

UNICASA

**Earnings Release
4Q17**





Investor relations

Frank Zietolie
CEO and CCO

Gustavo Dall'Onder
CFO and IRO
Guilherme Possebon de Oliveira
Maikon Luis Moro

Phone: (54) 3455-4425
dri@unicasamoveis.com.br
www.unicasamoveis.com.br/ri

Bento Gonçalves, Rio Grande do Sul, March 15, 2018. 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 fourth quarter of 2017. 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 cash of R\$ 29.5 million;
- Gross Revenue ex-IPI of R\$53.9 million;
- Gross margin of 41.8%
- Reduction of 48% in selling and administrative expenses
- Reduction of 80.9% of net loss compared with 4Q16

Executive Summary	4Q16	4Q17	Δ	2016	2017	Δ
Gross Revenue ex-IPI	61,462	54,828	-10.8%	245,359	207,799	-15.3%
Net Revenue	46,263	42,053	-9.1%	185,056	157,941	-14.7%
Cost of Goods Sold	(26,835)	(24,488)	-8.7%	(105,246)	(90,931)	-13.6%
Gross Income	19,428	17,565	-9.6%	79,810	67,010	-16.0%
Gross Margin	42.0%	41.8%	-0.2 p.p.	43.1%	42.4%	-0.7 p.p.
Selling and Administrative Expenses	(45,131)	(23,475)	-48.0%	(112,215)	(83,281)	-25.8%
Other Revenues and Operating Expenses	(225)	(535)	+137.8%	1,637	1,675	+2.3%
Operating Income	(25,928)	(6,445)	-75.1%	(30,768)	(14,596)	-52.6%
Operating Margin	-56.0%	-15.3%	+40.7 p.p.	-16.6%	-9.2%	+7.4 p.p.
Financial Income (Expenses) Net	1,593	1,187	-25.5%	7,821	4,604	-41.1%
Operating Income before Income Tax and Social Contribution	(24,335)	(5,258)	-78.4%	(22,947)	(9,992)	-56.5%
Income Tax and Social Contribution	214	658	+207.5%	(1,317)	3,635	-376.0%
Net Profit	(24,121)	(4,600)	-80.9%	(24,264)	(6,357)	-73.8%
Net Margin	-52.1%	-10.9%	+41.2 p.p.	-13.1%	-4.0%	+9.1 p.p.
EBITDA	(23,271)	(3,803)	-83.7%	(19,824)	(4,107)	-79.3%
EBITDA Margin	-50.3%	-9.0%	+41.3 p.p.	-10.7%	-2.6%	+8.1 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,

Throughout 2017 we once again sought to adapt the Company to a bleaker scenario marked by an economic environment that still remains challenging. Besides restructuring the Company, we continued to close down operations that did not deliver sustainable results or which did not fit with the positioning we set for our brands.

Despite the difficulties brought on by the economic scenario, the Company continues to invest in products and in technological innovation. During the year, we made another important investment that enables us to launch a pioneering product in the market at the start of 2018. Throughout the year, we made several changes to products to enable greater differentiation of our deliveries, most of which will be launched in the market during 2018. In this regard, 2018 brings together the highest number of changes in our portfolio in a single year, a 35% increase compared to the launches in 2017, which already witnessed a high volume of launches.

In 2017, we further advanced our customer outreach initiatives by applying the Net Promoter Score methodology to customers of the Dell Anno brand. We are directly contacting our end consumers to hear from them about their furniture buying experience. Confirming the importance of this project, in 2018, we will expand its scope and reach out to customers of the Favorita brand.

We received the “Top of Marketing” award from the Association of Marketing and Sales Executives of Brazil (ADVB) in the “Fashion and Architecture” category for successfully bridging the fashion, architecture and furniture worlds with the “dress the house” concept. The award is the result of heavy investments made by the company in repositioning the Dell Anno brand.

After completing another year of hard work and certain that we will reap the fruits of these initiatives in the future, we thank all those who were part of this journey. Our deepest thanks to our customers, storeowners, suppliers and employees, who placed their confidence in the Company's ability to emerge victorious this year and who lay the foundation, with each passing day, so that we can continue to pursue our goals.

SALES PERFORMANCE

The Unicasa Corporate and Export Markets segments are affected by significant oscillations due to the specific aspects of the projects sold in the period. To the Export Market, include the oscillation of the exchange rate

Dell Anno and Favorita – Exclusive and Own Stores	4Q16	4Q17	Δ	2016	2017	Δ
Gross Revenue, ex-IPI	34,973	29,545	-15.5%	129,266	112,662	-12.8%
Number of Modules Sold (thousand units)	97.0	78.0	-19.6%	356.3	318.2	-10.7%
New and Casa Brasileira Exclusive Dealers	4Q16	4Q17	Δ	2016	2017	Δ
Gross Revenue, ex-IPI	16,351	13,418	-17.9%	67,450	52,212	-22.6%
Number of Modules Sold (thousand units)	84.8	61.7	-27.2%	377.5	265.1	-29.8%
Multibrands	4Q16	4Q17	Δ	2016	2017	Δ
Gross Revenue, ex-IPI	6,684	6,239	-6.7%	30,523	23,880	-21.8%
Number of Modules Sold (thousand units)	39.8	34.3	-13.8%	180.7	141.1	-21.9%
Unicasa Corporate	4Q16	4Q17	Δ	2016	2017	Δ
Gross Revenue, ex-IPI	1,418	2,812	+98.3%	10,019	10,505	+4.9%
Number of Modules Sold (thousand units)	6.2	8.9	+43.5%	35.2	33.5	-4.8%
Export Market	4Q16	4Q17	Δ	2016	2017	Δ
Gross Revenue, ex-IPI	1,280	2,285	+78.5%	5,287	6,058	+14.6%
Number of Modules Sold (thousand units)	5.5	9.3	+69.1%	25.4	26.4	+3.9%

Consolidated Indicators – Unicasa

Unicasa Indústria de Móveis	4Q16	4Q17	Δ	2016	2017	Δ
Gross Revenue, ex-IPI	61,462	54,828	-10.8%	245,359	207,799	-15.3%
Number of Modules Sold (thousand units)	239.3	192.4	-19.6%	1,001.0	787.3	-21.3%

SALES AND DISTRIBUTION CHANNELS

Period	4Q16	1Q17	2Q17	3Q17	4Q17	Δ
Exclusive and Own Stores	410	367	344	287	278	(9)
Dell Anno and Favorita	172	157	150	136	129	(7)
New and Casa Brasileira	238	210	194	151	149	(2)
Multibrand	629	642	598	598	597	(1)
New and Casa Brasileira Multibrand	629	642	598	598	597	(1)

Average productivity per Dell Anno and Favorita store in 4Q17 was R\$74.3, 12.8% higher than the R\$65.9 in 4Q16. Average productivity in the quarter per New and Casa Brasileira store in 4Q17 was R\$29.8, 33.8% higher than the R\$22.3 in 4Q16. In both segments, increased productivity is due to the closure of less productive operations

FINANCIAL PERFORMANCE

Gross Profit and Gross Margin

Gross profit in the quarter was R\$17.6 million. Gross margin decreased 0.2 p.p., from 42.0% to 41.8%.

Selling, General and Administrative Expenses (SG&A)

Selling General and Administrative Expenses	4Q16	4Q17	Δ	2016	2017	Δ
Total	(45,131)	(23,475)	-48.0%	(112,215)	(83,281)	-25.8%
Selling Expenses	(29,359)	(15,933)	-45.7%	(79,414)	(58,371)	-26.5%
% of Net Revenue	63.5%	37.9%	-25.6 p.p.	42.9%	37.0%	-5.9 p.p.
Administrative Expenses	(15,772)	(7,542)	-52.2%	(32,801)	(24,910)	-24.1%
% of Net Revenue	34.1%	17.9%	-16.2 p.p.	17.7%	15.8%	-1.9 p.p.
SG&A % of Net Revenue	97.6%	55.8%	-41.8 p.p.	60.6%	52.8%	-7.8 p.p.

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



⁽¹⁾In million.

Expenses with allowance for doubtful accounts fell by R\$9.6 million. The Company restructured its store network to reduce its risk exposure and as a result, stores that were closed have less current liabilities with the Company. The reduction also results from the fact that in 2016 more stores with liabilities owed to the Company were closed.

Customer service expenses fell R\$4.1 million, due mainly to the reduction in expenses with civil lawsuits.

Expenses with own stores declined by R\$2.7 million, mainly due to the closure of stores, as disclosed in the 4Q16 earnings release.

The non-recurring effect of the write-off of the Company's goodwill reduced operating expenses by R\$2.4 million. In 2016, the Company wrote off to expense the residual value of goodwill and incurred contractual expenses for the closure of these points of sale, as mentioned in the 4Q16 earnings release. The total effect of the operation recorded in 2016 is added to the reduction in the amortization of goodwill in 2016 until the time of it is written off.

Personnel expenses declined R\$1.4 million, mainly due to the restructuring carried out at the Company during 2016 and 2017.

The reduction in other expenses arises mainly from: (i) advertising expenses, resulting from the resource optimization initiatives and the adjustment of investments in this area; (ii) the non-recurrence of provisions for tax lawsuits made in 4Q16; and (iii) the reduction in consulting expenses.

Other Operating Income and Expenses

Other operating income and expenses increased 137.8%, mainly due to income from the sale of brand exploration rights, partially offset by the result from the sale of assets held for sale.

Other Operating Income and Expenses	4Q16	4Q17	Δ	2016	2017	Δ
Total	(225)	(535)	137.8%	1,637	1,675	2.3%
Operating Expenses	(930)	(1,611)	73.2%	(1,562)	(3,246)	107.8%
Operating Income	705	1,076	52.6%	3,199	4,921	53.8%
Bank Premium	583	380	-34.8%	2,447	1,632	-33.3%
Trademark Rights	-	506	n/a			
Other Operating Income	122	190	55.7%	752	2,213	194.3%
% of Net Revenue	0.5%	1.3%	0.8 p.p.	0.9%	1.1%	0.2 p.p.

Financial Result

Financial result declined 25.5%, mainly due to the reduction in revenue from financial investments and from Present Value Adjustment (AVP). The reduction in the AVP base is due to the stricter credit policy.

Financial Result	4Q16	4Q17	Δ	2016	2017	Δ
Net Financial Result	1,593	1,187	-25.5%	7,821	4,604	-41.1%
Financial Expenses	(999)	(452)	-54.8%	(3,975)	(2,614)	-34.2%
Financial Income	2,592	1,639	-36.8%	11,796	7,218	-38.8%

EBITDA and EBITDA Margin

EBITDA	4Q16	4Q17	Δ	2016	2017	Δ
Net Income for the Period	(24,121)	(4,600)	-80.9%	(24,264)	(6,357)	-73.8%
Income Tax and Social Contribution	(214)	(658)	+207.5%	1,317	(3,635)	-376.0%
Financial Result	(1,593)	(1,187)	-25.5%	(7,821)	(4,604)	-41.1%
EBIT	(25,928)	(6,445)	-75.1%	(30,768)	(14,596)	-52.6%
Depreciation and Amortization	2,657	2,642	-0.6%	10,944	10,489	-4.2%
EBITDA	(23,271)	(3,803)	-83.7%	(19,824)	(4,107)	-79.3%
EBITDA Margin	-50.3%	-9.0%	+41.3 p.p.	-10.7%	-2.6%	+8.1 p.p.

Cash Flow

Cash Flow	4Q16	4Q17	Δ	9M16	9M17	Δ
Cash generated by operational activities	(8,692)	(5,245)	-39.7%	10,146	3,482	-65.7%
Financial Investments	158	3,616	+2188.6%	(333)	4,779	-1535.1%
Cash generated by investment activities	(1,364)	(1,863)	+36.6%	(8,411)	(6,620)	-21.3%
Cash generated by financing activities	-	-	+0.0%	(6,774)	-	-100.0%
Cash flow (burn)	(9,898)	(3,492)	-64.7%	(5,372)	1,641	-130.5%
Financial Investments	(158)	(3,616)	+2188.6%	333	(4,779)	-1535.1%
Cash flow and Financial Investments	(10,056)	(7,108)	-29.3%	(5,039)	(3,138)	-37.7%

The reduction in cash burn in 4Q17 compared to 4Q16 was mainly due to the decline in operating expenses.

Working capital

Working Capital ⁽¹⁾	4Q16	4Q17	Δ
Average trade accounts receivable	44,713	36,467	(8,246)
<i>Average term for receipt of sales (days)</i>	66	63	(2)
Average inventory	23,087	22,695	(393)
<i>Average term for inventory replenishment (days)</i>	79	90	11
Average trade accounts payable	6,093	5,748	(346)
<i>Average term for payment of suppliers (days)</i>	22	23	1
Average advances from customers	28,485	22,699	(5,786)
<i>Average term for advances from customers (days)</i>	42	39	(2)
Working capital	33,222	30,715	(2,507)

⁽¹⁾ Last twelve months

The company's working capital needs declined by R\$2.8 million in the period, mainly due to the drop in revenue, which affects the lower volume of accounts receivable.

Net Cash

Net Cash	12/31/2016	12/31/2017	Δ
Short Term Debt	-	-	n/a
Long Term Debt	-	-	n/a
Gross Debt	-	-	n/a
Cash and Cash Equivalents	27,832	29,473	+5.9%
Financial Investments	4,779	-	-100.0%
Net Debt/(Cash Surplus)	(32,611)	(29,473)	-9.6%

The Company ended the quarter with 9.6% less cash than in the same period last year. This is mainly due to the decrease in revenue in the period.

Return on Invested Capital (ROIC)

The Company's net ROIC in the last twelve months (LTM) ending 4Q17 was -6.6%, down 12.2 p.p. from the same period last year.

Return on Invested Capital (ROIC)	4Q16	4Q17	Δ
EBIT (LTM)	(30,768)	(14,596)	-52.6%
Average of Operating Assets	154,618	140,009	-9.4%
ROIC	-19.9%	-10.4%	+9.5 p.p.
Effective IR + CSLL rate (LTM)	5.7%	36.4%	+30.7 p.p.
ROIC, Net	-18.8%	-6.6%	+12.2 p.p.

ANNEX I – FINANCIAL STATEMENTS – INCOME STATEMENT – CONSOLIDATED

Income Statement	4Q16	4Q17	AV	AH	2016	AV	2017	AV	AH
Gross Revenue from Sales	64,116	57,223	136.1%	-10.8%	255,978	138.3%	216,741	137.2%	-15.3%
Domestic Market	62,836	54,938	130.6%	-12.6%	250,691	135.5%	210,683	133.4%	-16.0%
Dell Anno and Favorita	36,383	30,809	73.3%	-15.3%	134,412	72.6%	117,217	74.2%	-12.8%
New and Casa Brasileira Exclusive Dealers	17,160	14,082	33.5%	-17.9%	70,800	38.3%	54,793	34.7%	-22.6%
New and Casa Brasileira Multibrand	7,019	6,551	15.6%	-6.7%	32,047	17.3%	25,073	15.9%	-21.8%
Unicasa Corporate	1,488	2,952	7.0%	+98.4%	10,513	5.7%	11,031	7.0%	+4.9%
Other Revenues	786	544	1.3%	-30.8%	2,919	1.6%	2,569	1.6%	-12.0%
Exports	1,280	2,285	5.4%	+78.5%	5,287	2.9%	6,058	3.8%	+14.6%
Sales Deductions	(17,853)	(15,170)	-36.1%	-15.0%	(70,922)	-38.3%	(58,800)	-37.2%	-17.1%
Net Revenue from Sales	46,263	42,053	100.0%	-9.1%	185,056	100.0%	157,941	100.0%	-14.7%
Cost of Goods Sold	(26,835)	(24,488)	-58.2%	-8.7%	(105,246)	-56.9%	(90,931)	-57.6%	-13.6%
Gross Profit	19,428	17,565	41.8%	-9.6%	79,810	43.1%	67,010	42.4%	-16.0%
Selling Expenses	(29,359)	(15,933)	-37.9%	-45.7%	(79,414)	-42.9%	(58,371)	-37.0%	-26.5%
General and Administrative Expenses	(15,772)	(7,542)	-17.9%	-52.2%	(32,801)	-17.7%	(24,910)	-15.8%	-24.1%
Other Operating Income, Net	(225)	(535)	-1.3%	+137.8%	1,637	0.9%	1,675	1.1%	+2.3%
Operating Income	(25,928)	(6,445)	-15.3%	-75.1%	(30,768)	-16.6%	(14,596)	-9.2%	-52.6%
Financial Expenses	(999)	(452)	-1.1%	-54.8%	(3,975)	-2.1%	(2,614)	-1.7%	-34.2%
Financial Income	2,592	1,639	3.9%	-36.8%	11,796	6.4%	7,218	4.6%	-38.8%
Operating Income before Income Tax and Social Contribution	(24,335)	(5,258)	-12.5%	-78.4%	(22,947)	-12.4%	(9,992)	-6.3%	-56.5%
Income Tax and Social Contribution	214	658	1.6%	+207.5%	(1,317)	-0.7%	3,635	2.3%	-376.0%
Current	-	100	0.2%	n/a	-	0.0%	-	0.0%	n/a
Deferred	214	558	1.3%	+160.7%	(1,317)	-0.7%	3,635	2.3%	-376.0%
Net Income for the Period	(24,121)	(4,600)	-10.9%	-80.9%	(24,264)	-13.1%	(6,357)	-4.0%	-73.8%
Earnings per Share (R\$)	(0.37)	(0.07)	0.0%	-80.9%	(0.37)	+0.0%	(0.10)	+0.0%	-73.8%

ANNEX II - FINANCIAL STATEMENTS – BALANCE SHEET – CONSOLIDATED

Assets	12/31/2016	AV	12/31/2017	AV	Δ
Current Assets	89,072	38.1%	84,506	39.1%	-5.1%
Cash and Cash Equivalents	27,832	11.9%	29,473	13.6%	+5.9%
Restricted Marketable Securities	4,779	2.0%	-	0.0%	-100.0%
Trade Accounts Receivable	21,903	9.4%	23,641	10.9%	+7.9%
Inventories	21,000	9.0%	19,770	9.1%	-5.9%
Advances to Suppliers	982	0.4%	837	0.4%	-14.8%
Loans Granted	2,521	1.1%	1,456	0.7%	-42.2%
Prepaid Expenses	876	0.4%	1,089	0.5%	+24.3%
Recoverable Taxes	6,631	2.8%	5,096	2.4%	-23.1%
Other Assets	2,548	1.1%	3,144	1.5%	+23.4%
Non-Current Assets	144,648	61.9%	131,857	60.9%	-8.8%
Trade Accounts Receivable	11,944	5.1%	11,633	5.4%	-2.6%
Loans Granted	3,235	1.4%	2,606	1.2%	-19.4%
Assets Held for Sale	11,006	4.7%	2,878	1.3%	-73.9%
Deferred Income and Social Contribution Taxes	13,796	5.9%	16,238	7.5%	+17.7%
Judicial Deposits	3,245	1.4%	2,946	1.4%	-9.2%
Other Assets	3,035	1.3%	2,454	1.1%	-19.1%
Investments	82	0.0%	31	0.0%	-62.2%
Property, Plant and Equipment	83,014	35.5%	82,398	38.1%	-0.7%
Intangible Assets	15,291	6.5%	10,673	4.9%	-30.2%
Total Assets	233,720	100%	216,363	100%	-0.1
Liabilities	12/31/2016	AV	12/31/2017	AV	Δ
Current Liabilities	45,958	19.7%	38,445	17.8%	-16.3%
Suppliers	3,343	1.4%	3,266	1.5%	-2.3%
Tax Liabilities	3,447	1.5%	2,718	1.3%	-21.1%
Payroll and Related Charges	3,827	1.6%	2,973	1.4%	-22.3%
Advances from Customers	25,496	10.9%	17,568	8.1%	-31.1%
Provisions	6,103	2.6%	8,703	4.0%	+42.6%
Other Liabilities	3,742	1.6%	3,217	1.5%	-14.0%
Non-Current Liabilities	13,533	5.8%	10,046	4.6%	-25.8%
Tax Liabilities	602	0.3%	471	0.2%	-21.8%
Provisions	12,931	5.5%	9,575	4.4%	-26.0%
Shareholders' equity	174,229	74.5%	167,872	77.6%	-3.6%
Capital Stock	187,709	80.3%	187,709	86.8%	+0.0%
Capital Reserve	(2,658)	-1.1%	(2,658)	-1.2%	+0.0%
Accumulated Loss	(10,822)	-4.6%	(17,179)	-7.9%	+58.7%
Total Liabilities and Shareholders' Equity	233,720	100%	216,363	100%	-7.4%

ANNEX III – FINANCIAL STATEMENTS – CASH FLOW STATEMENT – CONSOLIDATED

Cash Flow Statement	4Q16	4Q17	Δ	2016	2017	Δ
Operating Income Before Income And Social Contribution Taxes	(24,335)	(5,258)	-78.4%	(22,947)	(9,992)	-56.5%
Adjustment to Reconcile the Net Income to Cash from Operating Activities:						
Depreciation and Amortization	2,657	2,642	-0.6%	10,944	10,489	-4.2%
Foreign Exchange Variation	(32)	(71)	+121.9%	292	(93)	-131.8%
Provision for Litigation	5,833	3,364	-42.3%	6,288	3,411	-45.8%
Provision for Obsolescence	19	184	+868.4%	(226)	53	-123.5%
Allowance for Doubtful Accounts	10,278	586	-94.3%	11,323	1,550	-86.3%
Provison for PPR	998	990	-0.8%	1,290	(68)	-105.3%
Disposal of Property, Plant and Equipment	1,727	262	-84.8%	3,169	3,524	+11.2%
Cash Flows from Operating Activities	(2,855)	2,699	-194.5%	10,133	8,874	-12.4%
Changes in Assets and Liabilities						
Trade Accounts Receivable	2,106	374	-82.2%	8,561	(1,903)	-122.2%
Inventories	3,537	718	-79.7%	4,354	1,995	-54.2%
Recoverable Taxes	1,126	1,307	-73.6%	163	1,535	+26.5%
Loans Granted	1	290	+28900.0%	42	713	+1597.6%
Other Current ou Non-Current Assets	2,772	84	-97.0%	1,809	(2,998)	-265.7%
Non-Current Assets Available for Sale	(1,198)	1,261	-205.3%	(4,057)	8,128	-300.3%
Suppliers	(4,479)	(2,254)	-49.7%	1,139	(77)	-106.8%
Advance from Customers	(3,324)	(5,099)	+53.4%	(8,112)	(7,928)	-2.3%
Tax Liabilities	-	-	n/a	-	-	n/a
Other Current ou Non-Current Liabilities	(6,378)	(4,625)	-27.5%	(3,886)	(4,857)	+25.0%
Net Cash from Operating Activities	(8,692)	(5,245)	-39.7%	10,146	3,482	-65.7%
Cash Flows from Investing Activities						
Financial Investments	158	3,616	+2188.6%	(333)	4,779	-1535.1%
Investments	-	-	n/a	-	51	n/a
Property, Plant and Equipment	(1,318)	(1,758)	+33.4%	(7,401)	(6,393)	-13.6%
Intangible Assets	(46)	(105)	+128.3%	(1,010)	(278)	-72.5%
Net Cash used in Investing Activities	(1,206)	1,753	-245.4%	(8,744)	(1,841)	-78.9%
Cash Flows from Financing Activities						
Payment of Interest on Shareholders' Equity	-	-	n/a	(6,774)	-	-100.0%
Cash Flows (used in) from Financing Activities	-	-	n/a	(6,774)	-	-100.0%
Increase (Decrease) in Cash and Cash Equivalents	(9,898)	(3,492)	-64.7%	(5,372)	1,641	-130.5%
Changes in Cash and Cash Equivalents						
At the Beginning of the Period	-	-	n/a	33,204	27,832	-16.2%
At the End of the Period	(9,898)	(3,492)	-64.7%	27,832	29,473	+5.9%
Increase (Decrease) in Cash and Cash Equivalents	(9,898)	(3,492)	-64.7%	(5,372)	1,641	-130.5%

⁽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 IV – GROSS REVENUE, GROSS REVENUE EX-IPI AND MODULES SOLD – CONSOLIDATED

Gross Revenue	1Q16	1Q17	2Q16	2Q17	3Q16	3Q17	4Q16	4Q17	1H16	1H17	2H16	2H17	9M16	9M17	2016	2017
Total Gross Revenue	61,723	52,235	65,160	51,049	64,979	56,234	64,116	57,223	126,883	103,284	129,095	113,457	191,862	159,518	255,978	216,741
Domestic Market	60,447	51,614	63,775	50,049	63,633	54,082	62,836	54,938	124,222	101,663	126,469	109,020	187,855	155,745	250,691	210,683
Dell Anno and Favorita - Exclusive Dealers and Own Stores	33,108	28,905	31,626	28,067	33,295	29,436	36,383	30,809	64,734	56,972	69,678	60,245	98,029	86,408	134,412	117,217
New and Casa Brasileira Exclusive Dealers	16,803	13,423	18,915	13,000	17,922	14,288	17,160	14,082	35,718	26,423	35,082	28,370	53,640	40,711	70,800	54,793
New and Casa Brasileira Multibrand	7,521	5,793	9,228	6,076	8,279	6,653	7,019	6,551	16,749	11,869	15,298	13,204	25,028	18,522	32,047	25,073
Unicasa Corporate	2,511	2,833	3,322	2,131	3,192	3,115	1,488	2,952	5,833	4,964	4,680	6,067	9,025	8,079	10,513	11,031
Other Revenues	504	660	684	775	945	590	786	544	1,188	1,435	1,731	1,134	2,133	2,025	2,919	2,569
Export Market	1,276	621	1,385	1,000	1,346	2,152	1,280	2,285	2,661	1,621	2,626	4,437	4,007	3,773	5,287	6,058

Gross Revenue from Sales Ex-IPI	1Q16	1Q17	2Q16	2Q17	3Q16	3Q17	4Q16	4Q17	1H16	1H17	2H16	2H17	9M16	9M17	2016	2017
Total Gross Revenue	59,168	50,119	62,451	48,914	62,278	53,938	61,462	54,828	121,619	99,033	123,740	108,766	183,897	152,971	245,359	207,799
Domestic Market	57,892	49,498	61,066	47,914	60,932	51,786	60,182	52,543	118,958	97,412	121,114	104,329	179,890	149,198	240,072	201,741
Dell Anno and Favorita - Exclusive Dealers and Own Stores	31,839	27,856	30,429	26,964	32,025	28,297	34,973	29,545	62,268	54,820	66,998	57,842	94,293	83,117	129,266	112,662
New and Casa Brasileira Exclusive Dealers	16,008	12,792	18,020	12,386	17,071	13,616	16,351	13,418	34,028	25,178	33,422	27,034	51,099	38,794	67,450	52,212
New and Casa Brasileira Multibrand	7,165	5,516	8,790	5,788	7,884	6,337	6,684	6,239	15,955	11,304	14,568	12,576	23,839	17,641	30,523	23,880
Unicasa Corporate	2,396	2,699	3,165	2,028	3,040	2,966	1,418	2,812	5,561	4,727	4,458	5,778	8,601	7,693	10,019	10,505
Other Revenues	484	635	662	748	912	570	756	529	1,146	1,383	1,668	1,099	2,058	1,953	2,814	2,482
Export Market	1,276	621	1,385	1,000	1,346	2,152	1,280	2,285	2,661	1,621	2,626	4,437	4,007	3,773	5,287	6,058

Modules Sold (Units)	1Q16	1Q17	2Q16	2Q17	3Q16	3Q17	4Q16	4Q17	1H16	1H17	2H16	2H17	9M16	9M17	2016	2017
Total Gross Revenue	239,072	190,073	272,787	187,843	249,949	217,017	239,330	192,385	511,859	377,916	489,279	397,647	761,808	594,933	1,001,138	787,318
Domestic Market	232,888	187,637	266,184	183,905	242,777	206,341	233,841	183,078	499,072	371,542	476,618	377,664	741,849	577,883	975,690	760,961
Dell Anno and Favorita - Exclusive Dealers and Own Stores	83,947	74,640	82,038	77,485	93,264	88,100	97,035	78,009	165,985	152,125	190,299	154,354	259,249	240,225	356,284	318,234
New and Casa Brasileira Exclusive Dealers	91,389	68,287	109,186	65,045	92,124	70,071	84,831	61,733	200,575	133,332	176,955	131,804	292,699	203,403	377,530	265,136
New and Casa Brasileira Multibrand	43,906	34,121	54,621	34,923	42,410	37,787	39,797	34,306	98,527	69,044	82,207	72,093	140,937	106,831	180,734	141,137
Unicasa Corporate	7,780	8,673	12,682	6,023	8,537	9,921	6,222	8,864	20,462	14,696	14,759	18,785	28,999	24,617	35,221	33,481
Other Revenues	5,866	1,916	7,657	429	6,442	462	5,956	166	13,523	2,345	12,398	628	19,965	2,807	25,921	2,973
Export Market	6,184	2,436	6,603	3,938	7,172	10,676	5,489	9,307	12,787	6,374	12,661	19,983	19,959	17,050	25,448	26,357