;

Net margin up 6.8 p.p.;

EBITDA margin up 8.3 p.p.;

Operating margin up 7.6 p.p.;

Annualized ROIC up 12.3 p.p.;

Annualized ROE up 9.3 p.p.;

Selling and Administrative expenses down 29.8%.

Executive Summary	3Q18	3Q19	Δ	9M18	9M19	Δ
Gross Revenue ex-IPI	52.587	48.320	-8,1%	135.553	130.760	-3,5%
Net Revenue	41.866	38.443	-8,2%	107.510	104.810	-2,5%
Cost of Goods Sold	(25.240)	(23.367)	-7,4%	(65.826)	(63.907)	-2,9%
Gross Income	16.626	15.076	-9,3%	41.684	40.903	-1,9%
Gross Margin	39,7%	39,2%	-0,5 p.p.	38,8%	39,0%	+0,2 p.p.
Selling and Administrative Expenses	(14.679)	(10.309)	-29,8%	(43.687)	(29.548)	-32,4%
Other Revenues and Operating Expenses	602	488	-18,9%	2.007	1.993	-0,7%
Operating Income	2.549	5.255	106,2%	4	13.348	333600,0%
Operating Margin	6,1%	13,7%	+7,6 p.p.	0,0%	12,7%	+12,7 p.p.
Financial Income (Expenses) Net	1.388	1.587	+14,3%	3.780	4.124	+9,1%
Operating Income before Income Tax and Social Contribution	3.937	6.842	+73,8%	3.784	17.472	+361,7%
Income Tax and Social Contribution	(1.997)	(2.450)	+22,7%	(2.198)	(6.054)	+175,4%
Net Profit	1.940	4.392	+126,4%	1.586	11.418	+619,9%
Net Margin	4,6%	11,4%	+6,8 p.p.	1,5%	10,9%	+9,4 p.p.
EBITDA	4.649	7.442	+60,1%	6.912	19.895	+187,8%
EBITDA Margin	11,1%	19,4%	+8,3 p.p.	6,4%	19,0%	+12,6 p.p.

Disclaimer: The forward-looking statements in this document related to the business prospects, projections of operating and financial results and growth prospects of Unicasa are merely estimates and as such are based exclusively on Management's expectations for the future of the business. These expectations depend substantially on market conditions, the performance of the Brazilian economy, industry and international markets, and are subject to known and unknown risks and uncertainties, which can cause such expectations to not materialize or cause actual results to differ materially from those expected and, therefore, are subject to change without prior notice.

MESSAGE FROM MANAGEMENT

Dear Shareholders,

Operating results this quarter were once again considerably higher than last year's, just as in the other two quarters of 2019. Our net profit reached R\$4.39 million in 3Q19 (R\$1.94 million in 3Q18) and R\$11.42 million in the year (R\$1.59 million in the first nine months of 2018)

We can see the results of the Company's efforts to reduce operating expenses, which fell 29.8%. Our EBITDA margin, operating margin, ROIC and ROE indicators reflect this performance, showing significant growth.

Revenue, excluding the effects of closed stores and the Unicasa Comércio operation, would have grown 1.4%. Worth noting are the stellar export performance, the net opening of a Dell Anno store and the continuous increase in productivity at our exclusive stores.

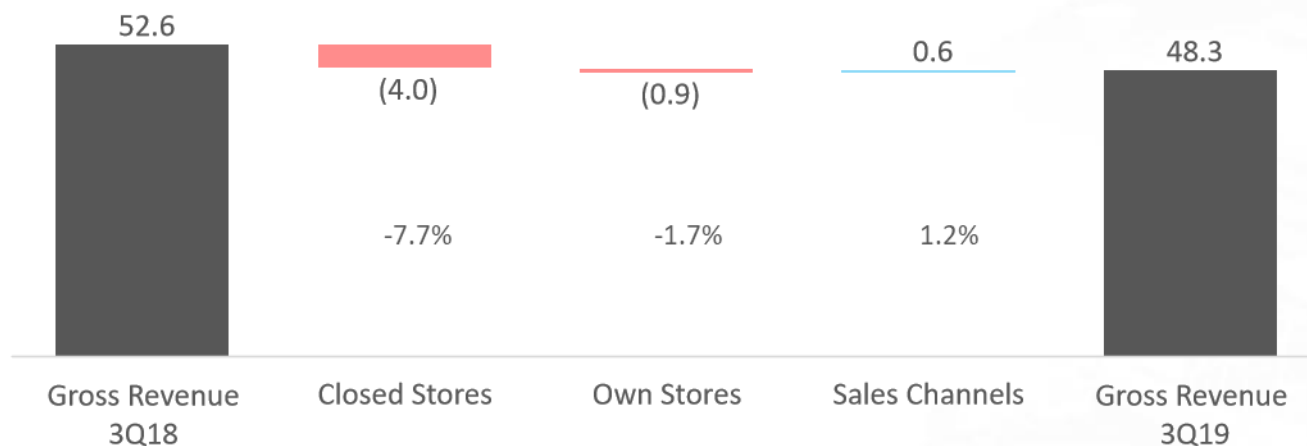
Gross margin declined 0.5 p.p., mainly due to the reduction in the cost dilution bases, whose impact was greater than the improvement in the product and client mix in the quarter.

In recent quarters, the Company has registered high cash flow generation. We ended the period with net cash of about R\$70 million. As such, the Board of Directors decided to submit for approval by the Shareholders Meeting a proposal from the Board of Executive Officers to reduce the Company's capital stock by forty million, seven hundred eight thousand, nine hundred twenty reais and ninety-six centavos (R\$40,708,920.96), without cancellation of shares, maintaining unchanged the percentage of interest held by shareholders in the Company's capital stock, broken down as follows - thirteen million, seven hundred eighty-four thousand, seven hundred forty-two reais and fifty-eight centavos (R\$13,784,742.58) to absorb accumulated losses, and two million, six hundred fifty-eight thousand, three hundred forty-three reais and ninety-two centavos (R\$2,658,343.92) to absorb the negative balance in the capital reserve, both disclosed in the financial statements for the fiscal year ended on December 31, 2018, and twenty-four million, two hundred sixty-four thousand, eight hundred thirty-five reais and forty-six centavos (R\$24,265,834.46) - for considering it in excess, and to refund R\$0.367183682 per share to shareholders, pursuant to article 173 of Federal Law 6,404/76. If the resolution takes effect, shareholders of record on February 4, 2020 shall be entitled to the refund and the Company's shares will be traded "ex-refund" as of February 5, 2020. The amounts will be paid on February 13, 2020.

Further details about the capital reduction will be disclosed in the proxy statement of the Extraordinary Shareholders Meeting that will be called in the coming days to deliberate on said proposal.

SALES PERFORMANCE

Gross revenue in 3Q19 fell 8.1%, which can be as follows: (i) 7.7% due to the contraction of the distribution network; (ii) 1.7% related to the shutdown of own store operations, partially offset by lower operating expenses at this business unit; and (iii) 1.2% growth in other sales channels, mainly driven by exports and by maturing stores. The following chart shows the evolution of revenue between 3Q18 and 3Q19⁽¹⁾:



⁽¹⁾in million

The Unicasa Corporate and Export Market segments are affected by significant oscillations due to the specific aspects of the projects sold in the period. The Export Market segment is also impacted by currency exchange variations.

Dell Anno and Favorita – Exclusive and Own Stores	3Q18	3Q19	Δ	9M18	9M19	Δ
Gross Revenue, ex-IPI	25,998	23,016	-11.5%	68,188	60,916	-10.7%
Number of Modules Sold (thousand units)	64.2	55.5	-13.6%	177.1	147.5	-16.7%
New and Casa Brasileira Exclusive Dealers	3Q18	3Q19	Δ	9M18	9M19	Δ
Gross Revenue, ex-IPI	12,930	11,576	-10.5%	32,622	32,579	-0.1%
Number of Modules Sold (thousand units)	58.6	47.3	-19.3%	148.0	135.0	-8.8%
Multibrands	3Q18	3Q19	Δ	9M18	9M19	Δ
Gross Revenue, ex-IPI	6,912	6,413	-7.2%	17,126	18,042	+5.3%
Number of Modules Sold (thousand units)	34.2	33.0	-3.5%	86.4	92.2	+6.7%
Unicasa Corporate	3Q18	3Q19	Δ	9M18	9M19	Δ
Gross Revenue, ex-IPI	4,059	2,550	-37.2%	9,987	8,481	-15.1%
Number of Modules Sold (thousand units)	8.4	7.9	-6.0%	23.0	16.5	-28.3%
Export Market	3Q18	3Q19	Δ	9M18	9M19	Δ
Gross Revenue, ex-IPI	1,911	3,997	+109.2%	5,677	8,363	+47.3%
Number of Modules Sold (thousand units)	5.3	14.0	+164.2%	19.8	32.1	+62.1%

Consolidated Indicators – Unicasa

Unicasa Indústria de Móveis	3Q18	3Q19	Δ	9M18	9M19	Δ
Gross Revenue, ex-IPI	52,587	48,320	-8.1%	135,553	130,760	-3.5%
Number of Modules Sold (thousand units)	170.8	157.8	-7.6%	454.5	424.0	-6.7%

SALES AND DISTRIBUTION CHANNELS

Period	4Q18	1Q19	2Q19	3Q19	Δ
Exclusive and Own Stores	220	202	192	193	1
Dell Anno and Favorita	102	96	94	95	1
New and Casa Brasileira	118	106	98	98	-
Multibrand	498	456	422	398	(24)
New and Casa Brasileira Multibrand	498	456	422	398	(24)

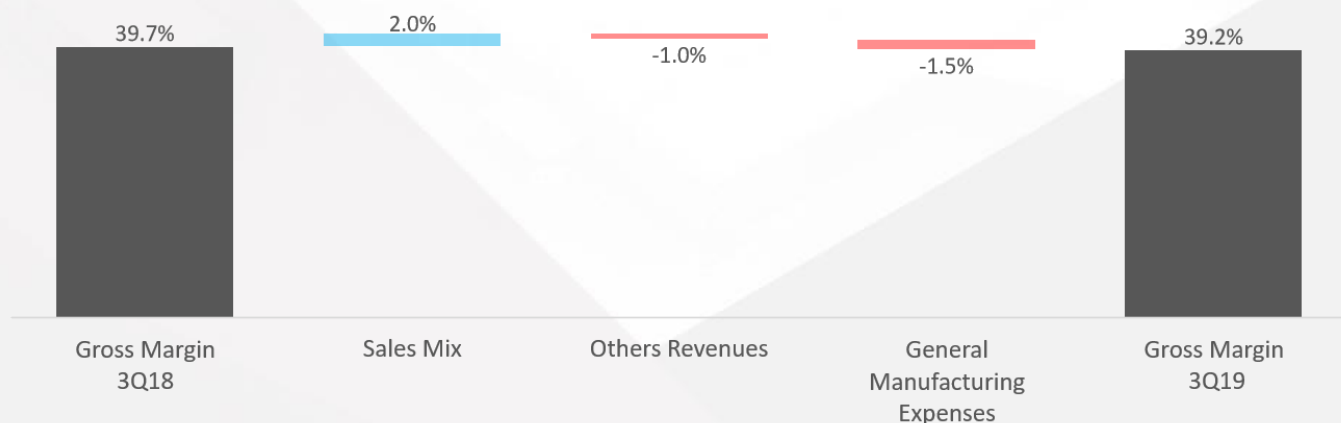
Average productivity per Dell Anno and Favorita store in 3Q19 was R\$81,200/month, 2.6% higher than the R\$79,100 in 3Q18. Average productivity in the quarter per New and Casa Brasileira store in 3Q19 was R\$39,400/month, 20.1% higher than the R\$32,800/month in 3Q18, due to the closure of less productive operations. The following chart shows historical productivity in the third quarter.



FINANCIAL PERFORMANCE

Gross Profit and Gross Margin

Gross profit in the quarter was R\$15.1 million. Gross margin fell 0.5 p.p., from 39.7% in 3Q18 to 39.2% this quarter. Margin reduction was due to: (i) the lower base for diluting general manufacturing expenses, down 1.5 p.p.; (ii) the sale of raw materials of items that were discontinued due to product improvements, down 1.0 p.p. Though this sale does not generate losses for the Company, margin is significantly lower than in other sales channels. These factors were partially offset by the improvement in the sales mix, which singlehandedly contributed to the 2.0 p.p. increase. The following chart shows the evolution of gross margin between 3Q18 and 3Q19:



Selling, General and Administrative Expenses (SG&A)

Selling General and Administrative Expenses	2Q18	2Q19	Δ	1H18	1H19	Δ
Total	(15,363)	(10,140)	-34.0%	(29,008)	(19,239)	-33.7%
Selling Expenses	(8,220)	(6,060)	-26.3%	(16,733)	(11,097)	-33.7%
% of Net Revenue	23.3%	17.1%	-6.2 p.p.	25.5%	16.7%	-8.8 p.p.
Administrative Expenses	(7,143)	(4,080)	-42.9%	(12,275)	(8,142)	-33.7%
% of Net Revenue	20.2%	11.5%	-8.7 p.p.	18.7%	12.3%	-6.4 p.p.
SG&A % of Net Revenue	43.5%	28.6%	-14.9 p.p.	44.2%	29.0%	-15.2 p.p.

The following chart presents the evolution of Selling, General and Administrative ⁽¹⁾:



⁽¹⁾In million.

Expenses with consumers fell R\$2.4 million. These expenses include costs with merchandise, freight and assembly for final consumers who were not served by closed stores and are having their needs met directly by the factory, as well as lawsuits.

Expenses with own stores declined R\$1.0 million due to the decision to shut down the operation, as reported in the 4Q16 earnings release.

Expenses with allowance for doubtful accounts fell R\$0.2 million.

Other expenses fell R\$0.8 million, mainly due to lower expenses with labor claims and lower pre-operational expenses related to our operation in the North American market.

Other Operating Income and Expenses

Other operating income and expenses were lower mainly due to the decrease in bank premium revenue.

Other Operating Income and Expenses	3Q18	3Q19	Δ	9M18	9M19	Δ
Total	602	488	-18.9%	2,007	1,993	-0.7%
Result from the sale of assets held for sale and of property, plant and equipment	(1,248)	9	-100.7%	(3,117)	20	-100.6%
Bank Premium	436	312	-28.4%	1,086	895	-17.6%
Trademark Rights	200	-	-100.0%	200	-	-
Other Operating Income	1,214	167	-86.2%	3,838	1,078	-71.9%
% of Net Revenue	1.4%	1.3%	-0.1 p.p.	1.9%	1.9%	0.0 p.p.

Financial Result

Financial income was up 14.3% mainly due to higher cash flows from financial investments.

Financial Result	3Q18	3Q19	Δ	9M18	9M19	Δ
Net Financial Result	1,388	1,587	14.3%	3,780	4,124	9.1%
Financial Expenses	(446)	(633)	41.9%	(983)	(1,388)	41.2%
IOF charge and bank fees	(51)	(35)		(184)	(114)	-38.0%
Exchange variation expenses	(276)	(311)	-85.7%	(477)	(639)	34.0%
Present value adjustment - AVP	(7)	(1)	n/a	(136)	(102)	-25.0%
Other financial expenses	(112)	(286)	155%	(186)	(533)	186.6%
Financial Income	1,834	2,220	21.0%	4,763	5,512	15.7%
Interest income	428	380	-11.2%	1,240	1,094	-11.8%
Discounts	153	187	22.2%	176	361	105.1%
Yield from short-term investments	478	818	71.1%	1,292	2,171	68.0%
Exchange variation income	252	390	54.8%	601	613	2.0%
Present value adjustment - AVP	374	378	1.1%	953	976	2.4%
Other financial income	149	67	-55.0%	501	297	-40.7%

EBITDA and EBITDA Margin

EBITDA	3Q18	3Q19	Δ	9M18	9M19	Δ
Net Income for the Period	1,940	4,392	+126.4%	1,586	11,418	+619.9%
Income Tax and Social Contribution	1,997	2,450	+22.7%	2,198	6,054	+175.4%
Financial Result	(1,388)	(1,587)	+14.3%	(3,780)	(4,124)	+9.1%
EBIT	2,549	5,255	+106.2%	4	13,348	+333600.0%
Depreciation and Amortization	2,100	2,187	+4.1%	6,908	6,547	-5.2%
EBITDA	4,649	7,442	+60.1%	6,912	19,895	+187.8%
EBITDA Margin	11.1%	19.4%	+8.3 p.p.	6.4%	19.0%	+12.6 p.p.

Cash Flow

In 3Q19, the Company generated more operating cash flow mainly due to lower expenses. In the variation of assets and liabilities, the Company reduced inventory balance since, in the previous quarter (2Q19), it had made a strategic purchase of raw materials to minimize the impact of increase in its procurement prices. In 3Q18, the impact was the opposite of what happened this quarter, that is, we made strategic purchases, which resulted in cash burn to build inventory. The decline in accounts receivable due to the reduction in revenue also contributed to cash generation.

Cash Flow	3Q18	3Q19	Δ	1H17	1H18	Δ
Cash Flows from Operating Activities	5,932	6,678	+12.6%	12,902	21,324	+65.3%
Changes in Assets and Liabilities	(2,213)	8,941	-504.0%	1,081	8,580	+693.7%
Financial Investments	(12,315)	(10,405)	-15.5%	(13,315)	(10,877)	-18.3%
Cash generated by investment activities	(1,531)	(611)	-60.1%	(4,264)	(2,081)	-51.2%
Cash generated by financing activities	-	-	+0.0%	-	-	+0.0%
Effect of exchange variation on cash and cash equivalents	-	75	+0.0%	-	75	+0.0%
Cash flow (burn)	(10,127)	4,678	-146.2%	(3,596)	17,021	-573.3%
Financial Investments	12,315	10,405	-15.5%	13,315	10,877	-18.3%
Cash flow and Financial Investments	2,188	15,083	+589.4%	9,719	27,898	+187.0%
At the Beginning of the Period	37,004	54,413	+47.0%	29,473	41,598	+41.1%
At the End of the Period	39,192	69,496	+77.3%	39,192	69,496	+77.3%
Cash flow and Financial Investments	2,188	15,083	+589.4%	9,719	27,898	+187.0%

Net Cash

Net Cash	12/31/2018	9/30/2019	Δ
Short Term Debt	-	-	n/a
Long Term Debt	-	-	n/a
Gross Debt	-	-	n/a
Cash and Cash Equivalents	28,788	45,809	+59.1%
Financial Investments	12,810	23,687	+84.9%
Net Debt/(Cash Surplus)	(41,598)	(69,496)	+67.1%

Return on Invested Capital (ROIC) and Return on Equity (ROE) in the last twelve months (LTM)

NOPLAT (Lucro Operacional Líquido Menos os Impostos Ajustados)	3T19	2T19	1T19	4T18	3T18
EBITDA	7,442	7,019	5,434	3,570	4,649
(-) Depreciação	2,187	2,189	2,171	2,177	2,100
(=) EBIT	5,255	4,830	3,263	1,393	2,549
(+) Imposto de Renda e Contribuição Social	(2,450)	(2,011)	(1,593)	(977)	(1,997)
(+) Reversão do IR do Resultado Financeiro	540	420	443	473	472
(=) NOPLAT	3,345	3,239	2,113	889	1,024
(=) NOPLAT - UDM	9,585	7,265	3,155	(20)	(6,292)

ROIC (Retorno sobre o Capital Investido)	3T19	2T19	1T19	4T18	3T18
Capital investido - UDM	122,227	126,478	128,136	131,093	138,698
ROIC - UDM	7.8%	5.7%	2.5%	0.0%	-4.5%

ROE (Retorno sobre o Patrimônio Líquido)	3T19	2T19	1T19	4T18	3T18
Lucro Líquido	4,392	4,053	2,973	1,808	1,940
Lucro Líquido - UDM	13,226	10,774	6,735	3,394	(3,014)
Patrimônio Líquido	182,761	178,292	174,239	171,266	169,458
Patrimônio Líquido - UDM	176,640	173,314	170,620	168,937	168,088
ROE - UDM	7.5%	6.2%	3.9%	2.0%	-1.8%

ANNEX I – WORKING CAPITAL AND INVESTED CAPITAL

Invested Capital	9/30/2019	6/30/2019	3/31/2019	12/31/2018	9/30/2018
Operational Assets	66,113	73,882	71,854	70,047	73,713
(+) Trade Accounts Receivable	27,079	29,284	28,668	28,485	28,161
(+) Long Term Trade Accounts Receivable	6,292	6,583	7,436	8,326	8,746
(+) Long Term Loans Granted	829	1,034	1,167	1,439	1,706
(+) Inventories	25,584	29,148	25,896	21,563	24,818
(+) Advances to Suppliers	114	101	151	399	169
(+) Loans Granted	1,095	1,093	1,733	1,803	1,798
(+) Prepaid Expenses	1,491	1,843	1,887	1,992	1,372
(+) Recoverable Taxes	703	534	807	892	3,365
(+) Other Assets	2,926	4,262	4,109	5,148	3,578
Operational Liabilities	36,272	35,580	39,860	34,247	40,678
(-) Suppliers	4,484	3,616	5,981	2,299	5,602
(-) Tax Liabilities	2,307	2,430	1,696	1,179	2,740
(-) Payroll and Related Charges	4,880	3,837	3,050	2,876	5,101
(-) Advances from Customers	17,060	16,310	18,785	16,717	19,131
(-) Provisions	2,993	3,527	4,593	5,485	5,953
(-) Other Liabilities	4,548	5,860	5,755	5,691	2,151
(=) Working Capital	29,841	38,302	31,994	35,800	33,035
Non-current Operating Assets	93,205	96,814	101,991	105,337	107,849
(+) Assets Held for Sale	888	532	574	750	749
(+) Deferred Income and Social Contribution Taxes	7,009	9,459	11,470	13,063	14,040
(+) Recoverable Taxes	-	-	-	-	-
(+) Prepaid Expenses	-	-	-	-	-
(+) Judicial Deposits	1,869	2,113	2,978	2,830	2,930
(+) Other Assets	1,258	946	1,248	1,539	1,950
(+) Investments	20	20	20	20	20
(+) Property, Plant and Equipment	74,948	76,127	77,717	78,663	79,502
(+) Intangible Assets	7,213	7,617	7,984	8,472	8,658
Non-current Operating Liabilities	9,781	11,237	11,888	11,469	10,618
(-) Tax Liabilities	110	142	175	208	241
(-) Provisions	9,671	11,095	11,713	11,261	10,377
(=) Fixed Capital	83,424	85,577	90,103	93,868	97,231
Total Financing					
(+) Cash and Cash Equivalents	45,809	41,131	35,670	28,788	25,877
(+) Short Term Financial Investments	20,504	10,149	13,389	9,774	13,315
(+) Long Term Financial Investments	3,183	3,133	3,083	3,036	-
(-) Short Term Loans Granted	-	-	-	-	-
(-) Long Term Loans Granted	-	-	-	-	-
(-) Dividends and interest on Equity Payable	-	-	-	-	-
(-) Shareholders' equity	182,761	178,292	174,239	171,266	169,458
(=) Total Financing	113,265	123,879	122,097	129,668	130,266

ANNEX II – FINANCIAL STATEMENTS – INCOME STATEMENT – CONSOLIDATED

Income Statement	3Q18	AV	3Q19	AV	Δ	AH	9M18	AV	9M19	AV	AH
Gross Revenue from Sales	54,940	131.2%	50,438	131.2%	(4,502)	-8.2%	141,475	131.6%	136,482	130.2%	-3.5%
Domestic Market	53,029	126.7%	46,441	120.8%	(6,588)	-12.4%	135,798	126.3%	128,119	122.2%	-5.7%
Dell Anno and Favorita	27,134	64.8%	24,101	62.7%	(3,033)	-11.2%	71,068	66.1%	63,697	60.8%	-10.4%
New and Casa Brasileira	13,569	32.4%	12,131	31.6%	(1,438)	-10.6%	34,237	31.8%	34,158	32.6%	-0.2%
Exclusive Dealers											
New and Casa Brasileira	7,259	17.3%	6,734	17.5%	(525)	-7.2%	17,986	16.7%	18,943	18.1%	+5.3%
Multibrand											
Unicasa Corporate	4,261	10.2%	2,676	7.0%	(1,585)	-37.2%	10,486	9.8%	8,846	8.4%	-15.6%
Other Revenues	806	1.9%	799	2.1%	(7)	-0.9%	2,021	1.9%	2,475	2.4%	+22.5%
Exports	1,911	4.6%	3,997	10.4%	2,086	+109.2%	5,677	5.3%	8,363	8.0%	+47.3%
Sales Deductions	(13,074)	31.2%	(11,995)	-31.2%	1,079	-8.3%	(33,965)	-31.6%	(31,672)	-30.2%	-6.8%
Net Revenue from Sales	41,866	100.0%	38,443	100.0%	(3,423)	-8.2%	107,510	100.0%	104,810	100.0%	-2.5%
Cost of Goods Sold	(25,240)	60.3%	(23,367)	-60.8%	1,873	-7.4%	(65,826)	-61.2%	(63,907)	-61.0%	-2.9%
Gross Profit	16,626	39.7%	15,076	39.2%	(1,550)	-9.3%	41,684	38.8%	40,903	39.0%	-1.9%
Selling Expenses	(8,764)	20.9%	(6,927)	-18.0%	1,837	-21.0%	(25,497)	-23.7%	(18,024)	-17.2%	-29.3%
General and Administrative Expenses	(5,915)	14.1%	(3,382)	-8.8%	2,533	-42.8%	(18,190)	-16.9%	(11,524)	-11.0%	-36.6%
Other Operating Income, Net	602	1.4%	488	1.3%	(114)	-18.9%	2,007	1.9%	1,993	1.9%	-0.7%
Operating Income	2,549	6.1%	5,255	13.7%	2,706	+106.2%	4	0.0%	13,348	12.7%	+333600%
Financial Expenses	(446)	1.1%	(633)	-1.6%	(187)	+41.9%	(983)	-0.9%	(1,388)	-1.3%	+41.2%
Financial Income	1,834	4.4%	2,220	5.8%	386	+21.0%	4,763	4.4%	5,512	5.3%	+15.7%
Operating Income before Income Tax and Social Contribution	3,937	9.4%	6,842	17.8%	2,905	+73.8%	3,784	3.5%	17,472	16.7%	+361.7%
Income Tax and Social Contribution	(1,997)	4.8%	(2,450)	-6.4%	(453)	+22.7%	(2,198)	-2.0%	(6,054)	-5.8%	+175.4%
Current	-	0.0%	-	0.0%	-	n/a	-	0.0%	-	0.0%	n/a
Deferred	(1,997)	4.8%	(2,450)	-6.4%	(453)	+22.7%	(2,198)	-2.0%	(6,054)	-5.8%	+175.4%
Net Income for the Period	1,940	4.6%	4,392	11.4%	2,452	+126.4%	1,586	1.5%	11,418	10.9%	+619.9%
Earnings per Share (R\$)	0.03		0.07	0.0%	0.04	+126.2%	0.02	+0.0%	0.17	+0.0%	+620.0%

ANNEX III - FINANCIAL STATEMENTS – BALANCE SHEET – CONSOLIDATED

Assets	12/31/2018	AV	9/30/2019	AV	Δ
Current Assets	98,844	45.6%	125,305	54.8%	+26.8%
Cash and Cash Equivalents	28,788	13.3%	45,809	20.0%	+59.1%
Restricted Marketable Securities	9,774	4.5%	20,504	9.0%	+109.8%
Trade Accounts Receivable	28,485	13.1%	27,079	11.8%	-4.9%
Inventories	21,563	9.9%	25,584	11.2%	+18.6%
Advances to Suppliers	399	0.2%	114	0.0%	-71.4%
Loans Granted	1,803	0.8%	1,095	0.5%	-39.3%
Prepaid Expenses	1,992	0.9%	1,491	0.7%	-25.2%
Recoverable Taxes	892	0.4%	703	0.3%	-21.2%
Other Assets	5,148	2.4%	2,926	1.3%	-43.2%
Non-Current Assets	118,138	54.4%	103,509	45.2%	-12.4%
Financial Investments	3,036	1.4%	3,183	1.4%	+4.8%
Trade Accounts Receivable	8,326	3.8%	6,292	2.7%	-24.4%
Loans Granted	1,439	0.7%	829	0.4%	-42.4%
Assets Held for Sale	750	0.3%	888	0.4%	+18.4%
Deferred Income and Social Contribution Taxes	13,063	6.0%	7,009	3.1%	-46.3%
Judicial Deposits	2,830	1.3%	1,869	0.8%	-34.0%
Other Assets	1,539	0.7%	1,258	0.5%	-18.3%
Investments	20	0.0%	20	0.0%	+0.0%
Property, Plant and Equipment	78,663	36.3%	74,948	32.8%	-4.7%
Intangible Assets	8,472	3.9%	7,213	3.2%	-14.9%
Total Assets	216,982	100%	228,814	100%	+5.5%

Liabilities	12/31/2018	AV	9/30/2019	AV	Δ
Current Liabilities	34,247	15.8%	36,272	15.9%	+5.9%
Suppliers	2,299	1.1%	4,484	2.0%	+95.0%
Tax Liabilities	1,179	0.5%	2,307	1.0%	+95.7%
Payroll and Related Charges	2,876	1.3%	4,880	2.1%	+69.7%
Advances from Customers	16,717	7.7%	17,060	7.5%	+2.1%
Provisions	5,485	2.5%	2,993	1.3%	-45.4%
Other Liabilities	5,691	2.6%	4,548	2.0%	-20.1%
Non-Current Liabilities	11,469	5.3%	9,781	4.3%	-14.7%
Tax Liabilities	208	0.1%	110	0.0%	-47.1%
Provisions	11,261	5.2%	9,671	4.2%	-14.1%
Shareholders' equity	171,266	78.9%	182,761	79.9%	+6.7%
Capital Stock	187,709	86.5%	187,709	82.0%	+0.0%
Capital Reserve	(2,658)	-1.2%	(2,658)	-1.2%	+0.0%
Cumulative Translation Adjustment	-	0%	77	0	n/a
Accumulated Loss	(13,785)	-6.4%	(2,367)	-1.0%	-82.8%
Total Liabilities and Shareholders' Equity	216,982	100%	228,814	100%	+5.5%

ANNEX IV – FINANCIAL STATEMENTS – CASH FLOW STATEMENT – CONSOLIDATED

Cash Flow Statement	3Q18	3Q19	Δ	9M18	9M19	Δ
Operating Income Before Income And Social Contribution Taxes	3,937	6,842	+73.8%	3,784	17,472	+361.7%
Adjustment to Reconcile the Net Income to Cash from Operating Activities:						
Depreciation and Amortization	2,100	2,187	+4.1%	6,908	6,547	-5.2%
Foreign Exchange Variation	1	(37)	3800.0%	(137)	142	-203.6%
Provision for Litigation	679	(1,366)	-301.2%	1,417	(1,477)	-204.2%
Provision for Obsolescence	5	11	+120.0%	258	156	-39.5%
Allowance for Doubtful Accounts	49	(167)	-440.8%	713	(803)	-212.6%
Provision for PPR	(1,619)	(799)	-50.6%	(2,319)	(1,221)	-47.3%
Disposal of Property, Plant and Equipment	780	7	-99.1%	2,278	508	-77.7%
Cash Flows from Operating Activities	5,932	6,678	+12.6%	12,902	21,324	+65.3%
Changes in Assets and Liabilities						
Trade Accounts Receivable	(2,826)	2,700	-195.5%	(2,134)	4,007	-287.8%
Inventories	(3,596)	3,553	-198.8%	(5,306)	(4,177)	-21.3%
Recoverable Taxes	1,657	(169)	-110.2%	1,731	189	-89.1%
Loans Granted	122	203	+66.4%	483	1,412	+192.3%
Other Current ou Non-Current Assets	2,995	1,608	-46.3%	1,912	4,251	+122.3%
Non-Current Assets Available for Sale	308	(356)	-215.6%	2,129	(138)	-106.5%
Suppliers	232	868	+274.1%	2,336	2,185	-6.5%
Advance from Customers	139	750	+439.6%	1,563	343	-78.1%
Other Current ou Non-Current Liabilities	(1,244)	(216)	-82.6%	(1,633)	508	-131.1%
Payment of Income and Social Contribution Taxes	-	-	n/a	-	-	n/a
Net Cash from Operating Activities	3,719	15,619	+320.0%	13,983	29,904	+113.9%
Cash Flows from Investing Activities						
Financial Investments	(12,315)	(10,405)	-15.5%	(13,315)	(10,877)	-18.3%
Investments	-	-	n/a	11	-	-100.0%
Property, Plant and Equipment	(1,497)	(404)	-73.0%	(3,852)	(1,529)	-60.3%
Intangible Assets	(34)	(207)	+508.8%	(423)	(552)	+30.5%
Net Cash used in Investing Activities	(13,846)	(11,016)	-20.4%	(17,579)	(12,958)	-26.3%
Cash Flows (used in) from Financing Activities						
Effect of exchange variation on cash and cash equivalents	-	75	n/a	-	75	n/a
Increase (Decrease) in Cash and Cash Equivalents	(10,127)	4,678	-146.2%	(3,596)	17,021	-573.3%
Changes in Cash and Cash Equivalents						
At the Beginning of the Period	36,004	41,131	+14.2%	29,473	28,788	-2.3%
At the End of the Period	25,877	45,809	+77.0%	25,877	45,809	+77.0%
Increase (Decrease) in Cash and Cash Equivalents	(10,127)	4,678	-146.2%	(3,596)	17,021	-573.3%

⁽¹⁾ The Statement of Cash Flow was prepared by the indirect method and is shown in accordance with CPC 3 - Statement of Cash Flows, issued by Brazil's Accounting Pronouncements Committee (CPC).

Transactions that do not affect cash are described in Note 26 to the Quarterly Information (ITR).

ANNEX V – GROSS REVENUE, GROSS REVENUE EX-IPI AND MODULES SOLD – CONSOLIDATED

Gross Revenue	1Q18	1Q19	2Q18	2Q19	3Q18	3Q19	4Q18	1H18	1H19	2H18	9M18	9M19	2018
Total Gross Revenue	39,988	39,971	46,547	46,073	54,940	50,438	54,780	86,535	86,044	109,720	141,475	136,482	196,255
Domestic Market	38,441	37,807	44,328	43,871	53,029	46,441	52,125	82,769	81,678	105,154	135,798	128,119	187,923
Dell Anno and Favorita - Exclusive Dealers and Own Stores	21,155	18,505	22,779	21,091	27,134	24,101	28,250	43,934	39,596	55,384	71,068	63,697	99,318
New and Casa Brasileira Exclusive Dealers	10,051	11,127	10,617	10,900	13,569	12,131	13,727	20,668	22,027	27,296	34,237	34,158	47,964
New and Casa Brasileira Multibrand	4,891	5,905	5,836	6,304	7,259	6,734	6,524	10,727	12,209	13,783	17,986	18,943	24,510
Unicasa Corporate	1,892	1,338	4,333	4,832	4,261	2,676	2,337	6,225	6,170	6,598	10,486	8,846	12,823
Other Revenues	452	932	763	744	806	799	1,287	1,215	1,676	2,093	2,021	2,475	3,308
Export Market	1,547	2,164	2,219	2,202	1,911	3,997	2,655	3,766	4,366	4,566	5,677	8,363	8,332

Gross Revenue from Sales Ex-IPI	1Q18	1Q19	2Q18	2Q19	3Q18	3Q19	4Q18	1H18	1H19	2H18	9M18	9M19	2018
Total Gross Revenue	38,353	38,297	44,613	44,143	52,587	48,320	52,415	82,966	82,440	105,002	135,553	130,760	187,968
Domestic Market	36,806	36,133	42,394	41,941	50,676	44,323	49,760	79,200	78,074	100,436	129,876	122,397	179,636
Dell Anno and Favorita - Exclusive Dealers and Own Stores	20,331	17,716	21,859	20,184	25,998	23,016	27,003	42,190	37,900	53,001	68,188	60,916	95,191
New and Casa Brasileira Exclusive Dealers	9,577	10,610	10,115	10,393	12,930	11,576	13,083	19,692	21,003	26,013	32,622	32,579	45,705
New and Casa Brasileira Multibrand	4,657	5,624	5,557	6,005	6,912	6,413	6,212	10,214	11,629	13,124	17,126	18,042	23,338
Unicasa Corporate	1,802	1,288	4,126	4,643	4,059	2,550	2,226	5,928	5,931	6,285	9,987	8,481	12,213
Other Revenues	439	895	737	716	777	768	1,236	1,176	1,611	2,013	1,953	2,379	3,189
Export Market	1,547	2,164	2,219	2,202	1,911	3,997	2,655	3,766	4,366	4,566	5,677	8,363	8,332

Modules Sold (Units)	1Q18	1Q19	2Q18	2Q19	3Q18	3Q19	4Q18	1H18	1H19	2H18	9M18	9M19	2018
Total Gross Revenue	136,225	129,120	147,261	137,177	170,849	157,783	177,000	283,486	266,297	347,849	454,335	424,080	631,335
Domestic Market	129,402	120,331	139,650	127,925	165,528	143,755	164,272	269,052	248,256	329,800	434,580	392,011	598,852
Dell Anno and Favorita - Exclusive Dealers and Own Stores	55,179	43,312	57,707	48,741	64,179	55,452	67,298	112,886	92,053	131,477	177,065	147,505	244,363
New and Casa Brasileira Exclusive Dealers	43,882	45,744	45,479	41,897	58,589	47,349	58,404	89,361	87,641	116,993	147,950	134,990	206,354
New and Casa Brasileira Multibrand	24,920	28,374	27,212	30,855	34,246	33,008	32,454	52,132	59,229	66,700	86,378	92,237	118,832
Unicasa Corporate	5,396	2,672	9,231	5,990	8,388	7,881	5,983	14,627	8,662	14,371	23,015	16,543	28,998
Other Revenues	25	229	21	442	126	65	133	46	671	259	172	736	305
Export Market	6,823	8,789	7,611	9,252	5,321	14,028	12,728	14,434	18,041	18,049	19,755	32,069	32,483