

Inmobiliaria

Vinte



Earnings
Release

1Q19

VINTE INCREASED ITS INVESTMENTS BY 30.6% OVER THE LAST TWELVE MONTHS, IN LINE WITH ITS 2018 & 2019 BUSINESS PLAN

Mexico City, Mexico, April 12, 2019. – Vinte Viviendas Integrales S.A.B. de C.V. (BMV: VINTE), a leading home builder in the development and commercialization of sustainable homes in Mexico, announced today its earnings results for the first quarter 2019. The figures presented in this report are expressed in nominal Mexican pesos, are based on internal and non-audited financial statements, prepared in accordance with IFRS and current interpretations (including the adoption of IFRS 16, which became applicable as of year 2019), and may include minor differences due to rounding.

1Q19 HIGHLIGHTS

- ✦ Over the last twelve months, Vinte increased its investments by 30.6%, led to growths of 20.0%, 17.4% and 22.0%, in Consolidated Revenue, EBITDA and Net Income, respectively, during 1Q19.
- ✦ In 2018, the Company invested over Ps.3,350 million to strengthen its land bank, as well as deployed these resources in construction, urbanization and infrastructure. Furthermore, additional Ps.694 million were invested in 1Q19, given the certainty that prevails in the Mexican housing sector.
- ✦ Profitability remained stable as LTM net margin stood at 14.9% (positively compared to full-year 2018), since we continued to follow an investment strategy focused on highly profitable projects. In this sense, ROE improved from 17.9% in 1Q18 to 19.0% this quarter (+110 bps.), thus representing a strong incentive for further investments.
- ✦ Separately, this quarter's cash flow generation was positive, by Ps.34 million, vs. the negative Ps.113 million and Ps.166 million registered in 1Q18 and 1Q16, respectively, derived from the 17.4% growth achieved in EBITDA during 1Q19. This positive performance is in line with our Business Plan outlined at the end of last year. As of today, the Company's land bank represents over 37 thousand land plots for units' development, along the next 6.8 years.
- ✦ Before this context, the participation of subsidized units in Vinte's housing mix was nil, vs. the 2.0% registered in 4Q18, thus reflecting the strength that our operating flexibility provides us, as our business model is designed to adapt to the different conditions that may prevail in the housing demand. Furthermore, during the quarter we were able to fully tap into the dynamism of the Mexican Federal Institute for Worker's Housing (*Instituto del Fondo Nacional de la Vivienda para los Trabajadores* – "Infonavit") and the Institute for Social Security and Services for State Workers (*Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado* – "Fovissste"), as these institutions originated mortgage loans for its affiliates on an uninterrupted manner, thus generating certainty for the sector, just as commercial banks did, by implementing more competitive mortgage rates.
- ✦ As of quarter-end, the level of indebtedness, measured as Net Debt / EBITDA and Net Debt / Stockholders' Equity, recorded a slight sequential decrease, from 2.21 and 0.59 times to 2.16 and 0.58 times, respectively. It is important to note that 100% of Vinte's debt is denominated in Mexican Pesos with an average maturity of 6.0 years. This improvement provides us solid investment certainty for the following years.
- ✦ Gross pre-sales increased by 12.0% YoY in 1Q19; highlighting a 54% growth recorded in homes with an average price between Ps.900 thousand and Ps.3.9 million. Likewise, net pre-sales recorded a 15.4% annual growth.

FINANCIAL STATEMENT SUMMARY

Income Statement						
(MXN million)	1Q19	1Q18	Δ%	LTM 1Q19	LTM 1Q18	Δ%
Homes (units)	924	780	18.5%	4,685	4,324	8.3%
Average Sale Price (thousands)	805.3	771.3	4.4%	709.6	693.4	2.3%
Revenue	776	647	20.0%	3,531	3,154	11.9%
Cost of Sales (non-interest bearing)	522	428	22.0%	2,324	2,076	11.9%
Gross Profit	254	218	16.3%	1,208	1,078	12.0%
Gross Margin	32.7%	33.8%	(1.1 pp.)	34.2%	34.2%	-
SG&A and other expenses	83	73	14.1%	420	351	19.5%
EBITDA	171	146	17.4%	788	727	8.4%
EBITDA Margin	22.0%	22.5%	(0.5 pp.)	22.3%	23.0%	(0.7 pp.)
Depreciation and amortization	9	6	60.2%	29	21	35.9%
CFR	28	29	(5.2%)	126	140	(10.1%)
Interest in Joint Ventures	0.4	0.3	38.7%	4	(5)	Loss to Profit
Earnings Before Tax (EBT)	135	111	21.2%	637	560	13.7%
EBT Margin	17.4%	17.2%	0.2 pp.	18.0%	17.8%	0.2 pp.
Income Tax	26	22	18.1%	109	114	(3.7%)
Net Income	108	89	22.0%	528	447	18.2%
Net Margin	14.0%	13.7%	0.3 pp.	14.9%	14.2%	0.7 pp.

Financial Ratios	Mar. 2019	Mar. 2018	Balance Sheet (MXN million)	Mar. 2019	Dec. 2018	Δ%	Δ
ROE	19.0%	17.9%	Cash & Cash Equivalents	367	330	11.4%	37
ROIC	18.8%	20.7%	Inventory	5,581	5,410	3.2%	172
Interest Coverage	6.24x	5.17x	Gross Debt	2,073	2,017	2.7%	55
Gross Debt / EBITDA	2.63x	1.94x	Net Debt	1,705	1,687	1.1%	18
Net Debt / EBITDA	2.16x	1.56x	Total Liabilities	3,661	3,557	2.9%	104
Total Liabilities / Equity	1.24x	1.02x	Stockholders' Equity	2,941	2,849	3.3%	93
Net Debt / Equity	0.58x	0.43x					
Working Capital Turnover	0.70x	0.76x					
LTM EBITDA per home sold	168k	168k					
LTM Net Income per home sold	113k	103k					

MESSAGE FROM THE CHAIRMAN

Under a propitious environment, featured by a solid origination of mortgage loans from the national housing institutes, for a presidential term kick-off, on February and March we were able to consolidate the pre-sales and homes sold growth trend that we had been showing since January. In this context, we recorded a double-digit growth rate in all our P&L lines, alongside a positive free cash flow generation.

The substantial investments deployed during 2018 are yielding positive results at the beginning of year 2019. Separately, Consumer confidence lies for second time at historical highs since April 2006. In this sense, our business model based on the development of sustainable communities continues contributing to the Company's revenue stability.

The operational flexibility provided by Vinte's business structure enabled us, once again, to quickly realign our housing offering towards the most demanded products in our communities; thus significantly increasing the sales of prototypes in the price range between Ps.700 thousand and Ps.1 million.

Before these facts, 1Q19 stands out as one of the most solid starts of year for Vinte's operating story, boosted by the maturity progress in the different stages of its 17 sustainable projects, throughout 6 states of Mexico that count on a vibrant housing demand.

Next April the 30th we will hold our Annual Shareholders Meeting, where we will propose, among other relevant subjects, a Subscription of Shares, to continue fueling our growth in a sustainable and healthy fashion. For us, it is very important to involve the majority of our current shareholders, in order to take inclusive decisions.

Sergio Leal Aguirre,
Chairman and CEO

ESG Rating



Sustainalytics ESG Rank	ESG Score
Vinte	51
Toll Brothers	51
Pulte	50
DR Horton	45
NVR	43
Lennar	41

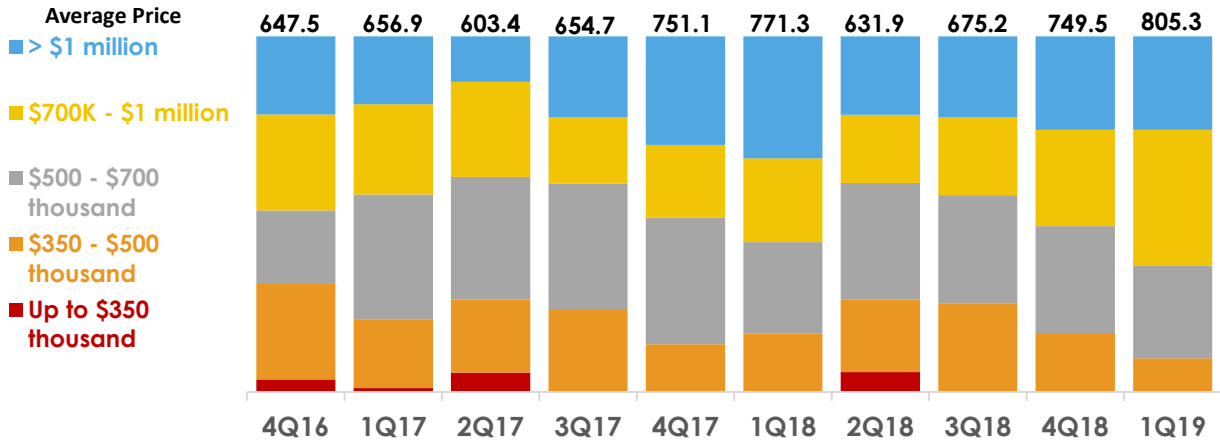
- ✦ This week we obtained our ESG rating by Sustainalytics; surpassing the level achieved by prominent American homebuilders.

OPERATING RESULTS

HOMES SOLD REVENUE BREAKDOWN

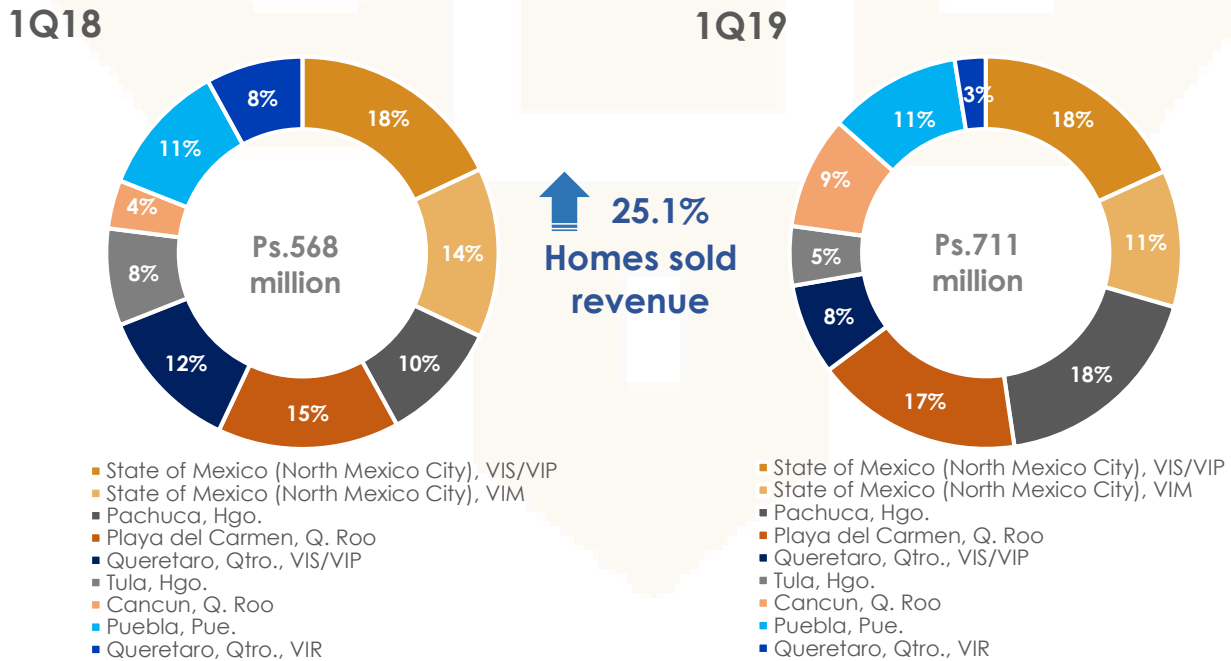
By segment:

Average Sale Price and Housing Mix (MXN thousands, %)

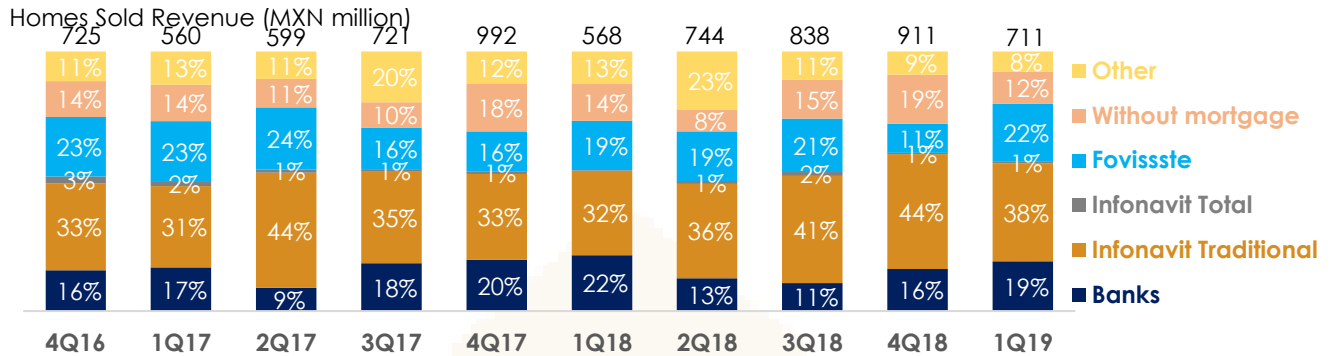


As a result of a higher participation of prototypes with a price range between Ps.700 thousand and Ps.1 million in the sales mix, 1Q19 average price reached a new all-time high level, above the Ps.800 thousand mark; benefiting from our high operating flexibility, which allows us to quickly concentrate at the most demanded segments of our target market.

By market:

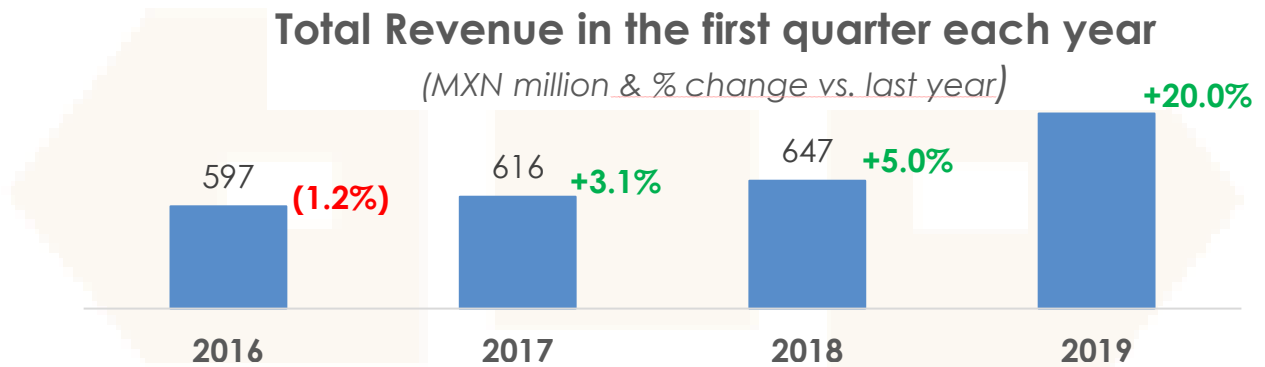


By financing:

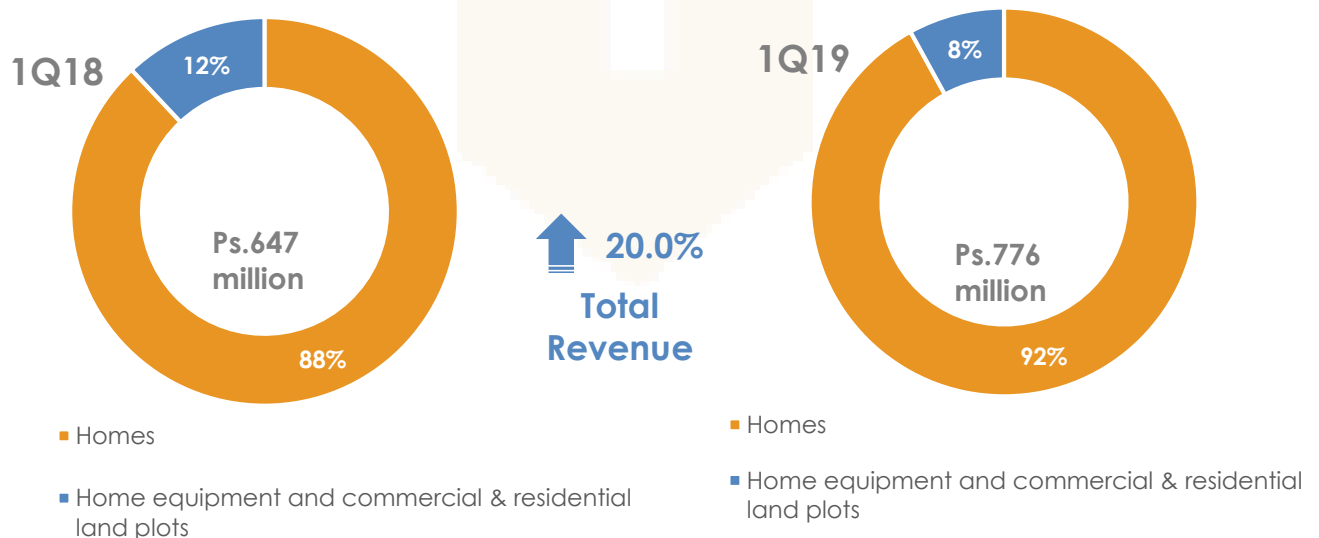


During 1Q19, revenue per titled unit using Infonavit Traditional credit represented 38% of the total homes sold revenue, vs. 32% registered in 1Q18, due to the continuous credit support that this institution has provided to its affiliates. On the other hand, Fovissste doubled its participation, from 11% to 22% on a quarter-over-quarter basis, having a strong start of the presidential term in the performance of both entities. Meanwhile, commercial banking participation in homes sold revenue rose 3pp., from 16% in 4Q18 to 19% this quarter, as banks are seeking to be more competitive in the mortgage sector.

CONSOLIDATED TOTAL REVENUE

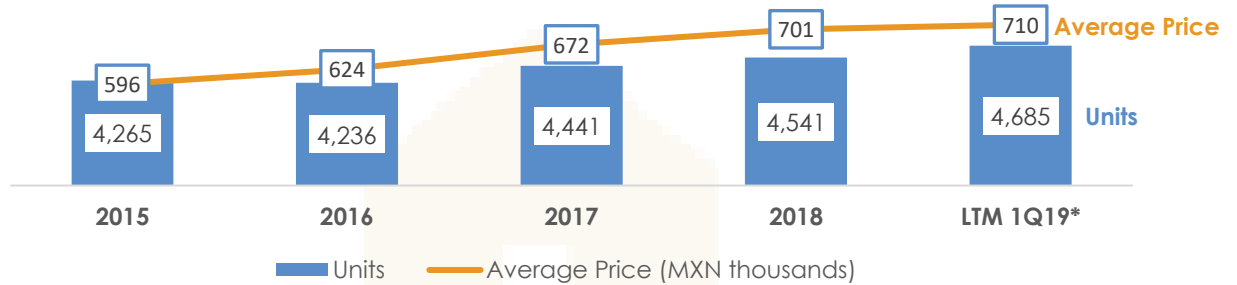


Total Consolidated revenue increased by 20.0% YoY, from Ps.647 million in 1Q18 to Ps.776 million this quarter, driven by the higher volume of homes sold (+18.5% YoY), which in turn was derived from the remarkable acceptance of our sustainable housing prototypes. 1Q19 was the first quarter (beginning of the year) with the highest growth in the last 4 years, hand in hand with the entry into office of the new federal government and the housing institutions.



During 1Q19, Homes sold revenue was Ps.711million, representing our main revenue stream (92% of the Total Consolidated Revenue), while the remaining 8% followed the sales of housing equipment and commercial & residential land plots, as well as construction services, amounted to Ps.66 million. Breaking down the last item, sales of housing equipment increased while sales of commercial and residential land plots decreased on an annual basis, since 1Q18 represented a high comparison base.

AVERAGE CONSOLIDATED PRICE

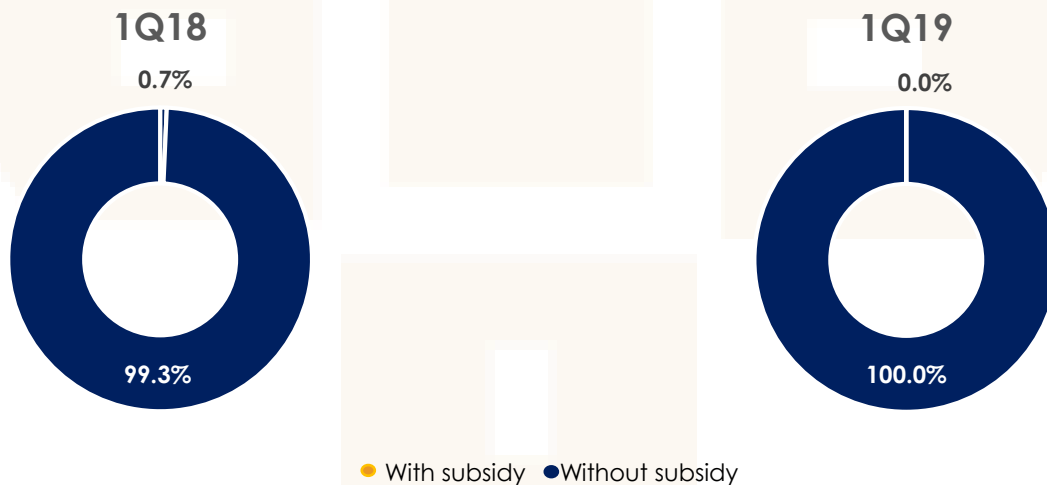


*Last twelve months

LTM average consolidated price at 1Q19, including revenue from home equipment, recorded a 2.3% annual growth rate, reaching Ps.710 thousand, compared to the Ps.805 thousand recorded in 1Q19, initial step of the annual growth in the average price that we expect to reach this year.

NON-DEPENDENCE ON SUBSIDIES

HOMES SOLD WITH SUBSIDIES



In 1Q19, the participation of titled homes with subsidies in the total revenue mix was nil, as the Company has not relied on subsidies to sell affordable entry-level homes.

FINANCIAL PERFORMANCE

INCOME STATEMENT

Gross Profit

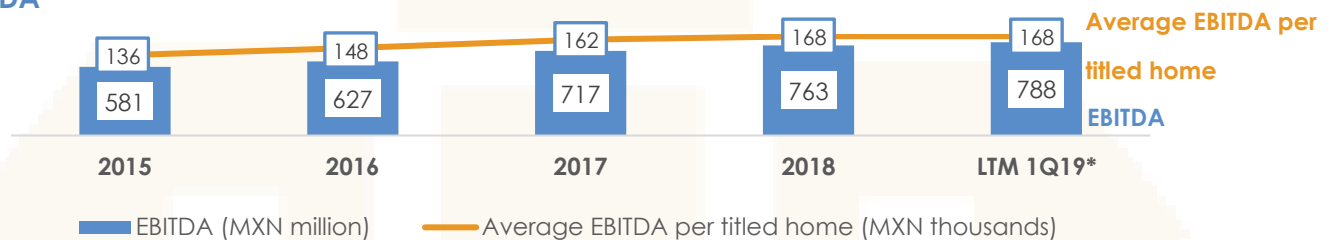
1Q19 Gross Profit amounted to Ps.254 million, recording a 16.3% annual growth, vs. the Ps.218 million of 1Q18. Gross Profit went from 33.8% in 1Q18 to 32.7% this quarter, a decrease of 1.1 pp., due to the improvements made in urban development and homes' construction, to continue enhancing our sustainable business model. These initiatives have not yet been reflected in the average sale price, although they resulted in a higher volume of homes sold.

It is worth to note that the Cost of Sales does not consider Ps.17 million and Ps.14 million, associated to capitalized interests on inventory during 1Q19 and 1Q18, respectively.

Selling, General and Administrative Expenses and Other Expenses

During the quarter, SG&A and Other Expenses totaled Ps.83 million, compared to the Ps.73 million recorded in the same period last year. However, the SG&A and Other Expenses to revenue ratio decreased 50 bps., from 11.2% in 1Q18 to 10.7% this quarter, following the economies of scale achieved with the 1Q19's Consolidated Revenue growth of 20%.

EBITDA



*Last twelve months

In 1Q19, EBITDA reached Ps.171 million, a 17.4% annual growth. Meanwhile, LTM EBITDA totaled Ps.788 million, an 8.4% annual increase. LTM average EBITDA per titled home was Ps.168 thousand, in line with its annual benchmark.

Comprehensive Financial Result (CFR):

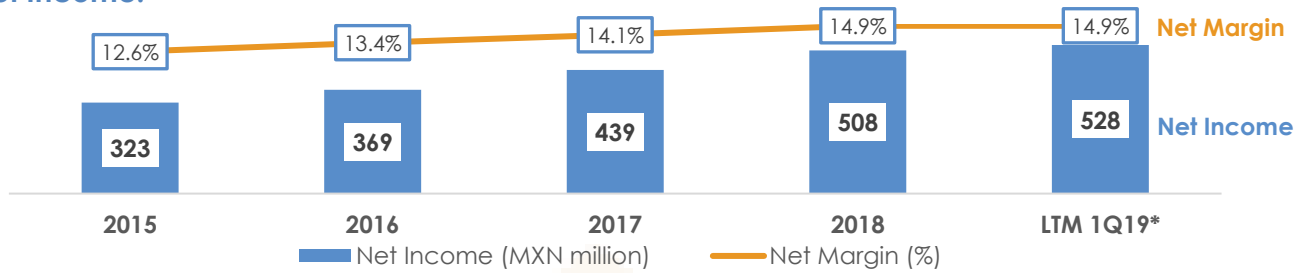
CONCEPT (MXN million)	1Q19	1Q18	Δ%
Capitalized interests	17	14	18.5
Interest Income	(7)	(3)	109.9
Financial Expenses	18	19	(2.5)
Total CFR	28	29	(5.2)
CFR to Revenue	3.6%	4.5%	(0.9 pp.)

During 1Q19, Comprehensive Financial Result (CFR) totaled Ps.28 million, down 5.2% vs. that of 1Q18, as a result of a higher interest income that offset the increase of capitalized interests and a 2.5% annual decrease in financial expenses. It is important to note that CFR to revenue ratio decreased by 90 bps., from 4.5% in 1Q18 to 3.6% in 1Q19. The Company plans to continue searching for sustainable funding through the issuance of "Vinte 19X" and "Vinte 19X-2", given the positive results obtained through the issuance of "Vinte 18X", carried out on last august.

Income Tax:

For the reporting period, Income Tax recorded Ps.26 million, a 18.1% increase when compared to the Ps.22 million in 1Q18. The effective tax rate of the Company for 1Q19 was 19.6%, decreasing 0.5 pp. when compared to the 1Q18 tax rate of 20.1%, due to the intensive investment activity of 2018.

Net Income:

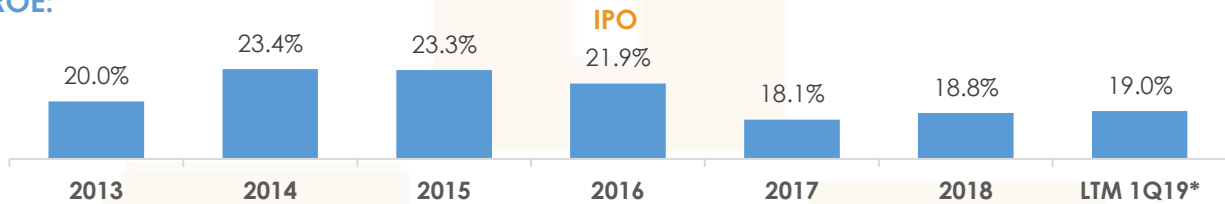


*Last twelve months

During 1Q19, Net Income totaled Ps.108 million, vs. Ps.89 million in 1Q18, recording a 22.0% annual growth, following the increase in total revenue. 1Q19 Net Margin increased by 30 bps., to 14.0%.

Separately, 1Q19 LTM Net Income was up by 18.2% YoY, reaching Ps.528 million. 1Q19 LTM Net Margin stood at 14.9%, remaining unchanged when compared to 2018.

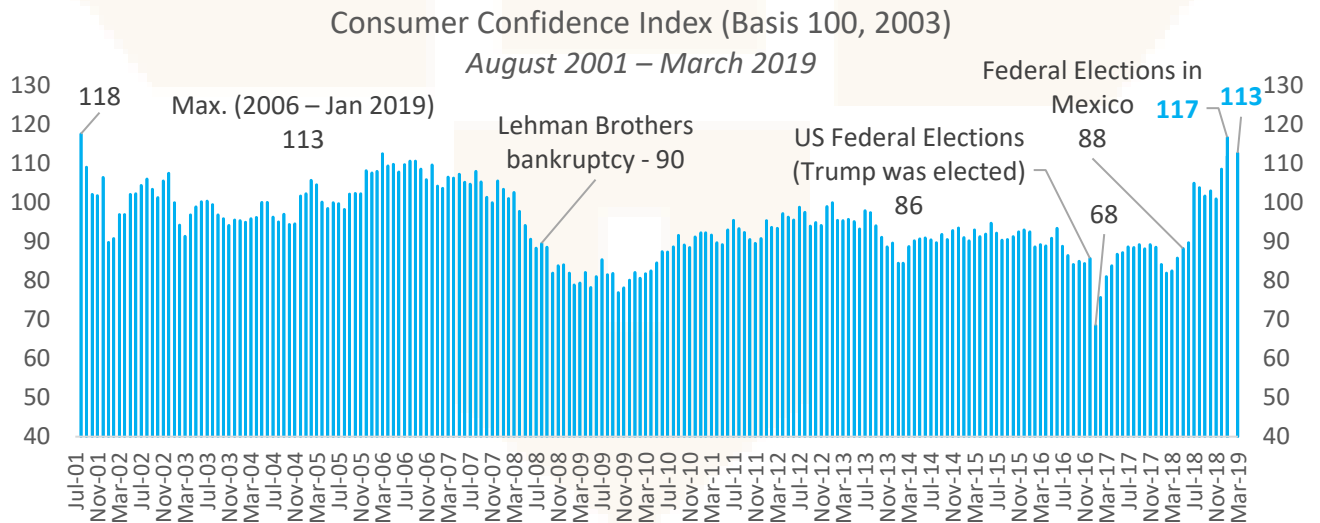
ROE:



*Last twelve months

As of quarter-end, ROE stood at 19.0%, increasing 110 bps. YoY, in line with Vinte's 2019 Plan.

Consumer Confidence Index in all-time high:



During 1Q19, the consumer confidence index reached an all-time high in February, and in March it recorded its second highest level for this month, since 2006.

STATEMENT OF FINANCIAL POSITION

Cash and Cash Equivalents:

Vinte seeks to maintain an available cash balance equal to 6 - 7 weeks of sales and financial expenses. We consider that this amount is an appropriate balance between the financial stability required to face any unpredicted contingency and the maximization of the use of Company's financial resources. As of quarter-end, cash and cash equivalents stood at Ps.367 million, increasing 35.0% and 11.4% when compared to the Ps.272 million registered in 1Q18 and the Ps.330 million in 4Q18, respectively. As of March 31, 2019, the cash balance was equivalent to 7.8 weeks of sales and financial expenses.

Remaining Inventories:

The inventory balance went from Ps.5,410 million as of December 31, 2018 to Ps.5,581 million as of quarter-end, growing by 3.3% YoY, in line with Vinte's 2019 Plan.

It is important to mention that Vinte's inventory is recorded at acquisition cost, therefore its market value tends to be higher, considering the inflationary effect since its acquisition and the homes' price appreciation that is presented at Vinte's developments.

Debt:

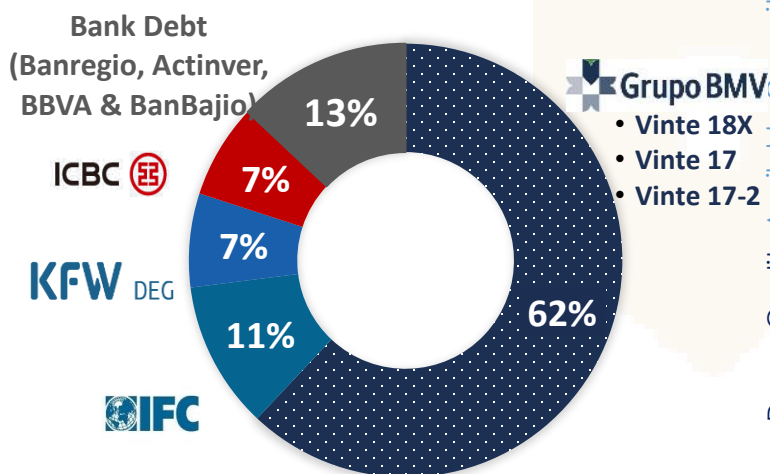
Concept (MXN million)	1Q19	4Q18	1Q18
Gross Debt	2,073	2,017	1,407
Net Debt	1,705	1,687	1,136

As of March 31, 2019, the Company's debt balance was Ps.2,110 million, and when discounting issuance costs according to IFRS, stood at Ps.2,073 million, up Ps.665 million versus 1Q18, following the use of Vinte 18X's raised proceeds and the use of credit lines for investments in sustainable housing developments over the last twelve months.

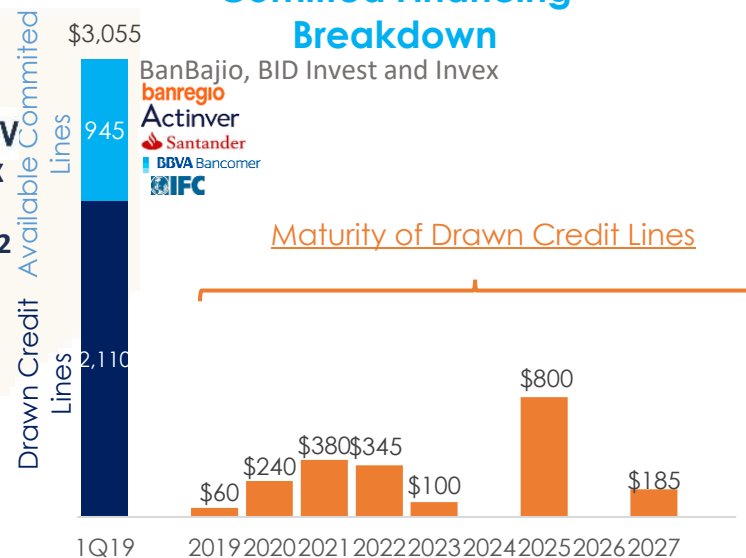
Vinte's total debt is 100% denominated in Mexican pesos, and as of the end of 1Q19, approximately, 55% of the Company's gross debt (67% in net debt terms) was contracted at a weighted average fixed rate of 9.7%.

Regarding our debt profile, the Company's maturities, for the remaining of 2019, totaled Ps.60 million. The average term of the debt stood at 6.0 years as of quarter-end.

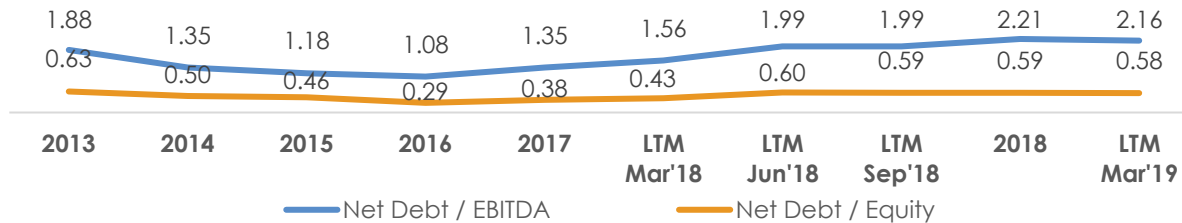
Debt Breakdown by Bank (Ps.2,110 million)



Comitted Financing Breakdown

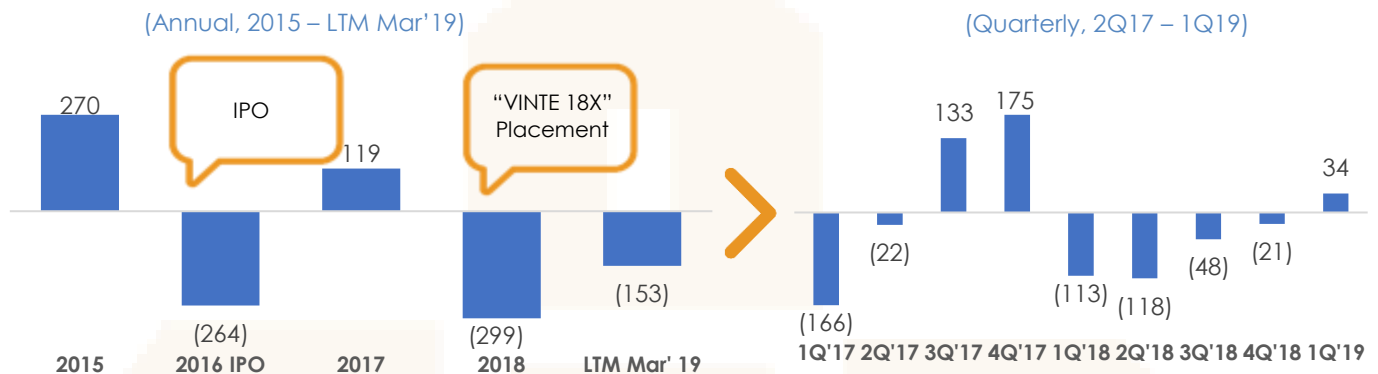


1Q19 indebtedness level, measured as Net Debt / EBITDA, was 2.16x, slightly lower vs. that of last quarter 2018, while Net Debt / Shareholders' Equity went from 0.59x in 4Q18 to 0.58x this quarter, in line with the Company's deleverage plan for 2019.



Free Cash Flow from Operation:

After completing our 2018 investment plan, the cash flow from operations, as of quarter-end, amounted to Ps.34 million, positively compared to the Ps.-113 million and Ps.-166 million recorded in 1Q18 and 1Q17, respectively.



ADDITIONAL INFORMATION

RECENT DEVELOPMENTS

- ✦ Recently the Company filed before the National Banking and Securities Commission (*Comision Nacional Bancaria y de Valores* – “CNBV”) for the potential issuance of 2 Green Bonds, “Vinte 19X” and “Vinte 19X-2”, scheduled both for June of this year, if market conditions are deemed favorable.
- ✦ On April 10, 2019, the Company received a letter of intent for a subscription of shares, for up US\$20 million, from an European development financial institution.
- ✦ On April 12, 2019, Vinte announced its invitation to its Annual Shareholders Meeting, to be celebrated on April the 30th, embracing the following points on the Meeting’s agenda:
 - Presentation of reports, including Audited Financial Statements and resolutions adopted by the Company’s Board of Directors, Committees and Chief Executive Officer.
 - Dividend payments for up to Ps.1.14 per share, approximately 42.4% of 2018 Net Income.
 - Report on the Company’s share buyback program during 2018 and the increase in the maximum amount of resources that may be used for this purpose, from Ps.100 million to Ps.200 million.
 - Approval of a capitalization of paid-in capital into the variable portion of the Company’s Capital Stock.
 - Approval of an increase in the Company’s capital stock, in its variable portion, for up to Ps.350 million, including a possible right of first refusal for current shareholders. This capital stock increase arises from the intention of a European development financial institution to carry out a capital investment in Vinte through a share subscription, with the objective of pushing forward the Company’s sustainable business model.

ANALYST COVERAGE

Institution	Analyst	Email	T.P.	Recommendation
Actinver	Ramon Ortiz Reyes	rortiz@actinver.com.mx	Ps.33.00	Buy
UBS	Marimar Torreblanca	marimar.torreblanca@ubs.com	Ps.32.00	Buy
Miranda GR	Martin Lara	martin.lara@miranda-gr.com	Ps.33.00	Buy

ABOUT VINTE

Vinte is a vertically integrated Mexican home builder with a clear focus on profitability. For more than 16 years it has been dedicated to developing sustainable housing complexes for low-, middle- and high- income families, focused on improving their quality of life, a commitment for which it has received multiple national and international awards. Vinte has developed more than 38 thousand homes across five states of Mexico, mainly in the center of the country, achieving a high level of loyalty amongst its clients and extensive brand recognition in the markets in which it operates. Vinte's highly-qualified management team has over 27 years of experience in the Mexican housing sector.

FORWARD LOOKING STATEMENTS

"This document contains certain statements related to the comprehensive overview of Vinte Viviendas Integrales (VINTE) regarding its activities to the present day. The information included in this document is a summary of information regarding VINTE which is not intended to cover all related information about VINTE. The information contained in this document has not been included to provide specific advice to investors. The statements contained herein reflect the current views of VINTE with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause future results, performance or achievements of VINTE be different from those expressed or implied by such forward looking statements, including, among others, economic or political changes and global business conditions, changes in exchange rates, the overall level of the industry, changes in housing demand, prices of raw materials, etc. If one or more of these risks occur, or should the underlying assumptions prove to be incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. VINTE does not intend nor assume any obligation to update the statements presented in this document."

CONFERENCE CALL



1Q19 CONFERENCE CALL

Date:
Friday, April 12th, 2019

Time:
12:00 p.m. (CST, Mexico City)
01:00 p.m. (EST, NYC)

Presenters:
Sergio Leal – CEO
Domingo Valdes – CFO
Gonzalo Pizzuto – Finance Team

Dial-in number:

USA / International:
Tel: +1-334-323-7224
Mexico:
Tel: +001-334-323-7224

Passcode:

VINTE

MP3 Recording:

Available 60 min. after the conference call at:
www.vinte.com



1Q19 earnings release date:

Thursday, April 11th, 2019
(after market close)

Additional information:

www.vinte.com
gonzalo.pizzuto@vinte.com
+52 (55) 5010-7360

VINTE VIVIENDAS INTEGRALES, S.A.B. DE C.V. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF MARCH 31ST, 2019 AND 2018
(THOUSANDS OF MEXICAN PESOS)

ASSETS	MAR 31, 2019	MAR 31, 2018	Δ%
CURRENT ASSETS:			
Cash, cash equivalents and restricted cash	367,228	271,923	35.0
Accounts receivable	244,560	238,232	2.7
Accounts receivable from Mayakoba Trust No CIB/2185	49,068	23,042	113.0
Inventory	2,634,460	2,664,708	(1.1)
Prepayments and other assets	99,093	116,842	(15.2)
TOTAL CURRENT ASSETS	3,394,409	3,314,748	2.4
NON-CURRENT ASSETS:			
Inventory	2,946,832	1,802,475	63.5
Prepayments	32,356	44,787	(27.8)
Property, plant and equipment	103,618	47,719	117.1
Investments in Trust and Joint Ventures	54,796	50,783	7.9
Other non-current assets	66,391	21,946	202.5
Long-term receivables from sale of commercial lots	3,660	4,776	(23.4)
TOTAL NON-CURRENT ASSETS	3,207,653	1,972,486	62.6
TOTAL ASSETS	6,602,062	5,287,233	24.9
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Current portion of long-term debt subscribed with financial institutions	90,000	110,000	(18.2)
Current portion of local notes (CEBURES)	-	-	-
Obligations secured by sales of future receivables contracts	91,362	57,698	58.3
Accounts payable to land suppliers	132,268	108,158	22.3
Accounts payable to suppliers	223,022	215,113	3.7
Dividends payable	-	-	-
Various creditors, subcontractors and other	221,810	130,051	70.6
Customer prepayments	96,218	90,856	5.9
Accumulated expenses and taxes	116,686	94,916	22.9
Income tax	4,920	7,221	(31.9)
Profit sharing payables	17,960	10,263	75.0
TOTAL CURRENT LIABILITIES	994,245	824,276	20.6
NON-CURRENT LIABILITIES:			
Long-term debt	710,356	806,913	(12.0)
Long-term local notes (CEBURES)	1,272,184	490,520	159.4
Accounts payable to land suppliers	88,641	-	-
Employee benefits	2,739	2,294	19.4
Deferred income tax	592,438	548,739	8.0
TOTAL NON-CURRENT LIABILITIES	2,666,358	1,848,465	44.2
TOTAL LIABILITIES	3,660,603	2,672,741	37.0
STOCKHOLDERS' EQUITY:			
Capital stock	862,281	862,281	-
Reserve for share repurchase	40,929	32,612	25.5
Retained earnings of previous years	1,929,895	1,630,770	18.3
Fiscal year performance	108,354	88,829	22.0
TOTAL STOCKHOLDERS' EQUITY	2,941,460	2,614,492	12.5
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	6,602,062	5,287,233	24.9

VINTE VIVIENDAS INTEGRALES, S.A.B. DE C.V. AND SUBSIDIARIES

STATEMENT OF CONSOLIDATED INCOME FOR THE THREE-MONTHS ENDED MARCH 31st, 2019 AND 2018
(THOUSANDS OF MEXICAN PESOS)

	1Q19	1Q18	Var.%
Homes sold (units)	924	780	18.5
Average sale price	805.3	771.3	4.4
REVENUE	776,107	646,503	20.0
Cost of Sales (non-interest bearing)	522,366	428,253	22.0
GROSS PROFIT	253,740	218,250	16.3
Gross margin	32.7%	33.8%	(1.1 pp.)
SG&A and other expenses	82,832	72,617	14.1
EBITDA	170,908	145,633	17.4
EBITDA margin	22.0%	22.5%	(0.5 pp.)
Depreciation and amortization	8,968	5,598	60.2
CFR	27,662	29,193	(5.2)
Interests in Joint Ventures	424	305	38.7
EARNINGS BEFORE TAXES	134,701	111,147	21.2
Earnings Before Taxes margin	17.4%	17.2%	0.2 pp.
ISR	26,347	22,318	18.1
NET INCOME	108,354	88,829	22.0
Net margin	14.0%	13.7%	0.3 pp.

VINTE VIVIENDAS INTEGRALES, S.A.B. DE C.V. AND SUBSIDIARIES

STATEMENT OF CONSOLIDATED CASH FLOW AS OF MARCH 31ST, 2019 AND 2018

(THOUSANDS OF MEXICAN PESOS)

	1Q19	1Q18	Δ%
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit (loss) before income tax	134,701	111,147	21.2
Adjusted for:			
Depreciation and amortization of intangible assets	8,968	5,598	60.2
Amortization of debt issuance costs	3,533	4,728	(25.3)
Asset retirement	-	-	-
Interests in Joint Ventures	(363)	(305)	18.9
Interest expense	5,508	28,560	(80.7)
Interest received	(4,331)	(2,688)	61.1
Sum	148,016	147,039	0.7
CHANGES IN WORKING CAPITAL:			
Decrease (increase) in accounts receivable	76,810	84,540	(9.1)
Decrease (increase) in inventory	(171,662)	(268,074)	(36.0)
Decrease (increase) in other accounts receivable and other current Assets	394	16,127	(97.6)
Increase (decrease) in suppliers	(82,771)	(53,768)	53.9
Increase (decrease) in other liabilities	(5,346)	1,167	(558.1)
Income tax paid or benefited	(22,403)	(7,397)	202.8
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(204,977)	(227,406)	(9.9)
Net cash flows from (used in) operating activities	(56,961)	(80,366)	(29.1)
CASH FLOWS FOR INVESTMENT ACTIVITIES:			
Investment in property, plant and equipment	(3,326)	(2,598)	28.0
Investments in Trusts and Joint Ventures	-	-	-
Advance payments	-	-	-
Payments for other assets	-	-	-
NET CASH FLOWS FROM (USED IN) INVESTMENT ACTIVITIES	(3,326)	(2,598)	28.0
CASH FLOWS FOR FINANCING ACTIVITIES:			
Increase in Capital	-	-	-
Increase in bank financing	648,016	480,040	35.0
Increase in debt bond issuances	-	-	-
Share repurchase	(15,474)	(19,330)	(19.9)
Decrease in bank financing	(595,016)	(330,000)	80.3
Obligations for sale of future collection rights contracts	66,983	(30,823)	(317.3)
Payment of obligations for sale of future collections rights contracts	-	-	-
Expenses for placement of debt instruments	(1,215)	(289)	320.3
Dividends paid	-	-	-
Interests paid	(5,508)	(28,560)	(80.7)
NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	97,786	71,038	37.7
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	37,500	(11,926)	(414.4)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	329,728	283,849	16.2
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	367,228	271,923	35.0