



TRISUL S.A. ANNOUNCES 2Q14 AND 1H14 RESULTS

2Q14 RESULTS CONFERENCE CALL

August 14, 2014

Portuguese

Date: August 14, 2014
Time: 11:00 a.m. (Brasília time)
10:00 a.m. (US-EST)
Phone: +55 (11) 2188-0155
Password: Trisul

Replay available until: 08/20/14
Replay: +55 (11) 2188-0155
Password: Trisul

English

Date: August 14, 2014
Time: 12:00 p.m. (Brasília time)
11:00 a.m. (US-EST)
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São Paulo, August 13, 2014 - TRISUL S.A. (BM&FBovespa: TRIS3; Bloomberg: TRIS3 BZ; Reuters: TRIS3.SA) announces its results for the second quarter of 2014 (1Q14) and first half of 2014 (1H14). 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 generation** stood at R\$56 million;
- Trisul closed the first quarter with **total receivables** (on and off balance) of R\$708 million, R\$249 million of which were **performed receivables**;
- In 2Q14 the **net debt/shareholders' equity** ratio reached **53%**;
- In 1H14 **Gross margin** stood at 34%, **9 p.p.** up on the same period the year before; **Adjusted Gross Margin** stood at 40%.
- **Gross margin to be recognized** stood at **38%**.
- **Subsequent event:** settlement of the fourth installment of the third debenture issue, totaling R\$60 million.

MESSAGE FROM MANAGEMENT

Trisul has been following its strategy of monetizing its assets, which consists of focusing on the sale of units finished more than one year ago, expediting the appropriation of receivables, replacing sites outside our current scope of operations and changing our sales structure

Despite the decline in macroeconomic expectations and the slowdown in the real estate market, our launch Line SP Conceição, with PSV of R\$51 million (Trisul's share) distributed into 114 units, performed well, with a sales-over-supply ratio of 68%.

The works are being delivered on schedule. In the second quarter of 2014, the Company concluded the project Max Clube III, with PSV of R\$24 million (Trisul's share) distributed into 156 units. As a subsequent event, the Company concluded another two projects, Altino Residencial Clube and Style Santa Paula, with total PSV of R\$67 million and 370 units.

In anticipation of the New Master Plan (*Novo Plano Diretor*) approved by the São Paulo Legislative Assembly in July, the Company has been able to seize good opportunities to expand its landbank and redesign projects in order to better take advantage of the sites in areas near train and subway lines.

In order to adjust our administrative expenses to the current operating level, we reduced our workforce by 28%, leading to severance expenses that impacted our G&A as a percentage of net revenue.

As for the capital structure, we would like to mention our efficiency in the deleveraging process we have been working on in the last three years, which reduced our net debt-to-equity ratio by 40 p.p. to 53% at the end of the quarter. As a subsequent event, we have settled the fourth installment of the third debenture issue, totaling R\$60 million, giving us an acceptable debt level.

Management

OPERATING AND FINANCIAL HIGHLIGHTS

Operating Data (in R\$ thousand)	2Q14	2Q13	Var. %	1Q14	Var. %	1H14	1H13	Var. %
Developments Launched								
Total PSV Launched ⁽¹⁾	51	110	-54%	-	-	51	110	-54%
Trisul's PSV Launched	51	110	-54%	-	-	51	110	-54%
% of Trisul's Participation	100%	100%	-	-	-	100%	100%	-
Number of Developments	1	2	-	-	-	1	2	-
Units Launched	114	216	-47%	-	-	114	216	-47%
Average Launching Price (in R\$/ m²)	7.910	7.188	10%	-	-	7.910	7.188	10%
Average Launching Price (in R\$/unit)	442.982	509.259	-13%	-	-	442.982	509.259	-13%
Usable Area (m²)	6.384	15.303	-58%	-	-	6.384	15.303	-58%
Contracted Sales								
Total Contracted Sales ⁽²⁾	87.852	200.986	-56%	62.073	42%	149.925	303.553	-51%
Trisul's Contracted Sales	73.006	161.356	-55%	46.473	57%	119.927	252.072	-52%
% of Trisul's Participation	83%	80%	3 p.p.	75%	8 p.p.	80%	83%	-3 p.p.
Number of Units Sold	192	478	-60%	141	36%	333	725	-54%
Average Sales Price (in R\$/m²)	8.608	5.206	65%	7.114	21%	7.736	6.251	24%
Average Sales Price (in R\$ thousand/unit)	457.562	420.472	9%	440.232	4%	450.224	418.694	8%
Total Usable Area Sold (m²)	10.205	28.859	-65%	8.725	17%	19.380	48.560	-60%
Financial Data (in R\$ thousand)								
Gross Operating Revenue	91.728	144.880	-37%	102.804	-11%	194.532	305.889	-36%
Net Operating Revenue	87.825	142.234	-38%	99.942	-12%	187.767	301.225	-38%
Gross Profit	27.590	36.229	-24%	35.969	-23%	63.559	74.601	-15%
% Gross Margin	31,4%	25,5%	5,9 p.p.	36,0%	-4,6 p.p.	33,8%	24,8%	9,1 p.p.
Net Income (Loss)	6.276	7.517	-17%	6.106	3%	12.382	15.563	-20%
% Net Margin	7,1%	5,3%	1,9 p.p.	6,1%	1 p.p.	6,6%	5,2%	1,4 p.p.
EBITDA ⁽³⁾	7.748	13.414	-42%	9.327	-17%	17.075	28.289	-40%
Adjusted EBITDA ⁽⁴⁾	11.344	19.669	-42%	13.660	-17%	25.004	41.730	-40%
% EBITDA Margin	12,9%	13,8%	-0,9 p.p.	13,7%	-0,8 p.p.	13,3%	13,9%	-0,5 p.p.
Cash and Banks	117.029	211.269	-45%	65.206	79%	117.029	211.269	-45%
Cash, net of Indebtedness	-308.063	-562.450	-45%	-352.449	13%	-308.063	-562.450	-45%

(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

LAUNCHES

Launches 2Q14								
Launchings	Region	Launching Date	Segment	Units	% Trisul	Total PSV R\$MM	Trisul's PSV R\$MM	Average Price/Unit
1 Line SP Conceição	São Paulo	04/12/2014	High	114	100%	51	51	442,982
2Q14 Launches				114		51	51	

CONTRACTED SALES

Contracted sales totaled 192 units in 2Q14, with PSV of R\$88 million. Trisul's share of contracted sales totaled R\$73 million. In 1H14 Trisul's share totaled R\$120 million.

2Q14 Units Sold and Contracted Sales by Segment						
Segment	Units sold	%	Total Sales in R\$ thousand	%	Trisul's Sales in R\$ thousand	%
Low-income	58	30%	13.581	15%	13.205	18%
Middle	21	11%	14.841	17%	13.515	19%
High	113	59%	59.429	68%	46.286	63%
Total	192	100%	87.852	100%	73.006	100%

1H14 Units Sold and Contracted Sales by Segment						
Segment	Units sold	%	Total Sales in R\$ thousand	%	Trisul's Sales in R\$ thousand	%
Low-income	112	34%	25.212	17%	24.386	20%
Middle	73	22%	40.566	27%	35.098	29%
High	148	44%	84.146	56%	60.443	50%
Total	333	100%	149.925	100%	119.927	100%

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 04/01/2014	1,254	583,299	506,971
(+) Launchings in 2Q14	114	50,500	50,500
Total units for sale in 2Q14 (a)	1,368	633,799	557,471
(-) Units sold in 2Q14 (b)	192	87,852	73,006
Total units for sale as of 07/01/2014	1,176	545,948	484,465
VSO in 2Q14 (b)/(a)	14%	14%	13%

CONCLUDED PROJECTS

Concluded Works 2Q14								
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	Trisul Lar	156	100%	24	24
Total					156		24	24

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

PROJECTS UNDER CONSTRUCTION

Trisul closed 2Q14 with **15 construction sites** totaling 1,952 units and PSV of R\$846 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 Altino Residencial Club	Osasco	Aug-11	Aug-14	Middle	280	50%	68	34
4 Ibirapuera Diamond	São Paulo	Nov-11	Aug-14	High	28	50%	31	16
5 Style Santa Paula	São Caetano do Sul	Nov-11	Aug-14	Middle	90	100%	33	33
6 Magnific Santana	São Paulo	May-12	Nov-14	High	76	35%	64	23
7 Space Anália Franco	São Paulo	May-12	Nov-14	High	100	100%	82	82
8 ADD Nova Berrini	São Paulo	Nov-12	Oct-15	Middle High	288	100%	152	152
9 ADD Vila Mariana	São Paulo	Nov-13	Jul-16	High	170	100%	95	95
10 Allegro - Fase 1	Cotia	Dec-13	Nov-16	Low - Income	154	100%	25	25
11 Duetto Biagi	Ribeirão Preto	Sep-13	Jul-16	High	294	100%	80	80
12 Immaginato Casa Verde	São Paulo	May-13	Apr-16	High	114	100%	62	62
13 My Station	São Paulo	Jun-13	Feb-16	Middle	102	100%	43	43
14 Oliva Vila Mascote	São Paulo	Aug-13	Feb-16	High	88	100%	53	53
15 Paysage	São Paulo	Oct-13	May-16	High	68	100%	42	42
					1,952		978	846

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

INVENTORY POSITION

Trisul ended 2Q14 with 1,176 units in inventory, corresponding to PSV of R\$484 million (Trisul's share).

- 23% of the units in inventory are currently concluded:

Inventories as of 07/01/2014	Units		Trisul's PSV in R\$ thousand		Total PSV in R\$ thousand	
Finished units	371	32%	111,893	23%	117,475	22%
Units under construction	535	45%	284,766	59%	340,666	62%
→ 2.011 launching	64	12%	46,556	16%	60,716	18%
→ 2.012 launching	139	26%	89,119	31%	130,859	38%
→ 2.013 launching	332	62%	149,091	52%	149,091	44%
Units under launching phases	270	23%	87,806	18%	87,806	16%
	1,176	100%	484,465	100%	545,948	100%

- 92% inventory (Trisul's PSV) is targeted at the middle- and high-income segments:

Inventories as of 07/01/2014	Units		Trisul's PSV in R\$ thousand		Total PSV in R\$ thousand	
Low-Income	213	18%	36,943	8%	46,229	8%
Middle/High-income	963	82%	447,523	92%	499,718	92%
	1,176	100%	484,465	100%	545,948	100%

LANDBANK

On June 30, 2014, Trisul's **landbank** corresponded to **PSV of R\$1.3 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 year in these niches.

The Company has a diversified landbank, distributed among eight cities in the state of São Paulo, with 63% of Trisul's PSV located in the São Paulo metropolitan region.

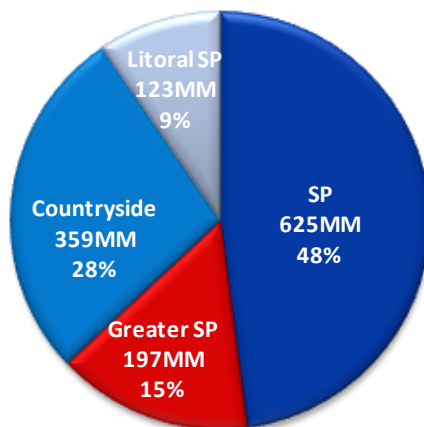
The following table gives a breakdown of the Company's landbank as of June 30, 2014:

Landbank	Low income*	Middle/High**	Total
Total PSV (in R\$ million)	677	669	1,347
Trisul's PSV (in R\$ million)	677	627	1,305
Number of Projects	14	11	25
Number of Units	4,339	1,414	5,753
Number of Units per project	310	129	230
Average Price per Unit (in R\$ thousand)	156	473	234

* Low-income product: average price/unit of up to R\$200,000

** Middle- and upper middle income: average price/unit above R\$350,000

**Landbank - Geographic Breakdown
(Trisul's PSV of R\$ 1.3 billion)**

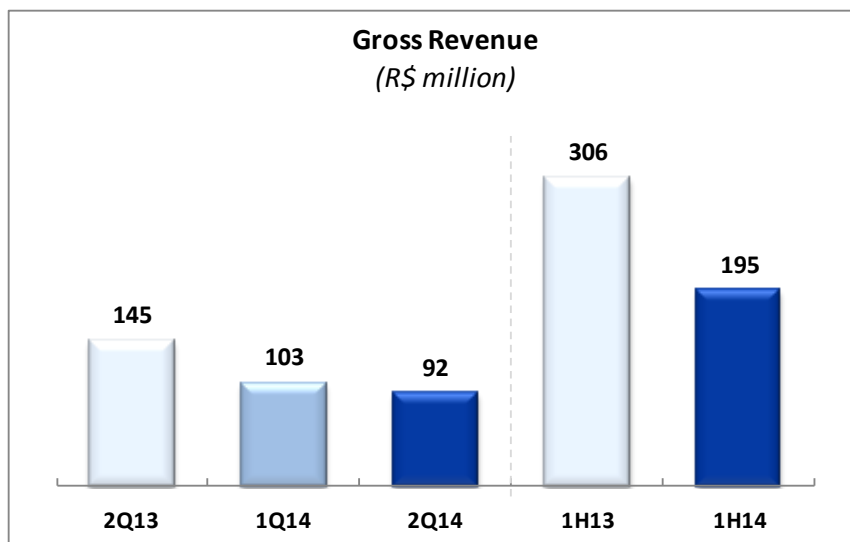


FINANCIAL PERFORMANCE

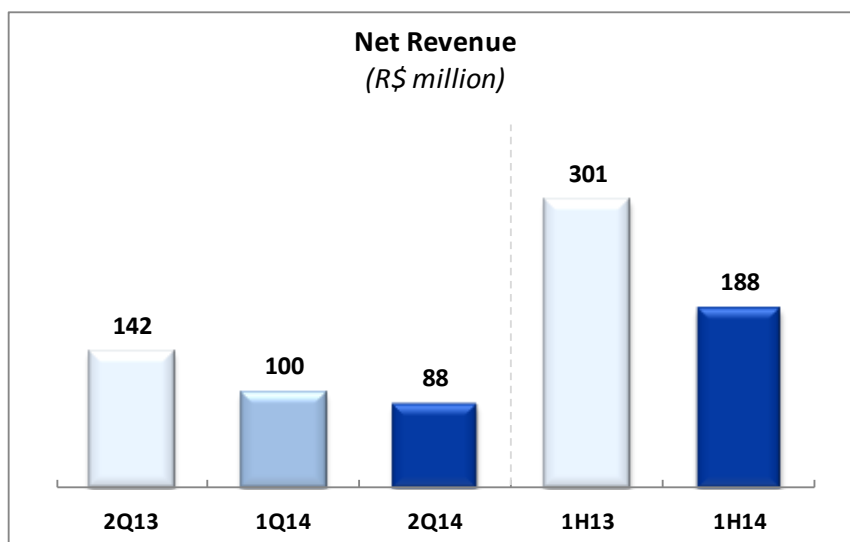
The financial information (parent company and consolidated) is presented in Reais (R\$) in accordance with the accounting practices adopted in Brazil, which include the rules of the Brazilian Securities and Exchange Commission (CVM), and the pronouncements, interpretations and guidelines of the Brazilian 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

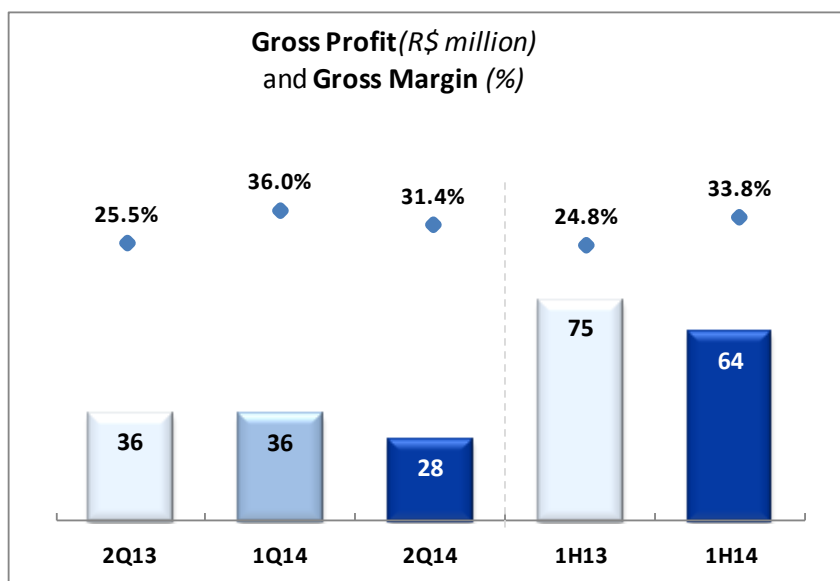


NET OPERATING REVENUE

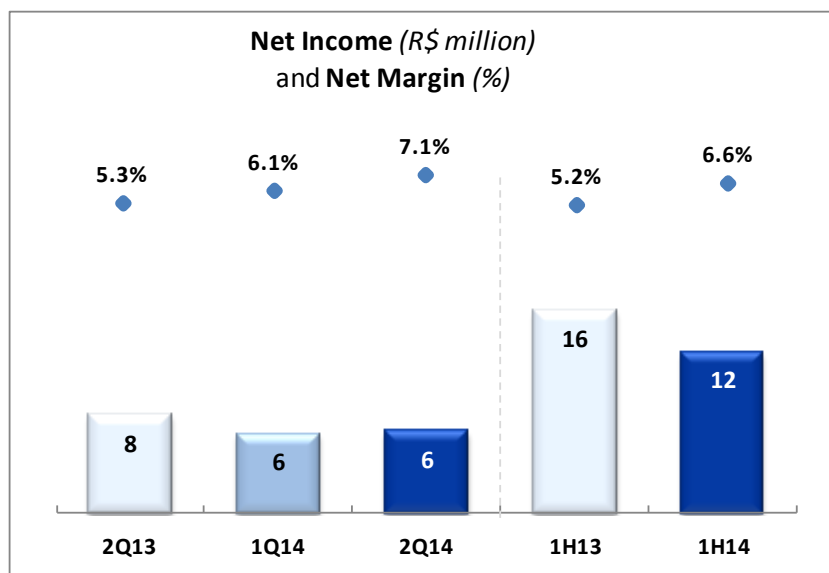


Revenue from contracted sales of each project is appropriated to the Company's results during the construction period through the Percentage of Completion Method (PoC). This percentage is the ratio of the cost incurred to total budgeted cost of the units sold per project. The Adjustment to Present Value (AVP) is deducted from appropriated revenue in accordance with 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)	2Q14	2Q13	Var. %	1Q14	Var. %	1S14	1S13	Var. %
Net Operating Revenue	87,825	142,234	-38.3%	99,942	-12.1%	187,767	301,225	-37.7%
Trisul's PSV Launched	50,500	110,000	-54.1%	0	-	50,500	110,000	-54.1%
Trisul's Contracted Sales	73,006	161,356	-54.8%	46,921	55.6%	119,927	252,072	-52.4%
Operating (expenses) income:								
Administrative expenses	(15,743)	(11,931)	32.0%	(13,459)	17.0%	(29,202)	(22,581)	29.3%
% Net Revenue	17.9%	8.4%	9.5 p.p.	13.5%	4.5 p.p.	15.6%	7.5%	8.1 p.p.
% Trisul's Launching	31.2%	10.8%	20.3 p.p.	-	-	57.8%	20.5%	37.3 p.p.
% Trisul's Contracted Sales	21.6%	7.4%	14.2 p.p.	28.7%	-7.1 p.p.	24.3%	9.0%	15.4 p.p.
Selling expenses	(6,798)	(11,350)	-40.1%	(9,297)	-26.9%	(16,095)	(19,763)	-18.6%
% Net Revenue	7.7%	8.0%	-0.2 p.p.	9.3%	-1.6 p.p.	8.6%	6.6%	2.0 p.p.
% Trisul's Launching	13.5%	10.3%	3.1 p.p.	0.0%	13.5 p.p.	31.9%	18.0%	13.9 p.p.
% Trisul's Contracted Sales	9.3%	7.0%	2.3 p.p.	19.8%	-10.5 p.p.	13.4%	7.8%	5.6 p.p.
Tax expenses	(187)	(228)	-18.0%	(525)	-64.4%	(712)	(499)	42.7%
Depreciation & Amortization expenses	(480)	(547)	-12.2%	(517)	-7.2%	(997)	(1,099)	-9.3%
Amortization of goodwill	-	-	-	-	-	-	(82)	-
Provision for contingencies	118	1,400	-91.6%	65	81.5%	183	1,242	-85.3%
Other operating (expenses) income	537	877	-38.8%	1,233	-56.4%	1,770	2,658	-33.4%
Total	(22,553)	(21,779)	3.6%	(22,500)	0.2%	(45,053)	(40,124)	12.3%

ADMINISTRATIVE EXPENSES:

Administrative Expenses (in R\$ K)	1H14	1H13	▲%	2Q14	2Q13	▲%	1Q14	▲%
Personnel Expenses	13,306	11,223	19%	7,602	5,844	30%	5,704	33%
Management fees	680	1,001	-32%	392	698	-	288	-
Occupancy	2,652	1,249	112%	1,431	653	119%	1,221	17%
Advisory and consultancy expenses	9,546	6,558	46%	4,907	3,459	42%	4,639	6%
General expenses	3,018	2,550	18%	1,411	1,277	10%	1,607	-12%
Total administrative expenses	29,202	22,581	29%	15,743	11,931	32%	13,459	17%

SELLING EXPENSES:

Selling Expenses (in R\$ K)	1H14	1H13	▲%	2Q14	2Q13	▲%	1Q14	▲%
Marketing expenses	8,405	10,892	-23%	2,501	6,876	-64%	5,904	-58%
Sales stand – depreciation	1,986	1,208	64%	1,037	630	65%	949	9%
Sales stand – general expenses	5,518	5,917	-7%	3,973	3,605	10%	1,545	157%
Provision for doubtful accounts	(615)	840	-	(1,065)	126	-	450	-
General expenses	801	906	-12%	352	113	212%	449	-22%
Total selling expenses	16,095	19,763	-19%	6,798	11,350	-40%	9,297	-27%

FINANCIAL REVENUES AND EXPENSES

(in R\$ thousand)	2Q14	2Q13	Var. %	1Q14	Var. %	1S14	1S13	Var. %
Financial expenses	(2,517)	(6,776)	-63%	-3,898	-35%	(6,415)	(13,818)	-54%
Financial revenues	4,090	4,616	-11%	4,144	-1%	8,234	7,997	3%
Financial Results	1,573	(2,160)		246	539%	1,819	(5,821)	

EBITDA AND EBITDA MARGIN

(In R\$ million)	2Q14	2Q13	% Var.	1Q14	% Var.	1Q14	1Q13	% Var.
Net Profit (Loss)	6,276	7,517	-17%	6,106	3%	12,382	15,563	-20%
(+) Financial Results	(1,573)	2,160	-173%	(246)	539%	(1,819)	5,821	-131%
(+) Income and Social Contribution Taxes	2,565	3,190	-20%	2,950	-13%	5,515	5,724	-4%
(+) Amortization of goodwill	-	-	-	-	-	-	82	-
(+) Depreciation and Amortization	480	547	-12%	517	-7%	997	1,099	-9%
EBITDA	7,748	13,414	-42%	9,327	-17%	17,075	28,289	-40%
(+) Financial expenses with Financing for construction	3,596	6,255	-43%	4,333	-17%	7,929	13,441	-41%
Adjusted EBITDA	11,344	19,669	-42%	13,660	-17%	25,004	41,730	-40%
Adjusted EBITDA Margin (%)	12.9%	13.8%	-0.9 pp	13.7%	-0.8 pp	13.3%	13.9%	-0.5 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\$76 million on June 30, 2014, with a gross margin to be appropriated of 38%.

(In Thousand)	06/30/2014	12/31/2013	06/30/2013
Revenue to be appropriated from units sold ⁽¹⁾	199,952	212,359	204,615
Cost to be incurred from units sold ⁽²⁾	-123,590	-131,060	-124,701
Net Results to be appropriated	76,362	81,299	79,914
Gross Margin to be appropriated	38%	38%	39%

⁽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 2Q14 with a cash position of R\$117 million. On June 30, 2014, total loans and financing reached R\$425 million.

Indebtedness (in R\$ thousand)	6/30/2014 (a)	12/31/2013 (b)	Var. (a/b)	6/30/2013 (c)	Var. (a / c)
Financing for construction - SFH ⁽¹⁾	(153,521)	(154,161)	0%	(226,952)	-32%
Loans for working capital ⁽²⁾	(147,502)	(166,686)	-12%	(201,388)	-27%
Consortium/Finame	(60)	(20)	200%	(39)	54%
Leasing ⁽³⁾	(14)	(104)	-87%	(153)	-91%
Debentures ⁽⁴⁾	(123,995)	(196,418)	-37%	(345,187)	-64%
Total Indebtedness	(425,092)	(517,389)	-18%	(773,719)	-45%
Short term debt	(296,779)	(338,978)	-12%	(514,220)	-42%
Long term debt	(128,313)	(178,411)	-28%	(259,499)	-51%
Cash and cash equivalents	6,753	8,886	-24%	21,500	-69%
Financial Investments	110,276	126,919	-13%	188,067	-41%
Financial Investments CEF ⁽⁵⁾	-	-	-	1,702	-100%
Total Cash and Banks	117,029	135,805	-14%	211,269	-45%
Cash, net of Indebtedness	(308,063)	(381,584)	-19%	(562,450)	-45%
Book Value	581,647	598,914	-3%	605,361	-4%
Net debt/Book Value	53%	64%	-10,7 p.p.	93%	-39,9 p.p.
Net debt excl. SFH/Book Value	27%	38%	-11,4 p.p.	55%	-28,9 p.p.
Net debt excl. SFH and Debentures CEF / Book Value	5%	5%	0,1 p.p.	-2%	6,9 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 3.38% and 5.91% 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)	06/30/2014
Financing for construction - SFH	43,479
Loans for working capital	129,233
FINAME	12
Leasing	60
Debentures	123,995
Short term debt	296,779
Financing for construction - SFH	110,042
Loans for working capital	18,269
FINAME	2
Long term debt	128,313
Indebtedness Total	425,092

DEBENTURES PAYABLE:

<i>(in R\$ thousand)</i>	6/30/2014	12/31/2013
Principal amount	120,000	190,008
(-) Expenses with issuance to be appropriated	(290)	(549)
Changes incurred	4,285	6,959
Total	123,995	196,418
Current	123,995	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 thousand. 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 up to 90% (ninety percent) of the total cost of 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 fourth installment being paid in August 2014 and the final one 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 June 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

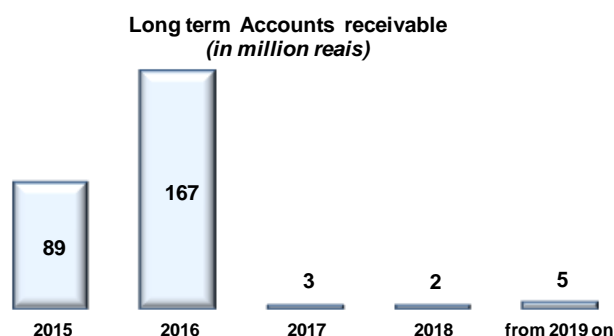
The balance of accounts receivable (revenue not appropriated), plus the book value of customers on June 30, 2014 totaled approximately R\$708 million. Of this total, R\$518 million in revenue were already appropriated. The balance related to accounts receivable from revenues not yet appropriated, net of advances from customers, totaled R\$200 million at the close of 2Q14.

<i>(in R\$ thousand)</i>	06/30/14	12/31/13
Accounts receivable - Realized Income ⁽¹⁾	517,738	621,953
Accounts receivable - Unrealized Income	199,952	212,359
Advances from customers ⁽²⁾	-9,615	-11,186
TOTAL	708,075	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 unappropriated) of R\$708 million on June 30, 2014, R\$443 million is short term and R\$265 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)	6/30/2014	%	12/31/2013	%
Lands for future developments	217,439	54%	163,431	46%
Real Estate under construction	126,439	32%	130,193	36%
Finished Real Estate	56,811	14%	63,898	18%
Total	400,689	100%	357,522	100%

FINANCIAL INSTRUMENTS

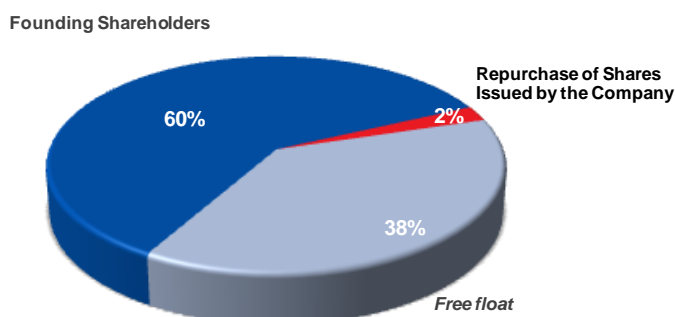
The Company and its subsidiaries participate in operations that involve financial instruments which are restricted to financial investments and borrowings for working capital and loans for construction and the acquisition of land, as well as operations with partners in real estate projects under regular 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 June 30, 2014, the Company's fully subscribed and paid-in capital totaled R\$461 million, represented by 81,798,769 registered, book-entry common shares with no par value.

Ownership Breakdown Jun /14



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)	2Q14	2Q13	2Q14 vs. 2Q13	1Q14	2Q14 vs. 1Q14	1S14	1S13	1S14 vs. 1S13
Gross Operating Revenue	91,728	144,880	-37%	102,804	-11%	194,532	305,889	-36%
From real estate sold	90,861	143,675	-37%	100,366	-9%	191,227	303,595	-37%
From services provided	831	1,205	-31%	2,405	-65%	3,236	2,211	46%
From the leases of properties	36	-	-	33	-	69	83	-17%
(-) Deductions from gross revenue	(3,903)	(2,645)	48%	(2,862)	36%	(6,765)	(4,663)	45%
Net Operating Revenue	87,825	142,234	-38%	99,942	-12%	187,767	301,225	-38%
Operating Costs	(60,235)	(106,005)	-43%	(63,973)	-6%	(124,208)	(226,624)	-45%
Gross Profit	27,590	36,229	-24%	35,969	-23%	63,559	74,601	-15%
% Gross Margin	31%	25%	5.9 p.p.	36%	-4.6 p.p.	34%	25%	9.1 p.p.
Operating Expenses (Income)	(18,051)	(16,533)	9%	(19,762)	-9%	(37,813)	(31,014)	22%
General and Administrative Expenses	(15,743)	(11,931)	32%	(13,459)	17%	(29,202)	(22,581)	29%
% G&A expenses	18%	8%	9.5 p.p.	13%	4.5 p.p.	16%	7%	8.1 p.p.
Selling Expenses	(6,798)	(11,350)	-40%	(9,297)	-27%	(16,095)	(19,763)	-19%
% selling expenses	8%	8%	-0.2 p.p.	9%	-1.6 p.p.	9%	7%	2 p.p.
Tax Expenses	(187)	(228)	-18%	(525)	-64%	(712)	(499)	43%
Results by Equity Equivalence	4,502	5,246	-14%	2,738	64%	7,240	9,110	-21%
Provision for contingencies	118	1,400	-92%	65	82%	183	1,242	-85%
Depreciation & Amortization	(480)	(547)	-12%	(517)	-7%	(997)	(1,099)	-9%
Amortization of goodwill	-	-	-	-	-	-	(82)	-
Other operating (expenses) income, net	537	877	-39%	1,233	-56%	1,770	2,658	-33%
Operating Income	9,539	19,696	-52%	16,207	-41%	25,746	43,587	-41%
Financial Expenses	(2,517)	(6,776)	-63%	(3,898)	-35%	(6,415)	(13,818)	-54%
Financial Revenues	4,090	4,616	-11%	4,144	-1%	8,234	7,997	3%
Income before Income Taxes and Social Contribution	11,112	17,536	-37%	16,453	-32%	27,565	37,766	-27%
Income tax and social contribution	(2,565)	(3,190)	-20%	(2,950)	-13%	(5,515)	(5,724)	-4%
Income before Minority Interest	8,547	14,346	-40%	13,503	-37%	22,050	32,042	-31%
Minority Interest	(2,271)	(6,829)	-67%	(7,397)	-69%	(9,668)	(16,479)	-41%
Net Income (loss)	6,276	7,517	-17%	6,106	3%	12,382	15,563	-20%
% Net Margin	7.1%	5%	1.9 p.p.	6.1%	1 p.p.	6.6%	5%	1.4 p.p.

1. BALANCE SHEET

Balance Sheet (in R\$ thousand)	03/31/2014	6/30/2013	Var.		12/31/2013	Var.	
Current Assets	821,805	1,223,297	-401,492	-33%	964,298	-142,493	-15%
Cash and cash equivalents	117,029	211,269	(94,240)	-45%	135,805	-18,776	-14%
Bonds and Securities	0	-	-	-	-	0	-
Trade accounts receivable	383,852	762,448	(378,596)	-50%	542,605	-158,753	-29%
Real estate to be sold	301,509	239,482	62,027	26%	263,538	37,971	14%
Other Receivables	15,528	5,479	10,049	183%	17,290	-1,762	-10%
Recoverable taxes	3,887	4,619	(732)	-16%	5,060	-1,173	-23%
Non-Current Assets	305,219	292,529	20,237	4%	274,228	30,991	11%
Bonds and Securities	-	-	-	-	-	-	-
Trade accounts receivable	114,827	70,106	44,721	64%	64,390	50,437	78%
Real estate to be sold	99,180	95,915	3,265	3%	93,984	5,196	6%
Related parties	18,819	36,465	(17,646)	-48%	37,549	-18,730	-50%
Recoverable taxes	3,237	4,201	(964)	-23%	4,009	-772	-19%
Other Receivables	5,169	11,778	(6,609)	-56%	4,957	212	4%
Investments	52,732	60,279	-	-13%	-	52,732	-
Property and equipment, net	9,296	11,983	(2,687)	-22%	-	9,296	-
Intangible assets	1,959	1,802	157	9%	69,339	-67,380	-97%
Total Assets	1,127,024	1,515,826	-381,255	-26%	1,238,526	-111,502	11%
Current Liabilities	405,002	639,301	-234,299	-37%	450,564	-45,562	-10%
Trade accounts payable	21,059	30,185	(9,126)	-30%	22,080	-9,126	-5%
Loans and financing	172,784	288,743	(115,959)	-40%	202,520	-115,959	-15%
Debentures payable	123,995	225,477	(101,482)	-45%	136,458	-101,482	-9%
Accrued payroll obligations and taxes payable	9,733	14,331	(4,598)	-32%	11,312	-4,598	-14%
Deferred taxes	16,554	34,555	(18,001)	-52%	23,745	-18,001	-30%
Land payable	28,631	12,384	16,247	131%	14,961	16,247	91%
Advances from customers	9,615	7,172	2,443	34%	11,186	2,443	-14%
Accounts payable	8,184	10,513	(2,329)	-22%	11,475	-2,329	-29%
Dividends	5,000	3,968	1,032	26%	7,294	1,032	-31%
Related parties	9,447	11,973	(2,526)	-21%	9,533	-2,526	-1%
Non-Current Liabilities	140,375	271,164	-130,789	-48%	189,048	-48,673	-26%
Loans and financings	128,313	139,789	(11,476)	-8%	118,451	9,862	8%
Debentures payable	0	119,710	(119,710)	-100%	59,960	-59,960	-100%
Accrued payroll obligations and taxes payable	0	907	(907)	-100%	243	-243	-100%
Land payable	0	890	(890)	-100%	0	0	-
Provision for litigation and administrative	4,952	5,156	(204)	-4%	5,135	-183	-4%
Deferred taxes	5,642	3,319	2,323	70%	3,172	2,470	78%
Accounts payable	1,468	1,393	75	5%	2,087	-619	-30%
Shareholders' Equity	581,647	605,361	-23,714	-4%	598,914	-17,267	-3%
Capital stock	461,080	461,080	-	0%	461,080	0	0%
Capital reserve	12,564	12,564	-	0%	12,564	0	0%
Earnings reserve	45,834	28,302	17,532	62%	36,158	9,676	27%
Treasury stock	(6,341)	-	(6,341)	-	(724)	-5,617	776%
Cumulative Profits (Losses)	-	-	-	-	-	0	-
Minority interest in subsidiaries	68,510	103,415	(34,905)	-34%	89,836	-21,326	-24%
Total Liabilities and Shareholders' Equity	1,127,024	1,515,826	(388,802)	-26%	1,238,526	(111,502)	-9%

2. CASH FLOW

Cash Flow (in R\$ thousand)	2Q14	1Q14	2Q13
By operating activities			
Income before Income Taxes and Social Contribution	11,112	16,453	17,536
Reconciliation of net income to net cash provided by operating activities:			
Provision for bad debt	(1,068)	453	142
Provision for litigation and administrative	(118)	(65)	(1,400)
Adjustment to present value	1,577	215	501
Depreciation and amortization	480	517	547
Amortization of goodwill	-	-	-
Sales stand depreciation	1,037	949	630
Interest on loans and debentures	2,101	7,254	12,012
Taxes deferred	(1,266)	(1,153)	(4,008)
Ownership Equity	(4,502)	(2,738)	(5,246)
Increase (decrease) in operating assets:			
Trade accounts receivable	57,692	49,447	104,901
Real estate to be sold	(116)	9,735	29,398
Recoverable taxes	1,369	576	469
Related parties	11,930	6,714	(12,995)
Other receivables	(102)	1,652	5,622
Increase (decrease) in operating liabilities:			
Trade accounts payable	(1,255)	234	(202)
Accrued payroll obligations and taxes payable	53	(614)	374
Land payable	(14,465)	(24,651)	(3,863)
Advances from customers	(1,056)	(515)	1,597
Accounts payable	(3,505)	(405)	(2,224)
Cash used in operating activities	59,898	64,058	143,791
Income tax and social contribution	(3,977)	(5,101)	(6,033)
Net Cash used in operating activities	55,921	58,957	137,758
Cash flow from investment activities			
Dividends paid	(5,000)	-	(9,063)
Acquisition of fixed assets	(269)	(1,036)	(1,527)
Reduced Investment	7,198	3,176	8,300
Intangible assets acquisition	(11)	(497)	(136)
Disposal of Investments	405	643	-
Disposal of intangible	(222)	(5,395)	-
Cash used in investment activities	2,101	(3,109)	(2,426)
Cash flow from loan activities			
Capital reserve - stock option plan	-	-	-
Debentures issue, Net	(2,541)	(76,398)	(10,459)
Loans and financing, Net	7,877	(30,590)	(9,360)
Minority interest	(11,535)	(19,459)	(6,208)
Cash used in loan activities	(6,199)	(126,447)	(26,027)
Increase (decrease) in cash, banks and financial investments	51,823	(70,599)	109,305
Balance Of Cash, Banks And Financial Investments			
At the beginning of the period	65,206	135,805	101,964
At the end of the period	117,029	65,206	211,269
Decrease in cash, banks and financial investments	51,823	(70,599)	109,305

3. PRO-FORMA – OPERATING AND FINANCIAL

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 04/01/2014	1,254	583,299	488,261	18,710	506,971
(+) Launchings in 2Q14	114	50,500	50,500	-	50,500
Total units for sale in 2Q14 (a)	1,368	633,799	538,761	18,709	557,471
(-) Units sold in 2Q14 (b)	192	87,852	74,826	-1,821	73,006
Total units for sale as of 07/01/2014	1,176	545,948	463,935	20,530	484,465
VSO in 2Q14 (b)/(a)	14%	14%	14%		13%

4.2. Inventory Position

Inventory in 7/01/2014	Units		PSV Trisul in R\$ Thousand		PSV Total in R\$ Thousand	
Concluded	371	32%	73,162	16%	117,475	22%
Units under Construction	535	45%	302,967	65%	340,666	62%
→ Launching 2011	64	12%	50,148	17%	60,716	18%
→ Launching 2012	139	26%	103,728	34%	130,859	38%
→ Launching 2013	332	62%	149,091	49%	149,091	44%
Units under launching phases	270	23%	87,806	19%	87,806	16%
	1,176	100%	463,935	100%	545,948	100%

Inventory in 7/01/2014	Units		PSV Trisul in R\$ Thousand		PSV Total in R\$ Thousand	
Low Income	213	18%	44,747	10%	46,229	8%
Mid-High	963	82%	419,188	90%	499,718	92%
	1,176	100%	463,935	100%	545,948	100%

4.3. Cash Position and Debt

<i>Indebtedness (in R\$ thousand)</i>	6/30/2014 IFRS	Adjustment	06/30/2014 "Pro Forma"
Financing for construction - SFH ⁽¹⁾	(153,521)	(6,259)	(147,262)
Loans for working capital ⁽²⁾	(147,502)	-	(147,502)
Consortium/Finame	(60)	(46)	(14)
Leasing ⁽³⁾	(14)	46	(60)
Debentures ⁽⁴⁾	(123,995)	-	(123,995)
Total Indebtedness	(425,092)	(6,259)	(418,833)
Short term debt	(296,779)	(11,042)	(285,737)
Long term debt	(128,313)	4,783	(133,096)
Cash and cash equivalents	6,753	6,429	324
Financial Investments	110,276	(12,244)	122,520
Financial Investments CEF ⁽⁵⁾	-	-	-
Total Cash and Banks	117,029	(5,815)	122,844
Cash, net of Indebtedness	(308,063)	(12,074)	(295,989)
Book Value	581,647	66,360	515,287
Net debt/Book Value	53%	-4.5 p.p.	57%
Net debt excl. SFH/Book Value	27%	-2.3 p.p.	29%
Net debt excl. SFH and Debentures CEF / Book Value	5%	0.5 p.p.	5%

4.4. Accounts Receivable from Customers

Trisul ended the first quarter with **total receivables** of **R\$690 million**, **R\$239 million** of which corresponding to **performed receivables**.

<i>(in R\$ thousand)</i>	6/30/2014	Adjustment	6/30/2014
Accounts receivable - Realized Income ⁽¹⁾	502,395	15,343	517,738
Accounts receivable - Unrealized Income	198,112	1,840	199,952
Advances from customers ⁽²⁾	-10,305	690	-9,615
TOTAL	690,202	17,873	708,075

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

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

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	6/30/2014		6/30/2014
(in R\$ thousand)	IFRS	Var.	Pro-Forma
Gross Operating Revenue	91,728	(3,354)	95,082
From real estate sold	90,861	(4,329)	95,190
From services provided	831	975	(144)
From the leases of properties	36	-	36
(-) Deductions from gross revenue	(3,903)	(1,578)	(2,325)
Net Operating Revenue	87,825	(4,932)	92,757
Operating Costs	(60,235)	2,019	(62,254)
Gross Profit	27,590	2,913	30,503
% Gross Margin	31%		33%
Operating Expenses (Income)	(18,051)	5,393	(23,444)
General and Administrative Expenses	(15,743)	834	(16,577)
% G&A expenses	18%	0	18%
Selling Expenses	(6,798)	(397)	(6,401)
% selling expenses	8%	0	7%
Tax Expenses	(187)	11	(198)
Results by Equity Equivalence	4,502	4,502	-
Provision for contingencies	118	29	89
Depreciation & Amortization	(480)	2	(482)
Amortization of goodwill	-	-	-
Other operating (expenses) income, net	537	412	125
Opetating Income	9,539	2,480	7,059
Financial Expenses	(2,517)	93	(2,610)
Financial Revenues	4,090	(439)	4,529
Income before Income Taxes and Social Contribution	11,112	2,134	8,978
Income tax and social contribution	(2,565)	54	(2,619)
Income before Minority Interest	8,547	2,188	6,359
Minority Interest	(2,271)	(2,188)	(83)
Net Income (loss)	6,276	-	6,276

Balance Sheet

Consolidated Balance Sheet (in R\$ thousand)	6/30/2014 IFRS	Var.	6/30/2014 PRO FORMA
Current Assets	821,805	17,572	804,233
Cash and cash equivalents	117,029	-5,815	122,844
Trade accounts receivable	383,852	16,120	367,732
Real estate to be sold	301,509	8,046	293,463
Other Receivables	15,528	-550	16,078
Recoverable taxes	3,887	-229	4,116
Non-Current Assets	305,219	64,207	241,012
Trade accounts receivable	114,827	-1,200	116,027
Real estate to be sold	99,180	-3,566	102,746
Related parties	18,819	16,040	2,779
Recoverable taxes	3,237	0	3,237
Other Receivables	5,169	182	4,987
Investments	52,732	52,732	0
Property and equipment, net	9,296	19	9,277
Intangible assets	1,959	0	1,959
Total Assets	1,127,024	81,779	1,045,245
Current Liabilities	405,002	19,681	385,321
Trade accounts payable	21,059	904	20,155
Loans and financing	172,784	11,042	161,742
Debentures payable	123,995	0	123,995
Accrued payroll obligations and taxes payable	9,733	-781	10,514
Deferred taxes	16,554	156	16,398
Land payable	28,631	0	28,631
Advances from customers	9,615	-690	10,305
Accounts payable	8,184	-294	8,478
Dividends	5,000	0	5,000
Related parties	9,447	9,344	103
Non-Current Liabilities	140,375	-4,262	144,637
Loans and financings	128,313	-4,783	133,096
Debentures payable	0	0	0
Accrued payroll obligations and taxes payable	0	0	0
Land payable	0	0	0
Provision for litigation and administrative	4,952	554	4,398
Deferred taxes	5,642	-33	5,675
Accounts payable	1,468	0	1,468
Shareholders' Equity	581,647	66,360	515,287
Capital stock	461,080	0	461,080
Capital reserve	12,564	0	12,564
Earnings reserve	45,834	0	45,834
Treasury Stock	(6,341)		(6,341)
Cumulative Profits (Losses)	-	0	-
Minority interest in subsidiaries	68,510	66,360	2,150
Total Liabilities and Shareholders' Equity	1,127,024	81,779	1,045,245

Cash Flow

Cash Flow (in R\$ thousand)	IFRS 6/30/2014	Var.	Pro-Forma 6/30/2014
By operating activities			
Income before Income Taxes and Social Contribution	11,112	2,134	8,978
Reconciliation of net income to net cash provided by operating activities:			
Provision for bad debt	(1,068)	7	(1,075)
Provision for litigation and administrative	(118)	(30)	(88)
Adjustment to present value	1,577	392	1,185
Depreciation and amortization	480	(2)	482
Amortization of goodwill	-	-	-
Sales stand depreciation	1,037	-	1,037
Interest on loans and debentures	2,101	-	2,101
Taxes deferred	(1,266)	(142)	(1,124)
Ownership Equity	(4,502)	(4,502)	-
Increase (decrease) in operating assets:			
Trade accounts receivable	57,692	7,417	50,275
Real estate to be sold	(116)	(717)	601
Recoverable taxes	1,369	30	1,339
Related parties	11,930	2,146	9,784
Other receivables	(102)	(184)	82
Increase (decrease) in operating liabilities:			
Trade accounts payable	(1,255)	(146)	(1,109)
Accrued payroll obligations and taxes payable	53	(502)	555
Land payable	(14,465)	(11)	(14,454)
Advances from customers	(1,056)	160	(1,216)
Accounts payable	(3,505)	(3,333)	(172)
Cash used in operating activities	59,898	2,717	57,181
Income tax and social contribution	(3,977)	348	(4,325)
Net Cash used in operating activities	55,921	3,065	52,856
Cash flow from investment activities			
Dividends paid	(5,000)	-	(5,000)
Acquisition of fixed assets	(269)	-	(269)
Reduced Investment	7,198	7,198	-
Intangible assets acquisition	(11)	-	(11)
Disposal of investments	405	-	405
Disposal of intangible	(222)	-	(222)
Cash used in investment activities	2,101	7,198	(5,097)
Cash flow from loan activities			
Capital reserve - stock option plan	-	-	-
Debentures issue, Net	(2,541)	-	(2,541)
Loans and financing, Net	7,877	(2,083)	9,960
Minority interest	(11,535)	(11,534)	(1)
Cash used in loan activities	(6,199)	(13,617)	7,418
Increase (decrease) in cash, banks and financial investments	51,823	(3,354)	55,177
Balance Of Cash, Banks And Financial Investments			
At the beginning of the period	65,206	(2,461)	67,667
At the end of the period	117,029	(5,815)	122,844
Decrease in cash, banks and financial investments	51,823	(3,354)	55,177