

Inter Construtora e Incorporadora S.A.

**Financial Statements - ITR for
the ended quarter 30 June 2019**

***(Free translation to English of Interim Financial Statements
Originally Issued in Portuguese)***

Contents

Balance sheets	24
Statements of Income	26
Statements of Comprehensive Income	27
Statements of Changes in Equity	30
Statements of Value Added	32
Statements of Cash Flows	37
Explanatory notes to interim Financial information	42

Earnings Release 2Q19



Net Operating Revenue, R\$ 57.4 million in 2Q19, an increase of 53% in relation to 2Q18.

Juiz de Fora, February 20, 2019 - INTER Construtora e Incorporadora S.A. (B3: BOVESPA MAIS - INNT3), which operates in the development of medium and large-sized real estate projects focused on popular housing (MCMV), today announces its results for the second quarter of 2019. The financial information is presented on a consolidated basis, prepared in accordance with International Financial Reporting Standards (IFRS), which considers OCPC 04 guidance on the application of Technical Interpretation ICPC 02 applicable to real estate development entities in Brazil, as approved by the Accounting Pronouncements Committee (CPC), the Brazilian Securities Commission (CVM) and the Federal Accounting Council (CFC).

HIGHLIGHTS

- ✓ **Significant improvement in Operating Metrics in 2Q19 compared to 1Q19.**
- ✓ **An increase of 50% in Gross Sales and a reduction of 40% in Districts, led to a 95% growth in Net Sales in 2Q19 compared to 1Q19.**
- ✓ **5% increase in VSO in the quarter, reaching 26% in 2Q19.**
- ✓ **Resumption of Unit Hiring with a 123% increase in the quarter and 43% growth in 2Q19 compared to 2Q18.**
- ✓ **Margin compression due to a combination of increased investments and delay in 1Q19 Contracts.**
- ✓ **The improvement in operating metrics in 2Q19 will be reflected in margin and cash flow generation in the quarters ahead.**



MESSAGE FROM THE BOARD

After a challenging first quarter, the Company achieved significant improvement in its operating metrics in 2Q19. The traumatic process of government transition begins to lag behind and the dynamics of hiring financing for the production and transfer of units sold, through the Minha Casa, Minha Vida program, begins a return to a more normalized rhythm.

In the quarter, we sold more units, had fewer districts, increasing, as a consequence, the speed of sales from 21% to 26%; we hired and passed on more units than in the previous quarter.

The improvement in these metrics was of utmost importance not only because of the intrinsic positive effect that each one of them has on revenue and future margin, but also because of the indication that the new government is aware of the relevance of the segment and that the consumer market remains with appetite and demand for popular housing products.

We subscribe to a positive vision for the real estate market, not only because of the country's high housing deficit, but also because of the structural reforms being implemented by the government. Employment and income will be positively impacted as the virtuous cycle of increased confidence and consumption generates a resumption of investments. All this in a scenario of controlled inflation expectations and stable interest rates at historically low levels, against the backdrop of a disinflationary environment resulting from a process of reducing the cost of Brazil by reducing bureaucracy, taxes, energy costs, among others.

We have seen an improvement in the regulatory environment in recent months in relation to the future of the Minha Casa, Minha Vida program and the maintenance of the FGTS as the main *funding* mechanism for popular housing. At the same time, the fall and stabilization of the yield curve resulting from the anchoring of inflation at historically low levels show a possible future convergence between the interest rates practiced in the Brazilian Savings and Loan System (SBPE) and in the band 2 segment of the Minha Casa, Minha Vida program.

In 2Q19, we experienced margin squeeze due to a combination of factors, such as the effects of the previous quarter related to the delay in contracting corporate financing to support construction, as well as real estate financing from borrowers. In addition, we had a significant increase in investments in initiatives that will support our future growth. These investments are reflected in both commercial expenses and G&A.

At this time, the Company's greatest challenge is to return to a history of high performance in sales, margins and cash generation, while at the same time investing in inputs, people, process improvement and governance to support its growth plan.

FINANCIAL AND OPERATIONAL INDICATORS

	12M19	12M18	Var. 12M19 x 12M18	1Q19	4Q18	1Q18
PSV Released (R\$ 000's)	398.255	252.915	57,5%	82.916	136.347	16.000
Net Sales (R\$ 000's)	248.957	233.000	6,8%	70.347	38.028	88.314
Net Operating Revenue (NOR) (R\$ 000's)	219.131	152.597	43,6%	57.436	40.552	37.538
Construction Cost (R\$ 000's)	(110.454)	(86.708)	27,4%	(36.813)	(22.059)	(20.866)
Construction Cost / NOR (%)	50,4%	56,8%		64,1%	54,4%	55,6%
Construction Cost / Net Sales (%)	44,4%	37,2%		52,3%	58,0%	23,6%
Gross profit (R\$ 000's)	108.677	65.889	64,9%	20.623	18.493	16.672
Gross Margin (%)	49,6%	43,2%		35,9%	45,6%	44,4%
Net Financial Result (R\$ 000's)	(7.140)	(4.979)	43,4%	(1.158)	(1.604)	(2.109)
Net Financial Result/ NOR (%)	3,3%	3,3%		2,0%	4,0%	5,6%
Net Financial Result / Liquid sales (%)	2,9%	2,1%		1,6%	4,2%	2,4%
Net Financial Result/ GSV Released (%)	1,8%	2,0%		1,4%	1,2%	13,2%
Business expenses (R\$ 000's)	(18.668)	(8.299)	124,9%	(5.126)	(3.722)	(1.415)
Business expenses / (NOR) (%)	8,5%	5,4%		8,9%	9,2%	3,8%
Business expenses / Liquid sales (%)	7,5%	3,6%		7,3%	9,8%	1,6%
Business expenses / GSV Released (%)	4,7%	3,3%		6,2%	2,7%	8,8%
General and Administrative Expenses (G&A) (R\$ 000's)	(21.530)	(11.920)	80,6%	(6.145)	(5.480)	(4.708)
Expenses G&A / (NOR)(%)	9,8%	7,8%		10,7%	13,5%	12,5%
Expenses G&A / Liquid sales (%)	8,6%	5,1%		8,7%	14,4%	5,3%
Expenses G&A / GSV Released (%)	5,4%	4,7%		7,4%	4,0%	29,4%
Net Profit (R\$ 000's)	55.116	37.993	45,1%	4.479	6.839	8.025
Net Margin (%)	25,2%	24,9%		7,8%	16,9%	21,4%
EBITDA (R\$ 000's)	63.115	46.799	34,9%	5.638	8.443	11.005
Margin EBITDA (%)	28,8%	30,7%		9,8%	20,8%	29,3%
Cash flow (R\$ 000's)	1.292	42.945	-97,0%	(1.370)	33.134	36.637
Cash and Cash Equivalents (R\$ 000's)	85.626	66.621	28,5%	85.626	119.412	66.621
Gross Debt (R\$ 000's)	143.196	88.544	61,7%	143.196	134.107	88.544
Net debt (R\$ 000's)	57.571	21.923	162,6%	57.571	14.695	21.923
Total Stockholders' Equity (R\$ 000's)	58.357	26.311	121,8%	58.357	51.738	26.311
Net debt / Net worth (%)	98,7%	83,3%		1,0p.p.	0,3p.p.	83,3%
Net debt / EBITDA 12 months	0,91x	0,47x		0,91x	0,21x	0,47x

OPERATIONAL INDICATORS

	12M19	12M18	Var. 12M19 x 12M18	2Q19	1Q19	2Q18
VGW Lançado (unid.)	2.934	1.624	80,7%	624	1.080	160
Vendas Brutas (unid.)	2.205	1.836	20,1%	627	418	629
Distratos (unid.)	317	84	277,4%	83	139	21
Vendas Líquidas (unid.)	1.888	1.752	7,8%	544	279	608
Unidades Contratadas (unid.)	1.630	2.424	-32,8%	804	360	564
Unidades Repassadas	1.486	1.600	-7,1%	409	229	516
Produzidas (unid.)	1.541	1.459	5,6%	367	436	323
Concluídas (unid.)	1.584	1.348	17,5%	360	984	696

LAUNCHES

In 2Q19, the Company launched new developments totaling 624 units, equivalent to a PSV of R\$82.9 million. In the 12-month period ended in September, the launchings PSV reached R\$398 million, equivalent to a 57.5% year-on-year growth.

GROSSSALES, DISTRICTS AND NET SALES

Gross sales in 2Q19 reached 627 units, of which 544 were converted into net sales. We had a significant reduction due to the peak of districts in the previous quarter, as a result of changes in the credit rule and delay in contracting projects. The VSO rose from 21% to 26% in the quarter. We see a continuous improvement in this metric in the quarters ahead.

ONGOING PROJECTS

In 1Q19, Inter has 2,266 units under construction and 1,728 units in the launch and start-up phase, totaling 3,994 units.

STOCK

Inter closed 2Q19 with 2,023 units in units under construction and launch. This amount comprises an estimated potential sales value of R\$259.5 million.

Development	Built Stock (unid.)	Construction Stock (unity)	Estimated sales value (R\$ 000's)
Park Marilândia	0	0	126
Park Jardim Norte		0	-
Park Quinet		258	40.211
Park Uberaba		364	47.557
Reserva das Acácias		71	9.552
Park Califórnia		50	4.995
Park Palmeiras		41	5.708
Park São José		204	23.684
Park Realeza		178	22.013
Reserva São Geraldo		60	7.674
Unique Grama		439	52.753
Park Sapucaia		84	11.310
Park São João		154	18.513
Park Teixeiras		120	15.400
Total	0	2023	259.497

REVENUE TO SETTLE

In 2Q19, Inter has revenue to appropriate units already sold, but as a function of construction evolution, in the amount of R\$208 million reais.

Developments in Progress	City	Revenue to settle (R\$ 000's)
Park Quinet	Juiz de Fora/MG	32.356
Park Califórnia	Juiz de Fora/MG	897
Reserva das Acácias	Juiz de Fora/MG	21.560
Park Uberaba	Juiz de Fora/MG	39.836
Park Palmeiras	Uberaba/MG	22.741
Park São José	Juiz de Fora/MG	4.180
Park Realeza	Ubá/MG	7.668
Unique Grama	Juiz de Fora/MG	68.433
Park São João	João Del Rei/MG	10.338
Total		208.008

Adding up the stock of units ready and under construction with revenue to be appropriated from units already sold, the Company has R\$467.5 million in revenue potential. Given the Company's historical VSO of 30% and the history of the launch period of the project to the delivery of keys, the Company estimates that most of this amount becomes operating revenue in the next 18 months.

FINANCIAL INDICATORS

The **Net Operating Revenue (ROL)** totaled R\$ 57.4 million in 2Q19, an increase of 53% in relation to 2Q18.

Gross Profit in 2Q19 was R\$20.6 million. We experienced gross margin compression in the quarter, caused by seasonal factors, reaching a level of 35.9%, in line with the gross margin practiced by the segment. In the quarters ahead, we see the return of gross margin to historical levels above 40%.

Commercial expenses on ROL reached 8.5% in the accumulated of 12 months. Under the perspective of VGV launched this metric is 4.7%. We had an increase in the lines of advertising, advertising and sales stand. The investment in *brand* through advertising and marketing is inherent to the geographic expansion plan we are implementing. As we have more than one venture in each of the new squares and as Launched VGV becomes ROL, the Commercial Expense on ROL metric tends to converge to the level of the Commercial Expense on Launched VGV metric.

General and Administrative Expenses (G&A) on ROL reached 9.8% in the first 12 months of the year. Under the perspective of VGV launched this metric is 5.4%, just above our target of reaching 5% in December 2020. The biggest villains were the lines of personnel expenses and depreciation and amortization, consistent with the investments made in teams and geographical expansion.

Net Financial Results on ROL remained at the 3.3% level in the 12-month accumulated. Under the perspective of VGV launched remained below 2%.

Net income for 2Q19 was R\$4.5 million, equivalent to a net margin of 7.8%. The Company experienced a net margin squeeze as a result of the combination of increased investment expenses and the postponement of revenues due to difficulties with contracting in the previous quarter. We see a return to the historical net margin level of around 30% as the improvement in our 2Q19 operating numbers is reflected in revenue and margin in the quarters ahead.

EBITDA in 2Q19 was R\$5.6 million, equivalent to an EBITDA margin of 9.8%.

As of June 30, 2019, the balance of **Cash, Cash Equivalents, Securities and Bonds** was R\$85.6 million.

In 1Q19 the Company presented a total **Gross Debt** of R\$143.2 million, an increase of R\$9 million in the quarter. **Net Debt** increased R\$35.6 million in the quarter with an equivalent increase in **Inventories** of R\$33.1 million. We used most of the increased net indebtedness to acquire cash land and develop real estate Strategy in line with our perspective of economic recovery and improved vision in the sector.

	2Q19	2Q18
Net Debt / Shareholders' Equity	98,7%	83,3%
Net Debt / EBITDA 12 months	0,91x	0,47x

We achieved net indebtedness slightly below one time shareholders' equity and once EBITDA of 12 months. We consider it appropriate for the magnitude of our business, but we are still committed to deleveraging the business in the coming quarters with resources from operating cash generation.

We expect that the improvement in 2Q19 operating numbers will be reflected in revenue and cash generation in the coming quarters. In addition, operating cash generation is stronger in the second half of the year, given the Company's launch cycle.

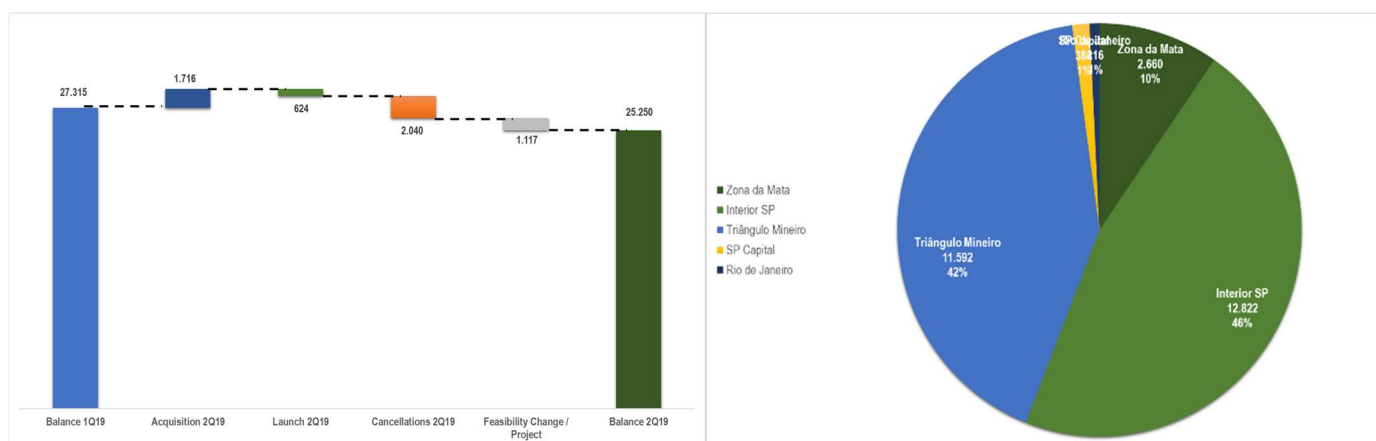
(R\$ thousand)	2Q19	1Q19
Bank Financing	54.969	53.916
Production Support	25.916	17.265
Debenture	62.312	62.926
Total	143.196	134.107

Most credit line **maturities** are concentrated in 2021 and beyond.

(R\$ thousand)	2019	2020	2021	2022
Bank Financing	48,882			6.087
Production Support				25.916
Debenture			62.312	

LANDBANK

Inter acquired 1,716 units in the quarter, launched 624 and had a purchase contract rescinded equivalent to 2,040 units. We made an adjustment in the Landbank reducing the construction potential in 1,117 units, as a result of changes in projects. The Company closed 2Q19 with Landbank of 25,250 units. We have a large pipeline of advanced land negotiations that will soon convert into a net increase in Landbank units.



INVESTMENTS

The **balance of changes and equity in** subsidiaries (SPEs) in 2Q19 is R\$13.9 million.

SHARE CAPITAL AND DIVIDENDS

Subscribed and paid-in capital as of March 31, 2019 is R\$ 20,389,168 (R\$ 20,389,168 in 2018). On April 29, 2019 it was resolved to increase the Company's Capital Stock to the amount of R\$50,972,920.00. In 2Q19, the Company paid R\$10.5 million during the quarter, related to the anticipation of dividends for fiscal year 2019.

RESEARCH AND DEVELOPMENT

The Company has invested resources in the planning, development and acquisition of land for projects to be commercialized within the financing format of the Brazilian Savings and Loan System (SBPE).

The objective is to meet the demand for units in developments for clients with income ranges just above the range of the Minha Casa Minha Vida (MCMV) program. They are enterprises with differentiated quality standards, infrastructure and leisure areas. The Company is structuring itself for this level of delivery while at the same time maintaining the standards of productivity and scale that it already imprints on its projects in the popular segment served by the Minha Casa, Minha Vida program.

HUMAN RESOURCES

The Company continues to invest in hiring and training employees. Turnover remains at the historical level of 5%.

Function	2Q19	1Q19	2018	2017
Production Work	101	58	56	70
Administrative Work	20	23	27	26
Administrative Office	144	128	81	57
Total	265	209	164	153

PRODUCT

- ✓ We deliver quality popular housing.
- ✓ 100% of the projects launched by the Company follow the "Intelligent Apartment" line.
- ✓ Elevator towers.
- ✓ Security cameras and electronic gate.
- ✓ Selective waste collection and individual water meter.
- ✓ Solar and Wifi energy in the common areas.

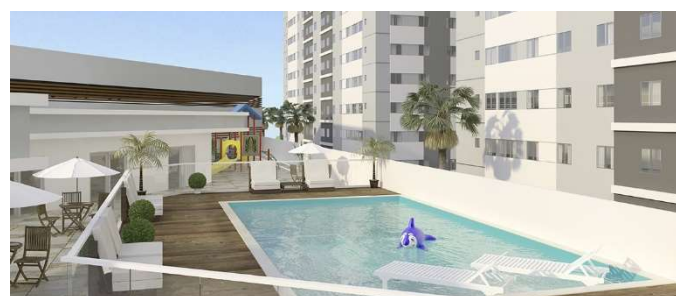
Apartmentos
INTELIGENTES



- ✓ Laminate flooring in the living room and bedrooms, ceramic in the kitchen and bathroom and granite in the countertops.



- ✓ Complete leisure area.



BALANCE SHEET | ASSETS | IFRS | CONSOLIDATED

Assets	Note	Controller		Consolidated	
		30/06/2019	31/12/2018	30/06/2019	31/12/2018
Current Assets					
Cash and cash equivalents	4	46.804.423	26.743.918	62.127.009	30.363.168
Shor-term investiments (TVM)	4	19.387.107	54.805.312	19.387.107	54.805.312
Receivables from real estate developmet	5	16.705.892	40.159.364	40.315.915	40.159.364
Stocks	6	35.359.512	29.137.280	93.911.329	61.602.020
Advances to third parties		1.845.341	2.518.133	5.096.772	3.596.333
		<u>120.102.275</u>	<u>153.364.007</u>	<u>220.838.132</u>	<u>190.526.197</u>
Noncurrent Assets					
Long term achievable:					
Financial Investments (TVM)	4	4.111.391	4.000.000	4.111.391	4.000.000
Related Parties (Mutual)	7	43.303.810	11.017.217	2.158.448	2.106.148
Deferred expenses		387.161	580.197	1.418.224	1.112.752
Judicial deposits		-	-	404.181	-
		<u>47.802.362</u>	<u>15.597.414</u>	<u>8.092.244</u>	<u>7.218.900</u>
Investment	8	39.744.594	5.016.801	361.304	19.200
Property and equipment	9	24.661.955	18.345.094	24.661.955	18.345.094
Intangible Assets		40.646	42.717	40.646	42.717
Right of use		93.719	-	93.719	-
		<u>64.540.914</u>	<u>23.404.612</u>	<u>25.157.624</u>	<u>18.407.011</u>
Total Assets		<u>232.445.551</u>	<u>192.366.033</u>	<u>254.088.000</u>	<u>216.152.108</u>

The accompanying notes are an integral part of these interim financial statements.

BALANCE SHEET | PASSIVE | IFRS | CONSOLIDATED

Passive	Note	Controller		Consolidated	
		30/06/2019	31/12/2018	30/06/2019	31/12/2018
Current Liabilities					
Trade accounts payable	10	3.913.317	18.645.330	20.115.440	25.877.919
Loans and financing	11	47.810.375	2.941.732	69.220.310	2.941.732
Labor and social liabilities	12	1.854.560	1.647.047	2.330.521	1.662.943
Tax liabilities	13	1.388.324	1.137.033	2.953.969	1.701.083
Mandatory Dividends Payable		-	12.662.632	-	12.662.632
Customer Advance		21.435.097	-	6.750.206	8.293.402
Obligations with third parties	10	4.524.977	1.750.280	7.820.751	5.046.054
Other payabl es		277.281	177.715	279.220	177.781
		<u>81.203.931</u>	<u>38.961.769</u>	<u>109.470.417</u>	<u>58.363.546</u>
Noncurrent Liabilities					
Obligations with third parties	10	10.680.427	7.540.220	7.384.653	7.540.220
Loans and financing	11	73.976.189	91.517.916	73.976.189	95.850.024
Provision for Guarantees	15	2.492.828	3.863.842	3.937.174	3.863.842
Contingency Provision	15	962.784	962.784	962.784	962.784
Provision for loss on investments		2.038.565	-	-	-
Related Parties (Mutual)		2.954.600	-	-	-
		<u>93.105.393</u>	<u>103.884.762</u>	<u>86.260.800</u>	<u>108.216.870</u>
Total liabilities		174.309.324	142.846.531	195.731.217	166.580.416
Shareholders' Equity					
Share capital	16	50.972.920	20.389.168	50.972.920	20.389.168
Profit Reserves		6.536.524	29.130.334	6.536.524	29.130.334
Accumulated profits		626.783	-	626.783	-
		<u>58.136.227</u>	<u>49.519.502</u>	<u>58.136.227</u>	<u>49.519.502</u>
Non-controlling interest		-	-	220.556	52.190
Total Shareholder's Equity		<u>58.136.227</u>	<u>49.519.502</u>	<u>58.356.783</u>	<u>49.571.692</u>
Total liabilities and shareholders' equity		<u>232.445.551</u>	<u>192.366.033</u>	<u>254.088.000</u>	<u>216.152.108</u>

The accompanying notes are an integral part of these interim financial statements.

DEMONSTRATION OF THE RESULTS OF THE YEAR | IFRS | CONSOLIDATED
Income Statements

Three- and six-month periods ended June 30, 2019 and 2018

(In reais)

	Note	Controller				Consolidated			
		01/04/2019	01/01/2019	01/04/2018	01/01/2018	01/04/2019	01/01/2019	01/04/2018	01/01/2018
		à 30/06/2019	à 30/06/2019	à 30/06/2018	à 30/06/2018	à 30/06/2019	à 30/06/2019	à 30/06/2018	à 30/06/2018
Net Revenue	17	2.217.042	9.454.912	37.537.826	73.511.234	57.436.283	97.988.377	37.537.826	73.511.234
Cost of properties sold and services rendered	18	(2.172.254)	(8.122.965)	(20.866.345)	(41.860.314)	(36.813.230)	(58.872.952)	(20.866.345)	(41.860.314)
Gross Profit		44.788	1.331.947	16.671.481	31.650.920	20.623.053	39.115.425	16.671.481	31.650.920
Operating income (expenses):									
Selling expenses	18	(2.383.863)	(5.403.634)	(1.415.304)	(3.241.303)	(5.126.018)	(8.847.994)	(1.415.304)	(3.241.303)
General & Administrative Expenses	18	(4.963.865)	(10.001.341)	(4.708.018)	(7.534.240)	(6.145.239)	(11.625.242)	(4.708.018)	(7.534.240)
Equity income	8	16.559.705	32.341.290	-	-	-	-	-	-
Other operating expenses, net	18	(3.663.178)	(4.381.294)	(413.851)	(1.231.931)	(3.714.722)	(4.562.839)	(413.851)	(1.231.931)
		5.548.800	12.555.022	(6.537.174)	(12.007.474)	(14.985.979)	(25.036.075)	(6.537.174)	(12.007.474)
Operating profit before financial result:		5.593.588	13.886.969	10.134.307	19.643.446	5.637.074	14.079.350	10.134.307	19.643.446
Financial result, net:	19	(1.218.037)	(2.737.516)	(2.109.447)	(3.252.876)	(1.157.824)	(2.761.531)	-	-
Financial income		1.761.921	3.028.505	566.868	760.860	2.210.137	3.494.481	566.868	760.860
Financial expenses		(2.979.958)	(5.766.021)	(2.676.315)	(4.013.736)	(3.367.962)	(6.256.013)	(2.676.315)	(4.013.736)
Net Income		4.375.550	11.149.452	8.024.860	16.390.570	4.479.250	11.317.819	8.024.860	16.390.570
Basic Earnings Per Share	21	0,0858	0,2187	0,3936	0,8039				
Net income attributable to:									
Company Shareholders						4.375.550	11.149.452	8.024.860	16.390.570
Non-controlling Shareholders						103.699	168.366	-	-

The accompanying notes are an integral part of these interim financial statements.

CASH FLOW STATEMENT | IFRS | CONSOLIDATED

Cash Flow Statements

Six-month period ended June 30, 2019 and 2018

	(In reais)			
	Controller		Consolidated	
	01/01/2019	01/01/2018	01/01/2019	01/01/2018
	à	à	à	à
	30/06/2019	30/06/2018	30/06/2019	30/06/2018
Cash flows from operating activities:				
Net income for the period	11.149.452	16.390.570	11.317.819	16.390.570
Adjustments of:				
Depreciation	1.385.210	870.559	1.385.210	870.559
Equity income	(32.341.290)	-	-	-
Provision interest on loans	1.291.094	-	1.291.094	-
	(18.515.534)	17.261.129	13.994.123	17.261.129
(Increase) reduction of operating assets				
Bills to receive	23.453.471	(1.323.635)	(156.551)	(1.323.635)
Stocks	(6.222.232)	(12.108.178)	(32.648.247)	(12.108.178)
Other current and noncurrent assets	3.481.490	-	(2.210.094)	-
(Increase) reduction of operating liabilities				
Suppliers and Obligations with third parties	(8.817.109)	(4.684.758)	1.902.704	(4.684.758)
Tax Obligations	251.291	23.242	1.252.886	23.242
Staff Obligations	207.513	551.328	667.578	551.328
Other accounts payable by customer advance	-	(1.236.034)	(1.543.196)	(1.236.034)
Other current and noncurrent liabilities	5.848	-	(5.038.332)	-
Payment of interest on loans	(790.375)	-	(789.081)	-
Provision for warranties	(1.371.015)	-	73.331	-
Cash used in operating activities	(8.316.652)	(1.516.906)	(24.494.879)	(1.516.906)
Cash From Investing Activities				
Financial Application (TVM)	35.306.814	-	35.306.814	-
Related party loans	(32.286.593)	-	(52.300)	-
Acquisition (write-off) of investments	(9.000)	-	(3.166)	-
Acquisition of fixed assets	(7.700.000)	(233.000)	(7.700.000)	(233.000)
Intangible Acquisition (Low)	-	(1.140)	-	(1.140)
Net cash (used in) generated by investing activities	(4.688.779)	(234.140)	27.551.348	(234.140)
Cash From Financing Activities				
Increase or Decrease of Non-Current Assets	-	(497.589)	-	(497.589)
Borrowing	61.606.853	49.690.478	82.690.707	49.690.478
Loan Payments	(34.780.656)	-	(38.787.977)	-
Related Party Advances	21.435.097	-	-	-
Capital Payment	-	60.181	-	60.181
Dividend Payment	(15.195.358)	(10.864.983)	(15.195.358)	(10.864.983)
Net cash provided by financing activities	33.065.936	38.388.087	28.707.372	38.388.087
Cash and cash equivalents increase, net	20.060.505	36.637.041	31.763.841	36.637.041
Statement of increase in cash and cash equivalents:				
Cash and cash equivalents at beginning of year	26.743.918	29.983.592	30.363.168	29.983.592
Cash and cash equivalents at year end	46.804.423	66.620.633	62.127.009	66.620.633
Cash and cash equivalents increase, net	20.060.505	36.637.041	31.763.841	36.637.041

The accompanying notes are an integral part of these interim financial statements.

INVESTOR RELATIONS

IR contacts:

Administrative Headquarters: Rua Ataliba de Barros, 182 | 1504 | Bairro São Mateus

Juiz de Fora - MG | Cep 36025-275

Telephone: +(55 32) 3237-1540

E-mail: ri@interconstrutora.com.br

Website: <http://www.interconstrutora.com.br/ri>

Cid Maciel Monteiro de Oliveira

Investor Relations Director

E-mail: cid@interconstrutora.com.br

RELATIONSHIP WITH INDEPENDENT AUDITORS

In accordance with CVM Instruction No. 381/03, we inform that our independent auditors - KPMG Auditores Independentes - did not provide, during 2018, services other than those related to external audit. The Company's policy when hiring the services of independent auditors ensures that there is no conflict of interest, loss of independence or objectivity.

ARBITRATION CLAUSE

According to Article 45 of Chapter VIII - Arbitration Court, of the Company's Bylaws: The Company, its shareholders, Senior Managers and the members of the Fiscal Council undertake to resolve, by means of arbitration before the Market Arbitration Chamber, any and all disputes or controversies that may arise between them, related to or arising, in particular, from the application, validity, effectiveness, interpretation, violation and its effects, of the provisions contained in the Corporation Law, in the Company's bylaws, in the rules issued by the National Monetary Council, by the Central Bank of Brazil and by the Brazilian Securities and Exchange Commission, as well as in the other rules applicable to the operation of the capital market in general, in addition to those contained in the BOVESPA MAIS Rules, the Arbitration Rules, the Sanctions Rules, and the BOVESPA MAIS Participation Agreement.

OBSERVATIONS

The financial information is based on the consolidated accounting information prepared in accordance with International Financial Reporting Standards (IFRS), which considers OCPC Guideline 04 on the application of Technical Interpretation ICPC 02 applicable to real estate development entities in Brazil, as approved by the Accounting Pronouncements Committee (CPC), by the Brazilian Securities Commission (CVM) and by the Federal Accounting Council (CFC), and with all the pronouncements issued by CPC.

The financial information is presented in thousand Reais (R\$ thousand), unless otherwise indicated. The statements contained in this document relating to INTER's business prospects, projections of operating and financial results, and those relating to INTER's growth prospects are merely projections and, as such, are based solely on management's expectations of the future of the business. These expectations depend substantially on the approvals and licenses required for the approval of projects, market conditions, the performance of the Brazilian economy, the sector and international markets and, therefore, are subject to change without prior notice. This performance report includes non-accounting data as operational, and projections based on the expectation of the Company's management. The non-accounting data such as quantitative and launch VGV, contracted

sales, MCMV program values, inventory at market value, land bank, unearned income, cash consumption, and projections were not reviewed by the Company's independent auditors.

BOARD STATEMENT

In compliance with the provisions of CVM Instruction 480, the Executive Board declares that it has discussed, reviewed and agreed with the opinions expressed in the independent auditors' report and with the financial statements for the year ended June 30, 2019.

GLOSSARY

Land Bank (Landbank) - land held in stock with the estimated future PSV of the same.

BOVESPA PLUS - B3 listing segment, The Bovespa Mais makes it possible to raise fewer funds than the Novo Mercado, but sufficient to finance its growth project. Companies listed on Bovespa Mais tend to attract investors who see greater development potential in the business. Equity offerings may be aimed at a few investors and they generally have medium- and long-term return prospects. This segment allows you to make the listing without offering, ie, you can list your company on the Stock Exchange and have up to 7 years to make the IPO. This possibility is ideal for companies that want to access the market little by little. You can work on the professionalization of your business aiming only at listing and then you will have more time to make the public offering of shares. By untying one moment from another, market access tends to be more relaxed and the level of preparation of your company higher.

Exchange - System of purchase of land by which the owner of the land receives in payment a certain number of units of the enterprise to be built in the same.

VGV Posted - General Sales Value of units posted in a given period.

Net Sales - PSV arising from all real estate sales contracts entered into in a given period, including the sale of units launched in the period and the sale of units in stock, net of districts and net of exchange.

Contracted Units - Units contracted with the financial institution.

Sales on offer (VSO) - to minimize the volatility of this metric, we excluded the units in stock and units sold from projects launched in the quarter.

EBITDA - is the acronym for "Earnings Before Interest, Taxes, Depreciation and Amortization", which means "Earnings before interest, taxes, depreciation and amortization", in Portuguese.

Completed Units - Units completed by engineering. Registered after completion of the work.

Produced Units - Units produced by measuring the evolution of the work, equivalent construction.

On-lending units - Number of clients (individuals) who signed their financing with a financial institution in the period.

Index

Company Data

Composition of Capital	1
------------------------	---

DFs Individua

Active balance sheet	2
----------------------	---

Liabilities balance sheet	3
---------------------------	---

Income Statement	4
------------------	---

Comprehensive income statement	5
--------------------------------	---

Cash flow demonstration	6
-------------------------	---

Demonstration of changes in shareholders ' equity

DMPL - 01/01/2019 to 30/06/2019	7
---------------------------------	---

DMPL - 01/01/2018 to 30/06/2018	8
---------------------------------	---

Value added statement	9
-----------------------	---

DFs Consolidated

Active balance sheet	10
----------------------	----

Balance sheet liabilities	11
---------------------------	----

Income Statement	12
------------------	----

Comprehensive income statement	13
--------------------------------	----

Cash flow demonstration	14
-------------------------	----

Demonstration of changes in shareholders ' equity

DMPL - 01/01/2019 to 30/06/2019	15
---------------------------------	----

DMPL - 01/01/2018 to 30/06/2018	16
---------------------------------	----

Value added statement	17
-----------------------	----

Performance Review	18
--------------------	----

Explanatory notes	36
-------------------	----

Opinions and declarations

Special Review report -no caveat	69
----------------------------------	----

Statement of directors on Financial statements	71
--	----

Statement by the directors on the report of the independent Auditor	72
---	----

Company Data / Capital composition

Number of shares (Units)	Current Quarter 30/06/2019
From the Capital Integralized	
Ordinary	50.651.956
Preferred	0
Total	50.651.956
In Treasury	
Ordinary	0
Preferred	0
Total	0

Individual DFs / asset balance sheet**(Real)**

Code of the Account	Account Description	Current Quarter 30/06/2019	Previous Exercise 31/12/2018
1	Total Assets	232.445.551	192.366.033
1.01	Current assets	120.102.275	153.364.007
1.01.01	Cash and cash equivalents	46.804.423	26.743.918
1.01.02	Financial Investments	19.387.107	54.805.312
1.01.03	Accounts receivable	16.705.892	40.159.364
1.01.04	Stocks	35.359.512	29.137.280
1.01.08	Other circulating assets	1.845.341	2.518.133
1.02	Non - current assets	112.343.276	39.002.026
1.02.01	Long -term assets	47.802.362	15.597.414
1.02.01.03	Financial Investments assessed at amortized Cost	4.111.391	4.000.000
1.02.01.08	Anticipated expenses	387.161	580.197
1.02.01.09	Credits with related parties	43.303.810	11.017.217
1.02.02	Investments	39.744.594	5.016.801
1.02.03	Asset	24.755.674	18.345.094
1.02.03.01	Fixed Assets in operation	24.661.955	0
1.02.03.02	Right of use in rental	93.719	0
1.02.04	Intangible	40.646	42.717
1.02.04.01	Intangible	40.646	42.717

Individual DFs / passive balance sheet**(Real)**

Code of the Account	Account Description	Current Quarter 30/06/2019	Previous Exercise 31/12/2018
2	Total Liabilities	232.445.551	192.366.033
2.01	Current liabilities	81.203.931	38.961.769
2.01.01	Social and Labor obligations	1.854.560	1.647.047
2.01.02	Suppliers	3.913.317	18.645.330
2.01.03	Tax Liabilities	1.388.324	1.137.033
2.01.04	Loans and financing	47.810.375	2.941.732
2.01.05	Other obligations	26.237.355	14.590.627
2.01.05.02	Other	26.237.355	14.590.627
2.01.05.02.04	Dividends payable	0	12.662.632
2.01.05.02.05	Advances from customers	21.435.097	0
2.01.05.02.06	Third-party Obligations	4.524.977	1.750.280
2.01.05.02.07	Other accounts payable	277.281	177.715
2.02	Non - current liabilities	93.105.393	103.884.762
2.02.01	Loans and financing	73.976.189	91.517.916
2.02.02	Other obligations	13.635.027	7.540.220
2.02.02.01	Liabilities with related parties	2.954.600	0
2.02.02.02	Other	10.680.427	7.540.220
2.02.02.02.03	Obligations with third parties	10.680.427	7.540.220
2.02.04	Provisions	5.494.177	4.826.626
2.02.04.01	Labor And Civil welfare tax provisions	962.784	962.784
2.02.04.02	Other provisions	4.531.393	3.863.842
2.02.04.02.01	Provisions for warranties	2.492.828	3.863.842
2.02.04.02.04	Provisions for loss of Investments	2.038.565	0
2.03	Shareholders ' Equity	58.136.227	49.519.502
2.03.01	Realized Social Capital	50.972.920	20.389.168
2.03.04	Profit reserves	6.536.524	29.130.334
2.03.05	Accumulated Profits/losses	626.783	0

Individual DFs / income statement**(Real)**

Code of the Account	Account Description	Current Quarter 01/04/2019 at 30/06/2019	Accumulated current Exercise 01/01/2019 to 30/06/2019	Same quarter of Previous year 01/04/2018 to 30/06/2018	Accumulated Exercise Prev 01/01/2018 to 30/06/2018
3.01	Revenue from the sale of goods and/or services	2.217.042	9.454.912	37.537.826	73.511.234
3.02	Cost of goods and/or services sold	-2.172.254	-8.122.965	-20.866.345	-41.860.314
3.03	Gross Result	44.788	1.331.947	16.671.481	31.650.920
3.04	Operating expenses/revenues	5.548.800	12.555.022	-6.537.174	-12.007.474
3.04.01	Sales expenses	-2.383.863	-5.403.634	-1.415.304	-3.241.303
3.04.02	General and administrative expenses	-4.963.864	-10.001.340	-4.708.019	-7.534.240
3.04.05	Other operating expenses	-3.663.178	-4.381.294	-413.851	-1.231.931
3.04.06	Equity result	16.559.705	32.341.290	0	0
3.05	Result before Financial results and taxes	5.593.588	13.886.969	10.134.307	19.643.446
3.06	Financial Result	-1.218.038	-2.737.517	-2.109.447	-3.252.876
3.06.01	Financial revenues	1.761.921	3.028.505	566.868	760.860
3.06.02	Financial expenses	-2.979.959	-5.766.022	-2.676.315	-4.013.736
3.07	Result before taxes on profit	4.375.550	11.149.452	8.024.860	16.390.570
3.09	Net result of continued operations	4.375.550	11.149.452	8.024.860	16.390.570
3.11	Profit/loss of the period	4.375.550	11.149.452	8.024.860	16.390.570
3.99	Earnings per share -(Reais / share)				
3.99.01	Basic earnings per share				
3.99.01.01	ON	0,00000	0,00000	0,40000	0,82000

Individual DFs / comprehensive in come statement**(Real)**

Account Code	Description of the	current Quarter account 01/04/2019 at 30/06/2019	Accumulated current Exercise 01/01/2019 to 30/06/2019	Same quarter of previous year 01/04/2018 to 30/06/2018	Accumulated Exercise Prev 01/01/2018 to 30/06/2018
4.01	Net income for the period	4,375,550	11,149,452	8,024,860	16,390,570
4.03	Result Open people period	4,375,550	11,149,452	8,024,860	16,390,570

ITR- quarterly INFORMATION -30/06/2019-INTER CONSTRUTORA E Incorporadora S.A.

Version :1 of the

Individual DFs/ cash flow statement - Indirect method**(Real)**

Code of the Account	Account Description	Accumulated current	Accumulated Exercise
		Exercise 01/01/2019 to 30/06/2019	Prev 01/01/2018 to 30/06/2018
6.01	NET cash operational activities	-8.316.652	-1.516.906
6.01.01	Cash generated in operations	-18.515.534	17.261.129
6.01.01.01	Net income for the period	11.149.452	16.390.570
6.01.01.02	Depreciation	1.385.210	870.559
6.01.01.03	Equity result	-32.341.290	0
6.01.01.04	Allowance for interest on loans	1.291.094	0
6.01.02	Variations in assets and liabilities	10.198.882	-18.778.035
6.01.02.01	Accounts receivable	23.453.471	-1.323.635
6.01.02.02	Stocks	-6.222.232	-12.108.178
6.01.02.03	Other circulating and non - circulating assets	3.481.490	0
6.01.02.04	Suppliers and obligations with third parties	-8.817.109	-4.684.758
6.01.02.05	Tax Liabilities	251.291	23.242
6.01.02.06	Personal obligations	207.513	551.328
6.01.02.07	Other accounts payable by advances from customers	0	-1.236.034
6.01.02.08	Other circulating and non - circulating liabilities	5.848	0
6.01.02.09	Payment of interest on loans	-790.375	0
6.01.02.10	Provision for guarantees	-1.371.015	0
6.02	Net cash investment Activities	-4.688.779	-234.140
6.02.01	Financial Application (TVM)	35.306.814	0
6.02.02	Loans to related parties	-32.286.593	0
6.02.03	Acquisition (low) of Investments	-9.000	0
6.02.04	Acquisition of assets	-7.700.000	-233.000
6.02.05	Acquisition (low) of intangible assets	0	-1.140
6.03	Net cash financing activities	33.065.936	38.388.087
6.03.01	Increase or decrease in non - current assets	0	-497.589
6.03.02	Fundraising	61.606.853	49.690.478
6.03.03	Payment of loans	-34.780.656	0

6.03.04	Advances of related parties	21.435.097	0
6.03.05	Capital integralization	0	60.181
6.03.06	Dividend payments	-15.195.358	-10.864.983
6.05	Increase (decrease) in cash and equivalents	20.060.505	36.637.041
6.05.01	Initial cash balance and equivalents	26.743.918	29.983.592
6.05.02	Cash and Cash equivalents Final Balance	46.804.423	66.620.633

Individual DFs / demonstration of changes in shareholders ' equity /Dmpl-01/01/2019 to 30/06/2019**(Real)**

Code of the Account	Account Description	Capital Social Integrated	Capital Reserves, Options awarded and Treasury shares	Profit reserves	Profits or losses Accumulated	Other results Comprehensive	Shareholders ' Equity
5.01	Initial Balances	20.389.168	0	29.130.334	0	0	49.519.502
5.03	Initial balances adjusted	20.389.168	0	29.130.334	0	0	49.519.502
5.04	Capital transactions with the partners	30.583.752	0	-30.583.752	-10.522.669	0	-10.522.669
5.04.01	Capital increases	30.583.752	0	-30.583.752	0	0	0
5.04.06	Dividends	0	0	0	-10.522.669	0	-10.522.669
5.05	Total Comprehensive result	0	0	0	11.149.452	0	11.149.452
5.05.01	Net income for the period	0	0	0	11.149.452	0	11.149.452
5.06	Internal mutations of shareholders ' equity	0	0	7.989.942	0	0	7.989.942
5.06.01	Constitution of reserves	0	0	7.989.942	0	0	7.989.942
5.07	Final balances	50.972.920	0	6.536.524	626.783	0	58.136.227

Individual DFs / demonstration of changes in shareholders ' equity /Dmpl-01/01/2018 to 30/06/2018**(Real)**

Code of the Account	Account Description	Capital Social Integrated	Capital Reserves, Options awarded and Treasury shares	Profit reserves	Profits or losses Accumulated	Other results Comprehensive	Shareholders ' Equity
5.01	Initial Balances	12.371.189	0	8.354.238	0	0	20.725.427
5.03	Initial balances adjusted	12.371.189	0	8.354.238	0	0	20.725.427
5.04	Capital transactions with the partners	7.688.992	0	-7.628.811	-10.864.983	0	-10.804.802
5.04.01	Capital increases	7.688.992	0	-7.628.811	0	0	60.181
5.04.06	Dividends	0	0	0	-10.864.983	0	-10.864.983
5.05	Total Comprehensive result	0	0	0	16.390.570	0	16.390.570
5.05.01	Net income for the period	0	0	0	16.390.570	0	16.390.570
5.06	Internal mutations of shareholders ' equity	0	0	5.525.587	-5.525.587	0	0
5.06.01	Constitution of reserves	0	0	5.525.587	-5.525.587	0	0
5.07	Final balances	20.060.181	0	6.251.014	0	0	26.311.195

Individual DFs/ demo of added value**(Real)**

Code of the Account	Account Description	Accumulated current	Accumulated Exercise
		01/01/2019 to 30/06/2019	01/01/2018 to 30/06/2018
7.01	Recipes	9.454.912	73.511.234
7.02	Inputs acquired from third parties	-22.699.880	-50.680.203
7.02.01	Cost Prods., Mercs. e Servs. Sold	-8.122.965	-41.860.314
7.02.02	Materials, energy, Servs. of third parties and other	-14.576.915	-8.819.889
7.03	Raw Value added	-13.244.968	22.831.031
7.04	Retentions	-1.385.210	-870.559
7.04.01	Depreciation, amortization and exhaustion	-1.385.210	-870.559
7.05	NET added value produced	-14.630.178	21.960.472
7.06	VLR added received on download	35.369.794	760.860
7.06.01	Equity result	32.341.290	0
7.06.02	Financial revenues	3.028.504	760.860
7.07	Total added value to distribute	20.739.616	22.721.332
7.08	Distribution of added value	20.739.616	22.721.332
7.08.01	Personal	2.534.882	1.085.095
7.08.02	Taxes, fees and contributions	1.289.261	1.231.931
7.08.03	Remuneration of third-party capital	5.766.021	4.013.736
7.08.03.01	Interest	5.766.021	4.013.736
7.08.04	Remuneration of shareholders ' equity	11.149.452	16.390.570
7.08.04.02	Dividends	10.522.669	10.864.983
7.08.04.03	Retained earnings/ loss of the period	626.783	5.525.587

Consolidated DFs / active balance sheet**(Real)**

Code of the Account	Account Description	Current Quarter 30/06/2019	Previous Exercise 31/12/2018
1	Total Assets	254.088.000	216.152.108
1.01	Current assets	220.838.132	190.526.197
1.01.01	Cash and cash equivalents	62.127.009	30.363.168
1.01.02	Financial Investments	19.387.107	54.805.312
1.01.03	Accounts receivable	40.315.915	40.159.364
1.01.03.01	Customers	40.315.915	40.159.364
1.01.04	Stocks	93.911.329	61.602.020
1.01.08	Other circulating assets	5.096.772	3.596.333
1.02	Non - current assets	33.249.868	25.625.911
1.02.01	Long -term assets	8.092.244	7.218.900
1.02.01.03	Financial Investments assessed at amortized Cost	4.111.391	4.000.000
1.02.01.08	Anticipated expenses	1.418.224	1.112.752
1.02.01.09	Credits with related parties	2.158.448	2.106.148
1.02.01.10	Other Non - circulating assets	404.181	0
1.02.02	Investments	361.304	19.200
1.02.03	Asset	24.755.674	18.345.094
1.02.03.01	Fixed Assets in operation	24.661.955	18.345.094
1.02.03.02	Right of use in rental	93.719	0
1.02.04	Intangible	40.646	42.717
1.02.04.01	Intangible	0	42.717

Consolidated DFs / liabilities balance sheet**(Real)**

Code of the Account	Account Description	Current Quarter 30/06/2019	Previous Exercise 31/12/2018
2	Total Liabilities	254.088.000	216.152.108
2.01	Current liabilities	109.470.417	58.363.546
2.01.01	Social and Labor obligations	2.330.521	1.662.943
2.01.02	Suppliers	20.115.440	25.877.919
2.01.03	Tax Liabilities	2.953.969	1.701.083
2.01.04	Loans and financing	69.220.310	2.941.732
2.01.05	Other obligations	14.850.177	26.179.869
2.01.05.02	Other	14.850.177	26.179.869
2.01.05.02.04	Mandatory dividends payable	0	12.662.632
2.01.05.02.05	Advances from customers	6.750.206	8.293.402
2.01.05.02.06	Obligations with third parties	7.820.751	5.046.054
2.01.05.02.07	Other accounts payable	279.220	177.781
2.02	Non - current liabilities	86.260.800	108.216.870
2.02.01	Loans and financing	73.976.189	95.850.024
2.02.02	Other obligations	7.384.653	7.540.220
2.02.02.02	Other	7.384.653	7.540.220
2.02.02.02.03	Obligations with third parties	7.384.653	7.540.220
2.02.04	Provisions	4.899.958	4.826.626
2.02.04.01	Labor And Civil welfare tax provisions	962.784	962.784
2.02.04.02	Other provisions	3.937.174	3.863.842
2.02.04.02.01	Provisions for warranties	3.937.174	3.863.842
2.03	Consolidated shareholders ' Equity	58.356.783	49.571.692
2.03.01	Realized Social Capital	50.972.920	20.389.168
2.03.04	Profit reserves	6.536.524	29.130.334
2.03.05	Accumulated Profits/losses	626.783	0
2.03.09	Participation of non - controlling shareholders	220.556	52.190

DFs Consolidated / income statement**(Real)**

Code of the Account	Account Description	Current Quarter 01/04/2019 at 30/06/2019	Accumulated current Exercise 01/01/2019 to 30/06/2019	Same quarter of Previous year 01/04/2018 to 30/06/2018	Accumulated Exercise Prev 01/01/2018 to 30/06/2018
3.01	Revenue from the sale of goods and/or services	57.436.283	97.988.377	37.537.826	73.511.234
3.02	Cost of goods and/or services sold	-36.813.230	-58.872.952	-20.866.345	-41.860.314
3.03	Gross Result	20.623.053	39.115.425	16.671.481	31.650.920
3.04	Operating expenses/revenues	-14.985.979	-25.036.075	-6.537.174	-12.007.474
3.04.01	Sales expenses	-5.126.018	-8.847.994	-1.415.304	-3.241.303
3.04.02	General and administrative expenses	-6.145.239	-11.625.242	-4.708.018	-7.534.240
3.04.05	Other operating expenses	-3.714.722	-4.562.839	-413.852	-1.231.931
3.05	Result before Financial results and taxes	5.637.074	14.079.350	10.134.307	19.643.446
3.06	Financial Result	-1.157.824	-2.761.531	-2.109.447	-3.252.876
3.06.01	Financial revenues	2.210.137	3.494.481	566.868	760.860
3.06.02	Financial expenses	-3.367.961	-6.256.012	-2.676.315	-4.013.736
3.07	Result before taxes on profit	4.479.250	11.317.819	8.024.860	16.390.570
3.09	Net result of continued operations	4.479.250	11.317.819	8.024.860	16.390.570
3.11	Consolidated Profit/loss for the period	4.479.250	11.317.819	8.024.860	16.390.570
3.11.01	Assigned to shareholders of the parent Company	4.375.550	11.149.452	8.024.860	16.390.570
3.11.02	Assigned to non - controlling Partners	103.700	168.367	0	0
3.99	Earnings per share -(Reais / share)				
3.99.01	Basic earnings per share				
3.99.01.01	ON	0,08580	0,21870	0,39360	0,80390

Consolidated DFs / comprehensive in come statement**(Real)**

Code of the Account	Account Description	Current Quarter 01/04/2019 at 30/06/2019	Accumulated current Exercise 01/01/2019 to 30/06/2019	Same quarter of Previous year 01/04/2018 to 30/06/2018	Accumulated Exercise Prev 01/01/2018 to 30/06/2018
4.01	Consolidated Net income for the period	4.479.250	11.317.819	8.024.860	16.390.570
4.03	Consolidated Comprehensive outcome of the period	4.479.250	11.317.819	8.024.860	16.390.570
4.03.01	Assigned to shareholders of the parent Company	4.375.550	11.149.452	8.024.860	16.390.570
4.03.02	Assigned to non - controlling Partners	103.700	168.367	0	0

Consolidated DFs/ cash flow statement - Indirect method**(Real)**

Code of the Account	Account Description	Accumulated current	Accumulated Exercise
		Exercise 01/01/2019 to 30/06/2019	Prev 01/01/2018 to 30/06/2018
6.01	NET cash operational activities	-24.494.879	-1.516.906
6.01.01	Cash generated in operations	13.994.123	17.261.129
6.01.01.01	Net income for the period	11.317.819	16.390.570
6.01.01.02	Depreciation	1.385.210	870.559
6.01.01.03	Provision of interest on loans	1.291.094	0
6.01.02	Variations in assets and liabilities	-38.489.002	-18.778.035
6.01.02.01	Accounts receivable	-156.551	-1.323.635
6.01.02.02	Stocks	-32.648.247	-12.108.178
6.01.02.03	Other circulating and non - circulating assets	-2.210.094	0
6.01.02.04	Suppliers and obligations with third parties	1.902.704	-4.684.758
6.01.02.05	Tax Liabilities	1.252.886	23.242
6.01.02.06	Personal obligations	667.578	551.328
6.01.02.07	Other accounts payable by advances from customers	-1.543.196	-1.236.034
6.01.02.08	Other circulating and non - circulating liabilities	-5.038.332	0
6.01.02.09	Payment of interest on loans	-789.081	0
6.01.02.10	Provision for guarantees	73.331	0
6.02	Net cash investment Activities	27.551.348	-234.140
6.02.01	Financial Application (TVM)	35.306.814	0
6.02.02	Loans to related parties	-52.300	0
6.02.03	Acquisition (low) of investments	-3.166	0
6.02.04	Acquisition of assets	-7.700.000	-233.000
6.02.05	Acquisition (low) of intangible assets	0	-1.140

6.03	Net cash financing activities	28.707.372	38.388.087
6.03.01	Increase or decrease in non - current assets	0	-497.589
6.03.02	Fundraising	82.690.707	49.690.478
6.03.03	Payment of loans	-38.787.977	0
6.03.04	Capital integralization	0	60.181
6.03.05	Dividend Payment	-15.195.358	-10.864.983
6.05	Increase (decrease) in cash and equivalents	31.763.841	36.637.041
6.05.01	Initial cash balance and equivalents	30.363.168	29.983.592
6.05.02	Cash and Cash equivalents Final Balance	62.127.009	66.620.633

DFs Consolidated / Demonstration The Mutations Of Heritage Liquid / DMPL - 01/01/2019 to 30/06/2019**(Real)**

Account Code	Account Description	Social Capital Integralized	Capital options granted and Treasury shares	Reserves, granted and	Profit reserves	Profits or losses Accumulated	Other results Comprehensive	Shareholders ' Equity	Participation of non Drivers	Shareholders ' Equity Consolidated
5.01	Initial Balances	20.389.168		0	29.130.334	0	0	49.519.502	52.190	49.571.692
5.03	Initial balances adjusted	20.389.168		0	29.130.334	0	0	49.519.502	52.190	49.571.692
5.04	Capital transactions with the partners	30.583.752		0	-30.583.752	-10.522.669	0	-10.522.669	0	-10.522.669
5.04.01	Capital increases	30.583.752		0	-30.583.752	0	0	0	0	0
5.04.06	Dividends	0		0	0	-10.522.669	0	-10.522.669	0	-10.522.669
5.05	Total Comprehensive result	0		0	0	11.149.452	0	11.149.452	168.366	11.317.818
5.05.01	Net income for the period	0		0	0	11.149.452	0	11.149.452	168.366	11.317.818
5.06	Internal mutations of shareholders ' equity	0		0	7.989.942	0	0	7.989.942	0	7.989.942
5.06.01	Constitution of reserves	0		0	7.989.942	0	0	7.989.942	0	7.989.942
5.07	Final balances	50.972.920		0	6.536.524	626.783	0	58.136.227	220.556	58.356.783

DFs Consolidated / Demonstration The Mutations Of Heritage Liquid / DMPL - 01/01/2018 at 30/06/2018**(Real)**

Account Code	Account Description	Social Capital Integralized	Capital Reserves, options granted and Treasury shares	Profit reserves	Profits or losses Accumulated	Other results Comprehensive	Shareholders ' Equity	Participation of non Drivers	Shareholders ' Equity Consolidate
5.01	Initial Balances	12.371.189	0	8.354.238	0	0	20.725.427	0	20.725.427
5.03	Initial balances adjusted	12.371.189	0	8.354.238	0	0	20.725.427	0	20.725.427
5.04	Capital transactions with the partners	7.688.992	0	-7.628.811	-10.864.983	0	-10.804.802	0	-10.804.802
5.04.01	Capital increases	7.688.992	0	-7.628.811	0	0	60.181	0	60.181
5.04.06	Dividends	0	0	0	-10.864.983	0	-10.864.983	0	-10.864.983
5.05	Total Comprehensive result	0	0	0	16.390.570	0	16.390.570	0	16.390.570
5.05.01	Net income for the period	0	0	0	16.390.570	0	16.390.570	0	16.390.570
5.06	Internal mutations of shareholders ' equity	0	0	5.525.587	-5.525.587	0	0	0	0
5.06.01	Constitution of reserves	0	0	5.525.587	-5.525.587	0	0	0	0
5.07	Final balances	20.060.181	0	6.251.014	0	0	26.311.195	0	26.311.195

Consolidated DFs/ demo of added value

(Real)

Code of the Account	Account Description	Accumulated current Exercise	Accumulated Exercise Prev
		01/01/2019 to 30/06/2019	01/01/2018 to 30/06/2018
7.01	Recipes	97.988.377	73.511.234
7.02	Inputs acquired from third parties	-77.188.053	-50.680.203
7.02.01	Cost Prods., Mercs. e Servs. Sold	-58.872.952	-41.860.314
7.02.02	Materials, energy, Servs. of third parties and other	-18.315.101	-8.819.889
7.03	Raw Value added	20.800.324	22.831.031
7.04	Retentions	-1.385.210	-870.559
7.04.01	Depreciation, amortization and exhaustion	-1.385.210	-870.559
7.05	NET added value produced	19.415.114	21.960.472
7.06	VLR added received on download	3.494.481	760.860
7.06.02	Financial revenues	3.494.481	760.860
7.07	Total added value to distribute	22.909.595	22.721.332
7.08	Distribution of added value	22.909.595	22.721.332
7.08.01	Personal	3.590.982	1.085.095
7.08.02	Taxes, fees and contributions	1.744.781	1.231.931
7.08.03	Remuneration of third-party capital	6.256.013	4.013.736
7.08.03.01	Interest	6.256.013	4.013.736
7.08.04	Remuneration of shareholders ' equity	11.317.819	16.390.570
7.08.04.02	Dividends	10.522.669	10.864.983
7.08.04.03	Retained earnings/ loss of the period	795.150	5.525.587

INTER CONSTRUTORA E INCORPORADORA S. A

Explanatory notes to interim financial information

On 30 June 2019 and 2018

(In Reais)

1 - Operational context

Inter Construtora e incorporadora S.A. ("Company") and its subsidiaries ("group") have as activity the realization by incorporation of real estate, residential or not, providing financial resources, technicians and materials for its execution and subsequent sale, as well as is the object, secondarily, the construction of buildings of any nature.

The company is a privately-traded corporation headquartered in Rua Ataliba de Barros, 182, São Mateus, Juiz de Fora, state of Minas Gerais, registered in the segment Bovespa Mais da B3 S.A., under the code INNT3.

Participation in Subsidiaries

<u>Controlled</u>	<u>Place of Operation</u>	<u>Participation</u>		<u>Capital Social</u>	
		31/12/2018	30/06/2019	31/12/2018	30/06/2019
Inter SPE Juiz de Fora 1 LTDA Incorporation	Juiz de Fora-MG	99,00%	99,00%	50.000	50.000
Inter SPE Juiz de Fora 3 LTDA Incorporation	Juiz de Fora-MG	99,70%	99,70%	300.000	300.000
Inter SPE Uberaba 1 LTDA Incorporation	Uberaba MG	99,00%	99,00%	-	-
Inter SPE Juiz de Fora 10 LTDA Incorporation	Juiz de Fora-MG	99,00%	99,00%	10.000	10.000
Inter SPE Juiz de Fora 5 LTDA Incorporation	Juiz de Fora-MG	99,00%	99,00%	-	-
Inter SPE Uberaba 4 LTDA Incorporation	Uberaba MG	99,00%	99,00%	-	-
Inter SPE Jacareí 1 LTDA Incorporation	Jacareí-SP	99,00%	99,00%	-	-
Inter SPE SJDR 1 Incorporation LTDA	São João Del Rei-MG	99,00%	99,00%	-	-
Inter SPE Juiz de Fora 11 LTDA Incorporation	Juiz de Fora-MG	99,00%	99,00%	-	-
Inter SPE Juiz de Fora 14 LTDA Incorporation	Juiz de Fora-MG	99,00%	99,00%	-	-
Inter SPE Juiz de Fora 18 LTDA Incorporation	Juiz de Fora-MG	99,00%	99,00%	-	-
Inter SPE Juiz de Fora 15 LTDA Incorporation	Juiz de Fora-MG	99,00%	99,00%	-	-
Inter SPE Ubá 1 LTDA Incorporation	Ubá-MG	99,00%	99,00%	-	-

The main activity of the subsidiaries is the incorporation of real estate ventures.

2 - Presentation of quarterly information and main accounting policies

2.1 Presentation of quarterly information

The company's quarterly information comprises the condensed consolidated information prepared in accordance with CPC 21 (R1) – intermediate demonstration and IAS 34 – *Interim Financial Reporting*, applicable to entities of incorporation Registered in the Brazilian Securities and Exchange Commission ("CVM"), identified as "consolidated" and the individual condensed information prepared in accordance with the CPC 21 technical pronouncement (r1) – Intermediate demonstration, applicable to Entities of real estate incorporation in Brazil registered in the CVM, identified as "Individual". The aspects related to the transfer of control of real estate units follow the understanding of the company's administration, on the application of the technical Pronouncement CPC 47 (IFRS 15), aligned to that expressed by CVM in the Circular office CVM/SNC/ SEP/N.º 02/2018, in a manner consistent with the rules issued by CVM, applicable to the elaboration of quarterly information-ITR.

2.2 Main accounting policies

The accounting policies applied in this quarterly information are the same as those applied in the financial statements of the Group for the year ended December 31, 2018, except that described in note 2.3 below.

The present interim financial information was approved by the company's management on August 14, 2019.

2.3 New or revised pronouncements applied for the first time at 2019

The rules and interpretations issued, already in force or in effect, are presented below:

<u>IFRS</u>	<u>CPC</u>	<u>Announcement</u>	<u>Date of entry into force</u>
IFRS 16	CPC 06 (R2)	Rentals	From 1/1/2019

As of January 1, 2019, the company applied CPC 06 (R2)/IFRS 16, approved by the Brazilian Securities and Exchange Commission (CVM) in December 2017, which introduces a single lease model, replacing the concept of classification between lease Operational and financial market. The main objective is to define whether there is a lease on contracts or whether the contract is a service provision. After this definition, if a contract contains a lease, it must be accounted for in the asset, to be depreciated and in the liabilities with settlement of financial charges.

The lease is present in a contract if the contract includes both of the following conditions:

- An identifiable asset specified explicitly or implicitly. In this case, the supplier does not have the practice of replacing the asset, or the substitution would not bring any economic benefit to the supplier;

- The direct control of the use of the asset during the contract. In this case, the company must have authority to make decisions about the use of the asset and the ability to obtain substantially all the economic benefits by the use of the asset.

The company and its subsidiaries opted for the simplified modified retrospective transition approach, without performing representations of the comparative periods, adopting the following criteria for recognition and initial measurement of the assets and Liabilities:

- The measurement of the leasing liabilities at the date of the initial application was made to the present value of the remaining lease payments, net of PIS and COFINS credits, deducted from the incremental interest rates of loan, Grouped by nature of the asset, and contractual term;
- The measurement of the asset of right of use on the date of initial application was equivalent to the value of leasing liabilities, adjusted by the value of any anticipated lease payments or accrued for that lease that has been Balance sheet immediately before the date of the initial application.

The values of the initial assets and liabilities on January 01, 2019, are set at R \$180,000, and the liabilities were adjusted to present value and are of R \$93.719.

3 - Developments in progress

The company carries out the construction and incorporation of real estate units to provide services related to its social object. On June 30, 2019, the company carries out the following projects:

Company	Enterprise	Location	Participation	Estimated completion date
Inter Construtora	Residencial Park Nova California	Rua Florianópolis,484 – Jardim da Serra Park – Juiz de Fora/MG	100%	Dec/19
SPE JF 03	Residencial Park Quinet	Rua Doutor Jose Eutrópio S/n-Santa Terezinha-Juiz de Fora/MG	99,70%	jan/20
SPE UBERABA 01	Park Uberaba	Av. Nossa Senhora do Desterro, 1683 – New Town – Uberaba/MG	99,00%	May/20
SPE JF 01	Acacias Reserve	Rua Professor Villas Boucada S/n – Santos Dumont – Juiz de Fora/MG	99,00%	Feb/20
SPE JF 10	Milennium Residence	Avenida Engenheiro Valdir Pedro Monachesi, in the airport district, in the city of Juiz de Fora	99,00%	jun/20
SPE JF 05	Park Palmeiras	Rua José Lourenço, in the neighborhood of São Pedro, in Juiz de Fora/MG	99,00%	Feb/20
SPE UBERABA 04	Park Primavera	Rua Turmalina, in the neighborhood of Lourdes, in Uberaba/MG	99,00%	jun/20
SPE JACAREÍ 01	Jacareí	Geraldo Scavone Highway, in the Rio Comprido neighborhood, in Jacareí/SP	99,00%	May/20

Company	Enterprise	Location	Participation	Estimated completion date
SPE SJDR 01	Park São João	Av Rei tome Portes del Rei, in the neighborhood of Matozinhos, in São João Del Rei/MG	99,00%	jun/20
SPE JF 11	Park Realeza	Rua C (Realeza Lot), neighborhood Francisco Bernardino, in Juiz de Fora/MG	99,00%	May/20
SPE JF 14	Cascatinha	Rua Jesus Raimundo, District Teixeira, in Juiz de Fora/MG	99,00%	May/20
SPE JF 18	Sao Geraldo Reserva	Rua Antonio Bento Vasconcelos, Bairro Social Security, in Juiz de Fora/MG	99,00%	jun/20
SPE JF 15	Unique Grama	Av. Juiz de Fora, Neighborhood Grama, in Juiz de fora/MG	99,00%	May/20
SPE UBÁ 01	Park San Jose	Jose Vieira Almeida Street, in the residential São José neighborhood, in Ubá/MG	99,00%	mar/20

4 - Cash and cash equivalents and financial investments

a) Cash and cash equivalents

Description	Controller		Consolidated	
	30/06/2019	31/12/2018	30/06/2019	31/12/2018
Cash, bank and account movement	3.360.306	15.983.625	13.795.204	19.286.619
	<u>3.360.306</u>	<u>15.983.625</u>	<u>13.795.204</u>	<u>19.286.619</u>
Non-restricted financial applications	43.444.117	10.760.293	48.331.805	11.076.549
	<u>43.444.117</u>	<u>10.760.293</u>	<u>48.331.805</u>	<u>11.076.549</u>
	<u><u>46.804.423</u></u>	<u><u>26.743.918</u></u>	<u><u>62.127.009</u></u>	<u><u>30.363.168</u></u>

b) Financial Investments (TVM)

	<u>Controller</u>		<u>Consolidated</u>	
	30/06/2019	31/12/2018	30/06/2019	31/12/2018
Short term TVM Financial investments	19.387.107	54.805.312	19.387.107	54.805.312
	<u>19.387.107</u>	<u>54.805.312</u>	<u>19.387.107</u>	<u>54.805.312</u>
Long-term TVM Financial Investments	4.111.391	4.000.000	4.111.391	4.000.000
	<u>4.111.391</u>	<u>4.000.000</u>	<u>4.111.391</u>	<u>4.000.000</u>

The financial investments are classified by the company's management under the heading "Cash and cash equivalents", because they are considered financial assets with the possibility of immediate redemption and subject to a negligible risk of change of value. Financial investments have average salaries ranging between 90% and 102% of the Interbank deposit certificate-CDI.

Short-term financial Investments (TVM) refers to resources captured for the specific purpose of land acquisition. Long-term financial investments are guaranteed resources as part of loans, financing and Debentures operations.

5 - Customers by incorporation of real estate

It is represented by amounts receivable from real estate units that are mostly funded by financial institutions (linked to the My House My Life Program), and a small part financed directly from the acquiring borrower. Calculated based on the "POC" method, "percentage of execution or percentage of completion" of each undertaking for the month of June 2019. The company estimates that the entire resource will be effectively received throughout the subsequent quarter, i.e. July, August and September 2019.

6 - Stocks

	<u>Controller</u>		<u>Consolidated</u>	
	30/06/2019	31/12/2018	30/06/2019	31/12/2018
Land stocks	6.282.390	6.082.390	38.556.874	14.959.164
Buildings in construction	29.077.122	23.054.890	55.693.393	46.642.856
	<u>35.359.512</u>	<u>29.137.280</u>	<u>94.250.267</u>	<u>61.602.020</u>

This item includes construction apartments and land for future incorporations. The land of an undertaking is transferred to the account "buildings under construction" at the time when the sales of the undertaking are initiated, at the moment there is no completed construction for sale. The company has contracts with financial institutions to finance the construction of buildings.

7 - Related Parties

- a) Mutual: This item includes the transactions of loans with related parties on the basis of June 30, 2019, which basically refer to the fundraising for construction of future ventures, with market interest, guarantee and with definite deadline.

	Controller		Consolidated	
	30/06/2019	31/12/2018	30/06/2019	31/12/2018
<u>Active</u>				
Inter SPE Juiz de Fora 1 LTDA Incorporation	-	1.378.735	-	-
Inter SPE Juiz de Fora 3 LTDA Incorporation	1.615.741	44.400	-	-
Inter SPE Uberaba 1 LTDA Incorporation	5.106.803	1.781.003	-	-
Inter SPE Juiz de Fora 2 LTDA Incorporation	229.412	225.912	229.412	225.912
Inter SPE Uberaba 2 LTDA Incorporation	235.977	111.632	235.977	111.632
Inter SPE Uberaba 3 LTDA Incorporation	125.004	59.751	125.004	59.751
Inter SPE Juiz de Fora 6 LTDA Incorporation	437.888	218.366	437.888	218.366
Inter SPE Juiz de Fora 4 LTDA Incorporation	56.500	34.280	56.500	34.280
Inter SPE Juiz de Fora 5 LTDA Incorporation	-	125.201	-	125.201
Inter SPE Juiz de Fora 7 LTDA Incorporation	326.913	15.646	326.913	15.646
Inter SPE Juiz de Fora 8 LTDA Incorporation	447	197	447	197
Inter SPE Juiz de Fora 9 LTDA Incorporation	27.403	20.216	27.403	20.216
Inter SPE São José do Rio Preto incorporation LTDA.	46.825	6.353	46.825	6.353
Inter SPE Uberaba 4 LTDA Incorporation	515.177	227.994	-	227.994
Inter SPE Jacareí 1 LTDA Incorporation	12.987.732	5.286	-	5.286
Inter SPE Taubaté 1 LTDA Incorporation	8.907	519	8.907	519
Inter SPE Uberlândia 1 LTDA Incorporation	18.159	7.399	18.159	7.399
Inter SPE Cataguases 1 LTDA Incorporation	161.810	112.210	161.810	112.210
Inter SPE SJDR 1 Incorporation LTDA	947.145	373.837	-	373.837

	Controller		Consolidated	
	30/06/2019	31/12/2018	30/06/2019	31/12/2018
Inter SPE Juiz de Fora 11 LTDA Incorporation	1.279.396	264.041	-	264.041
Inter SPE Juiz de Fora 10 LTDA Incorporation	5.958.833	5.706.932	-	-
Inter SPE Juiz de Fora 12 LTDA Incorporation	3.063	1.338	3.063	1.338
Inter SPE Juiz de Fora 13 LTDA Incorporation	1.088	1.053	1.088	1.053
Inter SPE Juiz de Fora 14 LTDA Incorporation	9.966.379	18.766	-	18.766
Inter SPE Tremembé 1 LTDA Incorporation	11.338	8.796	11.338	8.796
Inter SPE Ferraz de Vasconcelos incorporation	42.416	2.407	42.416	2.407
Inter SPE Juiz de Fora 18 LTDA Incorporation	1.474.823	66.970	-	66.970
Inter SPE Ribeirão Preto 1 LTDA Incorporation	4.954	4.527	4.954	4.527
Inter SPE Juiz de Fora 15 LTDA Incorporation	767.390	124.375	-	124.375
Inter SPE Juiz de Fora 23 LTDA Incorporation	34.184	3.090	34.184	3.090
Inter SPE Ubá 1 LTDA Incorporation	525.941	57.594	-	57.594
Inter SPE Uberaba 5 LTDA Incorporation	167.287	-	167.287	-
Inter SPE São Paulo 2 LTDA Incorporation	8.505	5.700	8.505	5.700
Inter SPE Uberlândia 5 LTDA Incorporation	16.316	2.691	16.316	2.691
Inter SPE Taubaté 2 LTDA Incorporation	5.831	-	5.831	-
Inter SPE SJRP 2 LTDA Incorporation	7.049	-	7.049	-
Inter SPE Uberlândia 6 LTDA Incorporation	8.027	-	8.027	-
Inter SPE SJRP 3 LTDA Incorporation	26.106	-	26.106	-
Inter SPE Uberlândia 9 LTDA Incorporation	3.871	-	3.871	-
Inter SPE Uberaba 6 LTDA Incorporation	536	-	536	-
Inter SPE Uberaba 7 LTDA Incorporation	300	-	300	-
Inter SPE Juiz de Fora 16 LTDA Incorporation	455	-	455	-
Inter SPE Juiz de Fora 19 LTDA Incorporation	205	-	205	-
Inter SPE Juiz de Fora 21 LTDA Incorporation	205	-	205	-
Inter SPE São Paulo 1 LTDA Incorporation	205	-	205	-
Inter SPE Sorocaba 1 LTDA Incorporation	205	-	205	-
Inter SPE Uberlândia 7 LTDA Incorporation	291	-	291	-
Inter SPE Uberlândia 8 LTDA Incorporation	205	-	205	-
Inter SPE Uberaba 8 LTDA Incorporation	30.260	-	30.260	-
Inter SPE Uberaba 9 LTDA Incorporation	62.570	-	62.570	-
Inter SPE Uberaba 10 LTDA Incorporation	47.733	-	47.733	-
	43.303.810	11.017.217	2.158.448	2.106.148

<u>Liabilities</u>	Controller		Consolidated	
	30/06/2019	31/12/2018	30/06/2019	31/12/2018
Inter SPE Juiz de Fora 1 LTDA Incorporation	(2.557.724)	-	-	-
Inter SPE Juiz de Fora 5 LTDA Incorporation	(396.876)	-	-	-
	(2.954.600)	-	-	-

The average interest on mutual remuneration is 1.00% p.a. According to the agreement between the parties, the total loan amount between the parties may be up to R \$6,000,000.00 (6 million reais) per company.

- b) Advances of customers: refers to advance of anticipated costs, in the amount of R \$21,435,097, received from the subsidiary INTER SPE Juiz de Fora 3 incorporations LTDA.
- c) Transactions: The parent company has leasing contracts for commercial rooms, with the related part H.I. Holding de Participações S.A., intended for use in administrative activities, whose monthly value is \$10,000.

Management remuneration

	Controller		Consolidated	
	30/06/2019	30/06/2018	30/06/2019	30/06/2018
Pro-Labore	2.042.867	734.183	2.042.867	734.183
	<u>2.042.867</u>	<u>734.183</u>	<u>2.042.867</u>	<u>734.183</u>

There are no post-employment benefits, other long-term benefits or shutdown benefit to administrators or any company employees.

8 - Investments

	Controller		Consolidated	
	30/06/2019	31/12/2018	30/06/2019	31/12/2018
Investment in Subsidiaries	39.383.290	4.997.601	-	-
Other investments	361.304	19.200	361.304	19.200
	<u>39.744.594</u>	<u>5.016.801</u>	<u>361.304</u>	<u>19.200</u>

The movement of investments in subsidiaries is as follows:

	31/12/2018	Acquisitions	Equity	Low	30/06/2019
<u>Investments</u>					
Inter SPE Juiz de Fora 1 LTDA Incorporation	-	8.167	4.733.739	-	4.741.906
Inter SPE Uberaba 1 LTDA Incorporation	2.421.091	-	4.362.449	-	6.783.540
Inter SPE Juiz de Fora 3 LTDA Incorporation	2.576.510	-	25.281.333	-	27.857.843
Inter SPE Juiz de Fora 14 LTDA Incorporation	-	117.917	-	-	117.917
Inter SPE Jacareí 1 LTDA Incorporation	-	153.200	-	-	153.200
Inter SPE Juiz de Fora 10 LTDA Incorporation	-	67.822	-	-	67.822
Capitalization plans	19.200	5.000	-	(1.834)	22.366
	5.016.801	352.106	34.377.521	(1.834)	39.744.594

Provision for loss of investments

	<u>31/12/2018</u>	<u>Acquisitions</u>	<u>Equity</u>	<u>Low</u>	<u>30/06/2019</u>
Inter SPE Juiz De Fora 5 LTDA Incorporation	-	-	(293.894)	-	(293.894)
Inter SPE Uberaba 4 LTDA Incorporation	-	-	(30.107)	-	(30.107)
Inter SPE Jacarei 1 LTDA Incorporation	-	-	(18.037)	-	(18.037)
Inter SPE SJDR 1 Incorporation LTDA	-	-	(786.377)	-	(786.377)
Inter SPE Juiz de Fora 11 LTDA Incorporation	-	-	(103.519)	-	(103.519)
Inter SPE Juiz de Fora 10 LTDA Incorporation	-	-	(1.905)	-	(1.905)
Inter SPE Juiz de Fora 14 LTDA Incorporation	-	-	(17.535)	-	(17.535)
Inter SPE Juiz de Fora 18 LTDA Incorporation	-	-	(32.190)	-	(32.190)
Inter SPE Juiz de Fora 15 LTDA Incorporation	-	-	(437.579)	-	(437.579)
Inter SPE Ubá 1 LTDA Incorporation	-	-	(317.422)	-	(317.422)
	-	-	(2.038.565)	-	(2.038.565)

<u>Companies</u>	<u>Active</u>					
	<u>Current assets</u>		<u>Non-current assets</u>		<u>Total Asset</u>	
	<u>30/06/19</u>	<u>31/12/18</u>	<u>30/06/19</u>	<u>31/12/18</u>	<u>30/06/19</u>	<u>31/12/18</u>
Inter SPE Juiz de Fora 3 LTDA Incorporation	36.354.280	24.166.749	21.730.280	386.129	58.084.560	24.552.878
Inter SPE Uberaba 1 LTDA Incorporation	19.323.868	4.779.644	290.236	-	19.614.104	4.779.644
Inter SPE Juiz de Fora 10 LTDA Incorporation	5.970.593	5.706.098	-	-	5.970.593	5.706.098
Inter SPE Juiz de Fora 1 LTDA Incorporation	10.024.096	2.509.699	3.080.361	146.426	13.104.457	2.656.125
Inter SPE Juiz de Fora 5 LTDA Incorporation	314.046	113.926	503.498	-	817.544	113.926
Inter SPE Juiz de Fora 11 LTDA Incorporation	2.061.605	278.554	225.566	-	2.287.171	278.554
Inter SPE Juiz de Fora 14 LTDA Incorporation	9.951.844	25.523	-	-	9.951.844	25.523
Inter SPE Juiz de Fora 15 LTDA Incorporation	532.429	111.542	-	-	532.429	111.542
Inter SPE Juiz de Fora 18 LTDA Incorporation	1.962.952	58.489	-	-	1.962.952	58.489
Inter SPE Uberaba 4 LTDA Incorporation	488.514	227.797	-	-	488.514	227.797
Inter SPE Ubá 1 LTDA Incorporation	231.073	57.566	-	-	231.073	57.566
Inter SPE Jacarei 1 Incorporacao LTDA	12.981.389	419	-	-	12.981.389	419
Inter SPE SJDR 1 Incorporacao Ltda	539.168	368.431	-	-	539.168	368.431
Total	100.735.857	38.404.437	25.829.941	532.555	126.565.798	38.936.992

<u>Companies</u>	<u>Liabilities and shareholders' equity</u>							
	<u>Current liabilities</u>		<u>Non-current liabilities</u>		<u>Equity</u>		<u>Liabilities and shareholders' equity</u>	
	<u>30/06/19</u>	<u>31/12/18</u>	<u>30/06/19</u>	<u>31/12/18</u>	<u>30/06/19</u>	<u>31/12/18</u>	<u>30/06/19</u>	<u>31/12/18</u>
Inter SPE Juiz de Fora 3 LTDA incorporation-Quinet	23.532.570	10.430.157	2.847.459	7.857.193	31.704.531	6.265.528	58.084.560	24.552.878
Inter SPE Uberaba 1 Incorporation LTDA Uberaba	10.880.839	576.550	5.191.646	5.076.777	3.541.619	(873.683)	19.614.104	4.779.644
Inter SPE Juiz de Fora 10 INCORPORATIONLTDA travellers	13.665	-	5.958.833	5.706.932	(1.905)	(834)	5.970.593	5.706.098
Inter SPE Juiz de Fora 1 incorporation LTDA Acacias	8.544.818	1.618.611	127.786	1.378.734	4.431.853	(341.220)	13.104.457	2.656.125
Inter SPE Juiz de Fora 5 LTDA Incorporation	1.111.438	-	-	125.201	(293.894)	(11.276)	817.544	113.926
Inter SPE Juiz de Fora 11 LTDA Incorporation	1.111.294	25.915	1.279.396	264.041	(103.519)	(11.403)	2.287.171	278.554
Inter SPE Juiz de Fora 14 LTDA Incorporation	3.000	19.979	9.966.379	22.473	(17.535)	(16.928)	9.951.844	25.523

	Liabilities and shareholders' equity							
	Current liabilities		Non-current liabilities		Equity		Liabilities and shareholders' equity	
Inter SPE Juiz de Fora 15 LTDA Incorporation	202.617	830	767.391	124.375	(437.579)	(13.663)	532.429	111.542
Inter SPE Juiz de Fora 18 LTDA Incorporation	520.319	1.165	1.474.823	66.970	(32.190)	(9.646)	1.962.952	58.489
Inter SPE Uberaba 4 LTDA Incorporation	3.444	-	515.177	227.994	(30.107)	(197)	488.514	227.797
Inter SPE Ubá 1 LTDA Incorporation	91.711	-	525.941	57.594	(386.579)	(28)	231.073	57.566
Inter SPE Jacarei 1 Incorporacao LTDA	11.693	-	12.987.733	5.285	(18.037)	(4.865)	12.981.389	419
Inter SPE SJDR 1 Incorporacao Ltda	378.400	396.908	947.145	373.837	(786.377)	(402.314)	539.168	368.431
Total	46.405.808	13.070.116	42.589.709	21.287.405	37.570.281	4.579.471	126.565.798	38.936.992

	01/04/2019 a 30/06/2019				
	Operating revenues	Cost of Property sold	Operating revenues (expenses)	Financial result	Profit (loss)
Companies					
Inter SPE Juiz de Fora 3 LTDA Incorporation	36.099.007	(20.598.649)	(1.656.551)	257.887	14.101.694
Inter SPE Uberaba 1 LTDA Incorporation	8.547.475	(6.285.758)	(1.102.430)	(39.414)	1.119.873
Inter SPE Juiz de Fora 10 LTDA Incorporation	-	-	(984)	(87)	(1.071)
Inter SPE Juiz de Fora 1 LTDA Incorporation	10.581.992	(6.312.222)	(786.238)	(3.963)	3.479.569
Inter SPE Juiz de Fora 5 LTDA Incorporation	-	-	(268.841)	(13.778)	(282.618)
Inter SPE Juiz de Fora 11 LTDA Incorporation	(2.239)	-	(82.198)	(19.081)	(103.518)
Inter SPE Juiz de Fora 14 LTDA Incorporation	-	-	(17.158)	(377)	(17.535)
Inter SPE Juiz de Fora 15 LTDA Incorporation	(6.994)	-	-	(46.625)	(437.579)
Inter SPE Juiz de Fora 18 LTDA Incorporation	-	-	(22.466)	(9.724)	(32.190)
Inter SPE Uberaba 4 LTDA Incorporation	-	-	(29.971)	(14.045)	(44.016)
Inter SPE Ubá 1 LTDA Incorporation	-	-	(303.378)	(14.044)	(317.422)
Inter SPE Jacarei 1 Incorporacao LTDA	-	-	(4.533)	(13.504)	(18.037)
Inter SPE SJDR 1 Incorporacao Ltda	-	-	(760.113)	(26.264)	(786.377)

	01/01/2019 a 30/06/2019				
	Operating revenues	Cost of Property sold	Operating revenues (expenses)	Financial result	Profit (loss)
Companies					
Inter SPE Juiz de Fora 3 LTDA Incorporation	36.136.323	(20.598.649)	(462.149)	257.887	15.333.412
Inter SPE Uberaba 1 LTDA Incorporation	8.550.906	(6.285.758)	(1.021.017)	(39.414)	1.204.717
Inter SPE Juiz de Fora 10 LTDA Incorporation	-	-	(984)	(87)	(1.070)
Inter SPE Juiz de Fora 1 LTDA Incorporation	12.873.935	(6.469.432)	(1.491.449)	(22.194)	4.890.860
Inter SPE Juiz de Fora 5 LTDA Incorporation	-	-	(268.841)	(13.778)	(282.618)
Inter SPE Juiz de Fora 11 LTDA Incorporation	-	-	(84.096)	(8.020)	(92.116)
Inter SPE Juiz de Fora 14 LTDA Incorporation	-	-	(280)	(328)	(608)
Inter SPE Juiz de Fora 15 LTDA Incorporation	-	-		(33.125)	(423.915)
Inter SPE Juiz de Fora 18 LTDA Incorporation	-	-	(22.544)	-	(22.544)
Inter SPE Uberaba 4 LTDA Incorporation	-	-	(29.774)	(136)	(29.910)
Inter SPE Ubá 1 LTDA Incorporation	-	-	(303.349)	(14.044)	(317.394)
Inter SPE Jacarei 1 Incorporacao LTDA	-	-	(296)	(12.874)	(13.170)
Inter SPE SJDR 1 Incorporacao Ltda	-	-	(368.699)	(15.364)	(384.063)

9 - Asset

The asset movement for the quarters ended on June 30, 2019 and 2018 is as follows:

	Machines and Equipment	Vehicles	Rooms Commercial	Aircraft	Total
Annual Depreciation Rate	10%	20%	16%	10%	
<u>Cost</u>					
On January 1, 2018	495.000	480.121	2.384.013	15.888.373	19.247.507
Additions	-	233.000	-	-	-
Disposals	-	-	-	-	-
On June 30 , 2018	495.000	713.121	2.384.013	15.888.373	19.480.507
On January 1, 2019	495.000	713.121	1.150.023	19.188.372	21.546.517
Additions	-	-	-	11.000.000	11.000.000
Disposals	-	-	-	(3.300.000)	(3.300.000)
On June 30, 2019	495.000	713.121	1.150.023	26.888.372	29.246.517
<u>Accumulated depreciation</u>					
On January 1, 2018	(23.606)	(155.196)	-	(900.404)	(1.079.206)
Depreciation	(6.364)	(67.896)	-	(794.419)	(868.679)
On June 30 , 2018	(29.970)	(223.092)	-	(1.694.823)	(1.947.886)
On January 1, 2019	(36.333)	(294.405)	(381.442)	(2.489.242)	(3.201.422)
Depreciation	(6.364)	(56.804)	(92.002)	(1.227.970)	(1.383.140)
On June 30, 2019	(42.697)	(351.209)	(473.444)	(3.717.212)	(4.584.562)
On June 30 , 2018	465.030	490.028	2.384.013	14.193.550	17.532.621
On June 30, 2019	452.302	361.913	676.579	23.171.161	24.661.955

In the closing dates of the balances presented, the group administration understood that there was no indication that any of its useful life assets could have undergone devaluation, since none of the indicative factors of Losses, as per items 10 and 12 of CPC 01.

10 - Suppliers and obligations with third parties

	Controller		Consolidated	
<u>Suppliers</u>	30/06/2019	31/12/2018	30/06/2019	31/12/2018
Production Suppliers	2.739.322	16.131.229	14.080.808	22.664.272
Administrative vendors	1.173.995	2.514.101	6.034.632	3.213.647
	3.913.317	18.645.330	20.115.440	25.877.919
<u>Obligations with third parties</u>				
Aircraft acquisition obligations	10.680.427	9.290.500	11.909.630	9.290.500
Land acquisition obligations	-	-	3.295.774	3.295.774
	10.680.427	9.290.500	15.205.404	12.586.274

Vendor balances are due to:

- a) Suppliers of production support: those that are directly linked to the activities of generating qualified assets (incorporation and real estate construction);
- b) Administrative suppliers: Those who act as a form of support, advice and administrative consultancy.

Obligations with third parties refer to:

- a) Acquisitions of third-party aircraft for payment in 60 installments, monthly and consecutive, with interest of 1.3% a. m;
- b) Acquisition of land for the feasibility of the Park Uberaba project, which will be paid 30 days after the achievement of the minimum demand fixed by the financing agent, which the administration estimates will occur during the 2019 year.
- c) Other obligations: It refers almost fully to the advance of anticipated costs, in the amount of R \$21,435,097, received from the subsidiary INTER SPE Juiz de fora 3 incorporation LTDA; According to note 7 (related parties).

11 - Loans, financing and debentures

	Controller		Consolidated	
	30/06/2019	31/12/2018	30/06/2019	31/12/2018
Current liabilities				
Loans account Guaranteed	36.999.687	897.385	36.999.687	897.385
Working Capital Loans	7.698.148	250.000	7.698.148	250.000
Production Support Loans	4.505.854	1.794.347	25.915.789	1.794.347
Financial charges to be appropriating	(1.393.314)	-	(1.393.314)	-
	47.810.375	2.941.732	69.220.310	2.941.732
Non-current liabilities				
Loans account Guaranteed	-	1.150.000	-	1.150.000
Working Capital Loans	10.271.029	18.381.454	10.271.029	18.381.454
Production Support Loans	-	6.550.960	-	10.883.068
Debentures	65.000.000	65.435.502	65.000.000	65.435.502
Financial charges to be appropriating	(1.294.840)	-	(1.294.840)	-
	73.976.189	91.517.916	73.976.189	95.850.024
Total	121.786.564	94.459.648	143.196.499	98.791.756

a. Terms and schedule of debt amortization

The terms and conditions of the Open loans are:

	Interest rate Nominal	Year of Winning	Controller		Consolidated	
			30/06/2019	31/12/2018	30/06/2019	31/12/2018
Itaú Guaranteed Account	1,10 a.m.	2019	32.000.000	1.150.000	32.000.000	1.150.000
Bradesco Guaranteed Account	1,22 a.m.	2019	497.129	897.385	497.129	897.385
Bradesco Guaranteed Account	0,9999 a.m.	2019	4.999.687	-	4.999.687	-
Support for economic cash production	0,8 a.m.	2019	-	625.454	-	625.454
Support for economic cash production	0,8 a.m.	2020	-	61.021	-	4.393.128
Support for economic cash production	0,7 a.m.	2019	-	7.658.835	-	7.658.836
Support for economic cash production	0,8 a.m.	2022	4.505.854	-	25.915.789	-
Working Capital Caixa Economica		2019	-	2.464.784	-	2.464.784
Working Capital Caixa Economica	CDI+0,6 a.m.	2022	3.754.169	4.416.667	3.754.169	4.416.668
Working Capital Caixa Economica	CDI+0,45 a.m.	2022	2.332.999	-	2.332.999	-
Working Capital Safra	1,35 a.m.	2019	1.448.831	1.750.000	1.448.831	1.750.000
Working Capital Itaú	1,10 a.m.	2019	9.936.049	10.000.000	9.936.049	10.000.000
CRI 1st Issue	CDI+0,45 a.m.	2021	45.000.000	45.435.502	45.000.000	45.435.502
CRI 2nd Issue	CDI+0,40 a.m.	2021	20.000.000	20.000.000	20.000.000	20.000.000
Financial chargess to be appropriating			(2.688.154)		(2.688.154)	
			121.786.564	94.459.648	143.196.499	98.791.756

The guarantees given to the operations vary between the transfer of units of real estate projects carried out by the company itself to the mortgages.

b. Loans handling

Loan type	Bank	Consolidated		Provision of		Amortization	Final balance
		Balance at 31/12	Capture	interest	Interest		
Production support	Caixa Economica Federal	12.677.419	21.083.855	-	13.924	(12.365.261)	21.409.936
Production support	Bank of Brazil	-	7.025.058		88.843	(2.608.049)	4.505.852
Giro Capital	Caixa Economica Federal	6.881.452	2.337.114	639.647	-	(3.771.045)	6.087.168
Giro Capital	Itaú	11.150.000	45.176.000	100.845	-	(14.490.796)	41.936.049
Giro Capital	Crop	1.750.000	-	-	-	(301.169)	1.448.831
Giro Capital	Bradesco	897.385	-	94.257	-	(494.513)	497.128
Guaranteed Account	Bradesco	-	9.756.834			(4.757.148)	4.999.687
Debentures	Apex	65.435.502		456.345	(891.847)		65.000.000
Interest to be appropriating			(2.688.154)				(2.688.154)
Total		98.791.758	82.690.707	1.291.094	(789.081)	(38.787.981)	143.196.499

Controller							
Loan type	Bank	Balance at 31/12	Capture	Provision of interest	Interest Payments	Amortization	Final balance
Production support	Caixa Economica Federal	8.345.309	-	-	12.629	(8.357.936)	2
Production support	Bank of Brazil Caixa Economica Federal	-	7.025.058	-	88.843	(2.608.049)	4.505.852
Giro Capital	Federal	6.881.452	2.337.114	639.647	-	(3.771.045)	6.087.168
Giro Capital	Itaú	11.150.000	45.176.000	100.845	-	(14.490.796)	41.936.049
Giro Capital	Crop	1.750.000	-	-	-	(301.169)	1.448.831
Giro Capital	Bradesco	897.385	-	94.257	-	(494.513)	497.128
Guaranteed Account	Bradesco	-	9.756.834	-	-	(4.757.148)	4.999.687
Debentures	Apex	65.435.502	-	456.345	(891.847)	-	65.000.000
Interest to be appropriating			(2.688.154)				(2.688.154)
Total		94.459.648	61.606.852	1.291.094	(790.375)	(34.780.656)	121.786.564

c. Debentures

On April 05, 2018, the company issued its first issuance of debentures, in the series 141 ° and 142 °, not convertible into shares, in the total value of R \$45.000.000, 00, destined exclusively for the acquisition of land, with maturity of 2021.

On November 26, 2018, the company issued its 2nd issuance of debentures, in the series 170 ° and 171 °, not convertible into shares, in the amount of R \$20.000.000, 00, destined exclusively for real estate development, with maturity in 2021.

In the second quarter of 2019, the company and its subsidiaries acquired land for the construction of enterprises and passed to capitalize on the interest of the resources captured for this purpose. On June 30, 2019, the capitalized interest rates are in R \$338.938.

d. Contractual obligations

On 30 June 2019, the group is meeting all contractual obligations (covenants) related to financial indicators of loan, financing and debentures contracts, including those related to Financial indicators.

12 - Social and labor obligations

	Controller		Consolidated	
	30/06/2019	31/12/2018	30/06/2019	31/12/2018
Salaries and wages payable	212.353	192.152	304.615	198.729
INSS to collect	249.127	235.945	329.391	239.537
FGTS to collect	35.949	50.786	53.094	51.600
Holiday allowance	334.703	540.181	470.806	543.638
Other	1.022.428	627.983	1.172.615	629.439
	1.854.560	1.647.047	2.330.521	1.662.943

13 - Tax liabilities

	Controller		Consolidated	
	30/06/2019	31/12/2018	30/06/2019	31/12/2018
IRRF S/foil to collect	106.915	104.448	120.356	105.791
Retention of INSS S/invoices	14.795	131.319	279.219	230.973
Retention of ISS S/invoices	1.266	69.151	176.325	186.360
RET to collect	1.210.011	745.401	2.060.630	1.076.616
Other	55.337	86.714	317.439	101.343
	<u>1.388.324</u>	<u>1.137.033</u>	<u>2.953.969</u>	<u>1.701.083</u>

The group adhered to the Special Taxation Regime (RET), as provided by law 12,024 of August 27, 2009. To this end, the consolidated charge for the IRPJ and CSLL, the contribution to finance Social security – COFINS and Social Integration Program – PIS, is calculated the global rate of 4% on gross revenues received, being 1.92% for IRPJ and CSLL, and 2.08 % for PIS and COFINS.

14 - Advances from customers (parent company)

Refer to the financial advances of prominent real estate buyers of the subsidiary Inter SPE Juiz de Fora 3 incorporations LTDA. Based on the development of the project, the balance is compensated against the balance of accounts receivable. The administration has the prospect of realization for the next 12 (twelve) months. After the achievement of 90% of completion of the undertaking the parties will make the meeting of accounts regarding this advance.

15 - Provisions

a. For contingencies

The company has registered provisions, which involve considerable judgment on the part of the administration, for labor, tax and civil contingencies, which is likely that an exit of resources involving economic benefits is necessary to The obligation and a reasonable estimate may be made of the amount of that obligation.

The assessment of the probability of loss includes the evaluation of available evidence, the hierarchy of laws, the available jurisprudence, the most recent decisions in the courts and their relevance in the legal order, as well as the evaluation of lawyers External.

	Controller		Consolidated	
	30/06/2019	31/12/2018	30/06/2019	31/12/2018
Labor contingencies	875.784	875.784	875.784	875.784
Civil contingency	87.000	87.000	87.000	87.000
	<u>962.784</u>	<u>962.784</u>	<u>962.784</u>	<u>962.784</u>

The company has on June 30, 2019 1 prognosis of possible losses in an amount of R \$ 2,086,102 (R \$448.475 on december 31, 2018) all coming from actions of a civil nature.

b. For warranties

The company understands that the guarantee provision is an additional part of the cost of the sold property that comprises possible expenses with post-work maintenance. The value accrued on June 30, 2019 is R \$5,732,266 (R \$3.863.842 on December 31, 2018).

16 - Equity

a) Capital Social

The Social Capital subscribed and incorporated on June 30, 2019 is R \$50,972,920 (R \$20,389,168 on December 31, 2018).The capital is represented by 50,972,920 shares(20,389,168 shares on December 31, 2018), all ordinary and without nominal value,according to bylaws.

b) Legal reserve

On December 31, 2018, the company presented the Constitution of a legal reserve in the total amount of R \$4,077,835 respecting the limit of 20% of the total Capital stock on that date, as provided in article 193 of the Corporation law.

c) Profit Retention Reserve

This reserve aims to meet the needs of resources for future investments, mainly for working capital, land acquisition, investment in fixed assets and intangible assets, and payment of interest on the financing.

d) Dividends

On December 31, 2018, the distribution of dividends occurred according to the table below:

	<u>31/12/2018</u>
Exercise result	60.105.587
(-) Legal reserve	(2.293.493)
(+) Other adjustments	5.589.266
	<u>63.401.360</u>
Minimum mandatory percentage	50%
Mandatory minimum dividends	<u>31.700.680</u>
Dividends distributed during the financial year	(19.038.048)
Dividends accrued in the financial year	<u><u>12.662.632</u></u>

On April 29, 2019, the company decided for the non-payment of the remaining dividend balance, amounting to R \$7,989,942, provisioned on December 31, 2018 and consequently, the return of the total amount for the profit reserves, which were used to Capital increase on this same date, as per deliberation in the AGO.

During the quarter ended June 30, the company paid R \$4,672,690 of the dividends accrued on December 31, 2018. Already in the second quarter of 2019, the Company distributed to its shareholders, to the title of Anticipation, Dividends of the value of R \$10.522.669.

17 - NET operating revenues

	Controller			
	<u>01/04/2019</u>	<u>01/01/2019</u>	<u>01/04/2018</u>	<u>01/01/2018</u>
	a	a	a	a
	<u>30/06/2019</u>	<u>30/06/2019</u>	<u>30/06/2018</u>	<u>30/06/2018</u>
S sales revenue from Real estate	6.979.304	20.626.462	40.238.577	78.862.779
Sales tax	(656.788)	(1.339.128)	(1.157.602)	(2.482.999)
Distratos	(3.831.499)	(9.558.447)	(1.543.149)	(2.868.546)
Other deductions	(273.975)	(273.975)	-	-
NET operating revenues	<u>2.217.042</u>	<u>9.454.912</u>	<u>37.537.826</u>	<u>73.511.234</u>

	Consolidated			
	01/04/2019	01/01/2019	01/04/2018	01/01/2018
	a	a	a	a
	30/06/2019	30/06/2019	30/06/2018	30/06/2018
S sales revenue from Real estate	65.905.972	115.302.224	40.238.577	78.862.779
Sales taxS	(1.706.644)	(3.511.024)	(1.157.602)	(2.482.999)
Distratos	(6.429.018)	(13.468.595)	(1.543.149)	(2.868.546)
Other deductions	(334.027)	(334.228)	-	-
NET operating revenues	57.436.283	97.988.377	37.537.826	73.511.234

18 - Costs and expenses

18.1 Costs of Property sold

	Controller			
	01/04/2019	01/01/2019	01/04/2018	01/01/2018
	a	a	a	a
	30/06/2019	30/06/2019	30/06/2018	30/06/2018
Applied material	(382.654)	(2.286.589)	(4.845.345)	(9.945.719)
Salaries and wages	(193.965)	(326.966)	(1.001.434)	(1.787.440)
Vacation	(43.035)	(70.101)	(109.846)	(176.929)
13th salary	(39.610)	(42.400)	(92.051)	(166.115)
Labor indemnities	(43.240)	(43.240)	(68.294)	(155.157)
Fgts	(30.968)	(67.945)	(98.289)	(190.160)
Inss	(65.763)	(86.207)	(740.106)	(1.015.321)
Third party Services	(808.165)	(4.031.728)	(12.020.477)	(24.540.753)
Other costs	(210.293)	(659.924)	(1.540.088)	(3.211.456)
Technical Services	(1.515)	(24.588)	(68.402)	(75.786)
Feasibility of new projects	(3.713)	(79.387)	(99.166)	(234.313)
Electric power/water and sewage	(23.660)	(27.915)	(73.203)	(125.425)
Occupational medicine	(545)	(1.305)	(6.118)	(11.522)
Post-work expenditures	(295.532)	(295.532)		
Other personnel expenses	(29.596)	(79.138)	(103.526)	(224.218)
	(2.172.254)	(8.122.965)	(20.866.345)	(41.860.314)

	Consolidated			
	01/04/2019	01/01/2019	01/04/2018	01/01/2018
	a	a	a	a
	30/06/2019	30/06/2019	30/06/2018	30/06/2018
Applied material	(12.430.962)	(17.630.010)	(4.845.345)	(9.945.719)
Salaries and wages	(336.909)	(681.042)	(1.001.434)	(1.787.440)
Vacation	(45.985)	(107.766)	(109.846)	(176.929)
13th salary	(55.738)	(77.778)	(92.051)	(166.115)
Labor indemnities	(55.425)	(71.997)	(68.294)	(155.157)
Fgts	(50.636)	(127.659)	(98.289)	(190.160)
Inss	(124.741)	(274.431)	(740.106)	(1.015.321)
Third party Services	(19.543.578)	(32.990.232)	(12.020.477)	(24.540.753)
Other costs	(2.016.302)	(4.132.840)	(1.546.206)	(3.222.978)
Technical Services	(106.965)	(233.536)	(68.402)	(75.786)
Feasibility of new projects	(23.665)	(191.482)	(99.166)	(234.313)
Electric power/water and sewage	(92.543)	(312.425)	(73.203)	(125.425)
Post-work expenditures	(1.739.879)	(1.739.879)		
Other personnel expenses	(189.902)	(301.875)	(103.526)	(224.218)
	<u>(36.813.230)</u>	<u>(58.872.952)</u>	<u>(20.866.345)</u>	<u>(41.860.314)</u>

18.2 Sales Expenses

	Controller			
	01/04/2019	01/01/2019	01/04/2018	01/01/2018
	a	a	a	a
	30/06/2019	30/06/2019	30/06/2018	30/06/2018
Commissions	(357.257)	(1.138.023)	(367.140)	(734.199)
Advertising and publicity	(578.511)	(1.097.124)	(228.456)	(431.980)
Sales Stand	(379.016)	(1.304.769)	(78.67)	(166.883)
Consulting Services	(546.947)	(1.205.496)	(801.360)	(1.881.751)
Other commercial expenses	(522.132)	(658.222)	(18.348)	(26.490)
	<u>(2.383.863)</u>	<u>(5.403.634)</u>	<u>(1.415.304)</u>	<u>(3.241.303)</u>

	Consolidated			
	01/04/2019	01/01/2019	01/04/2018	01/01/2018
	a	a	a	a
	30/06/2019	30/06/2019	30/06/2018	30/06/2018
Commissions	(1.474.860)	(2.694.156)	(367.140)	(734.199)
Advertising and publicity	(1.395.318)	(2.097.763)	(228.456)	(431.980)
Sales Stand	(913.648)	(1.943.656)	(78.67)	(166.883)
Consulting Services	(552.452)	(1.217.166)	(801.360)	(1881.751)
Other commercial expenses	(789.740)	(895.253)	(18.348)	(26.490)
	<u>(5.126.018)</u>	<u>(8.847.994)</u>	<u>(1.415.304)</u>	<u>(3.241.303)</u>

18.3 General and administrative expenses

	Controller			
	01/04/2019	01/01/2019	01/04/2018	01/01/2018
	a	a	a	a
	30/06/2019	30/06/2019	30/06/2018	30/06/2018
Personnel expenses	(2.037.038)	(3.550.899)	(969.115)	(1.085.095)
Legal assistance	(196.700)	(291.930)	(140.400)	(140.400)
Financial Administrative Management	(22.564)	(78.870)	(2.014)	(2.049)
Rents	(6.960)	(129.900)	(5.000)	(31.835)
Conservation of machines	(221.006)	(484.521)	(155.591)	(338.591)
General Insurance	(134.136)	(253.296)	(94.473)	(189.593)
Fuels and lubricants	(285.281)	(557.548)	(199.300)	(399.302)
Depreciation and amortization	(758.084)	(1.385.210)	(436.987)	(870.559)
Office Supplies	(154.773)	(369.039)	(96.099)	(162.134)
Travel and stays	(212.438)	(279.653)	(178.583)	(274.014)
Bonuses	(88.616)	(894.554)	(265.127)	(346.101)
Real Estate Conservation	(121.005)	(322.388)	(240.347)	(508.816)
Third party Services	(299.921)	(471.803)	(90.950)	(173.648)
Other general expenses	(425.342)	(803.183)	(1.090.440)	(1.271.495)
Post - work maintenance expenses	-	(128.546)	(743.592)	(1.740.608)
	<u>(4.963.865)</u>	<u>(10.001.341)</u>	<u>(4.708.018)</u>	<u>(7.534.240)</u>

	Consolidation			
	01/04/2019	01/01/2019	01/04/2018	01/01/2018
	a	a	a	a
	30/06/2019	30/06/2019	30/06/2018	30/06/2018
Personnel expenses	(2.840.130)	(4.641.177)	(969.115)	(1.085.095)
Legal assistance	(196.700)	(292.180)	(140.400)	(140.400)
Financial Administrative Management	(26.814)	(86.409)	(2.014)	(2.049)
Rents	(6.960)	(172.260)	(5.000)	(31.835)
Conservation of machines	(221.006)	(487.181)	(155.591)	(338.591)
General Insurance	(214.941)	(397.129)	(94.473)	(189.593)
Fuels and lubricants	(286.067)	(558.344)	(199.300)	(399.302)
Depreciation and amortization	(760.853)	(1.385.210)	(436.987)	(870.559)
Office Supplies	(162.279)	(402.216)	(96.099)	(162.134)
Travel and stays	(212.438)	(280.830)	(178.583)	(274.014)
Bonuses	(114.665)	(922.224)	(265.127)	(346.101)
Real Estate Conservation	(121.835)	(370.985)	(240.347)	(508.816)
Third party Services	(356.946)	(545.467)	(90.950)	(173.648)
Other general expenses	(623.605)	(955.084)	(1.090.440)	(1.271.495)
Post - work maintenance expenses	-	(128.546)	(743.592)	(1.740.608)
	<u>(6.145.239)</u>	<u>(11.625.242)</u>	<u>(4.708.018)</u>	<u>(7.534.240)</u>

18.4 Other Operating expenses

	Controller			
	01/04/2019	01/01/2019	01/04/2018	01/01/2018
	a	a	a	a
	30/06/2019	30/06/2019	30/06/2018	30/06/2018
Post-work expenses (a)	(3.286.389)	(3.286.389)	-	-
PROPERTY TAX	(515)	(33.699)	(139)	(29.053)
Ipva	(212)	(514)	-	(14.410)
ITBI	-	-	(335.101)	(918.971)
Miscellaneous taxes and fees	(329.433)	(709.748)	(11.948)	(138.284)
IOF	(190.477)	(351.225)	(66.663)	(131.213)
PIS on application yield	(7.060)	(13.150)	-	-
COFINS on application yield	(43.448)	(180.925)	-	-
Tax expense Recovery	194.356	194.356	-	-
	<u>(3.663.178)</u>	<u>(4.381.294)</u>	<u>(413.851)</u>	<u>(1.231.931)</u>

Consolidated			
01/04/2019	01/01/2019	01/04/2018	01/01/2018

	a	a	a	a
	30/06/2019	30/06/2019	30/06/2018	30/06/2018
Post-work expenses (a)	(3.286.389)	(3.286.389)	-	-
PROPERTY TAX	(3.667)	(37.157)	(139)	(29.053)
Ipva	(212)	(1598)	-	(14.410)
ITBI	-	-	(335.101)	(918.971)
Miscellaneous taxes and fees	(363.600)	(784.751)	(11.948)	(138.284)
IOF	(204.703)	(452.415)	(66.663)	(131.213)
PIS on application yield	(7.060)	(13.151)	-	-
COFINS on application yield	(43.448)	(180.925)	-	-
Other	-	(810)	-	-
Tax expense Recovery	194.356	194.356	-	-
	<u>(3.714.722)</u>	<u>(4.562.839)</u>	<u>(413.851)</u>	<u>(1.231.931)</u>

(a) Extraordinary expenses incurred with the Park Jardim Norte project, referring to Municipal road counterparts.

19 - NET financial result

	Controller			
	01/04/2019	01/01/2019	01/04/2018	01/01/2018
	a	a	a	a
	30/06/2019	30/06/2019	30/06/2018	30/06/2018
<u>Financial revenue</u>				
Rec. Financial application	1.053.850	2.202.226	510.857	696.353
Interest and passive commissions	-	-	56.011	64.498
Discount obtained	22.040	60.029	-	9
Interest and Fine received	-	5.000	-	-
Other recipes	686.030	761.249	-	-
Total Financial revenues	<u>1.761.921</u>	<u>3.028.505</u>	<u>566.868</u>	<u>760.860</u>

<u>Financial expenses</u>				
Bank Charges	(366.277)	(648.014)	(550.376)	(900.429)
Interest and passive commissions	(706)	(231.306)	(81.534)	(162.951)
Interest and monetary correction	-	-	-	(61.218)
Expenditure on financing	(2.489.434)	(4.538.820)	(2.035.803)	(3.101.455)
Fines	(123.541)	(347.881)	(8.602)	(32.237)
Total Financial expenses	(2.979.958)	(5.766.021)	(2.676.315)	(4.013.736)
NET financial result	<u>(1.023.681)</u>	<u>(2.543.160)</u>	<u>(2.109.447)</u>	<u>(3.252.876)</u>

	Consolidated			
	01/04/2019	01/01/2019	01/04/2018	01/01/2018
	a	a	a	a
	30/06/2019	30/06/2019	30/06/2018	30/06/2018
<u>Financial revenues</u>				
Rec. Financial application	1.089.817	2.249.154	510.857	696.353
Interest and passive commissions	-	-	56.011	64.498
Discount obtained	325.816	370.606	-	9
Interest and Fine received	-	5.000	-	-
Other recipes	794.504	869.721	-	-
Total Financial revenues	2.210.137	3.494.481	566.868	760.860
<u>Financial expenses</u>				
Bank Charges	(682.903)	(1.014.120)	(550.376)	(900.429)
Interest and passive commissions	(706)	(233.275)	(81.534)	(162.951)
Interest and monetary correction	-	-	-	(61.218)
Expenditure on financing	(2.490.316)	(4.541.635)	(2.035.803)	(3.101.455)
Fines	(194.040)	(466.986)	(8.602)	(32.237)
Total Financial expenses	(3.367.965)	(6.256.016)	(2.676.315)	(4.013.736)
Financial result	(963.471)	(2.567.178)	(2.109.447)	(3.252.876)

20 - Risk management and financial instruments

The company participates in operations involving financial assets and liabilities in order to manage the available financial resources generated by the operation. The risks associated with these instruments are managed through conservative strategies, aiming at liquidity, profitability and safety. The assessment of these financial assets and liabilities in relation to market values was elaborated through available information and appropriate evaluation methodologies. However, the interpretation of market data and evaluation methods require considerable judgment and estimates to calculate the most appropriate achievement value. As a consequence, the estimates presented may diverge if different hypotheses and methodologies were used.

The accounting values of financial assets and liabilities segregated by category are as follows:

	Hierarchy	Controller		Consolidated	
		Amortized cost	Fair value by Result	Amortized cost	Fair value by Result
<u>Active</u>					
Cash and cash equivalents	Level 2	46.804.423	-	62.127.009	-
Financial Investments (TVM)	Level 2		19.387.107		19.387.107
Customers by incorporation of real estate	Level 2	16.705.892	-	40.315.915	-
<u>Liabilities</u>					
Suppliers, advances of customers, obligations with third parties, and other accounts payable		40.831.099	-	42.350.270	-
Loans, financing and debentures	Level 2	121.786.564	-	143.196.499	-

Fair value Hierarchy

- Level 1 — uses observable (unadjusted) prices for identical instruments in active markets, which the company may have access to on the measurement date;
- Level 2 — uses observable prices in active markets for similar instruments, observable prices for identical or similar instruments in non-active markets and valuation models for which inputs are observable. And
- Level 3 — instruments whose significant inputs are not observable. The company does not have financial instruments in this classification.

The management understands that the financial instruments represented above, which are recognized in the interim accounting information for their accounting values, do not present significant variations in relation to the respective values of Markets, because:

- The contracted rates of loans, financings and debentures for similar transactions are close to the interest rates currently practiced on the market, and/or;
- The maturity of a substantial portion of the balances takes place on dates close to the balance sheet.

The main risk factors inherent to the company's operations are as follows:

20.1.Capital cliff

The group manages its capital to ensure that the companies belonging to it can continue with its normal activities, while maximizing the return to all stakeholders or involved in its operations, by optimizing the balance of Debt and equity.

The group is not subject to any external requirements on capital.

The administration periodically revises the group's capital structure. As part of this review, the management considers the cost of capital, the liquidity of the assets, the risks associated with each capital class and the degree of indebtedness of the group.

20.2.Market Risco

Market risk is the risk that the fair value of future cash flows of a financial instrument fluctuate due to variations in market prices.

Our financial instruments affected by market risk include financing payable and financial investments.

20.3. Interest rate risk

On June 30, 2019, the group is marginally exp The risk of interest rates, as shown below:

Type Operation	Indexer	Risk	Controller	Consolidated
Financial Investments	Cdi	CDI/Selic High	66.942.615	71.830.303
Loans, financing and debentures	Cdi	CDI/Selic High	(71.087.168)	(71.087.168)
Liquid exposure			(4.144.553)	743.135

Sensitivity analysis

On the closing date of the period, based on expectations disclosed by the "newsletter Focus" of the Central bank, the administration estimated a probable scenario of variation of the interest rates of its financial liabilities between the CDI and Selic rates in 6,32% at Year, for considering that the rates are marketinglogically equivalent. Such rates were stressed in 25% and 50%, serving as a parameter for the possible and remote scenarios, respectively.

	<u>Indexer</u>	<u>Controller</u>	<u>Probable scenario</u>	<u>Scenario A 25%</u>	<u>Scenario B 50%</u>
Financial Investments	Cdi	66.942.615	71.173.388	72.231.082	73.288.775
Loans, financing and debentures	Cdi	<u>(71.087.168)</u>	<u>(75.579.877)</u>	<u>(76.703.054)</u>	<u>(77.826.232)</u>
Liquid exposure		(4.144.553)	<u>(4.406.489)</u>	<u>(4.471.972)</u>	<u>(4.537.457)</u>
Annual effect on carton, liquid			(261.936)	(327.420)	(392.904)

20.4.Credit Risko

The credit risk is the risk that the counterparty of a business does not comply with its obligations under a financial instrument or contract with customer, which would lead to financial loss.

The company understands that it is not exposed to credit risk in its operational activities, especially with respect to customers by real estate incorporation, depending on the sales of housing units are financed (by institutions Financial statements) attributed to the governmental program my House my life.

20.5.Liquidity cliff

The liquidity risk is related to the immediate availability of cash in the face of dismarriages of deadlines or values of the rights and obligations envisaged.

The company's liquidity risk management focuses on prevention, control and monitoring capable of identifying situations or problems that may in some way compromise its economic and financial equilibrium.

The company monitors the risk of resource shortages through a recurring liquidity planning tool.

The company's goal is to maintain the balance between the continuity of resources and the flexibility through guaranteed accounts, bank loans, financing and debentures.

On June 30, 2019 the liquidity index can be presented as:

	<u>30/06/2019</u>	<u>31/12/2018</u>
Loans, financing and debentures	143.196.499	98.791.756
Cash, cash equivalents and financial investments	<u>(85.625.507)</u>	<u>(89.168.480)</u>
Net debt	<u>57.570.992</u>	<u>9.623.276</u>
Equity	58.356.783	49.571.692
Net debt/shareholders ' equity	<u>0,99</u>	<u>0,19</u>

21 - Net earnings per share

As required by technical pronouncing CPC 41 – result per share, the result per share was calculated based on the result of the fiscal year attributable to the shareholders of the parent company in period of three and six months ended on 30 June 2019 and the respective weighted average quantity of common shares, nominative and without nominal value of the company in circulation in this periods, compared with these periods ended on June 30, 2018, as shown in the table below.

	Controller			
	01/04/2019 a 30/06/2019	01/01/2019 a 30/06/2019	01/04/2018 a 30/06/2018	01/01/2018 a 30/06/2018
Net income for the period attributable to the shareholders of the parent company	4.375.550	11.149.452	8.024.860	16.390.570
Average quantity of shares in circulation	50.972.920	50.972.920	20.389.168	20.389.168
Result per basic and diluted action	<u>0,0858</u>	<u>0,2187</u>	<u>0,3936</u>	<u>0,8039</u>

22 - Insurance

The company adopts the policy of hiring insurance coverage for the goods subject to risk, by amounts considered by the administration as sufficient to cover any claims, considering the nature of its activity. The policies are in place and the prizes have been duly paid. On 30 June 2019, the company maintains the following main insurance contracts:

- a) Engineering Risk: It aims to reimburse the insured in cases of claims caused by design error and/or execution, at the maximum value calculated on the basis of the budgeted cost of the work, within the time stipulated for execution, characteristics of the construction and The company's rating with the insurer.
- b) Guarantee of end of work: aims to guarantee the borrower (or the financial institution) the resource to conclude the undertaking in case of impediment of the contractor to do so, at the maximum value calculated on the basis of budgeted cost of the work, within stipulated for execution, characteristics of the construction and surroundings, and in the rating of the contractor with the insurer.
- c) Post-Delivery Guarantee: It aims to guarantee to the purchaser (customer) the necessary remedy in the case of corrective maintenance, after the delivery of the keys, if the contractor denies doing so within the legal deadlines, at the maximum value calculated on the basis of Budgeted cost of the work, within the stipulated deadline for execution, characteristics of the construction and surroundings, and the rating of the contractor with the insurer.

- d) Automobiles and Trucks: It aims to reimburse, up to the maximum limit of the insured amount in the value 100% of THE FIPE table, referring to the hull cover for all assets.
- e) Transport Insurance: The company has transport insurance, with coverage of its materials, inputs and equipment, whose registration is monthly, based on the value transported;
- f) Other insurance: It aims to reimburse, up to the maximum limit of the insured importance the value of replenishment of the goods; the company has Patrimonial insurance, with coverage of various risks of its facilities.

23 - Information by Segment

The activities developed by the company are basically divided into incorporation, construction and commercialization of own or third-party properties. The development and construction of the undertakings are carried out directly by the company or its subsidiaries.

The company's management understands that the activities carried out by the company and its subsidiaries are a single business segment. Thus, the group management considers a single operational segment and a single reporting entity for analysis and decision-making.

24 - Transactions not cash

The company carried out the following investment and financing activities not involving cash and cash equivalents and therefore are not reflected in the statement of cash flows:

	<u>30/06/2019</u>	<u>31/12/2018</u>
Acquisition of assets against suppliers	7.700.000	-
Recognition of right to use leases	93.719	

**STATEMENT BY OFFICERS ON THE INDIVIDUAL AND CONSOLIDATED
INTERIM FINANCIAL INFORMATION**

In compliance with the provisions of article 25, paragraph 1, items V and VI, the Instruction of the Brazilian Securities Commission No. 480/09, of December 7, 2009, the Executive Board declares that it has reviewed, discussed and agreed with the interim accounting information (Parent Company and Consolidated) relating to the three- and six-month periods ending on June 30, 2019.

Juiz de Fora, August 15, 2019

Neylson de Oliveira Almeida
CEO

STATEMENT BY THE DIRECTORS ON THE INDEPENDENT AUDITOR'S REPORT

In compliance with the provisions set forth in article 25, paragraph 1, items V and VI, of the Instruction of the Brazilian Securities Commission No. 480/09, of December 7, 2009, the Executive Board declares that it has reviewed, discussed and agreed with the opinion expressed in the Independent Auditors' report, dated August 15, 2019, regarding the interim accounting information (Parent Company and Consolidated) for the three- and six-month periods ending on June 30, 2019.

Juiz de Fora, August 15, 2019.

Neylson de Oliveira Almeida
CEO