



UNICASA

Móveis

EARNINGS RELEASE 3Q13



Market data as of November 12th, 2013
Stock price: R\$6.10
Market capitalization: R\$403,126,820.40

3Q13 Conference Call

Conference call in Portuguese with simultaneous translation into English:

November 13th, 2013

Wednesday, 12:30 p.m.
(Brasília time)

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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 not to materialize or cause actual results to differ materially from those expected and, therefore, are subject to change without prior notice.

Bento Gonçalves (RS), November 12th, 2013. Unicasa Móveis S.A. (BM&FBOVESPA: UCAS3), one of the leading companies in Brazil's customized furniture industry, with a presence in all states and products in all income segments sold under the brands Dell Anno, Favorita, New, Telasul and Casa Brasileira, announces today its results for the third quarter (3Q13). 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 in 3Q12/9M12 with data from the individual Company and in 3Q13/9M13 with consolidated data (with Unicasa Comércio de Móveis S.A.), in thousands of Brazilian reais, in accordance with the International Financial Reporting Standards (IFRS).

Period highlights

- Net revenue of R\$64.2 million in 3Q13;
- Net income of R\$2.9 million in 3Q13, 6.9% of sales;
- Net cash of R\$23.3 million in 3Q13;
- Change in accounting estimate – useful life of property, plant and equipment and Intangible assets.

Consolidated highlights

Executive Summary	3Q12	3Q13	Δ	9M12	9M13	Δ
Net Revenue	71,561	64,220	-10.3%	203,881	182,685	-10.4%
Gross Income	29,339	25,027	-14.7%	83,990	72,278	-13.9%
Gross Margin	41.0%	39.0%	-2.0 p.p.	41.2%	39.6%	-1.6 p.p.
Operating Income	13,859	2,282	-83.5%	38,935	10,970	-71.8%
Operating Margin	19.4%	3.6%	-15.8 p.p.	19.1%	6.0%	-13.1 p.p.
Net profit	12,244	2,871	-76.6%	31,932	13,295	-58.4%
Net Margin	17.1%	4.5%	-12.6 p.p.	15.7%	7.3%	-8.4 p.p.
EBITDA	15,907	4,410	-72.3%	45,122	17,538	-61.1%
EBITDA Margin	22.2%	6.9%	-15.3 p.p.	22.1%	9.6%	-12.5 p.p.

SALES AND DISTRIBUTION CHANNELS

Our distribution channels continue to expand, though multibrand stores accounted for a higher share of openings to reach a total of 2,820 stores in 3Q13, apart from the greater homogeneity among exclusive dealers, which totaled 906 stores in 3Q13, of which 439 were Dell Anno and Favorita stores, and 467 were New and Casa Brasileira franchise stores. We ended the quarter with five own Dell Anno stores, four of them in São Paulo city and one in Manaus.

As part of the qualification process for our exclusive Dell Anno and Favorita dealers, we reduced the number of stores by 17. This move, which was already announced in 2Q13, is part of the second phase of repositioning of the Dell Anno and Favorita brands, which involves replacing stores located in markets with poor response to the brands' proposition and with low revenue and profit generation. Of this base, 15 stores were converted into Casa Brasileira multibrand stores, whose proposition fits with the respective markets.

We ended 3Q13 with 618 New and Casa Brasileira multibrand stores and 2,202 retail chain stores selling the Telasul Modular brand.

Below is the evolution of our distribution channels:

Period	2012	1Q13	2Q13	3Q13	Δ
Exclusive, Franchise and Own Stores	922	929	923	906	(17)
Dell Anno and Favorita	463	463	456	439	(17)
New and Casa Brasileira Franchise	459	466	467	467	-
Multibrand	2,131	2,161	2,761	2,820	59
New and Casa Brasileira Multibrand	576	576	594	618	24
Telasul Modular	1,555	1,585	2,167	2,202	35

SALES PERFORMANCE
Gross Revenue ex-IPI

Revenue information by brand is presented as gross revenue excluding the IPI tax (gross revenue ex-IPI) in the comparison base, since sales information for each brand has better comparability in this format. The IPI tax rate was reduced from 5% to 0% from March 26th, 2012 to January 31st, 2013, after which it was raised to 2.5% starting from February 1st, to 3% as of July 1st and to 3.5% as of October 1st, with expectations of a return to 5% as of January 1st, 2014. Information about gross revenue, gross revenue ex-IPI and modules sold is available in Annex IV to this release.

Dell Anno and Favorita

Dell Anno and Favorita – Exclusive and Own Stores	3Q12	3Q13	Δ	9M12	9M13	Δ
Gross Revenue, ex-IPI	47,783	41,859	-12.4%	142,867	118,203	-17.3%
Number of Modules Sold (thousand units)	171.5	133.1	-22.4%	520.1	382.6	-26.4%
Average Unit Price (R\$)	278.6	314.5	12.9%	274.7	308.9	12.4%

The Dell Anno and Favorita brands registered a decline of 12.4% in gross revenue ex-IPI and 22.4% in modules sold, and an increase of 12.9% in the average unit price compared to 3Q12.

The decline in revenue from the Dell Anno and Favorita brands this quarter is mainly due to the combination of the following factors, in similar proportions: our own stores in São Paulo replaced mature stores and are in the ramp up process; two store transitions were carried out in important markets and since they have already been concluded, there should be no impact in the coming quarters; increase of 53% in showroom sales in relation to 3Q12, almost an additional 51 stores changed their showroom this quarter, which impacts revenue partially because of the reduction in the sale area and the reduced product exposure at the point of sale; and the market slowdown.

New and Casa Brasileira

New Exclusive Dealers and Casa Brasileira Franchise Stores	3Q12	3Q13	Δ	9M12	9M13	Δ
Gross Revenue, ex-IPI	23,848	22,598	-5.2%	66,326	67,277	1.4%
Number of Modules Sold (thousand units)	128.1	116.9	-8.7%	350.1	348.9	-0.3%
Average Unit Price (R\$)	186.2	193.3	3.8%	189.4	192.8	1.8%

Multibrands	3Q12 ⁽¹⁾	3Q13	Δ	9M12 ⁽¹⁾	9M13	Δ
Gross Revenue, ex-IPI	10,167	9,663	-5.0%	27,888	27,343	-2.0%
Number of Modules Sold (thousand units)	64.7	60.9	-5.9%	174.8	171.0	-2.2%
Average Unit Price (R\$)	157.1	158.7	1.0%	159.5	159.9	0.3%

⁽¹⁾ Revenues reported in 2012 refer to sales of the Telasul brand in the Exclusive and Multibrand channels plus the New Multibrand channel.

Gross revenue ex-IPI from New exclusive channels and Casa Brasileira franchises decreased 5.2%, with an 8.7% drop in modules sold and a 3.8% increase in the average unit price compared to 3Q12.

The multibrand channel (New, Casa Brasileira and other) registered decreases of 5.0% in gross revenue ex-IPI and 5.9% in modules sold, while the average unit price increased 1.0%.

Telasul Modular

The Telasul brand was marketed through the Exclusive, Multibrand and Department store channels, and its numbers were reported on a consolidated basis. With the launch of the Casa Brasileira brand in March this year, the erstwhile Telasul exclusive and multibrand channels were transformed into Casa Brasileira multibrand channels and were reported together with the New multibrand channels. The department store channel continues to be served by the Telasul Modular brand, supplying modular furniture to retail chains.

To enable comparative analysis, we have provided the sales history of the Telasul Modular brand in Annex IV of this release.

Telasul Modular	3Q12	3Q13	Δ	9M12	9M13	Δ
Gross Revenue, ex-IPI	3,895	2,473	-36.5%	12,962	10,075	-22.3%
Number of Modules Sold (thousand units)	31.3	19.4	-38.0%	109.2	83.9	-23.2%
Average Unit Price (R\$)	124.4	127.5	2.5%	118.7	120.1	1.2%

The Telasul Modular brand registered a 36.5% decline in gross revenue ex-IPI and a 38.0% drop in sales volume, while the average price increased 2.5%.

Unicasa Corporate

This segment reported decreases of 31.3% in gross revenue ex-IPI, 28.6% in sales volume and 3.9% in the average unit price.

Unicasa Corporate	3Q12	3Q13	Δ	9M12	9M13	Δ
Gross Revenue, ex-IPI	1,411	969	-31.3%	3,679	3,526	-4.2%
Number of Modules Sold (thousand units)	7.0	5.0	-28.6%	16.7	11.8	-29.3%
Average Unit Price (R\$)	201.6	193.8	-3.9%	220.3	298.8	35.6%

Other Revenues

Other revenues are derived from sales to employees, suppliers, freight operators and others.

Other Revenues	3Q12	3Q13	Δ	9M12	9M13	Δ
Gross Revenue, ex-IPI	1,681	1,344	-20.0%	4,677	3,520	-24.7%
Number of Modules Sold (thousand units)	7.3	14.8	102.7%	15.9	42.7	168.6%
Average Unit Price (R\$)	230.3	90.8	-60.6%	294.2	82.4	-72.0%

Export Market

Gross revenue ex-IPI from exports increased 29% and sales volume increased 154.5%, while average price declined 49.4%.

Export Market	3Q12	3Q13	Δ	9M12	9M13	Δ
Gross Revenue, ex-IPI	3,495	4,507	29.0%	6,310	6,920	9.7%
Number of Modules Sold (thousand units)	33.2	84.5	154.5%	54.9	108.5	97.6%
Average Unit Price (R\$)	105.3	53.3	-49.4%	114.9	63.8	-44.5%

Consolidated Indicators - Unicasa

Unicasa Indústria de Móveis	3Q12	3Q13	Δ	9M12	9M13	Δ
Gross Revenue, ex-IPI	92,280	83,413	-9.6%	264,709	236,864	-10.5%
Number of Modules Sold (thousand units)	443.2	434.6	-1.9%	1,241.7	1,149.5	-7.4%
Average Unit Price (R\$)	208.2	191.9	-7.8%	213.2	206.1	-3.3%

Domestic Market	3Q12	3Q13	Δ	9M12	9M13	Δ
Gross Revenue, ex-IPI	88,785	78,906	-11.1%	258,399	229,944	-11.0%
Number of Modules Sold (thousand units)	410.0	350.1	-14.6%	1,186.8	1,041.0	-12.3%
Average Unit Price (R\$)	216.5	225.4	4.1%	217.7	220.9	1.5%

Export Market	3Q12	3Q13	Δ	9M12	9M13	Δ
Gross Revenue, ex-IPI	3,495	4,507	29.0%	6,310	6,920	9.7%
Number of Modules Sold (thousand units)	33.2	84.5	154.5%	54.9	108.5	97.6%
Average Unit Price (R\$)	105.3	53.3	-49.4%	114.9	63.8	-44.5%

FINANCIAL PERFORMANCE

Executive Summary	3Q12	3Q13	Δ	9M12	9M13	Δ
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Gross Income	29,339	25,027	-14.7%	83,990	72,278	-13.9%
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EBITDA	15,907	4,410	-72.3%	45,122	17,538	-61.1%
EBITDA Margin	22.2%	6.9%	-15.3 p.p.	22.1%	9.6%	-12.5 p.p.

Net Revenue

Net revenue decreased 10.3% in 3Q13 from 3Q12, mainly due to the decline in revenue from the Dell Anno and Favorita brands.

Cost of Goods Sold (COGS)

Cost per module sold decreased from R\$95.27 in 3Q12 to R\$90.18 in 3Q13, down 5.3%, mainly due to the change in the product mix (modular furniture and accessories). The nominal decrease in COGS between 3Q12 and 3Q13 was R\$3.0 million, or 7.2%. The main factors that impacted this change include:

- i) Reduction in the cost of materials, due to the decrease in volume, in the amount of R\$3.7 million in COGS;
- ii) Increase of R\$0.9 million in personnel expenses, mainly due to the wage increase and the increase in headcount in the flexible production and paint lines, which were in the ramp up phase in 3Q12;
- iii) Reduction of R\$0.1 million in depreciation due to the revision in the useful life of fixed assets, which was partially offset by the depreciation of assets acquired for painting and flexible production, among others

Following is the reconciliation of COGS ⁽¹⁾:



⁽¹⁾ in million.

Gross Profit and Gross Margin

Gross profit in the quarter was R\$25.0 million, with gross margin of 39.0%. Gross margin declined 2.0 p.p. from 3Q12, mainly due to the increase in personnel expenses on account of the wage increase and the increase in headcount due to the ramp up of the painting and flexible production lines in 3Q12; and by the reduction in the Company's revenue and the increase in showroom sales and exports in 3Q13.

Selling, General and Administrative (SG&A) Expenses

Selling, general and administrative expenses totaled R\$23.6 million in 3Q13, up 12.9% from 3Q12, and corresponded to 36.8% of net revenue.

Selling General and Administrative Expenses	3Q12	3Q13	Δ	9M12	9M13	Δ
Total	(20,931)	(23,630)	12.9%	(53,184)	(64,430)	21.1%
Selling Expenses	(15,112)	(18,231)	20.6%	(39,230)	(49,647)	26.6%
% of Net Revenue	21.1%	28.4%	7.3 p.p.	19.2%	27.2%	8.0 p.p.
Administrative Expenses	(5,819)	(5,399)	-7.2%	(13,954)	(14,783)	5.9%
% of Net Revenue	8.1%	8.4%	0.3 p.p.	6.8%	8.1%	1.3 p.p.
SG&A % of Net Revenue	29.2%	36.8%	7.6 p.p.	26.0%	35.3%	9.3 p.p.

Expenses with own stores and the shared services center increased R\$3.1 million in the quarter and were mainly related to personnel expenses and rent, with R\$0.6 million relating to non-recurring or variable expenses.

Client expenses increased R\$0.4 million from 3Q12. These expenses are related mainly to serving final consumers at closed stores and could remain at these levels in the short term.

During the quarter, the Company started amortization of commercial properties of own stores and hence the expense with depreciation and amortization increased R\$0.2 million in relation to 3Q12.

Marketing and other expenses, net of the effects commented above, declined R\$1.0 million from 3Q12, mainly due to the annualized deferral in 2013 of the recovery of marketing expenses.

Following is the evolution of SG&A expenses ⁽¹⁾:



⁽¹⁾ In million.

Other Operating Income and Expenses

Other operating income decreased 83.8% from 3Q12, mainly due to the non-recurring effect registered in that quarter related to the bank premium on the renegotiation of commercial agreement to sustain financial operations in the dealer network.

Other Operating Income and Expenses	3Q12	3Q13	Δ	9M12	9M13	Δ
Total	5,451	885	-83.8%	8,129	3,122	-61.6%
Operating Expenses	-	(21)	n/a	(12)	(40)	233.3%
Operating Income	5,451	906	-83.4%	8,141	3,162	-61.2%
Bank Premium	4,288	696	-83.8%	6,299	2,088	-66.9%
Other Operating Income	1,163	210	-81.9%	1,842	1,074	-41.7%
% of Net Revenue	7.6%	1.4%	-6.2 p.p.	4.0%	1.7%	-2.3 p.p.

Net Financial Result

Net financial result decreased 74.3% from 3Q12. Following is the net financial result:

Financial Result	3Q12	3Q13	Δ	9M12	9M13	Δ
Net Financial Result	2,183	561	-74.3%	7,346	4,267	-41.9%
Financial Expenses	(1,056)	(1,347)	27.6%	(2,166)	(3,140)	45.0%
IOF charge and bank fees	(177)	(159)	-10.2%	(503)	(505)	0.4%
Loans and financing expenses	(135)	(22)	-83.7%	(419)	(244)	-41.8%
Exchange variation expenses	(87)	(343)	294.3%	(309)	(380)	23.0%
Present value adjustment - AVP	(101)	(47)	-53.5%	(342)	(159)	-53.5%
Other financial expenses	(556)	(776)	39.6%	(593)	(1,852)	212.3%
Financial Income	3,239	1,908	-41.1%	9,512	7,407	-22.1%
Interest income	1,068	542	-49.3%	2,527	1,805	-28.6%
Discounts	95	8	-91.6%	449	109	-75.7%
Yield from short-term investments	57	283	396.5%	2,022	1,291	-36.2%
Exchange variation income	60	241	301.7%	211	364	72.5%
Present value adjustment - AVP	1,808	724	-60.0%	3,894	3,510	-9.9%
Other financial income	151	110	-27.2%	409	328	-19.8%

Net Income

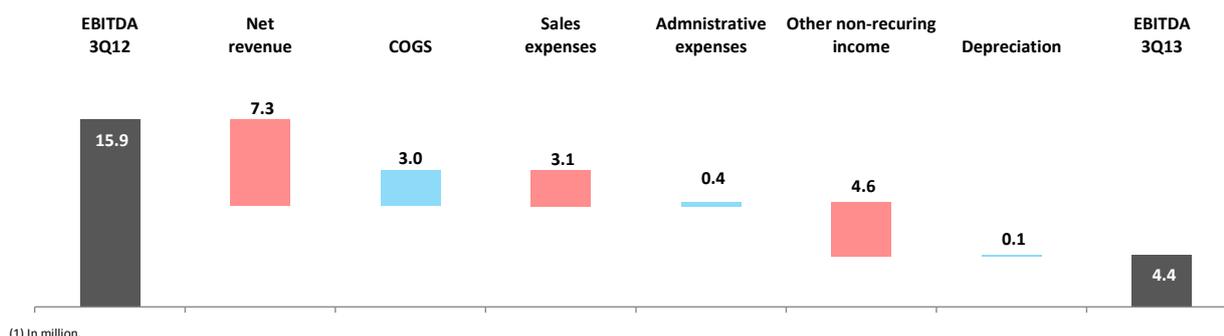
Net income decreased 76.6% from 3Q12, mainly due to the reduction in revenue, the increase in expenses with clients and expenses, with own stores and the shared services center, and the non-recurring premium revenue booked in 3Q12.

EBITDA and EBITDA Margin

EBITDA in 3Q13 fell 15.3 p.p., from R\$15.9 million in 3Q12 to R\$4.4 million in 3Q13. EBITDA margin stood at 6.9%. The main reasons for the decline in EBITDA margin are the same as those one behind the decline in net income.

EBITDA	3Q12	3Q13	Δ	9M12	9M13	Δ
Net Income for the Period	12,244	2,871	-76.6%	31,932	13,295	-58.4%
(-) Income Tax and Social Contribution	(3,798)	28	-100.7%	(14,349)	(1,942)	-86.5%
(-) Financial Result	2,183	561	-74.3%	7,346	4,267	-41.9%
EBIT	13,859	2,282	-83.5%	38,935	10,970	-71.8%
(-) Depreciation and Amortization	(2,048)	(2,128)	3.9%	(6,187)	(6,568)	6.2%
EBITDA	15,907	4,410	-72.3%	45,122	17,538	-61.1%
EBITDA Margin	22.2%	6.9%	-15.3 p.p.	22.1%	9.6%	-12.5 p.p.

The chart below shows the reconciliation in EBITDA between 3Q12 and 3Q13 ⁽¹⁾:



(1) In million.

Net Cash

The Company's cash balance in 3Q13 was R\$23.3 million, up 66.1% from 3Q12.

Net Cash	9/30/2012	9/30/2013	Δ	12/31/2012	Δ ⁽²⁾
Short Term Debt	5,127	836	-83.7%	5,128	-83.7%
Long Term Debt	835	-	-100.0%	557	-100.0%
Gross Debt	5,962	836	-86.0%	5,685	-85.3%
Cash and Cash Equivalents	19,966	24,093	20.7%	28,719	-16.1%
Net Debt	14,004	23,257	66.1%	23,034	1.0%

⁽²⁾ Variation between December 2012 and September 2013.

Return on Invested Capital (ROIC)

The Company's net ROIC in the last twelve months (LTM) ended in 3Q13 was 9.0%, down 11.6 p.p. year-on-year.

Return on Invested Capital (ROIC)	3Q12	3Q13	Δ
EBIT (LTM)	57,109	19,789	-65.3%
Average of Operating Assets	196,179	199,495	1.7%
ROIC	29.1%	9.9%	-19.2 p.p.
Effective IR + CSLL rate (LTM)	29.2%	9.2%	-20.0 p.p.
ROIC, Net	20.6%	9.0%	-11.6 p.p.

Change in accounting estimate

Pursuant to CPC 27 - Fixed Assets, the Company carried out in September its periodic revision of the remaining useful economic life of its permanent assets. As a result of the change in the accounting estimate, the remaining useful life of the assets and, consequently, the depreciation remaining until the residual useful life of the assets was changed. This change resulted in depreciation decreasing by R\$0.4 million in comparison with August and September 2013. Thus, the total reduction in depreciation will be approximately R\$1.6 million in 2013 and R\$5.0 million in 2014, excluding possible additions during the period of estimate. In line with this analysis, the commercial properties (commercial fund) booked as intangible assets, which were earlier classified as having an undefined useful life, also had their useful life revised and now have an estimated economic useful life of 9.26 years (weighted average) and the resulting amortization of R\$0.2 million was booked in September. Thus, the effect of amortization will be approximately R\$0.9 million in 2013 and R\$3.6 million in 2014. The weighted average period of useful life of each fixed asset class is available in Note 10 to the interim financial statements and the amortization period of commercial properties is available in Note 11 to the interim financial statements.

ANNEX I – FINANCIAL STATEMENTS – INCOME STATEMENT - CONSOLIDATED

Income Statement	3Q12	3Q13	Δ	9M12	9M13	Δ
Gross Revenue from Sales	92,395	85,764	-7.2%	268,521	242,485	-9.7%
Domestic Market	88,900	81,259	-8.6%	262,211	235,567	-10.2%
Dell Anno and Favorita	47,823	43,141	-9.8%	145,052	121,153	-16.5%
New Exclusive Dealers	23,879	23,263	-2.6%	67,216	68,896	2.5%
New e Casa Brasileira Multibrand ⁽¹⁾	10,185	9,957	-2.2%	28,299	28,019	-1.0%
Telasul Magazine	3,898	2,548	-34.6%	13,107	10,316	-21.3%
Unicasa Corporate	1,411	997	-29.3%	3,732	2,979	-20.2%
Other Revenues	1,704	1,353	-20.6%	4,805	4,204	-12.5%
Exports	3,495	4,505	28.9%	6,310	6,918	9.6%
Sales Deductions	(20,834)	(21,544)	3.4%	(64,640)	(59,800)	-7.5%
Net Revenue from Sales	71,561	64,220	-10.3%	203,881	182,685	-10.4%
Cost of Goods Sold	(42,222)	(39,193)	-7.2%	(119,891)	(110,407)	-7.9%
Gross Profit	29,339	25,027	-14.7%	83,990	72,278	-13.9%
Selling Expenses	(15,112)	(18,231)	20.6%	(39,230)	(49,647)	26.6%
General and Administrative Expenses	(5,819)	(5,399)	-7.2%	(13,954)	(14,783)	5.9%
Other Operating Income, Net	5,451	885	-83.8%	8,129	3,122	-61.6%
Income Before Financial (Expenses) Income	13,859	2,282	-83.5%	38,935	10,970	-71.8%
Financial Expenses	(1,056)	(1,347)	27.6%	(2,166)	(3,140)	45.0%
Financial Income	3,239	1,908	-41.1%	9,512	7,407	-22.1%
Operating Income before Income Tax and Social Contribution	16,042	2,843	-82.3%	46,281	15,237	-67.1%
Income Tax and Social Contribution	(3,798)	28	-100.7%	(14,349)	(1,942)	-86.5%
Current	(5,939)	(1,832)	-69.2%	(16,745)	(7,640)	-54.4%
Deferred	2,141	1,860	-13.1%	2,396	5,698	137.8%
Net Income for the Period	12,244	2,871	-76.6%	31,932	13,295	-58.4%
Earnings per Share (R\$)	0.19	0.04	-78.9%	0.51	0.20	-60.8%

⁽¹⁾ Revenues reported in 2012 refer to sales of the Telasul brand in the Exclusive and Multibrand channels added to New Multibrand channel.

ANNEX II - FINANCIAL STATEMENTS – BALANCE SHEET - CONSOLIDATED

Assets	12/31/2012	9/30/2013	Δ
Current Assets	136,105	124,493	-8.5%
Cash and Cash Equivalents	28,719	24,093	-16.1%
Trade Accounts Receivable	77,732	65,675	-15.5%
Inventories	19,296	23,646	22.5%
Advances to Suppliers	1,038	1,429	37.7%
Loans Granted	1,971	2,871	45.7%
Prepaid Expenses	1,868	3,071	64.4%
Recoverable Taxes	3,104	190	-93.9%
Other Assets	2,377	3,518	48.0%
Non-Current Assets	138,114	138,935	0.6%
Trade Accounts Receivable	15,476	11,174	-27.8%
Loans Granted	5,547	4,586	-17.3%
Assets Held for Sale	8,848	7,106	-19.7%
Deferred Income and Social Contribution Taxes	6,734	12,432	84.6%
Recoverable Taxes	25	10	-60.0%
Prepaid Expenses	251	72	-71.3%
Judicial Deposits	2,140	3,152	47.3%
Other Assets	2,004	1,992	-0.6%
Investments	404	82	-79.7%
Property, Plant and Equipment	78,373	76,812	-2.0%
Intangible Assets	18,312	21,517	17.5%
Total Assets	274,219	263,428	-3.9%

Liabilities	12/31/2012	9/30/2013	Δ
Current Liabilities	46,367	46,048	-0.7%
Loans and Financing	5,128	836	-83.7%
Suppliers	6,698	7,804	16.5%
Tax Liabilities	4,961	4,382	-11.7%
Dividends and interest on Equity Payable	10,014	-	-100.0%
Payroll and Related Charges	4,507	8,424	86.9%
Advances from Customers	14,002	23,607	68.6%
Other Liabilities	1,057	995	-5.9%
Non-Current Liabilities	5,722	5,989	4.7%
Loans and Financing	557	-	-100.0%
Provision	5,165	5,989	16.0%
Shareholders' equity	222,130	211,391	-4.8%
Capital Stock	187,709	187,709	0.0%
Capital Reserve	(2,658)	(2,658)	0.0%
Retained Profits Reserve	13,045	13,045	0.0%
Additional proposed dividends	24,034	-	-100.0%
Profit Accumulated	-	13,295	0.0%
Total Liabilities and Shareholders' Equity	274,219	263,428	-3.9%

ANNEX III – FINANCIAL STATEMENTS – CASH FLOW STATEMENT – CONSOLIDATED⁽¹⁾

Cash Flow Statement	3Q12	3Q13	Δ	9M12	9M13	Δ
Operating Income Before Income And Social Contribution Taxes	16,042	2,843	-82.3%	46,281	15,237	-67.1%
Adjustment to Reconcile the Net Income to Cash from Operating Activities:						
Depreciation and Amortization	2,048	2,128	3.9%	6,187	6,568	6.2%
Foreign Exchange Variation	80	148	85.0%	223	71	-68.2%
Interest Appropriation	135	22	-83.7%	419	244	-41.8%
Provision for Litigation	431	484	12.3%	1,208	824	-31.8%
Provision for Obsolescence	44	66	50.0%	(459)	(49)	-89.3%
Allowance for Doubtful Accounts	594	491	-17.3%	2,341	3,240	38.4%
Provision for Losses with credits receivable	-	-	0.0%	2,468	-	-100.0%
Disposal of Property, Plant and Equipment	1	192	19100.0%	94	428	355.3%
Cash Flows from Operating Activities	19,375	6,374	-67.1%	58,762	26,563	-54.8%
Changes in Assets and Liabilities						
Trade Accounts Receivable	6,114	(261)	-104.3%	(5,130)	9,780	-290.6%
Inventories	840	(1,055)	-225.6%	687	(4,301)	-726.1%
Recoverable Taxes	(1,351)	85	-106.3%	(2,564)	2,929	-214.2%
Restricted Short -Term Investments	-	-	0.0%	323	-	-100.0%
Loans Granted	1,605	25	-98.4%	2,724	61	-97.8%
Prepaid Expenses	2,168	1,615	-25.5%	1,801	(1,024)	-156.9%
Other Current ou Non-Current Assets	(4,197)	829	-119.8%	(11,117)	(2,532)	-77.2%
Non-Current Assets Available for Sale	-	251	0.0%	(1,350)	1,742	-229.0%
Suppliers	(499)	(1,300)	160.5%	2,816	2,056	-27.0%
Advance from Customers	(790)	6,230	-888.6%	2,038	9,605	371.3%
Tax Liabilities	114	334	193.0%	(1,361)	(1,055)	-22.5%
Other Current ou Non-Current Liabilities	1,908	1,424	-25.4%	3,418	3,855	12.8%
Payment of Income and Social Contribution Taxes	(4,469)	(1,962)	-56.1%	(21,122)	(7,164)	-66.1%
Net Cash from Operating Activities	20,818	12,589	-39.5%	29,925	40,515	35.4%
Cash Flows from Investing Activities						
Property, Plant and Equipment	(1,975)	(2,196)	11.2%	(5,837)	(5,709)	-2.2%
Intangible Assets	(656)	(30)	-95.4%	(2,907)	(291)	-90.0%
Net Cash used in Investing Activities	(2,631)	(2,226)	-15.4%	(8,744)	(6,000)	-31.4%
Cash Flows from Financing Activities						
Capital increases	-	-	0.0%	127,909	-	-100.0%
Spending on issue of shares	-	-	0.0%	(4,027)	-	-100.0%
Loan and Interest Payments	(417)	(402)	-3.6%	(1,260)	(5,093)	304.2%
Payment of Interest on Shareholders' Equity	(1,642)	-	-100.0%	(5,968)	(7,990)	33.9%
Dividends Paid	(129,700)	-	-100.0%	(130,000)	(26,058)	-80.0%
Cash Flows (used in) from Financing Activities	(131,759)	(402)	-99.7%	(13,346)	(39,141)	193.3%
Increase (Decrease) in Cash and Cash Equivalents	(113,572)	9,961	-108.8%	7,835	(4,626)	-159.0%
Changes in Cash and Cash Equivalents						
At the Beginning of the Period	133,538	14,132	-89.4%	12,131	28,719	136.7%
At the End of the Period	19,966	24,093	20.7%	19,966	24,093	20.7%
Increase (Decrease) in Cash and Cash Equivalents	(113,572)	9,961	-108.8%	7,835	(4,626)	-159.0%

⁽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 27 to the Quarterly Information (ITR) on June 30th, 2013.

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

Gross Revenue	1Q12	1Q13	2Q12	2Q13	3Q12	3Q13	4Q12	1H12	1H13	2H12	9M12	9M13	2012
Total Gross Revenue	89,173	72,480	86,953	84,241	92,395	85,764	98,551	176,126	156,721	190,946	268,521	242,485	367,072
Domestic Market	88,131	71,483	85,180	82,825	88,900	81,257	96,798	173,311	154,308	185,698	262,211	235,565	359,009
Dell Anno and Favorita - Exclusive Dealers and Own Stores	51,311	36,443	45,918	41,569	47,823	43,141	52,235	97,229	78,012	100,058	145,052	121,153	197,287
New Exclusive Dealers and Casa brasileira Franchise Stores	21,575	21,159	21,762	24,474	23,879	23,263	25,445	43,337	45,633	49,324	67,216	68,896	92,661
New e Casa Brasileira Multibrand ⁽¹⁾	9,509	8,487	8,605	9,575	10,185	9,957	10,279	18,114	18,062	20,464	28,299	28,019	38,578
Telasul Modular	3,372	3,267	5,837	4,501	3,898	2,548	5,604	9,209	7,768	9,502	13,107	10,316	18,711
Unicasa Corporate	1,329	822	992	1,160	1,411	997	1,189	2,321	1,982	2,600	3,732	2,979	4,921
Other Revenues	1,035	1,305	2,066	1,546	1,704	1,351	2,046	3,101	2,851	3,750	4,805	4,202	6,851
Export Market	1,042	997	1,773	1,416	3,495	4,507	1,753	2,815	2,413	5,248	6,310	6,920	8,063

Gross Revenue from Sales Ex-IPI	1Q12	1Q13	2Q12	2Q13	3Q12	3Q13	4Q12	1H12	1H13	2H12	9M12	9M13	2012
Total Gross Revenue	85,592	71,214	86,837	82,237	92,280	83,413	98,493	172,429	153,451	190,773	264,709	236,864	363,202
Domestic Market	84,550	70,217	85,064	80,821	88,785	78,906	96,740	169,614	151,038	185,525	258,399	229,944	355,139
Dell Anno and Favorita - Exclusive Dealers and Own Stores	49,200	35,782	45,884	40,562	47,783	41,859	52,809	95,084	76,344	100,592	142,867	118,203	195,676
New Exclusive Dealers and Casa brasileira Franchise Stores	20,726	20,793	21,752	23,886	23,848	22,598	25,430	42,478	44,679	49,278	66,326	67,277	91,756
New e Casa Brasileira Multibrand ⁽¹⁾	9,116	8,339	8,605	9,341	10,167	9,663	10,271	17,721	17,680	20,438	27,888	27,343	38,159
Telasul Modular	3,235	3,209	5,832	4,393	3,895	2,473	5,606	9,067	7,602	9,501	12,962	10,075	18,568
Unicasa Corporate	1,277	812	991	1,745	1,411	969	1,189	2,268	2,557	2,600	3,679	3,526	4,868
Other Revenues	996	1,282	2,000	894	1,681	1,344	1,435	2,996	2,176	3,116	4,677	3,520	6,112
Export Market	1,042	997	1,773	1,416	3,495	4,507	1,753	2,815	2,413	5,248	6,310	6,920	8,063

Modules Sold (Units)	1Q12	1Q13	2Q12	2Q13	3Q12	3Q13	4Q12	1H12	1H13	2H12	9M12	9M13	2012
Total Gross Revenue	390,840	334,924	407,735	379,980	443,172	434,609	455,212	798,575	714,904	898,384	1,241,747	1,149,513	1,696,959
Domestic Market	381,465	322,513	395,323	368,367	410,016	350,148	444,026	776,788	690,880	854,042	1,186,804	1,041,028	1,630,830
Dell Anno and Favorita - Exclusive Dealers and Own Stores	179,389	118,665	169,216	130,811	171,477	133,132	178,373	348,605	249,476	349,850	520,082	382,608	698,455
New Exclusive Dealers and Casa brasileira Franchise Stores	109,187	110,189	112,736	121,807	128,130	116,931	137,963	221,923	231,996	266,093	350,053	348,927	488,016
New e Casa Brasileira Multibrand ⁽¹⁾	56,822	52,726	53,272	57,428	64,704	60,864	66,869	110,094	110,154	131,573	174,798	171,018	241,667
Telasul Modular	27,719	26,839	50,184	37,713	31,329	19,359	46,029	77,903	64,552	77,358	109,232	83,911	155,261
Unicasa Corporate	5,602	3,518	4,062	3,284	7,048	5,027	2,944	9,664	6,802	9,992	16,712	11,829	19,656
Other Revenues	2,746	10,576	5,853	17,324	7,328	14,835	11,848	8,599	27,900	19,176	15,927	42,735	27,775
Export Market	9,375	12,411	12,412	11,613	33,156	84,461	11,186	21,787	24,024	44,342	54,943	108,485	66,129

⁽¹⁾ Revenues reported in 2012 refer to sales of the Telasul brand in the Exclusive and Multibrand channels added to New Multibrand channel.