



TRISUL S.A. ANNOUNCES 3Q14 AND 9M14 RESULTS

3Q14 RESULTS CONFERENCE CALL

November 12, 2014

Portuguese

Date: November 12, 2014
Time: 11:0 a.m. (Brasília)
8:00 a.m. (US-EST)
Phone: +55 (11) 2188-0155
Password: Trisul

Replay available until: 11/19/14
Replay: +55 (11) 2188-0155
Password: Trisul

English

Date: November 12, 2014
Time: 12:00 p.m. (Brasília)
9:00 a.m. (US-EST)
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São Paulo, November 11, 2014 - TRISUL S.A. (BM&FBovespa: TRIS3; Bloomberg: TRIS3 BZ; Reuters: TRIS3.SA) announces its results for the third quarter (3Q14) and first nine months (9M14) of 2014. The Company's operating and financial information, except where indicated otherwise, is presented based on consolidated figures and in Reais (R\$), originating from interim consolidated financial information, which was prepared in compliance with generally accepted accounting practices in Brazil (BR GAAP) and the International Financial Reporting Standards (IFRS) applicable to real estate development companies in Brazil, as approved by the Accounting Pronouncements Committee (CPC), the Brazilian Securities and Exchange Commission (CVM) and the Federal Accounting Council (CFC).

- **Net operating cash flow generation** in 9M14 totaled R\$153 million;
- **Operating expenses** fell by **19%** over 2Q14.
- Trisul ended 3Q14 with a on and off balance of **receivables** of R\$654 million, R\$240 million of which corresponding to **performing receivables**;
- At the close of September, **net debt** corresponded to **51%** of the Company's shareholders' equity, 22 p.p. lower than in 3Q13.
- In 9M14, the **gross margin** was 34%, **7.6 p.p.** up on 3Q13. The **adjusted gross margin** stood at 41%.
- The **gross margin to be appropriate** stood at **39%**.

MESSAGE FROM MANAGEMENT

In the midst of the uncertainties that permeated macroeconomic estimates, Trisul continued with its strategy of monetizing its legacy, focusing on selling inventory units completed more than one year ago and streamlining the receivables appropriation process. In 9M14, the Company's net operational cash generation totaled R\$153 million, which reflects our commitment to monetize our assets.

The Company worked hard to adjust its operating expenses, which totaled R\$18 million in 3Q14, down by 19% over 2Q14 and 13% over 3Q13.

In August, we paid the 4th installment of the third debenture issue, equivalent to R\$60 million, leading to a net debt-to-equity ratio of 51%, once again proving the success of our deleveraging strategy began in 2011.

The works are being delivered on schedule. In the third quarter, the Company concluded the Altino Residencial Clube and Style Santa Paula projects, with total PSV of R\$67 million (Trisul's share) and 370 units. As a subsequent delivery, Trisul completed the Ibirapuera Diamond project, with PSV of R\$16 million (Trisul's share) and 38 units.

Taking advantage of the opportunities generated by the new guidelines of the master plan, the Company acquired a site in the Vila Mariana district, in São Paulo, adding PSV of R\$69 million to its landbank.

As a subsequent event, the Company launched the Latitude Aclimação project, totaling PSV of R\$57 million and 60 units, and the Latitude Vila Mascote project, totaling PSV of R\$52 million and 63 units.

Management

OPERATING AND FINANCIAL HIGHLIGHTS

Operating Data (in R\$ thousand)	3Q14	3Q13	Var. %	2Q14	Var. %	9M14	9M13	Var. %
Developments Launched								
Total PSV Launched ⁽¹⁾	-	133	-	51	-	51	110	-54%
Trisul's PSV Launched	-	133	-	51	-	51	110	-54%
% of Trisul's Participation	-	100%	-	100%	-	100%	100%	-
Number of Developments	-	2	-	1	-	1	2	-
Units Launched	-	380	-	114	-	114	216	-47%
Average Launching Price (in R\$/ m²)	-	8,478	-	7,910	-	7,910	7,188	10%
Average Launching Price (in R\$/unit)	-	350,000	-	442,982	-	442,982	509,259	-13%
Usable Area (m²)	-	15,688	-	6,384	-	6,384	15,303	-58%
Contracted Sales								
Total Contracted Sales ⁽²⁾	67,135	97,450	-31%	87,852	-24%	217,060	303,553	-28%
Trisul's Contracted Sales	52,198	94,188	-45%	73,006	-29%	172,125	252,072	-32%
% of Trisul's Participation	78%	97%	-19 p.p.	83%	-5 p.p.	79%	83%	-4 p.p.
Number of Units Sold	137	236	-42%	192	-29%	470	725	-35%
Average Sales Price (in R\$/m²)	6,864	6,405	7%	8,608	-20%	7,297	6,251	17%
Average Sales Price (in R\$ thousand/unit)	490,038	412,925	19%	457,562	7%	461,829	418,694	10%
Total Usable Area Sold (m²)	9,781	15,215	-36%	10,205	-4%	29,746	48,560	-39%
Financial Data (in R\$ thousand)								
Gross Operating Revenue	91,387	108,084	-15%	91,728	0%	285,919	413,972	-31%
Net Operating Revenue	88,515	106,349	-17%	87,825	1%	276,282	407,574	-32%
Gross Profit	30,669	33,272	-8%	27,590	11%	94,228	107,873	-13%
% Gross Margin	34.6%	31.3%	3.4 p.p.	31.4%	3.2 p.p.	34.1%	26.5%	7.6 p.p.
Net Income (Loss)	4,437	6,927	-36%	6,276	-29%	16,819	22,490	-25%
% Net Margin	5.0%	6.5%	-1.5 p.p.	7.1%	-2.1 p.p.	6.1%	5.5%	0.6 p.p.
EBITDA ⁽³⁾	5,826	10,051	-42%	7,748	-25%	22,901	38,340	-40%
Adjusted EBITDA ⁽⁴⁾	9,982	14,538	-31%	11,344	-12%	34,986	56,268	-38%
% EBITDA Margin	11.3%	13.7%	-2.4 p.p.	12.9%	-1.6 p.p.	12.7%	13.8%	-1.1 p.p.
Cash and Banks	56,187	95,881	-41%	117,029	-52%	56,187	95,881	-41%
Cash, net of Indebtedness	-291,413	-444,391	-34%	-308,063	5%	-291,413	-444,391	-34%

(1) Total contracted sales of projects in which Trisul holds an interest, including Trisul's share plus its development partners' share. Contracted sales are reported net of commissions and cancellations.

(2) Earnings before taxes, the net financial result, amortization and depreciation.

(3) Adjusted for capitalized interest allocated to cost (SFH interest).

OPERATING PERFORMANCE

CONTRACTED SALES

Contracted sales totaled 137 units in 3Q14, with PSV of R\$67 million. Trisul's share of contracted sales totaled R\$52 million. In 9M14 Trisul's share totaled R\$172 million.

3Q14 Units Sold and Contracted Sales by Segment						
<i>Segment</i>	<i>Units sold</i>	<i>%</i>	<i>Total Sales in R\$ thousand</i>	<i>%</i>	<i>Trisul's Sales in R\$ thousand</i>	<i>%</i>
Low-income	49	36%	13,175	20%	12,092	23%
Middle	66	48%	37,063	55%	28,624	55%
High	22	16%	16,898	25%	11,482	22%
Total	137	100%	67,135	100%	52,198	100%

9M14 Units Sold and Contracted Sales by Segment						
<i>Segment</i>	<i>Units sold</i>	<i>%</i>	<i>Total Sales</i>	<i>%</i>	<i>Trisul's Sales</i>	<i>%</i>
Low-income	161	118%	38,387	57%	36,478	70%
Middle	139	101%	77,629	116%	63,722	122%
High	170	124%	101,044	151%	71,925	138%
Total	470	343%	217,060	323%	172,125	330%

Contracted sales are reported net of commissions and cancellations.

SALES OVER SUPPLY (SOS)

VSO (Sales over Supply)	Units	Total PSV in R\$ thousand	Trisul's PSV in R\$ thousand
Inventory of units as of 07/01/2014	1,176	545,948	484,465
(+) Launchings in 3Q14	0	0	0
Total units for sale in 3Q14 (a)	1,176	545,948	484,465
(-) Units sold in 3Q14 (b)	137	67,135	52,198
Total units for sale as of 10/01/2014	1,039	478,813	432,267
VSO in 3Q14 (b)/(a)	12%	12%	11%

CONCLUDED PROJECTS

Concluded Works 9M14									
Launching Date	Delivered Date ⁽¹⁾	Projects	City	Segment	Units	% Trisul	Total PSV R\$MM ⁽²⁾	Trisul's PSV R\$MM ⁽²⁾	
1 Aug-11	Apr-14	Max Club - 3rd Step	São José dos Campos	Low Income	156	100%	24	24	
2 Aug-11	Aug- 14	Altino Residencial Club	Osasco	Middle	280	50%	68	34	
3 nov-11	Aug- 14	Style Santa Paula	São Caetano do Sul	Middle	90	100%	33	33	
Total					526		125	91	

(1) PSV on the launch date, excluding monetary restatement or adjustments to the sales table.

PROJECTS UNDER CONSTRUCTION

Trisul closed 3Q14 with **14 construction sites** totaling 1,706 units and PSV of R\$829 million (Trisul's share).

Projects Under Construction									
Project	City	Launching Date	Delivery Date	Standard	Units	% Trisul	PSV* Total R\$MM	PSV* Trisul R\$MM	
1 Poema Castro Alves	Santos	Apr-11	Sep-14	High	56	100%	67	67	
2 Sax Itaim	São Paulo	Jun-11	Dec-14	High	44	50%	82	41	
3 Ibirapuera Diamond	São Paulo	Nov-11	Aug-14	High	38	50%	31	16	
4 Magnific Santana	São Paulo	May-12	Nov-14	High	76	35%	64	23	
5 Space Anália Franco	São Paulo	May-12	Nov-14	High	100	100%	82	82	
6 ADD Nova Berrini	São Paulo	Nov-12	Oct-15	Middle High	288	100%	152	152	
7 ADD Vila Mariana	São Paulo	Nov-13	Jul-16	High	170	100%	95	95	
8 Allegro - Fase 1	Cotia	Dec-13	Nov-16	Low - Income	154	100%	25	25	
9 Duetto Biagi	Ribeirão Preto	Sep-13	Jul-16	High	294	100%	80	80	
10 Immaginato Casa Verde	São Paulo	May-13	Apr-16	High	114	100%	62	62	
11 My Station	São Paulo	Jun-13	Feb-16	Middle	102	100%	43	43	
12 Oliva Vila Mascote	São Paulo	Aug-13	Feb-16	High	88	100%	53	53	
13 Paysage	São Paulo	Oct-13	May-16	High	68	100%	42	42	
14 Line SP Conceição	São Paulo	Apr-14	Aug-16	High	114	100%	51	51	
					1,706		927	829	

* PSV on the launch date, excluding monetary restatement or adjustments to the sales table.

INVENTORY POSITION

Trisul ended 3Q14 with 1,039 units in inventory, corresponding to PSV of R\$432 million (Trisul's share).

- 24% of the units in inventory are currently concluded;

Inventories as of 10/01/2014	Units		Trisul's PSV in R\$ thousand		Total PSV in R\$ thousand	
Finished units	315	30%	103,641	24%	122,089	25%
Units under construction	724	70%	328,627	76%	356,724	75%
→ 2.011 launching	29	4%	20,070	6%	29,348	8%
→ 2.012 launching	129	18%	83,642	25%	121,134	34%
→ 2.013 launching	534	74%	209,467	64%	190,795	53%
→ 2.014 launching	32	4%	15,448	5%	15,448	4%
Units under launching phase	0	0%	0	0%	0	0%
	1,039	100%	432,267	100%	478,813	100%

- 93% of the inventory (Trisul's PSV) is targeted at the middle- and high-income segments:

Inventories as of 10/01/2014	Units		Trisul's PSV in R\$ thousand		Total PSV in R\$ thousand	
Low-Income	184	18%	31,943	7%	40,627	8%
Middle/High-	855	82%	400,324	93%	438,186	92%
	1,039	100%	432,267	100%	478,813	100%

LANDBANK

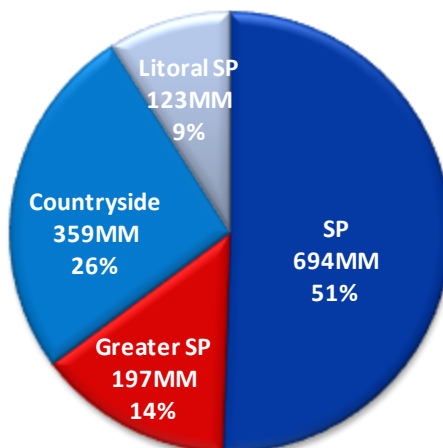
On September 30, 2014, Trisul's **landbank** corresponded to **PSV of R\$1.4 billion** (Trisul's share). Trisul is focusing on the middle- and high-income segments, replicating in future projects the same success achieved for over 30 years in these niches.

The Company has a diversified landbank, distributed through nine cities in the state of São Paulo, with 65% of Trisul's PSV located in the São Paulo metropolitan region.

The following table gives the breakdown of the Company's landbank on September 30, 2014:

Landbank	Low income	Middle/High	Total
Total PSV (in R\$ million)	677	738	1,416
Trisul's PSV (in R\$ million)	677	696	1,373
Number of Projects	14	12	26
Number of Units	4,339	1,534	5,873
Number of Units per project	310	128	226
Average Price per Unit (in R\$ thousand)	156	481	241

**Landbank - Geographic Breakdown
(Trisul's PSV of R\$ 1.4 billion)**

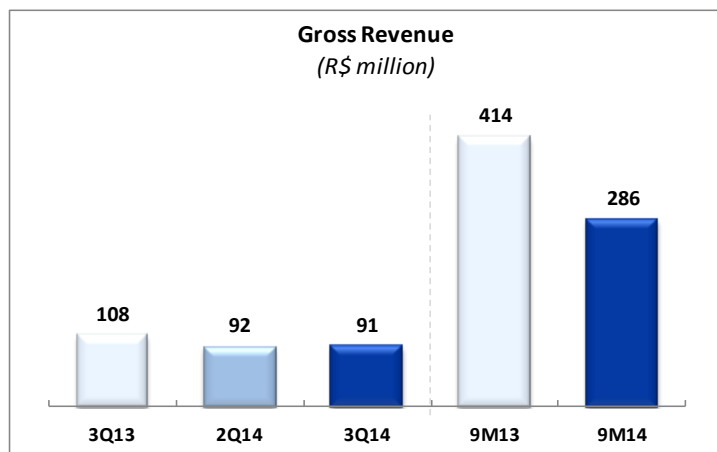


FINANCIAL PERFORMANCE

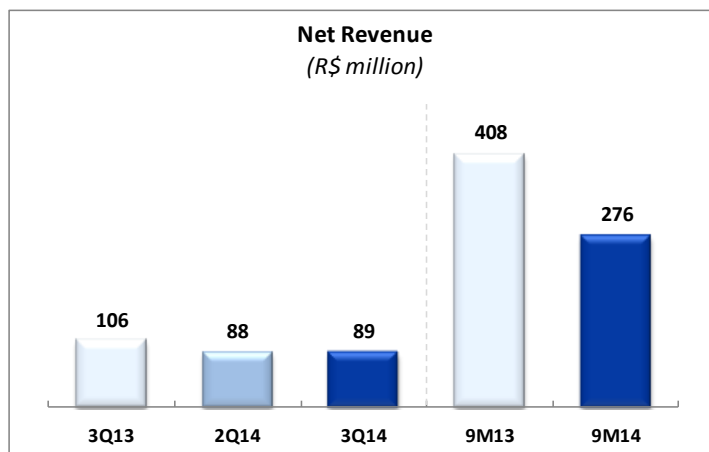
The financial information (parent company and consolidated) is presented in Reais (R\$) in accordance with the accounting practices adopted in Brazil, which include the rules of the Brazilian Securities and Exchange Commission (CVM), and the pronouncements, interpretations and guidelines of the Brazilian Accounting Pronouncements Committee (CPC); it is also in accordance with the International Financial Reporting Standards (IFRS) applicable to real estate developers in Brazil, approved by the Brazilian Accounting Pronouncements Committee (CPC), the Brazilian Securities Exchange Commission (CVM) and the Federal Accounting Council (CFC), including OCPC Guideline 04 – Technical Interpretation ICPC 02 Applicable to Brazilian Real Estate Developers, with respect to the recognition of revenues, costs and expenses resulting from real estate development operations during the course of construction (percentage of completion method – PoC) and the application of the concept of continuous transfer of risks, benefits and control on the sale of real estate units by Brazilian real estate development companies, on which revenue recognition is based.

The information, amounts and data in this financial performance report which do not correspond to the balances and accounting information contained in our consolidated financial statements, such as: Potential Sales Value – Trisul's PSV, Contracted Sales, Trisul Sales, Adjusted EBITDA and Adjusted EBITDA margin, among others, have not been reviewed by our Independent Auditors.

GROSS OPERATING REVENUE

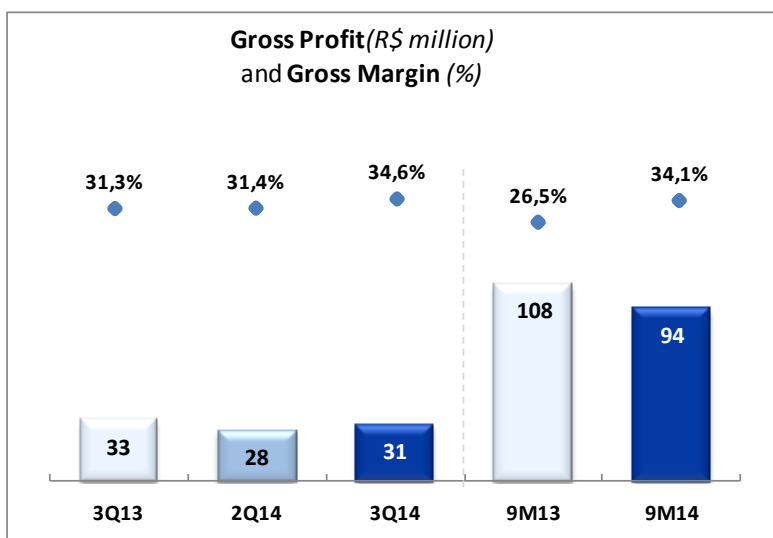


NET OPERATING REVENUE

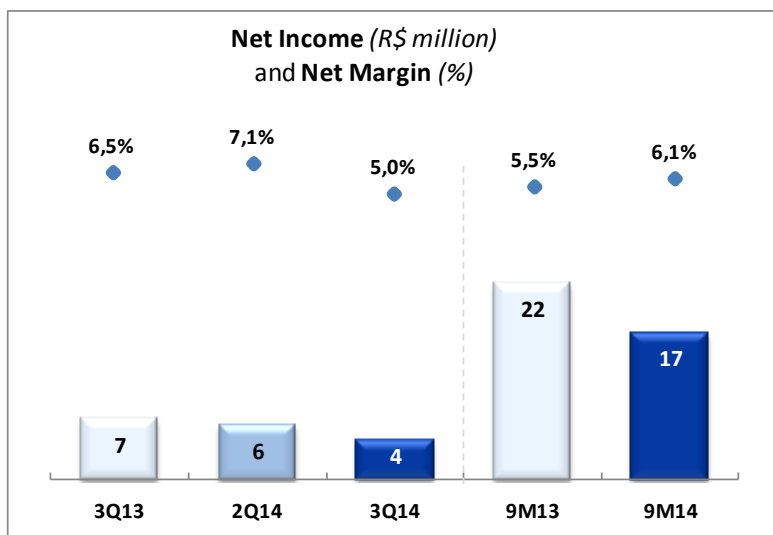


Revenue from contracted sales of each project is appropriated to the company's results during the construction period through the Percentage of Completion Method (PoC). This percentage is the ratio of the cost incurred to total budgeted cost of the units sold per project. From the revenue appropriated, the Adjustment to Present Value (AVP) is deducted, according to CPC 12.

GROSS PROFIT AND GROSS MARGIN



NET INCOME AND NET MARGIN



OPERATING EXPENSES

The table below presents an analysis of selling and administrative expenses as a percentage of net revenue and Trisul's Contracted Sales.

(in R\$ thousand)	3Q14	3Q13	Var. %	2Q14	Var. %	9M14	9M13	Var. %
Net Operating Revenue	88,515	106,349	-16.8%	87,825	0.8%	276,282	407,574	-32.2%
Operating (expenses) income:								
Administrative expenses	(12,573)	(10,167)	23.7%	(15,743)	-20.1%	(41,775)	(32,748)	27.6%
% Net Revenue	14.2%	9.6%	4.6 p.p.	17.9%	-3.7 p.p.	15.1%	8.0%	7.1 p.p.
% Trisul's Contracted Sales	24.1%	10.8%	13.3 p.p.	21.6%	2.5 p.p.	24.3%	9.5%	14.8 p.p.
Selling expenses	(4,944)	(11,023)	-55.1%	(6,798)	-27.3%	(21,039)	(30,786)	-31.7%
% Net Revenue	5.6%	10.4%	-4.8 p.p.	7.7%	-2.2 p.p.	7.6%	7.6%	0.1 p.p.
% Trisul's Contracted Sales	9.5%	11.7%	-2.2 p.p.	9.3%	0.2 p.p.	12.2%	8.9%	3.3 p.p.
Tax expenses	(192)	(63)	204.8%	(187)	2.7%	(904)	(562)	60.9%
Depreciation & Amortization expenses	(667)	(517)	29.0%	(480)	39.0%	(1,664)	(1,616)	3.0%
Amortization of goodwill	-	-	-	-	-	-	(82)	-
Provision for contingencies	(36)	57	-163.2%	118	-130.5%	147	1,299	-88.7%
Other operating (expenses) income	174	782	-77.7%	537	-67.6%	1,944	3,440	-43.5%
Total	(18,238)	(20,931)	-12.9%	(22,553)	-19.1%	(63,291)	(61,055)	3.7%

ADMINISTRATIVE EXPENSES:

Administrative Expenses (in R\$ K)	9M14	9M13	▲ %	3Q14	3Q13	▲ %	2Q14	▲ %	1Q14	▲ %
Personnel Expenses	17,956	15,388	17%	4,650	4,165	12%	7,602	-39%	5,704	-18%
Management fees	680	1,698	-60%	-	697	-	392	-100%	288	-
Occupancy	4,351	1,912	128%	1,699	663	156%	1,431	19%	1,221	39%
Advisory and consultancy expenses	15,054	10,108	49%	5,508	3,550	55%	4,907	12%	4,639	19%
General expenses	3,734	3,642	3%	716	1,092	-34%	1,411	-49%	1,607	-55%
Total administrative expenses	41,775	32,748	28%	12,573	10,167	24%	15,743	-20%	13,459	-7%

SELLING EXPENSES:

Selling Expenses (in R\$ K)	9M14	9M13	▲ %	3Q14	3Q13	▲ %	2Q14	▲ %	1Q14	▲ %
Marketing expenses	13,138	20,905	-37%	3,733	10,013	-63%	2,501	49%	5,904	-37%
Sales stand – depreciation	3,067	2,104	46%	1,081	896	21%	1,037	4%	949	14%
Sales stand – general expenses	5,243	5,115	3%	725	(802)	-190%	3,973	-82%	1,545	-53%
Provision for doubtful accounts	(1,471)	1,474	-	(856)	634	-	(1,065)	-20%	450	-
General expenses	1,062	1,188	-11%	261	282	-7%	352	-26%	449	-42%
Total selling expenses	21,039	30,786	-32%	4,944	11,023	-55%	6,798	-27%	9,297	-47%

FINANCIAL REVENUES AND EXPENSES

(in R\$ thousand)	3Q14	3Q13	Var. %	2Q14	Var. %	9M14	9M13	Var. %
Financial expenses	(2,406)	(5,160)	-53%	-2,517	-4%	(8,821)	(18,978)	-54%
Financial revenues	3,857	5,199	-26%	4,090	-6%	12,091	13,196	-8%
Financial Results	1,451	39		1,573		3,270	(5,782)	

EBITDA AND EBITDA MARGIN

(In R\$ million)	3Q14	3Q13	% Var.	2Q14	% Var.	9M14	9M13	% Var.
Net Profit (Loss)	4,437	6,927	-36%	6,276	-29%	16,819	22,490	-25%
(+) Financial Results	(1,451)	(39)	-	(1,573)	-	(3,270)	5,782	-
(+) Income and Social Contribution Taxes	2,173	2,646	-18%	2,565	-15%	7,688	8,370	-8%
(+) Amortization of goodwill	-	-	-	-	-	-	82	-
(+) Depreciation and Amortization	667	517	29%	480	39%	1,664	1,616	3%
EBITDA	5,826	10,051	-42%	7,748	-25%	22,901	38,340	-40%
(+) Financial expenses with Financing for construction	4,156	4,487	-7%	3,596	16%	12,085	17,928	-33%
Adjusted EBITDA	9,982	14,538	-31%	11,344	-12%	34,986	56,268	-38%
Adjusted EBITDA Margin (%)	11.3%	13.7%	-2.4 pp	12.9%	-1.6 pp	12.7%	13.8%	-1.1 pp

Note: Adjusted for capitalized interest allocated to cost.

REVENUE, COST AND RESULT TO BE APPROPRIATED

Revenue to be appropriated from units sold and still under construction (before taxes) and the respective costs to be incurred on them have not been included in the financial statements. Thus, the table below shows the result to be appropriated of R\$69 million on September 30, 2014, with a gross margin to be appropriated of 39%.

(In Thousand)	09/30/2014	12/31/2013
Revenue to be appropriated from units sold ⁽¹⁾	178,464	212,359
Cost to be incurred from units sold ⁽²⁾	-109,535	-131,060
Net Results to be appropriated	68,929	81,299
Gross Margin to be appropriated	39%	38%

⁽¹⁾ Gross revenue from properties sold to be appropriated does not take into account the adjustment to present value;

⁽²⁾ The cost of units sold to be appropriated does not include financial charges and provision for guarantees, which, when incurred, are appropriated to the result (cost of properties sold) in proportion to the number of units sold.

CASH POSITION AND DEBT

Trisul ended 3Q14 with a cash position of R\$56 million. On September 30, 2014, total loans and financing reached R\$348 million.

<i>Indebtedness (in R\$ thousand)</i>	9/30/2014 (a)	12/31/2013 (b)	Var. (a/b)	9/30/2013 (c)	Var. (a / c)
Financing for construction - SFH ⁽¹⁾	(159,099)	(154,161)	3%	(159,459)	0%
Loans for working capital ⁽²⁾	(127,700)	(166,686)	-23%	(181,223)	-30%
Consortium/Finame	-	(20)	-100%	(28)	-100%
Leasing ⁽³⁾	(37)	(104)	-64%	(133)	-72%
Debentures ⁽⁴⁾	(60,764)	(196,418)	-69%	(199,429)	-70%
Total Indebtedness	(347,600)	(517,389)	-33%	(540,272)	-36%
Short term debt	(241,399)	(338,978)	-29%	(371,104)	-35%
Long term debt	(106,201)	(178,411)	-40%	(169,168)	-37%
Cash and cash equivalents	8,878	8,886	0%	16,820	-47%
Financial Investments	47,309	126,919	-63%	79,061	-40%
Total Cash and Banks	56,187	135,805	-59%	95,881	-41%
Cash, net of Indebtedness	(291,413)	(381,584)	-24%	(444,391)	-34%
Book Value	575,381	598,914	-4%	612,898	-6%
Net debt/Book Value	51%	64%	-13.1 p.p.	73%	-21.9 p.p.
Net debt excl. SFH/Book Value	23%	38%	-15 p.p.	46%	-23.5 p.p.
Net debt excl. SFH and Debentures CEF / Book Value	12%	5%	7.3 p.p.	14%	-1.5 p.p.

(1) Financing in reais at rates ranging between 8.30% and 10.50% p.a. plus the TR reference rate;

(2) Loans in reais at rates ranging between 3.50% and 5.80% p.a. plus the CDI interbank rate;

(3) Leasing in reais to acquire machinery and equipment at rates ranging between 16.25% and 16.88% p.a.;

(4) The remuneration rates for the Debentures are mentioned below;

(5) Debentures acquired by Caixa Econômica Federal (CEF) using FGTS funds;

(6) Financial investments related to the Debentures acquired by CEF.

The table below shows a breakdown of the Company's debt:

Debt Breakdown (in R\$ million)	09/30/2014
Financing for construction - SFH	64,642
Loans for working capital	115,956
FINAME	0
Leasing	37
Debentures	60,764
Short term debt	241,399
Financing for construction - SFH	94,457
Loans for working capital	11,744
Long term debt	106,201
Indebtedness Total	347,600

DEBENTURES PAYABLE:

<i>(in R\$ thousand)</i>	9/30/2014	12/31/2013
Principal amount	60,000	190,008
(-) Expenses with issuance to be appropriated	(163)	(549)
Changes incurred	927	6,959
Total	60,764	196,418
Current	60,764	136,458
Non-current	-	59,960

3rd Debenture Issue: In January, 2010, the Company executed a private deed of the third public issue of simple non-convertible debentures, with floating lien and additional guarantee, by which it issued 300 simple debentures for limited public distribution efforts exclusively targeted at qualified investors, totaling R\$300,000. The debentures were subscribed and paid, and proceeds credited to the Company in March 2010. The release and utilization of these funds is linked to the progress of each project financed. The proceeds from the debenture issue will be used to finance residential units whose sales value does not exceed the maximum limit allowed for financing by the National Housing System (SFH). The face value of the debentures will be paid in five equal and successive half-yearly installments, with the last installment being paid in February 2015. The debentures will be remunerated according to the Reference Rate, plus interest of 8.5% p.a. or 10.5% p.a., according to the sales value of the housing units. The debentures are guaranteed by the Company's fiduciary sale of: (i) one hundred percent (100%) of the shares representing the capital of the Special Purpose Entities (SPEs) constituted or to be constituted by the Company for the development and construction of real estate units related to those projects financed by the funds from the Issue; (ii) one hundred percent (100%) of the balance of shares of the Fixed income Investment Fund held by the Company and not yet invested in the SPEs; and (iii) the fiduciary assignment of receivables from financed real estate developments and/or escrow accounts and their respective funds. These debentures are subject to certain restrictive conditions, including, among others, compliance with certain operating and financial indices. On September 30, 2014, the Company is in compliance with all the commitments in the document. Expenses incurred with the debenture issue are recognized as a deduction under current and non-current liabilities and are amortized based on the straight-line method, within the maturity of the debentures.

RECEIVABLE FROM CUSTOMERS

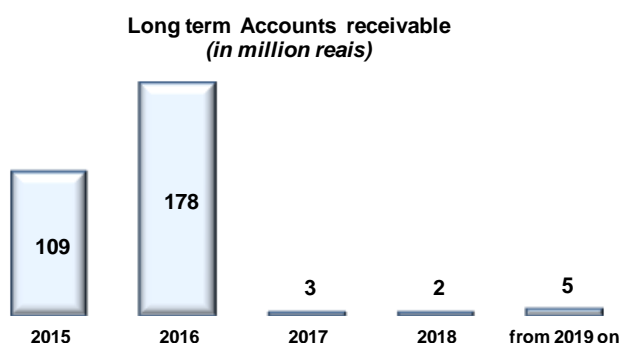
The balance of accounts receivable (revenue not appropriated), plus the book value of customers on September 30, 2014 totaled approximately R\$654 million. Of this total, R\$486 million in revenue were already appropriated. The balance related to accounts receivable from revenues not yet appropriated, net of advances from customers, totaled R\$178 million at the close of 3Q14.

<i>(in R\$ thousand)</i>	09/30/14	12/31/13
Accounts receivable - Realized Income ⁽¹⁾	486,078	621,953
Accounts receivable - Unrealized Income	178,464	212,359
Advances from customers ⁽²⁾	-10,197	-11,186
TOTAL	654,345	823,126

⁽¹⁾ Excludes accounts receivable from administration services, adjustment to present value and provision for doubtful accounts.

⁽²⁾ Amount received from clients that exceeded the recognized revenue and financial swap.

Of the accounts receivable (appropriated and to be appropriated) of R\$654 million on September 30, 2014, R\$358 million is short term and R\$296 million is long term, broken down by year of maturity in the graph below:


PROPERTIES FOR SALE

This line is represented by the costs of acquiring land for future developments and/or sale, costs associated with real estate units under construction and not yet sold and cost of completed real estate units in inventory.

Property to commercialize (in R\$ thousand)	9/30/2014	%	12/31/2013	%
Lands for future developments	247,740	59%	163,431	46%
Real Estate under construction	122,720	29%	130,193	36%
Finished Real Estate	47,154	11%	63,898	18%
Total	417,614	100%	357,522	100%

FINANCIAL INSTRUMENTS

The Company and its subsidiaries participate in operations that involve financial instruments which are restricted to financial investments and borrowings for working capital and loans for construction and the acquisition of land, as well as operations with partners in real estate projects under regular market conditions, all of which are recognized in the financial statements. Their purpose is to meet the Company's operating needs and reduce its exposure to credit and interest rate risks.

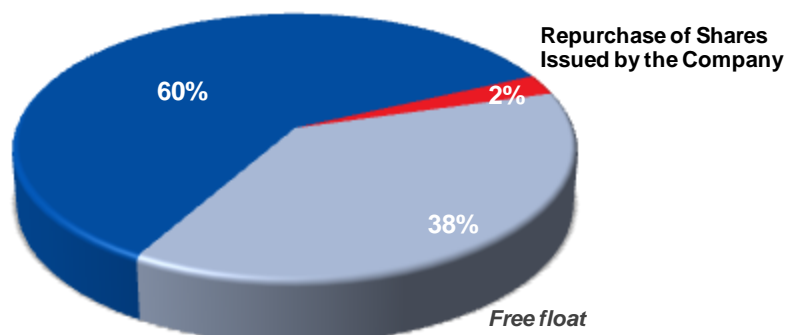
These instruments are managed through operating strategies aiming at liquidity, profitability and risk minimization.

OWNERSHIP BREAKDOWN

On September 30, 2014, the Company's capital fully subscribed and paid in totaled R\$461 million, represented by 81,798,769 registered, book-entry common, shares with no par value.

Ownership Breakdown Sep /14

Founding Shareholders



All statements herein related to business prospects, future estimates of operating and financial results, and Trisul's growth prospects are merely estimates and, as such, are based solely on the expectations of the executive board regarding the Company's business future. Such forward-looking statements depend, substantially, on changes in market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors; therefore, they are subject to change without prior notice. This performance report includes accounting data and non-accounting data such as pro-forma operating and financial results and projections based on Management's expectations. Note that the non-accounting figures have not been reviewed by the Company's independent auditors.

INCOME STATEMENT

Income Statement (IFRS) (in R\$ thousand)	3Q14	3Q13	3Q14 vs. 3Q13	2Q14	3Q14 vs. 2Q14	9M14	9M13	9M14 vs. 9M13
Gross Operating Revenue	91,387	108,084	-15%	91,728	0%	285,919	413,972	-31%
From real estate sold	87,184	102,720	-15%	90,861	-4%	278,411	406,314	-31%
From services provided	4,179	5,364	-22%	831	403%	7,415	7,575	-2%
From the leases of properties	24	-	-	36	-	93	83	12%
(-) Deductions from gross revenue	(2,872)	(1,735)	66%	(3,903)	-26%	(9,637)	(6,398)	51%
Net Operating Revenue	88,515	106,349	-17%	87,825	1%	276,282	407,574	-32%
Operating Costs	(57,846)	(73,077)	-21%	(60,235)	-4%	(182,054)	(299,701)	-39%
Gross Profit	30,669	33,272	-8%	27,590	11%	94,228	107,873	-13%
% Gross Margin	35%	31%	3.4 p.p.	31%	3.2 p.p.	34%	26%	7.6 p.p.
Operating Expenses (Income)	(19,160)	(16,579)	16%	(18,051)	6%	(56,973)	(47,593)	20%
General and Administrative Expenses	(12,573)	(10,167)	24%	(15,743)	-20%	(41,775)	(32,748)	28%
% G&A expenses	14%	10%	4.6 p.p.	18%	-3.7 p.p.	15%	8%	7.1 p.p.
Selling Expenses	(4,944)	(11,023)	-55%	(6,798)	-27%	(21,039)	(30,786)	-32%
% selling expenses	6%	10%	-4.8 p.p.	8%	-2.2 p.p.	8%	8%	0.1 p.p.
Tax Expenses	(192)	(63)	205%	(187)	3%	(904)	(562)	61%
Results by Equity Equivalence	(922)	4,352	-121%	4,502	-120%	6,318	13,462	-53%
Provision for contingencies	(36)	57	-163%	118	-131%	147	1,299	-89%
Depreciation & Amortization	(667)	(517)	29%	(480)	39%	(1,664)	(1,616)	3%
Amortization of goodwill	-	-	-	-	-	-	(82)	-
Other operating (expenses) income, net	174	782	-78%	537	-68%	1,944	3,440	-43%
Operating Income	11,509	16,693	-31%	9,539	21%	37,255	60,280	-38%
Financial Expenses	(2,406)	(5,160)	-53%	(2,517)	-4%	(8,821)	(18,978)	-54%
Financial Revenues	3,857	5,199	-26%	4,090	-6%	12,091	13,196	-8%
Income before Income Taxes and Social Contribution	12,960	16,732	-23%	11,112	17%	40,525	54,498	-26%
Income tax and social contribution	(2,173)	(2,646)	-18%	(2,565)	-15%	(7,688)	(8,370)	-8%
Income before Minority Interest	10,787	14,086	-23%	8,547	26%	32,837	46,128	-29%
Minority Interest	(6,350)	(7,159)	-11%	(2,271)	180%	(16,018)	(23,638)	-32%
Net Income (loss)	4,437	6,927	-36%	6,276	-29%	16,819	22,490	-25%
% Net Margin	5.0%	7%	-1.5 p.p.	7.1%	-2.1 p.p.	6.1%	6%	0.6 p.p.

1. BALANCE SHEET

Balance Sheet (in R\$ thousand)	09/30/2014	9/30/2013	Var.		12/31/2013	Var.	
Current Assets	721,375	987,819	-266,444	-27%	964,298	-242,923	-25%
Cash and cash equivalents	56,187	95,881	(39,694)	-41%	135,805	-79,618	-59%
Bonds and Securities	0	-	-	-	-	0	-
Trade accounts receivable	330,224	615,420	(285,196)	-46%	542,605	-212,381	-39%
Real estate to be sold	315,398	261,016	54,382	21%	263,538	51,860	20%
Other Receivables	16,076	10,976	5,100	46%	17,290	-1,214	-7%
Recoverable taxes	3,490	4,526	(1,036)	-23%	5,060	-1,570	-31%
Non-Current Assets	323,881	312,565	11,316	4%	274,228	49,653	18%
Bonds and Securities	-	-	-	-	-	-	-
Trade accounts receivable	136,344	84,845	51,499	61%	64,390	71,954	112%
Real estate to be sold	102,216	101,205	1,011	1%	93,984	8,232	9%
Related parties	17,894	34,606	(16,712)	-48%	37,549	-19,655	-52%
Recoverable taxes	3,237	4,415	(1,178)	-27%	4,009	-772	-19%
Other Receivables	5,421	12,107	(6,686)	-55%	4,957	464	9%
Investments	49,306	61,580	(12,274)	-20%	55,866	-6,560	-12%
Property and equipment, net	7,831	12,056	(4,225)	-35%	11,801	-3,970	-34%
Intangible assets	1,632	1,751	(119)	-7%	1,672	-40	-2%
Total Assets	1,045,256	1,300,384	-255,128	-20%	1,238,526	-193,270	18%
Current Liabilities	336,941	507,697	-170,756	-34%	450,564	-113,623	-25%
Trade accounts payable	25,557	26,672	(1,115)	-4%	22,080	-1,115	16%
Loans and financing	180,635	231,511	(50,876)	-22%	202,520	-50,876	-11%
Debentures payable	60,764	139,593	(78,829)	-56%	136,458	-78,829	-55%
Accrued payroll obligations and taxes payable	9,443	13,755	(4,312)	-31%	11,312	-4,312	-17%
Deferred taxes	14,106	26,955	(12,849)	-48%	23,745	-12,849	-41%
Land payable	17,409	34,524	(17,115)	-50%	14,961	-17,115	16%
Advances from customers	10,197	7,822	2,375	30%	11,186	-2,375	-9%
Accounts payable	6,752	13,465	(6,713)	-50%	11,475	-6,713	-41%
Dividends	-	-	-	-	7,294	0	-100%
Related parties	12,078	13,400	(1,322)	-10%	9,533	-1,322	27%
Non-Current Liabilities	132,934	179,789	-46,855	-26%	189,048	-56,114	-30%
Loans and financings	106,201	109,332	(3,131)	-3%	118,451	-12,250	-10%
Debentures payable	0	59,836	(59,836)	-100%	59,960	-59,960	-100%
Accrued payroll obligations and taxes payable	0	505	(505)	-100%	243	-243	-100%
Land payable	13,752	-	13,752	-	0	13,752	-
Provision for litigation and administrative	4,988	5,099	(111)	-2%	5,135	-147	-3%
Deferred taxes	6,361	3,866	2,495	65%	3,172	3,189	101%
Accounts payable	1,632	1,151	481	42%	2,087	-455	-22%
Shareholders' Equity	575,381	612,898	-37,517	-6%	598,914	-23,533	-4%
Capital stock	461,080	461,080	-	0%	461,080	0	0%
Capital reserve	12,564	12,564	-	0%	12,564	0	0%
Earnings reserve	50,271	35,229	15,042	43%	36,158	14,113	39%
Treasury stock	(7,118)	-	(7,118)	-	(724)	-6,394	883%
Cumulative Profits (Losses)	-	-	-	-	-	0	-
Minority interest in subsidiaries	58,584	104,025	(45,441)	-44%	89,836	-31,252	-35%
Total Liabilities and Shareholders' Equity	1,045,256	1,300,384	(255,128)	-20%	1,238,526	(193,270)	-16%

2. CASH FLOW

Cash Flow (in R\$ thousand)	3Q14	2Q14	9M14	9M13
By operating activities				
Income before Income Taxes and Social Contribution	12,960	11,112	40,525	54,498
Reconciliation of net income to net cash provided by operating activities:				
Provision for bad debt	(856)	(1,068)	(1,471)	1,474
Provision for litigation and administrative	36	(118)	(147)	(1,299)
Adjustment to present value	174	1,577	1,966	(1,022)
Depreciation and amortization	667	480	1,664	1,616
Amortization of goodwill	-	-	-	82
Sales stand depreciation	1,081	1,037	3,067	2,104
Interest on loans and debentures	2,038	2,101	11,393	31,996
Taxes deferred	(894)	(1,266)	(3,313)	(11,006)
Ownership Equity	922	(4,502)	(6,318)	(13,462)
Increase (decrease) in operating assets:				
Trade accounts receivable	32,793	57,692	139,932	253,369
Real estate to be sold	94	(116)	9,713	73,314
Recoverable taxes	397	1,369	2,342	1,044
Related parties	3,556	11,930	22,200	(16,867)
Other receivables	(800)	(102)	750	7,686
Increase (decrease) in operating liabilities:				
Trade accounts payable	4,498	(1,255)	3,477	(1,495)
Accrued payroll obligations and taxes payable	196	53	(365)	318
Land payable	(14,489)	(14,465)	(53,605)	(38,128)
Advances from customers	582	(1,056)	(989)	2,217
Accounts payable	(1,268)	(3,505)	(5,178)	(3,840)
Cash used in operating activities	41,687	59,898	165,643	342,599
Income tax and social contribution	(3,494)	(3,977)	(12,572)	(19,567)
Net Cash used in operating activities	38,193	55,921	153,071	323,032
Cash flow from investment activities				
Dividends paid	(5,000)	(5,000)	(10,000)	(20,305)
Acquisition of fixed assets	(452)	(269)	(1,757)	(3,177)
Reduced Investment	2,504	7,198	12,878	21,559
Intangible assets acquisition	-	(11)	(508)	(253)
Disposal of Investments	276	405	1,324	45
Disposal of intangible	220	-	220	-
Repurchase of shares of own issue	(777)	(222)	(6,394)	-
Cash used in investment activities	(3,229)	2,101	(4,237)	(2,131)
Cash flow from loan activities				
Capital reserve - stock option plan	-	-	-	8
Debentures issue, Net	(65,411)	(2,541)	(144,350)	(237,449)
Loans and financing, Net	(14,119)	7,877	(36,832)	(122,137)
Minority interest	(16,276)	(11,535)	(47,270)	(20,451)
Cash used in loan activities	(95,806)	(6,199)	(228,452)	(380,029)
Increase (decrease) in cash, banks and financial investments	(60,842)	51,823	(79,618)	(59,128)
Balance Of Cash, Banks And Financial Investments				
At the beginning of the period	117,029	65,206	135,805	155,009
At the end of the period	56,187	117,029	56,187	95,881
Decrease in cash, banks and financial investments	(60,842)	51,823	(79,618)	(59,128)

3. OPERATING AND FINANCIAL DATA – PRO-FORMA

The tables and charts below analyze some operating and financial data based on the equity method, and in some cases the additional column for adjustments helps visualize the differences. **Note that the information included in this exhibit has not been reviewed/audited by independent auditors.**

4.1. Sales over Supply (SOS)

VSO (Sales over Supply)	Units	Total PSV in R\$	Trisul's PSV in R\$	Trisul's PSV	Trisul's PSV in R\$
Inventory of units as of 07/01/2014	1,176	545,948	463,935	20,530	484,465
(+) Launchings in 3Q14	0	0	0	-	0
Total units for sale in 3Q14 (a)	1,176	545,948	463,936	20,530	484,465
(-) Units sold in 3Q14 (b)	137	67,135	54,593	-2,396	52,198
Total units for sale as of 10/01/2014	1,039	478,813	409,342	22,925	432,267
VSO in 3Q14 (b)/(a)	12%	12%	12%		11%

4.2. Inventory Position

Inventories as of 10/01/2014	Units		Trisul's PSV in R\$ thousand		Total PSV in R\$ thousand	
Finished units	315	30%	90,223	22%	122,089	25%
Units under construction	724	70%	319,119	78%	356,724	75%
→ 2.011 launching	29	4%	21,249	7%	29,348	8%
→ 2.012 launching	129	18%	96,764	30%	121,134	34%
→ 2.013 launching	534	74%	185,659	58%	190,795	53%
→ 2.014 launching	32	4%	15,448	5%	15,448	4%
Units under launching phases	0	0%	0	0%	0	0%
	1,039	100%	409,342	100%	478,813	100%

Inventories as of 10/01/2014	Units		Trisul's PSV in R\$ thousand		Total PSV in R\$ thousand	
Low-Income	184	18%	38,956	10%	40,627	8%
Middle/High-income	855	82%	370,387	90%	438,186	92%
	1,039	100%	409,342	100%	478,813	100%

4.3. Cash Position and Debt

Indebtedness (in R\$ thousand)	9/30/2014 IFRS	Adjustment	09/30/2014 "Pro Forma"
Financing for construction - SFH ⁽¹⁾	(159,099)	(7,183)	(151,916)
Loans for working capital ⁽²⁾	(127,700)	-	(127,700)
Consortium/Finame	-	-	-
Leasing ⁽³⁾	(37)	-	(37)
Debentures ⁽⁴⁾	(60,764)	-	(60,764)
Total Indebtedness	(347,600)	(7,183)	(340,417)
Short term debt	(241,399)	(10,615)	(230,784)
Long term debt	(106,201)	3,432	(109,633)
Cash and cash equivalents	8,878	(3,273)	12,151
Financial Investments	47,309	1,235	46,074
Total Cash and Banks	56,187	(2,038)	58,225
Cash, net of Indebtedness	(291,413)	(9,221)	(282,192)
Book Value	575,381	58,516	516,865
Net debt/Book Value	51%	-3.9 p.p.	55%
Net debt excl. SFH/Book Value	23%	-2.2 p.p.	25%
Net debt excl. SFH and Debentures CEF / Book Value	12%	-1 p.p.	13%

4.4. Accounts Receivable from Customers

Trisul ended the third quarter with total **receivables** of **R\$641 million**, **R\$218 million** of which corresponding to **performed receivables**.

(in R\$ thousand)	9/30/2014	Adjustment	9/30/2014
Accounts receivable - Realized Income ⁽¹⁾	475,136	10,942	486,078
Accounts receivable - Unrealized Income	176,465	1,999	178,464
Advances from customers ⁽²⁾	-10,266	69	-10,197
TOTAL	641,335	13,010	654,345

Income Statement

The table below analyzes income statements based on both accounting methods (proportionate consolidation and equity), with an additional column for adjustments to help visualize the differences.

Income Statement	3Q14		3Q14
(in R\$ thousand)	IFRS	Var.	Pro-Forma
Gross Operating Revenue	91,387	1,981	89,406
From real estate sold	87,184	2,209	84,975
From services provided	4,179	(228)	4,407
From the leases of properties	24	-	24
(-) Deductions from gross revenue	(2,872)	169	(3,041)
Net Operating Revenue	88,515	2,150	86,365
Operating Costs	(57,846)	2,898	(60,744)
Gross Profit	30,669	(5,048)	25,621
% Gross Margin	35%		30%
Operating Expenses (Income)	(19,160)	1,230	(20,390)
General and Administrative Expenses	(12,573)	415	(12,988)
% G&A expenses	14%	(0)	15%
Selling Expenses	(4,944)	(209)	(4,735)
% selling expenses	6%	0	5%
Tax Expenses	(192)	417	(609)
Results by Equity Equivalence	(922)	(922)	-
Provision for contingencies	(36)	-	(36)
Depreciation & Amortization	(667)	(10)	(657)
Amortization of goodwill	-	-	-
Other operating (expenses) income, net	174	1,539	(1,365)
Opetating Income	11,509	6,278	5,231
Financial Expenses	(2,406)	40	(2,446)
Financial Revenues	3,857	-	3,857
Income before Income Taxes and Social Contribution	12,960	6,318	6,642
Income tax and social contribution	(2,173)	(19)	(2,154)
Income before Minority Interest	10,787	6,299	4,488
Minority Interest	(6,350)	(6,299)	(51)
Net Income (loss)	4,437	-	4,437

Balance Sheet

Consolidated Balance Sheet <i>(in R\$ thousand)</i>	3Q14 IFRS	Var.	3Q14 Pro Forma
Current Assets	721,375	17,310	704,065
Cash and cash equivalents	56,187	-2,038	58,225
Trade accounts receivable	330,224	11,911	318,313
Real estate to be sold	315,398	8,227	307,171
Other Receivables	16,076	-579	16,655
Recoverable taxes	3,490	-211	3,701
Non-Current Assets	323,881	60,160	263,721
Trade accounts receivable	136,344	-1,153	137,497
Real estate to be sold	102,216	-3,580	105,796
Related parties	17,894	15,439	2,455
Recoverable taxes	3,237	0	3,237
Other Receivables	5,421	140	5,281
Investments	49,306	49,306	0
Property and equipment, net	7,831	8	7,823
Intangible assets	1,632	0	1,632
Total Assets	1,045,256	77,470	967,786
Current Liabilities	336,941	21,911	315,030
Trade accounts payable	25,557	964	24,593
Loans and financing	180,635	10,615	170,020
Debentures payable	60,764	0	60,764
Accrued payroll obligations and taxes payable	9,443	-592	10,035
Deferred taxes	14,106	-12	14,118
Land payable	17,409	0	17,409
Advances from customers	10,197	-69	10,266
Accounts payable	6,752	-970	7,722
Dividends	-	0	-
Related parties	12,078	11,975	103
Non-Current Liabilities	132,934	-2,957	135,891
Loans and financings	106,201	-3,432	109,633
Debentures payable	0	0	0
Accrued payroll obligations and taxes payable	0	0	0
Land payable	13,752	0	13,752
Provision for litigation and administrative	4,988	555	4,433
Deferred taxes	6,361	-35	6,396
Accounts payable	1,632	-45	1,677
Shareholders' Equity	575,381	58,516	516,865
Capital stock	461,080	0	461,080
Capital reserve	12,564	0	12,564
Earnings reserve	50,271	0	50,271
Treasury Stock	(7,118)		-7,118
Cumulative Profits (Losses)	-	0	0
Minority interest in subsidiaries	58,584	58,516	68
Total Liabilities and Shareholders' Equity	1,045,256	77,470	967,786

Cash Flow

Cash Flow (in R\$ thousand)	IFRS 9/30/2014	Var.	Pro-Forma 9/30/2014
By operating activities			
Income before Income Taxes and Social Contribution	12,960	6,318	6,642
Reconciliation of net income to net cash provided by operating activities:			
Provision for bad debt	(856)	(2)	(854)
Provision for litigation and administrative	36	1	35
Adjustment to present value	174	(191)	365
Depreciation and amortization	667	10	657
Amortization of goodwill	-	-	-
Sales stand depreciation	1,081	-	1,081
Interest on loans and debentures	2,038	-	2,038
Taxes deferred	(894)	(92)	(802)
Ownership Equity	922	922	-
Increase (decrease) in operating assets:			
Trade accounts receivable	32,793	4,355	28,438
Real estate to be sold	94	(167)	261
Recoverable taxes	397	(18)	415
Related parties	3,556	3,232	324
Other receivables	(800)	71	(871)
Increase (decrease) in operating liabilities:			
Trade accounts payable	4,498	60	4,438
Accrued payroll obligations and taxes payable	196	103	93
Land payable	(14,489)	-	(14,489)
Advances from customers	582	621	(39)
Accounts payable	(1,268)	(721)	(547)
Cash used in operating activities	41,687	14,502	27,185
Income tax and social contribution	(3,494)	(11)	(3,483)
Net Cash used in operating activities	38,193	14,491	23,702
Cash flow from investment activities			
Dividends paid	(5,000)	-	(5,000)
Acquisition of fixed assets	(452)	1	(453)
Reduced Investment	2,504	2,504	-
Intangible assets acquisition	-	-	-
Disposal of investments	276	-	276
Disposal of intangible	220	-	220
Repurchase of Shares	(777)	997	(777)
Cash used in investment activities	(3,229)	3,502	(5,734)
Cash flow from loan activities			
Capital reserve - stock option plan	-	-	-
Debentures issue, Net	(65,411)	-	(65,411)
Loans and financing, Net	(14,119)	924	(15,043)
Minority interest	(16,276)	(14,143)	(2,133)
Cash used in loan activities	(95,806)	(13,219)	(82,587)
Increase (decrease) in cash, banks and financial investments	(60,842)	3,777	(64,619)
Balance Of Cash, Banks And Financial Investments			
At the beginning of the period	117,029	(5,815)	122,844
At the end of the period	56,187	(2,038)	58,225
Decrease in cash, banks and financial investments	(60,842)	3,777	(64,619)