Contents

Company information / capital breakdown

Number of shares (in thousands)	Current quarter 09/30/2015
Paid-in capital	
Common shares	88,735
Preferred shares	0
Total	88,735
Treasury shares	
Common shares	0
Preferred shares	0
Total	0

Company information / cash proceeds

Event	Approval	Proceeds	Beginning of payment	Share type	Share class	Earnings per share (Reais / Share)
General Shareholders’ Meeting	04/24/2015	Dividend	05/14/2015	Common shares		0.39859
Board of Directors’ Meeting	06/15/2015	Interest on equity	06/29/2015	Common shares		0.10994
Board of Directors’ Meeting	06/29/2015	Interest on equity	06/29/2015	Common shares		0.06543
Board of Directors’ Meeting	08/03/2015	Dividend	08/27/2015	Common shares		0.10692

Individual financial statements / balance sheet – assets

(In thousands of reais)

Account Code	Account description	Current quarter 09/30/2015	Prior year 12/31/2014
1	Total assets	855,768	746,704
1.01	Current assets	559,883	501,203
1.01.01	Cash and cash equivalents	2,609	6,110
1.01.02	Short-term investments	188,042	189,554
1.01.02.01	Short-term investments measured at fair value	188,042	189,554
1.01.02.01.03	Short-term investments measured at fair value	188,042	189,554
1.01.03	Trade accounts receivable	293,370	239,147
1.01.03.01	Trade accounts receivable	293,370	239,147
1.01.04	Inventories	46,915	37,006
1.01.06	Taxes recoverable	8,370	20,773
1.01.06.01	Current taxes recoverable	8,370	20,773
1.01.08	Other current assets	20,577	8,613
1.01.08.03	Other	20,577	8,613
1.02	Noncurrent assets	295,885	245,501
1.02.01	Long-term receivables	64,546	36,477
1.02.01.03	Trade accounts receivable	13,807	0
1.02.01.03.01	Trade accounts receivable	13,807	0
1.02.01.06	Deferred taxes	4,937	2,429
1.02.01.06.01	Deferred income and social contribution taxes	4,937	2,429
1.02.01.08	Related-party receivables	38,689	28,486
1.02.01.08.02	Receivables from subsidiaries	38,689	28,486
1.02.01.09	Other noncurrent assets	7,113	5,562
1.02.01.09.04	Judicial deposits	5,702	5,242
1.02.01.09.05	Other receivables	1,411	320
1.02.02	Investments	152,766	133,617
1.02.02.01	Equity interests	152,766	133,617
1.02.02.01.02	Interest in subsidiaries	152,766	133,617
1.02.03	Property, plant and equipment	25,314	24,386
1.02.03.01	Property, plant and equipment in use	25,314	24,386
1.02.04	Intangible assets	53,259	51,021
1.02.04.01	Intangible assets	53,259	51,021
1.02.04.01.02	Trademarks and patents	3,329	2,812
1.02.04.01.03	Store use rights	1,078	1,078
1.02.04.01.04	Software use rights	48,852	47,131

Individual financial statements / balance sheet – liabilities and equity

(In thousands of reais)

Account Code	Account description	Current quarter 09/30/2015	Prior year 12/31/2014
2	Total liabilities	855,768	746,704
2.01	Current liabilities	199,122	122,517
2.01.01	Social and labor liabilities	15,940	13,447
2.01.01.01	Social liabilities	1,781	1,931
2.01.01.02	Labor liabilities	14,159	11,516
2.01.02	Trade accounts payable	93,771	64,368
2.01.02.01	Domestic Trade accounts payable	93,308	64,324
2.01.02.02	Foreign Trade accounts payable	463	44
2.01.03	Tax liabilities	9,797	3,504
2.01.03.01	Federal tax liabilities	9,712	3,497
2.01.03.01.01	Income and social contribution taxes payable	7,094	0
2.01.03.01.02	Other federal liabilities	2,618	3,497
2.01.03.02	State tax liabilities	78	1
2.01.03.03	Local tax liabilities	7	6
2.01.04	Loans and financing	75,706	37,266
2.01.04.01	Loans and financing	75,706	37,266
2.01.04.01.01	In local currency	7,752	7,773
2.01.04.01.02	In foreign currency	67,954	29,493
2.01.05	Other liabilities	3,908	3,932
2.01.05.02	Other	3,908	3,932
2.01.05.02.04	Other	3,908	3,932
2.02	Noncurrent liabilities	55,830	47,894
2.02.01	Loans and financing	27,613	33,444
2.02.01.01	Loans and financing	27,613	33,444
2.02.01.01.01	In local currency	27,613	33,444
2.02.02	Other liabilities	554	816
2.02.02.02	Other	554	816
2.02.02.02.04	Advances from third parties	554	816
2.02.04	Provisions	27,663	13,634
2.02.04.01	Provision for tax, social security, labor and civil contingencies	4,336	4,505
2.02.04.01.02	Provisions for social security and labor contingencies	2,398	2,346
2.02.04.01.04	Provisions for civil contingencies	263	484
2.02.04.01.05	Provisions for tax contingencies	1,675	1,675
2.02.04.02	Other provisions	23,327	9,129
2.02.04.02.04	Provisions for investment losses	23,327	9,129
2.03	Equity	600,816	576,293
2.03.01	Paid-in capital	261,247	220,086
2.03.02	Capital reserves	34,159	70,739
2.03.02.02	Special goodwill reserve on merger	21,470	21,470
2.03.02.04	Stock options granted	12,689	9,159
2.03.02.07	Shares issued	0	40,110
2.03.04	Income reserves	250,120	285,468
2.03.04.01	Legal reserve	24,193	24,193
2.03.04.05	Retained profit reserve	223,244	223,244
2.03.04.07	Tax incentive reserve	2,683	2,683
2.03.04.08	Additional dividend proposed	0	35,348

Individual financial statements / balance sheet – liabilities and equity

(In thousands of reais)

Account Code	Account description	Current quarter 09/30/2015	Prior year 12/31/2014
2.03.05	Retained earnings/accumulated losses	61,121	0
2.03.06	Equity adjustments	-5,831	0

Individual financial statements / income statement

(In thousands of reais)

Account Code	Account description	Current quarter 07/01/2015 to 09/30/2015	YTD – current year 01/01/2015 to 09/30/2015	Same quarter of Prior year 07/01/2014 to 09/30/2014	YTD – prior year 01/01/2014 to 09/30/2014
3.01	Revenue from sales of goods and/or services	281,035	740,273	260,239	679,961
3.02	Cost of sales and/or sales	-185,110	-488,827	-166,358	-435,900
3.03	Gross profit (loss)	95,925	251,446	93,881	244,061
3.04	Operating income/expenses	-54,539	-154,068	-48,210	-137,631
3.04.01	Selling expenses	-32,381	-84,854	-29,585	-76,691
3.04.02	General and administrative expenses	-19,993	-56,839	-18,163	-53,650
3.04.04	Other operating income	0	0	115	0
3.04.05	Other operating expenses	-41	-2,157	0	-1,021
3.04.06	Equity pickup	-2,124	-10,218	-577	-6,269
3.05	Income before financial income/expenses and taxes	41,386	97,378	45,671	106,430
3.06	Financial income (expenses)	12,542	25,291	5,178	14,633
3.06.01	Financial income	23,427	44,768	6,658	19,185
3.06.01.01	Financial income	7,067	21,252	5,068	17,120
3.06.01.02	Exchange gains	16,360	23,516	1,590	2,065
3.06.02	Financial expenses	-10,885	-19,477	-1,480	-4,552
3.06.02.01	Financial expenses	-2,140	-6,323	-1,181	-3,652
3.06.02.02	Exchange losses	-8,745	-13,154	-299	-900
3.07	Income before income taxes	53,928	122,669	50,849	121,063
3.08	Income and social contribution taxes	-17,846	-36,506	-17,248	-38,396
3.08.01	Current	-18,327	-39,014	-18,091	-40,103
3.08.02	Deferred	481	2,508	843	1,707
3.09	Net income from continued operations	36,082	86,163	33,601	82,667
3.11	Income/loss for the period	36,082	86,163	33,601	82,667
3.99	Earnings per share - (reais / share)				
3.99.01	Basic earnings per share				
3.99.01.01	Common shares (ON)	0.40680	0.97150	0.37900	0.93250
3.99.02	Diluted earnings per share				
3.99.02.01	Common shares (ON)	0.40590	0.96920	0.37880	0.93200

Individual financial statements / statement of comprehensive income

(In thousands of reais)

Account Code	Account description	Current quarter 07/01/2015 to 09/30/2015	YTD – current year 01/01/2015 to 09/30/2015	Same quarter of Prior year 07/01/2014 to 09/30/2014	YTD – prior year 01/01/2014 to 09/30/2014
4.01	Net income for the period	36,082	86,163	33,601	82,667
4.02	Other comprehensive income (loss)	-4,199	-5,831	0	0
4.03	Comprehensive income for the period	31,883	80,332	33,601	82,667

Individual financial statements / cash flow statement – indirect method

(In thousands of reais)

Account Code	Account description	YTD – current year 01/01/2015 to 09/30/2015	YTD – prior year 01/01/2014 to 09/30/2014
6.01	Net cash from operating activities	59,562	82,303
6.01.01	Cash from operations	143,944	128,264
6.01.01.01	Income before income and social contribution taxes	122,669	121,063
6.01.01.02	Depreciation and amortization	12,559	4,692
6.01.01.03	Income from disposal of permanent assets	-21	-210
6.01.01.04	Equity pickup	10,218	6,269
6.01.01.05	Provision for tax, civil and labor contingencies	-169	751
6.01.01.06	Interest and exchange variation on loans and financing	5,110	146
6.01.01.07	Short-term investment yield	-14,173	-8,503
6.01.01.08	Allowance for doubtful accounts	2,034	75
6.01.01.09	Supplement of provision for inventory losses	2,186	542
6.01.01.10	Stock option plan	3,531	3,439
6.01.02	Changes in assets and liabilities	-62,259	-13,441
6.01.02.01	Trade accounts receivable	-70,064	-44,247
6.01.02.02	Inventories	-12,095	-23,273
6.01.02.03	Changes in other current assets and noncurrent assets	-13,055	-1,162
6.01.02.04	Taxes recoverable	2,608	1,130
6.01.02.05	Judicial deposits	-460	-417
6.01.02.07	Trade accounts payable	29,403	53,848
6.01.02.08	Labor liabilities	2,643	5,148
6.01.02.09	Tax and social liabilities	-953	-4,312
6.01.02.10	Changes in other current liabilities	-286	-156
6.01.03	Other	-22,123	-32,520
6.01.03.01	Income and social contribution taxes paid	-22,123	-32,520
6.02	Net cash - investing activities	-21,019	-33,440
6.02.01	Additions to property, plant and equipment and intangible assets	-15,725	-24,990
6.02.02	Income from property, plant and equipment and intangible assets	21	1,637
6.02.03	Short-term investments	-448,835	-295,901
6.02.04	Redeemed of short-term investments	464,520	291,535
6.02.05	Capital payment in subsidiaries	-21,000	-5,721
6.03	Net cash from financing activities	-42,044	-53,638
6.03.01	Loans raised	314,884	30,629
6.03.02	Repayment of loans	-286,029	-30,772
6.03.03	Interest paid on loans	-1,356	-1,042
6.03.04	Receivables from (payable to) related parties except shareholders	-10,203	-3,350
6.03.05	Interest on equity (IOE)	-15,553	-18,038
6.03.06	Distribution of profits	-44,837	-31,965
6.03.07	Receivables from (payables to) shareholders	0	900
6.03.08	Capital increase – share issue	1,050	0
6.05	Increase (decrease) in cash and cash equivalents	-3,501	-4,775
6.05.01	Cash and cash equivalents at beginning of period	6,110	8,761
6.05.02	Cash and cash equivalents at end of period	2,609	3,986

Individual financial statements / statement of changes in equity / SCE - 01/01/2015 to 09/30/2015

(In thousands of reais)

Account income Code	Account description Equity	Paid-in capital	Capital reserves, Options granted and Treasury shares	Income reserves	Retained earnings (accumulated losses)	Other comprehensive	
5.01	Opening balances	220,086	70,739	285,468	0	0	576,293
5.03	Adjusted opening balances	220,086	70,739	285,468	0	0	576,293
5.04	Capital transactions with shareholders	41,161	-36,580	-35,348	-25,042	0	-55,809
5.04.01	Capital increase	40,111	-40,111	0	0	0	0
5.04.03	Stock options granted and recognized	0	3,531	0	0	0	3,531
5.04.07	Interest on equity	0	0	0	-15,553	0	-15,553
5.04.08	Interim dividend	0	0	0	-9,489	0	-9,489
5.04.09	Shares issued	1,050	0	0	0	0	1,050
5.04.10	Dividends	0	0	-35,348	0	0	-35,348
5.05	Total comprehensive income	0	0	0	86,163	-5,831	80,332
5.05.01	Net income for the period	0	0	0	86,163	0	86,163
5.05.02	Other comprehensive income (loss)	0	0	0	0	-5,831	-5,831
5.05.02.04	Translation adjustments for the period	0	0	0	0	-5,831	0
5.07	Closing balances	261,247	34,159	250,120	61,121	-5,831	600,816

Individual financial statements / statement of changes in equity / SCE - 01/01/2014 to 09/30/2014

(In thousands of reais)

Account income Code	Account description Equity	Paid-in capital	Capital reserves, Options granted and Treasury shares	Income reserves	Retained earnings (accumulated losses)	Other comprehensive	
5.01	Opening balances	157,186	128,288	229,068	0	0	514,542
5.03	Adjusted opening balances	157,186	128,288	229,068	0	0	514,542
5.04	Capital transactions with shareholders	62,900	-58,561	-20,894	-23,306	0	-39,861
5.04.01	Capital increase	62,000	-62,000	0	0	0	0
5.04.03	Stock options granted and recognized	0	3,439	0	0	0	3,439
5.04.06	Dividends	0	0	-20,894	0	0	-20,894
5.04.07	Interest on equity	0	0	0	-12,235	0	-12,235
5.04.08	Interim dividend	0	0	0	-11,071	0	-11,071
5.04.09	Shares issued	900	0	0	0	0	900
5.05	Total comprehensive income	0	0	0	82,667	0	82,667
5.05.01	Net income for the period	0	0	0	82,667	0	82,667
5.07	Closing balances	220,086	69,727	208,174	59,361	0	557,348

Individual financial statements / statement of value added

(In thousands of reais)

Account Code	Account description	YTD – current year 01/01/2015 to 09/30/2015	YTD – prior year 01/01/2014 to 09/30/2014
7.01	Revenues	890,187	822,436
7.01.01	Sales	892,221	822,511
7.01.04	Allowance for/reversal of doubtful accounts	-2,034	-75
7.02	Inputs acquired from third parties	-678,287	-616,080
7.02.01	Cost of goods, products and services sold	-620,733	-553,236
7.02.02	Materials, energy, third-party services and others expenses	-56,034	-60,618
7.02.04	Other	-1,520	-2,226
7.03	Gross value added	211,900	206,356
7.04	Retentions	-12,559	-4,692
7.04.01	Depreciation, amortization and depletion	-12,559	-4,692
7.05	Net value added generated	199,341	201,664
7.06	Value added received in transfer	35,925	11,895
7.06.01	Equity pickup	-10,218	-6,269
7.06.02	Financial income	44,768	19,185
7.06.03	Other	1,375	-1,021
7.07	Total value added to be distributed	235,266	213,559
7.08	Distribution of value added	235,266	213,559
7.08.01	Personnel	57,595	48,525
7.08.01.01	Direct compensation	40,784	34,857
7.08.01.02	Benefits	4,360	3,610
7.08.01.03	Unemployment compensation fund (FGTS)	4,466	3,344
7.08.01.04	Other	7,985	6,714
7.08.01.04.01	Employees' profit sharing	2,779	2,756
7.08.01.04.02	Other	1,675	519
7.08.01.04.03	Stock option plan	3,531	3,439
7.08.02	Taxes, charges and contributions	68,959	74,829
7.08.02.01	Federal	69,106	74,449
7.08.02.02	State	-198	-246
7.08.02.03	Local	51	626
7.08.03	Debt remuneration	22,549	7,538
7.08.03.01	Interest	1,331	1,402
7.08.03.02	Rents	3,072	2,986
7.08.03.03	Other	18,146	3,150
7.08.03.03.01	Financial expenses	18,146	3,150
7.08.04	Equity remuneration	86,163	82,667
7.08.04.01	Interest on equity	15,553	12,235
7.08.04.02	Dividends	0	11,071
7.08.04.03	Retained earnings/accumulated losses for the period	70,610	59,361

Consolidated financial statements / balance sheet – assets

(In thousands of reais)

Account Code	Account description	Current quarter 09/30/2015	Prior year 12/31/2014
1	Total assets	883,125	796,509
1.01	Current assets	683,153	618,653
1.01.01	Cash and cash equivalents	4,788	10,831
1.01.02	Short-term investments	188,698	189,554
1.01.02.01	Short-term investments measured at fair value	188,698	189,554
1.01.02.01.03	Short-term investments measured at fair value	188,698	189,554
1.01.03	Trade accounts receivable	325,702	277,913
1.01.03.01	Trade accounts receivable	325,702	277,913
1.01.04	Inventories	121,038	98,131
1.01.06	Taxes recoverable	16,608	27,742
1.01.06.01	Current taxes recoverable	16,608	27,742
1.01.08	Other current assets	26,319	14,482
1.01.08.03	Other	26,319	14,482
1.02	Noncurrent assets	199,972	177,856
1.02.01	Long-term receivables	31,696	12,013
1.02.01.01	Short-term investments measured at fair value	90	29
1.02.01.01.03	Securities for trading	90	29
1.02.01.03	Trade accounts receivable	13,807	0
1.02.01.03.01	Trade accounts receivable	13,807	0
1.02.01.06	Deferred taxes	8,420	4,124
1.02.01.06.01	Deferred income and social contribution taxes	8,420	4,124
1.02.01.09	Other noncurrent assets	9,379	7,860
1.02.01.09.04	Judicial deposits	7,909	6,939
1.02.01.09.05	Other receivables	1,470	921
1.02.03	Property, plant and equipment	77,227	75,767
1.02.03.01	Property, plant and equipment in use	77,227	75,767
1.02.04	Intangible assets	91,049	90,076
1.02.04.01	Intangible assets	91,049	90,076
1.02.04.01.02	Trademarks and patents	3,459	2,928
1.02.04.01.03	Store use rights	38,230	39,598
1.02.04.01.04	Software use rights	49,360	47,550

Consolidated financial statements / balance sheet – liabilities and equity

(In thousands of reais)

Account Code	Account description	Current quarter 09/30/2015	Prior year 12/31/2014
2	Total liabilities	883,125	796,509
2.01	Current liabilities	246,250	178,803
2.01.01	Social and labor liabilities	24,537	20,130
2.01.01.01	Social liabilities	2,705	3,025
2.01.01.02	Labor liabilities	21,832	17,105
2.01.02	Trade accounts payable	101,743	70,315
2.01.02.01	Domestic trade accounts payable	101,280	70,271
2.01.02.02	Foreign trade accounts payable	463	44
2.01.03	Tax liabilities	14,865	11,866
2.01.03.01	Federal tax liabilities	11,957	6,476
2.01.03.01.01	Income and social contribution taxes payable	7,282	296
2.01.03.01.02	Other federal liabilities	4,675	6,180
2.01.03.02	State tax liabilities	2,888	5,358
2.01.03.03	Local tax liabilities	20	32
2.01.04	Loans and financing	98,422	65,081
2.01.04.01	Loans and financing	98,422	65,081
2.01.04.01.01	In local currency	10,567	22,257
2.01.04.01.02	In foreign currency	87,855	42,824
2.01.05	Other liabilities	6,683	11,411
2.01.05.02	Other	6,683	11,411
2.01.05.02.04	Other	6,683	11,411
2.02	Noncurrent liabilities	36,059	41,413
2.02.01	Loans and financing	28,506	34,329
2.02.01.01	Loans and financing	28,506	34,329
2.02.01.01.01	In local currency	28,506	34,329
2.02.02	Other liabilities	1,974	1,767
2.02.02.01	Related-party payables	1,420	950
2.02.02.01.03	Payables to controlling shareholders	1,420	950
2.02.02.02	Other	554	817
2.02.02.02.04	Advances from third parties	554	817
2.02.04	Provisions	5,579	5,317
2.02.04.01	Provision for tax, social security, labor and civil contingencies	5,579	5,317
2.02.04.01.02	Provisions for social security and labor contingencies	3,221	2,766
2.02.04.01.04	Provisions for civil contingencies	314	507
2.02.04.01.05	Provisions for tax contingencies	2,044	2,044
2.03	Equity (consolidated)	600,816	576,293
2.03.01	Paid-in capital	261,247	220,086
2.03.02	Capital reserves	34,159	70,739
2.03.02.02	Special goodwill reserve on merger	21,470	21,470
2.03.02.04	Stock options granted	12,689	9,159
2.03.02.07	Issue of shares	0	40,110
2.03.04	Income reserves	250,120	285,468
2.03.04.01	Legal reserve	24,193	24,193
2.03.04.05	Retained profit reserve	223,244	223,244
2.03.04.07	Tax incentive reserve	2,683	2,683
2.03.04.08	Additional dividend proposed	0	35,348

Consolidated financial statements / balance sheet – liabilities and equity

(In thousands of reais)

Account Code	Account description	Current quarter 09/30/2015	Prior year 12/31/2014
2.03.05	Retained earnings/accumulated losses	61,121	0
2.03.06	Equity adjustments	-5,831	0

Consolidated financial statements / income statement

(In thousands of reais)

Account Code	Account description	Current quarter 07/01/2015 to 09/30/2015	YTD – current year 01/01/2015 to 09/30/2015	Same quarter of Prior year 07/01/2014 to 09/30/2014	YTD – prior year 01/01/2014 to 09/30/2014
3.01	Revenue from sales of goods and/or services	315,068	836,760	296,099	763,272
3.02	Cost of sales and/or services	-182,053	-487,290	-171,199	-433,403
3.03	Gross profit	133,015	349,470	124,900	329,869
3.04	Operating income/expenses	-89,438	-246,708	-76,766	-218,471
3.04.01	Selling expenses	-68,039	-182,932	-57,137	-158,368
3.04.02	General and administrative expenses	-22,708	-63,052	-19,607	-57,486
3.04.04	Other operating income	1,309	0	0	0
3.04.05	Other operating expenses	0	-724	-22	-2,617
3.05	Income before financial income/expenses and taxes	43,577	102,762	48,134	111,398
3.06	Financial income (expenses)	9,968	20,044	3,681	10,447
3.06.01	Financial income	23,604	44,880	6,692	20,187
3.06.01.01	Financial income	7,146	21,276	5,277	18,122
3.06.01.02	Exchange gains	16,458	23,604	1,415	2,065
3.06.02	Financial expenses	-13,636	-24,836	-3,011	-9,740
3.06.02.01	Financial expenses	-4,891	-11,682	-2,983	-9,161
3.06.02.02	Exchange losses	-8,745	-13,154	-28	-579
3.07	Income before income taxes	53,545	122,806	51,815	121,845
3.08	Income and social contribution taxes	-17,463	-36,643	-18,214	-39,178
3.08.01	Current	-18,513	-40,939	-19,350	-41,494
3.08.02	Deferred	1,050	4,296	1,136	2,316
3.09	Net income from continued operations	36,082	86,163	33,601	82,667
3.11	Consolidated retained earnings/ accumulated losses for the period	36,082	86,163	33,601	82,667
3.11.01	Attributable to shareholders of parent company	36,082	86,163	33,601	82,667
3.99	Earnings per share - (reais / share)				
3.99.01	Basic earnings per share				
3.99.01.01	Common shares (ON)	0.40680	0.97150	0.37900	0.93250
3.99.02	Diluted earnings per share				
3.99.02.01	Common shares (ON)	0.40590	0.96920	0.37880	0.93200

Consolidated financial statements / statement of comprehensive income

(In thousands of reais)

Account Code	Account description	Current quarter 07/01/2015 to 09/30/2015	YTD – current year 01/01/2015 to 09/30/2015	Same quarter of Prior year 07/01/2014 to 09/30/2014	YTD – prior year 01/01/2014 to 09/30/2014
4.01	Consolidated net income for the period	36,082	86,163	33,601	82,667
4.02	Other comprehensive income (loss)	-4,199	-5,831	0	0
4.03	Consolidated comprehensive income for the period	31,883	80,332	33,601	82,667
4.03.01	Attributable to shareholders of parent company	31,883	80,332	33,601	82,667

Consolidated financial statements / cash flow statement – indirect method

(In thousands of reais)

Account Code	Account description	YTD – current year 01/01/2015 to 09/30/2015	YTD – prior year 01/01/2014 to 09/30/2014
6.01	Net cash from operating activities	41,997	76,573
6.01.01	Cash generated by operations	140,815	131,263
6.01.01.01	Income before income and social contribution taxes	122,806	121,845
6.01.01.02	Depreciation and amortization	18,026	9,599
6.01.01.03	Income from disposal of permanent assets	54	1,647
6.01.01.05	Provision for tax, civil and labor contingencies	262	570
6.01.01.06	Interest and exchange variation on loans and financing	5,759	2,369
6.01.01.07	Short-term investment yield	-14,192	-8,836
6.01.01.08	Other	2,034	88
6.01.01.09	Supplement of provision for inventory losses	2,535	542
6.01.01.10	Stock option plan	3,531	3,439
6.01.02	Changes in assets and liabilities	-74,957	-21,610
6.01.02.01	Trade accounts receivable	-63,630	-33,645
6.01.02.02	Inventories	-25,442	-31,269
6.01.02.03	Changes in other current assets and noncurrent assets	-12,814	-799
6.01.02.04	Taxes recoverable	1,339	-1,158
6.01.02.05	Judicial deposits	-970	-195
6.01.02.07	Trade accounts payable	31,428	51,113
6.01.02.08	Labor liabilities	4,727	6,401
6.01.02.09	Tax and social liabilities	-4,604	-9,313
6.01.02.10	Changes in other current liabilities	-4,991	-2,745
6.01.03	Other	-23,861	-33,080
6.01.03.01	Income and social contribution taxes	-23,861	-33,080
6.02	Net cash from investing activities	-3,056	-20,369
6.02.01	Acquisition of property, plant and equipment and intangible assets	-20,763	-36,497
6.02.02	Income from disposal of property, plant and equipment and intangible assets	2,720	4,671
6.02.03	Short-term investments	-526,391	-295,908
6.02.04	Redeemed of short-term investments	541,378	307,365
6.03	Net cash from financing activities	-44,168	-63,411
6.03.01	Loans taken out	314,978	30,800
6.03.02	Repayment of loans	-298,109	-43,470
6.03.03	Provision for interest on loans	-2,167	-1,644
6.03.05	Interest on equity (IOE)	-15,553	-18,038
6.03.06	Distribution of profits	-44,837	-31,965
6.03.07	Receivables from (payables to) shareholders	470	6
6.03.08	Capital increase – share issue	1,050	900
6.04	Exchange variation on cash and cash equivalents	-816	0
6.05	Increase (decrease) in cash and cash equivalents	-6,043	-7,207
6.05.01	Cash and cash equivalents at beginning of period	10,831	13,786
6.05.02	Cash and cash equivalents at end of period	4,788	6,579

Consolidated financial statements / statement of changes in equity / SCE - 01/01/2015 to 09/30/2015

(In thousands of reais)

Account Code	Account description	Paid-in capital	Capital reserves, Options granted and Treasury shares	Income reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity	Noncontrolling interest	Consolidated equity
5.01	Opening balances	220,086	70,739	285,468	0	0	576,293	0	576,293
5.03	Adjusted opening balances	220,086	70,739	285,468	0	0	576,293	0	576,293
5.04	Capital transactions with shareholders	41,161	-36,580	-35,348	-25,042	0	-55,809	0	-55,809
5.04.01	Capital increase	40,111	-40,111	0	0	0	0	0	0
5.04.03	Recognized options granted	0	3,531	0	0	0	3,531	0	3,531
5.04.07	Interest on equity	0	0	0	-15,553	0	-15,553	0	-15,553
5.04.08	Interim dividend	0	0	0	-9,489	0	-9,489	0	-9,489
5.04.09	Shares issued	1,050	0	0	0	0	1,050	0	1,050
5.04.10	Dividends	0	0	-35,348	0	0	-35,348	0	-35,348
5.05	Total comprehensive income	0	0	0	86,163	-5,831	80,332	0	80,332
5.05.01	Net income for the period	0	0	0	86,163	0	86,163	0	86,163
5.05.02	Other comprehensive income (loss)	0	0	0	0	-5,831	-5,831	0	-5,831
5.05.02.06	Equity adjustments	0	0	0	0	-5,831	-5,831	0	-5,831
5.07	Closing balances	261,247	34,159	250,120	61,121	-5,831	600,816	0	600,816

Consolidated financial statements / statement of changes in equity / SCE - 01/01/2014 to 09/30/2014

(In thousands of reais)

Account Code	Account description	Paid-in capital	Capital reserves, Options granted and Treasury shares	Income reserves	Retained earnings (accumulated losses)	Other comprehensive income	Equity	Noncontrolling interest	Consolidated equity
5.01	Opening balances	157,186	128,288	229,068	0	0	514,542	0	514,542
5.03	Adjusted opening balances	157,186	128,288	229,068	0	0	514,542	0	514,542
5.04	Capital transactions with shareholders	62,900	-58,561	-20,894	-23,306	0	-39,861	0	-39,861
5.04.01	Capital increase	62,000	-62,000	0	0	0	0	0	0
5.04.03	Recognized options granted	0	3,439	0	0	0	3,439	0	3,439
5.04.06	Dividends	0	0	-20,894	0	0	-20,894	0	-20,894
5.04.07	Interest on equity	0	0	0	-12,235	0	-12,235	0	-12,235
5.04.08	Interim dividend	0	0	0	-11,071	0	-11,071	0	-11,071
5.04.09	Shares issued	900	0	0	0	0	900	0	900
5.05	Total comprehensive income	0	0	0	82,667	0	82,667	0	82,667
5.05.01	Net income for the period	0	0	0	82,667	0	82,667	0	82,667
5.07	Closing balances	220,086	69,727	208,174	59,361	0	557,348	0	557,348

Consolidated financial statements / Statement of value added

(In thousands of reais)

Account Code	Account description	YTD – current year 01/01/2015 to 09/30/2015	YTD – prior year 01/01/2014 to 09/30/2014
7.01	Revenues	1,027,214	944,003
7.01.01	Sales of goods, products and services	1,029,248	944,091
7.01.04	Allowance for/reversal of doubtful accounts	-2,034	-88
7.02	Inputs acquired from third parties	-694,487	-620,468
7.02.01	Cost of goods, products and services sold	-575,529	-507,801
7.02.02	Materials, electricity, third-party services and other expenses	-115,798	-108,932
7.02.04	Other	-3,160	-3,735
7.03	Gross value added	332,727	323,535
7.04	Retentions	-18,026	-9,599
7.04.01	Depreciation, amortization and depletion	-18,026	-9,599
7.05	Net value added generated	314,701	313,936
7.06	Value added received in transfer	47,688	17,570
7.06.02	Financial income	44,880	20,187
7.06.03	Other	2,808	-2,617
7.07	Total value added to be distributed	362,389	331,506
7.08	Value added distributed	362,389	331,506
7.08.01	Personnel	102,092	86,449
7.08.01.01	Direct compensation	73,695	62,989
7.08.01.02	Benefits	10,707	8,796
7.08.01.03	Unemployment compensation fund (FGTS)	7,551	6,017
7.08.01.04	Other	10,139	8,647
7.08.01.04.01	Employee's profit sharing	2,749	2,776
7.08.01.04.02	Other	3,859	2,432
7.08.01.04.03	Stock option plan	3,531	3,439
7.08.02	Taxes, charges and contributions	122,313	125,719
7.08.02.01	Federal	86,986	91,783
7.08.02.02	State	34,871	32,710
7.08.02.03	Local	456	1,226
7.08.03	Debt remuneration	51,821	36,671
7.08.03.01	Interest	2,116	2,917
7.08.03.02	Rental	26,985	26,931
7.08.03.03	Other	22,720	6,823
7.08.03.03.01	Financial expenses	22,720	6,823
7.08.04	Equity remuneration	86,163	82,667
7.08.04.01	Interest on equity	15,553	12,235
7.08.04.02	Dividends	0	11,071
7.08.04.03	Retained earnings/accumulated losses for the period	70,610	59,361

2. Company Overview

About Arezzo&Co

Arezzo&Co is Brazil's leading manufacturer of ladies' footwear, handbags and accessories. With a history of 43 years, it currently sells over 10 million pairs of shoes a year, in addition to handbags and accessories. It has four relevant brands - Arezzo, Schutz, Anacapri and Alexandre Birman.

Its product lines are distinguished by their innovation, design, comfort and excellent value for money.

The multichannel strategy enhances the group's capillarity through owned stores, franchises, multibrand stores and Web Commerce, with a presence in every Brazilian state. Internationally, the brand products are also sold in franchises, owned stores, multibrand stores and department stores. The company ended the 3rd quarter of 2015 with a presence through 474 franchises, 51 owned stores and 2,262 multibrand stores.

AREZZO

Founded in 1972 by the brothers Anderson and Jefferson Birman, in addition to occupying top of mind of consumers of Brazilian ladies' shoes, the brand is one of the most preferred in this segment and most consumed in Brazil. The brand has a trendy positioning, combining concept, high quality, contemporary design and consumer satisfaction. It is the benchmark in launching trends in Brazil and is always to be found in the editorials of the most prestigious magazines, newspapers and sites in Brazil as a reference for fast fashion in ladies' footwear, handbags and accessories.

SCHUTZ

The Schutz brand invests heavily in researching trends and developing materials and technology in order to create its portfolio. Its mission is to offer the public a concept of products where design, quality, fashion and freedom of expression all come together. The result is collections developed to reflect the spirit of the young, contemporary woman who makes an impact, is irreverent and has her own style. It is an invitation to be daring, to look for something different and to challenge the norm.

ANACAPRI

The Anacapri brand, specializing in flats of the Arezzo&Co Group, was founded in 2008 with the purpose of simplifying the lives of its consumers with versatile fashion full of personality, but without relinquishing comfort. It produces different models and colors every year, which are presented in three large collections and in limited editions.

ALEXANDRE
BIRMAN

The Alexandre Birman brand is a reference among Brazilian brands of ladies' shoes, vying for room with the top fashion names in well-know retail chains around the world, such as in North America, Europe and Asia.
The brand's hallmark is the concept of exclusiveness and sophistication, which is widely recognized abroad, and for which the Alexandre Birman brand was awarded the Vivian Infantino Emerging Talent Award as the 2009 talent in footwear creation (an award acknowledged as the Oscar of the international footwear industry).

3. Management report

Summary of Results	3Q14	3Q15	Growth or spread%	9M14	9M15	Growth or spread%
Net Revenues	296,099	315,068	6.4%	763,272	836,760	9.6%
Gross Profit	124,900	133,015	6.5%	329,869	349,470	5.9%
Grosss Margin	42.2%	42.2%	0.0 p.p.	43.2%	41.8%	-1.4 p.p.
EBITDA[1]	51,427	49,698	-3.4%	120,997	120,788	-0.2%
Ebitda Margin	17.4%	15.8%	-1.6 p.p.	15.9%	14.4%	-1.5 p.p.
Net Income	33,601	36,082	7.4%	82,667	86,163	4.2%
Net Margin	11.3%	11.5%	0.2 p.p.	10.8%	10.3%	-0.5 p.p.

Operating Indicators	3Q14	3Q15	Growth or spread%	9M14	9M15	Growth or spread%
# of pairs sold ('000)	2,979	2,926	-1.8%	7,556	7,533	-0.3%
# of handbags sold ('000)	233	247	6.0%	556	660	18.7%
# of employees	2,065	2,124	2.9%	2,065	2,124	2.9%
# of stores*	479	525	46	479	525	46
Owned Stores	52	51	-1	52	51	-1
Franchises	427	474	47	427	474	47
Outsourcing (as % of total production)	91.0%	91.0%	0.0 p.p	90.4%	91.1%	0.7 p.p
SSS[2] Sell-in (franchises)	-0.4%	-8.1%	-7.7 p.p	2.7%	-6.2%	-8.9 p.p
SSS[2] Sell-out (owned stores + franchises)	8.0%	-7.2%	-15.2 p.p	6.1%	-2.2%	-8.3 p.p
SSS[2] Sell-out (owned stores + web + franchises)	10.4%	-6.8%	-17.2 p.p	7.5%	-1.3%	-8.8 p.p

*Includes stores outside Brazil

1- EBITDA = Earnings before interest, income tax and social contribution on net income, depreciation and amortization. EBITDA is not a measure used in accounting practices adopted in Brazil (BR GAAP), does not represent cash flow for the periods presented and should not be considered as an alternative to net income, as an indicator of operating performance, or as an alternative to cash flow as an indicator of liquidity. EBITDA does not have a standardized meaning and Arezzo&Co's EBITDA definition may not be comparable to adjusted EBITDA of other companies. While EBITDA does not provide, in accordance with the accounting practices adopted in Brazil, a measure of operating cash flows, management uses it to measure operating performance. Additionally, The company believes that certain investors and financial analysts use EBITDA as an indicator of operating performance for a company and/ or its cash flow.

2- SSS (Same-store sales): Stores are included in comparable stores' sales as of the 13th month of operation. Variations in comparable stores' sales in the two periods are based on sales, net of returns, for owned stores, and on gross sales for franchises in operation during both periods under comparison. If a store is included in the calculation of comparable stores' sales for only a portion of one of the periods under comparison, this store will be included in the calculation of the corresponding portion of the other period. When square meters are added to or deducted from a store included in comparable stores' sales, with an impact of over 15% on the sales area, the store is excluded from comparable stores' sales. When a store operation is discontinued, this store's sales are excluded from the calculation of comparable stores' sales for the periods under comparison. As from this period, if a franchisee opens a warehouse, its sales will be included in comparable stores' sales if its franchises operate during both periods under comparison. The so-called "SSS of Franchises – Sell In" refers to comparison of Arezzo&Co's sales with those of each Franchised Store in operation for more than 12 months, serving as a more accurate indicator for monitoring the Group's revenue. On the other hand, "SSS – Sell Out" is based on the point of sales' performance, which, in the case of Arezzo&Co, is a better indicator of Owned Stores' sales behavior and Franchises' sell out sales. The franchise sell-out figures represent the best estimate calculated on the basis of information provided by third parties. Starting in 1Q14, the Company begins to also report SSS sell-out including web commerce.

Gross Revenue	3Q14	Part%	3Q15	Part%	Growth%	9M14	Part%	9M15	Part%	Growth%
Total Gross Revenue	**378,991**		**403,696**		**6.5%**	**982,354**		**1,067,635**		**8.7%**
Exports market	**24,532**	**6.5%**	**38,202**	**9.5%**	**55.7%**	**50,751**	**5.2%**	**85,508**	**8.0%**	**68.5%**
Domestic market	**354,459**	**93.5%**	**365,494**	**90.5%**	**3.1%**	**931,603**	**94.8%**	**982,127**	**92.0%**	**5.4%**
By brand										
Arezzo	*210,594*	*59.4%*	*203,431*	*55.7%*	*-3.4%*	*550,175*	*59.1%*	*548,958*	*55.9%*	*-0.2%*
Schutz	*119,309*	*33.7%*	*133,547*	*36.5%*	*11.9%*	*324,745*	*34.9%*	*358,982*	*36.6%*	*10.5%*
Anacapri	*22,451*	*6.3%*	*26,796*	*7.3%*	*19.4%*	*50,770*	*5.4%*	*67,720*	*6.9%*	*33.4%*
Other brands[1]	*2,105*	*0.6%*	*1,720*	*0.5%*	*-18.3%*	*5,913*	*0.6%*	*6,467*	*0.6%*	*9.4%*
By channel										
Franchises	*180,943*	*51.0%*	*175,481*	*48.0%*	*-3.0%*	*477,945*	*51.3%*	*476,790*	*48.5%*	*-0.2%*
Multibrand	*96,847*	*27.3%*	*102,513*	*28.0%*	*5.9%*	*236,074*	*25.3%*	*257,184*	*26.2%*	*8.9%*
Owned Stores[2]	*75,407*	*21.3%*	*87,262*	*23.9%*	*15.7%*	*214,255*	*23.0%*	*245,504*	*25.0%*	*14.6%*
Others[3]	*1,262*	*0.4%*	*238*	*0.1%*	*-81.1%*	*3,329*	*0.4%*	*2,649*	*0.3%*	*-20.4%*

(1) Includes only domestic markets for Alexandre Birman and other revenues.

(2) Owned Stores: includes Web Commerce sales channel.

(3) Includes domestic market revenues that are not specific for distribution channels.

Brands

Arezzo&Co's platform consists of four important brands: Arezzo, Schutz, Anacapri and Alexandre Birman, distributed across a network of owned stores, franchises, multibrand stores and webcommerce, with a presence in every Brazilian state. The products are also sold internationally through a variety of channels; owned stores, franchises, multibrand stores and department stores.

In line with the Company's calendar of collections, the third quarter marks the transition from winter to summer collections. In the month of July, the monobrand stores ended the sales of winter stocks in healthy position, with an improvement in the average mark-up of the collection. At the same time they started showing previews of the summer collection. In August there is the changeover in the season, an important milestone in the Company's business cycle. The Company makes every effort to engage the store staff, disseminating its brands' strategy and improving its execution. As examples, a large national sales convention was held at the beginning of August. The new trends and marketing actions were presented, and motivational campaigns were held to incentivize the entire sales force. In addition, training was given in September through a videoconference system, focusing on increasing sales conversion, with more than 4,000 people taking part, and which resulted in better indicators at the end of the quarter.

The Arezzo brand achieved gross revenue of R$203.4 million in 3Q15, accounting for 55.7% of total domestic sales. For this summer collection, the Arezzo brand campaign starred one of Brazil's current top actresses. With a strong communication and marketing plan, the campaign received good coverage in the country's main communication vehicles, and more than 320 thousand mentions online. Apart from the campaign, there were a number of visual merchandising actions, with uniforms to the sales team and store ambiance, which produced significant impact for the brand. A further item on the brand's agenda during the quarter was the launch of the Viva La Vida event, inspired by artist Frida Kahlo, with an excellent coordination involving product, ambiance, relationship with consumers and opinion makers, and the specialized press. In addition, the brand opened two stores in its new architectural model, as well as expanded and refurbished six other stores, resulting in an increase in productivity. A significant milestone was the launch of the online store after 12 months in development and alignment with the franchise network, with a highly attractive look and functions that also boost sales in the physical stores. Acceptance by consumers has been excellent.

The Schutz brand posted growth of 11.9% in 3Q15, over 3Q14, with gross revenue of R$133.5 million, or 36.5% of domestic sales. For the lauch of the summer collection, main opinion makers and customers received personalized invites to an event in the brand's flagship store in São Paulo, with special actions involving products, gifts and store ambiance. The strategy of increasingly customized products gave solid resuts: the event Schutz My Name brought the customization wave to shoes, and the handbags category presented growth of 26.2% in volume during the quarter. Besides, the action My Perfect Pump leveraged sales of scarpins through innovations in displays and strong marketing of this model, a Schutz woman icon.

Brands

The Anacapri brand grew by 19.4% during the quarter, leveraged by the continued rollout of the brand on the franchise channel, with five stores being opened, increasing the total to 61 franchises. For its new summer collection, the brand partnered with lady ambassadors to pass on the brand message, also involving 400 regional opinion makers. The brand invested steadily in an online presence on key fashion and culture websites in Brazil, and the webcommerce channel accounted for 4.6% of sales in the quarter.

During the quarter the Alexandre Birman brand launched its Resort 2016 collection, marking the start of summer with products made from intricately detailed handmade fabrics with strong, feminine silhouettes. Special mention to the brand' the success, its Clarita model, worn by international actresses and models. In addition, one year after its opening, the new brand factory met its production targets, ensuring a supply of products to allow growth of 60.6% in gross billings for the brand during the quarter, with strong performance from exports.

Channels

Mono-brands – Franchises and Owned Stores

According to the Company's strategy to strengthen mono-brand stores, the sell-out sales of the Arezzo&Co network (Owned Stores + Webcommerce + Franchises) decreased by 0.9% in 3Q15 against 3Q14, mainly due to a decrease of 6.8% in same-store sales (SSS – sell-out) in the quarter, partly offset by the 9.7% growth in the sales area. As regards the SSS sell-out indicator for the quarter, it is worth mentioning:

• As to the winter collection, a greater percentage of products were sold at full price compared to the preceding year, improving the network's gross margin and reducing the number of products available for the sales in July, and negatively impacting the indicator in the month;
• The quarter saw a decrease in traffic in the stores, measured by the number of tickets, especially in the first fortnight of September. This was partly offset by one of the Company's strategic pillars of having the right product at the right time at the right price, with greater replenishment of best sellers, and by a higher conversion rate, thanks to the Company's quick reaction in reinforcing sales techniques in the network.

Growth in revenue from mono-brand stores, which comprise franchises sell-in and owned stores sell-out, was 2.5% in 3Q15 against 3Q14, mainly due to the 10.5% increase in sales area in the last 12 months, excluding outlets, and also due to growth of 26.2% in volume from Schutz brand handbags, thanks to the strategy of developing the category in the brand. Mono-brand stores accounted for 71.9% of domestic sales in 3Q15.

The franchise channel showed a decrease of 3.0% in sell-in for the quarter, accounting for 48.0% of domestic sales in 3Q15. The result was affected by a decrease in SSS sell-in, partly compensated by the opening of 48 franchises in the last 12 months, of which 16 are Arezzo, 5 with the Schutz brand and 27 with the Anacapri brand. Moreover, ten Arezzo franchises were expanded in the last 12 months, adding 285.6 m^2 to the sales channel.

Sell-in sales, i.e. those made by Arezzo&Co to its franchisees, recorded a decrease in the same franchises (SSS – franchises) of 8.1% in 3Q15 compared to 3Q14, reflecting the reduction in SSS sell-out and due mainly to the Company's strategy for increasing the gross margin of the network, with a higher average mark-up and a smaller surplus at the end of the collections because of the increasing attractiveness of the products in the stores, resulting in an SSS sell-in lower than the SSS sell-out this quarter.

Considering only the Owned Stores channel on its own, there was growth of 15.7% in revenues in 3Q15 in comparison with, 3Q14, due to a 0.8% increase in sales area, excluding outlets, due to the transfer of stores to the franchise channel in the period, resulting in increased productivity for the channel. It was also boosted by sales in the webcommerce channel.

With eight stores opened, the Company ended the quarter with 519 mono-brand stores in Brazil and six abroad. In Brazil there were 376 stores under the Arezzo brand, 76 for Schutz, 65 for Anacapri and two for Alexandre Birman.

Channels

History of Stores	3Q14	4Q14	1Q15	2Q15	3Q15
Sales area [1,3] - Total (m²)	**32,859**	**35,641**	**35,735**	**35,235**	**36,053**
Sales area - franchises (m²)	26,472	28,466	28,337	28,744	29,649
Sales area - Owned stores 2 (m²)	6,387	7,175	7,398	6,491	6,404
Total number of domestic stores	**472**	**508**	**508**	**511**	**519**
# of franchises	**421**	**455**	**455**	**460**	**469**
Arezzo	344	359	356	356	360
Schutz	43	46	46	48	48
Anacapri	34	50	53	56	61
# of owned stores	**51**	**53**	**53**	**51**	**50**
Arezzo	17	19	19	17	16
Schutz	26	27	28	28	28
Alexandre Birman	2	2	2	2	2
Anacapri	6	5	4	4	4
Total number of international stores	**7**	**8**	**6**	**6**	**6**
# of franchises	6	7	5	5	5
# of owned stores	1	1	1	1	1

1. Includes areas in square meters of international stores
2. Includes 8 outlet-type stores with a total area of 2,199 m²
3.Includes areas in square meters of stores expansion

Multibrands

In 3Q15, revenue from the Multibrand channel grew 5.9%, reaping the benefits of the company's strategy of unifying the management of all brands in the channel started twelve months ago, as well as the continued interest shown by store owners in products and brands with a track record of greater assertiveness at the point of sale. The Company believes in the strategic importance of the channel, and is working to attract new customers, increase the share of wallet from existing customers, and encourage cross-selling among the brands.

The group's four brands are now distributed through 2,262 stores, up 3.9% over 3Q14, with a presence in 1,233 cities.

Key financial indicators	3Q14	3Q15	Growth or spread%	9M14	9M15	Growth or spread%
Net revenues	296,099	315,068	6.4%	763,272	836,760	9.6%
COGS	(171,199)	(182,053)	6.3%	(433,403)	(487,290)	12.4%
Gross profit	124,900	133,015	6.5%	329,869	349,470	5.9%
Gross margin	*42.2%*	*42.2%*	*0.0 p.p.*	*43.2%*	*41.8%*	*-1.4 p.p.*
SG&A	(76,766)	(89,438)	16.5%	(218,471)	(246,708)	12.9%
% of net revenues	*25.9%*	*28.4%*	*2.5 p.p*	*28.6%*	*29.5%*	*0.9 p.p*
Selling expenses	(55,418)	(63,818)	15.2%	(153,243)	(170,592)	11.3%
Owned stores	(22,074)	(27,155)	23.0%	(66,936)	(75,221)	12.4%
Selling, logistics and supply	(33,344)	(36,663)	10.0%	(86,307)	(95,371)	10.5%
General and administrative expenses	(18,033)	(20,808)	15.4%	(53,012)	(57,366)	8.2%
Other operating revenues (expenses)2	(22)	1,309	n/a	(2,617)	(724)	-72.3%
Depreciation and amortization	(3,293)	(6,121)	85.9%	(9,599)	(18,026)	87.8%
EBITDA	51,427	49,698	-3.4%	120,997	120,788	-0.2%
EBITDA margin	*17.4%*	*15.8%*	*-1.6 p.p.*	*15.9%*	*14.4%*	*-1.5 p.p.*
Net income	33,601	36,082	7.4%	82,667	86,163	4.2%
Net margin	*11.3%*	*11.5%*	*0.2 p.p.*	*10.8%*	*10.3%*	*-0.5 p.p.*
Working capital[1] - as % of revenues	29.7%	30.3%	0.6 p.p	29.7%	30.3%	0.6 p.p
Invested capital[2] - as % of revenues	42.4%	44.4%	2.0 p.p.	42.4%	44.4%	2.0 p.p.
Total debt	86,473	126,928	46.8%	86,473	126,928	46.8%
Net debt[3]	(89,383)	(66,558)	-25.5%	(89,383)	(66,558)	-25.5%
Net debt/EBITDA LTM	-0.5x	-0.4x	n/a	-0.5x	-0.4x	n/a

1 - Working Capital: current assets minus cash, cash equivalents and marketable securities less current liabilities minus loans and financing and dividends payable.
2 - Invested capital: working capital plus fixed assets and other long-term assets less income tax and deferred social contribution.
3 - Net debt is equal to total interest-bearing debt position at the end of a period less cash and cash equivalents and short-term financial investments.

Net revenues

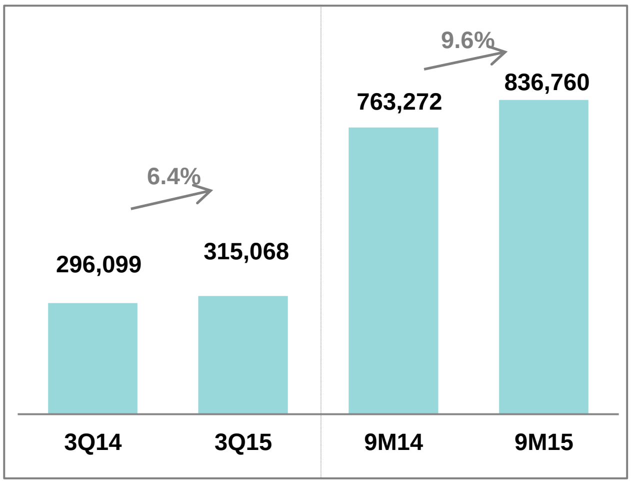
The Company's net revenue totaled R$315.1 million in the quarter, a growth of 6.4% over 3Q14. Some of the primary factors leading to this growth are:

i) Expansion of 10.5% in sales area compared to 3Q14, excluding outlets, with particular reference to the growth of 12% increase in the Franchises area;

ii) Decrease of 6.8% in the same store sales sell-out indicator and of 8.1% in sell-in;

iii) The Multibrand channel grew 5.9% in the quarter, maintaining the growth trend shown in the last 12 months;

iv) In the quarter export channel increased 55.7%.

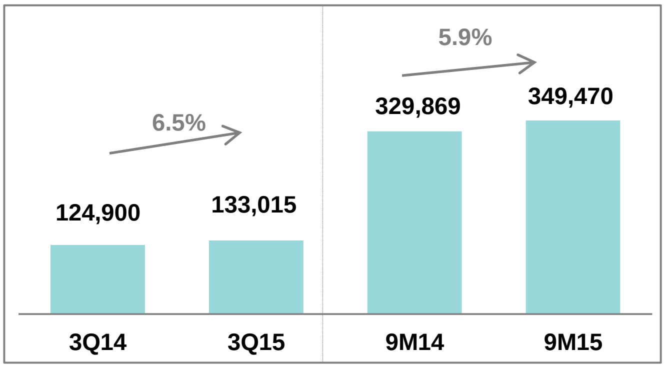


Gross profit

Gross profit totaled R$133.0 million in 3Q15, an increase of 6.5% in comparison with 3Q14, with a gross margin of 42.2%, in line with the previous year's.

This growth in gross profit in 3Q15 particularly reflected the 6.4% growth in net revenue.

The Company pursues a strategy of maintaining channel margins stable. The greatest variations are seen in the Owned Stores channel.



In this quarter, unlike 3Q14, agency representation expenses were included in costs of goods sold instead of in commercial expenses with sales, logistics and supplies, with a negative impact of 80 bps on gross margin comparison between the periods. Excluding this effect, gross profit would be R$135.6 million, with a gross margin of 43.0%.

Operating Expenses

The Company is strongly focused on adjusting the level of expenses to its growth. In the last 12 months, there was a continued deceleration of recurring expenses. Excluding expenses related to foreign exchange variation in the United States operation in the quarter and a provision referred to a recoverability evaluation of accounts receivable, expenses as a percentage of revenues, excluding depreciation and amortization, would be in line with what was presented in 3Q14.

Selling expenses

The Company's selling expenses can be divided into two primary groups:

i) Owned Stores Expenses:
- Include only owned stores (sell-out) expenses.

ii) Sales, Logistics and Supply Expenses:
- Include sell-in and sell-out operating expenses.

In 3Q15 selling expenses increased by 15.2% compared to 3Q14, reaching R$63.8 million against R$55.4 million in the same quarter of the previous year. Selling, logistics and supply expenses totaled R$36.7 million in the period, up by 10.0% against the same quarter of the previous year, primarily due to exchange rate variation of R$2.3 million in expenses with the US operation against the same quarter of the previous year, and a provision of R$2.0 million referring to a recoverability evaluation of accounts receivable.

Owned stores expenses totaled R$27.2 million in 3Q15, up by 23% in comparison with 3Q14, but higher than the 15.7% growth in sell-out in owned stores during the same period, due to R$900 thousand in additional transport and storage expenses, resulting primarily from the growth in the webcommerce channel, with the inclusion of the Arezzo and Anacapri brands and R$ 500 thousand due to the devolution of a commercial location following the strategy to optimize the owned stores channel.

General and Administrative Expenses

In 3Q15, general and administrative expenses totaled R$20.8 million, against R$18.0 million in the same quarter of the previous year, growth of 15.4% due mainly to the cost of the Company's new ERP, such as software licenses and costs of staff previously allocated to the implementation project, amounting to R$1.4 million, plus currency variations of R$600 thousand in the US operation expenses when compared to the same quarter of the previous year.

Other Revenues (Expenses)

In 3Q15, the Company showed a balance of R$1.3 million for other operating revenues, compared with R$22.0 thousand in 3Q14.

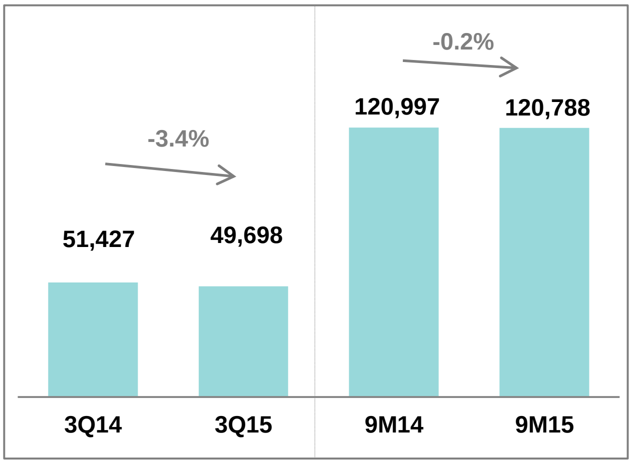
EBITDA and EBITDA margin

The Company's EBITDA decreased 3.4% in 3Q15 over 3Q14, totaling R$49.7 million in comparison with R$51.4 million in the same period of the previous year, with an EBITDA margin of 15.8% The primary factors leading to the growth in EBITDA in the quarter were:

i) Increase of 6.4% in net revenue;

ii) Growth of 6.5% in gross profit;

iii) Operating expenses as a percentage of revenues at 26.4%, excluding depreciation and amortization, or an increase of 160 bps against 3Q14.



Excluding expenses related to the Company's new ERP in the amount of R$1.4 million and expenses related to a provision of R$2.0 million, EBITDA in the quarter would be R$53.1 million, growth of 3.2% compared to the same period of the previous year.

EBITDA Reconciliation	3Q14	3Q15	9M14	9M15
Net income	33,601	36,082	82,667	86,163
(-) Income tax and social contribution	(18,214)	(17,463)	(39,178)	(36,643)
(-) Financial results	3,681	9,968	10,447	20,044
(-) Depreciation and amortization	(3,293)	(6,121)	(9,599)	(18,026)
(=) EBITDA	51,427	49,698	120,997	120,788

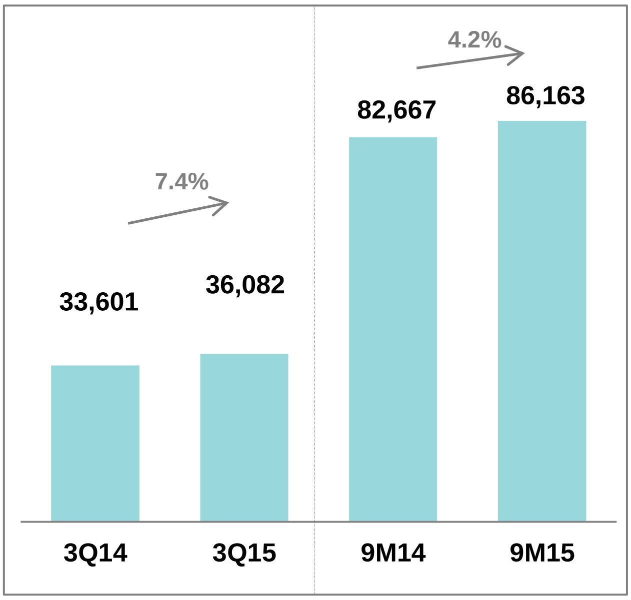
Net Income and net margin (%)

The Company presented EBITDA with an 15.8% margin in 3Q15 converted to a net margin of 11.5% for the quarter. This result reflects the higher allocation of capital to fixed assets during the last three years, due to the increase in the number of owned stores and higher investment in IT.

With the implementation of the Company's new ERP completed, there was an increase of 85.9% in depreciation for the quarter.

Currency variations added R$7.7 million to the financial income.

Net income was R$36.1 million in 3Q15, 7.4% higher than in 3Q14, with a net margin of 11.5%, 20 bps higher than in the same quarter of the previous year.



Operating cash flow

Arezzo&Co generated R$4.6 million in operating cash in 3Q15, due mainly to the higher operating profit for the period and impacted by an increase in working capital. The growth of 55.7% in the export channel, which traditionally has longer maturities, required more working capital to be employed. Also, given the economic context, accounts receivable was impacted by specific negotiations regarding maturity extensions based on analysis and additional credit constitution.

Operating Cash Flow	3Q14	3Q15	Change in R$	Change in R$	9M14	9M15	Change in %	Change in %
Income before income tax and social contribution	**51,815**	**53,545**	**1,730**	**3.3%**	**121,845**	**122,806**	**961**	**0.8%**
Depreciation and amortization	**3,293**	**6,121**	**2,828**	**85.9%**	**9,599**	**18,026**	**8,427**	**87.8%**
Other	**1,249**	**1,169**	**(80)**	**-6.4%**	**(181)**	**(17)**	**164**	**-90.6%**
Decrease (increase) in current assets / liabilities	**(9,957)**	**(46,494)**	**(36,537)**	**366.9%**	**(21,610)**	**(74,957)**	**(53,347)**	**246.9%**
Trade accounts receivables	(45,337)	(50,216)	(4,879)	10.8%	(33,645)	(63,630)	(29,985)	89.1%
Inventories	4,666	(5,839)	(10,505)	n/a	(31,269)	(25,442)	5,827	-18.6%
Suppliers	28,843	15,857	(12,986)	-45.0%	51,113	31,428	(19,685)	-38.5%
Change in other noncurrent and current assets and liabilities	1,871	(6,296)	(8,167)	n/a	(7,809)	(17,313)	(9,504)	121.7%
Payment of income tax and social contribution	**(12,538)**	**(9,733)**	**2,805**	**-22.4%**	**(33,080)**	**(23,861)**	**9,219**	**-27.9%**
Net cash flow generated by operational activities	**33,862**	**4,608**	**(29,254)**	**-86.4%**	**76,573**	**41,997**	**(34,576)**	**-45.2%**

Investments - Capex

The Company's investments can be broken down into 3 types: 1) investment in expansion or refurbishment of owned points of sale; 2) corporate investments, including IT, facilities, showrooms and offices; and 3) other investments, which are primarily related to modernization of its industrial operations.

Total Capex in 3Q15 was R$4.7 million, primarily due to corporate investments in IT, mostly related to the strategy for the company's Omni Channel. Capex in 3Q15, in comparison with the same period of the previous year, reflects the implementation of the new ERP and the Company's guidelines for reducing investments in 2015.

Summary of investments	3Q14	3Q15	Change. (%)	9M14	9M15	Change. (%)
Total capex	**12,325**	**4,680**	**-62.0%**	**36,497**	**20,763**	**-43.1%**
Stores - expansion and refurbi:	1,347	1,158	-14.0%	7,063	3,197	-54.7%
Corporate	8,877	3,241	-63.5%	24,991	14,820	-40.7%
Other	2,101	281	-86.7%	4,443	2,746	-38.2%

Cash position and indebtedness

The Company ended 3Q15 with R$66.6 million in net cash. Indebtedness policy remained conservative, with the following primary characteristics:

• Total debt of R$126.9 million in 3Q15 against R$86.5 million in 3Q14, an increase of R$40.5 million, of which R$42.5 million are Advances on Exchange Contracts due to the growth of the Exports channel;
• Long-term indebtedness was 22.5% of total debt in 3Q15, against 29.2% in 3Q14;
• The weighted average cost of the Company's total debt in 3Q15 remained at lower levels.

Cash position and Indebtedness	3Q14	2Q15	3Q15
Cash	**175,856**	**176,311**	**193,486**
Total debt	**86,473**	**98,387**	**126,928**
Short term	61,249	67,946	98,422
% total debt	70.8%	69.1%	77.5%
Long-term	25,224	30,441	28,506
% total debt	29.2%	30.9%	22.5%
Net debt	**(89,383)**	**(77,924)**	**(66,558)**

ROIC (Return on Invested Capital)

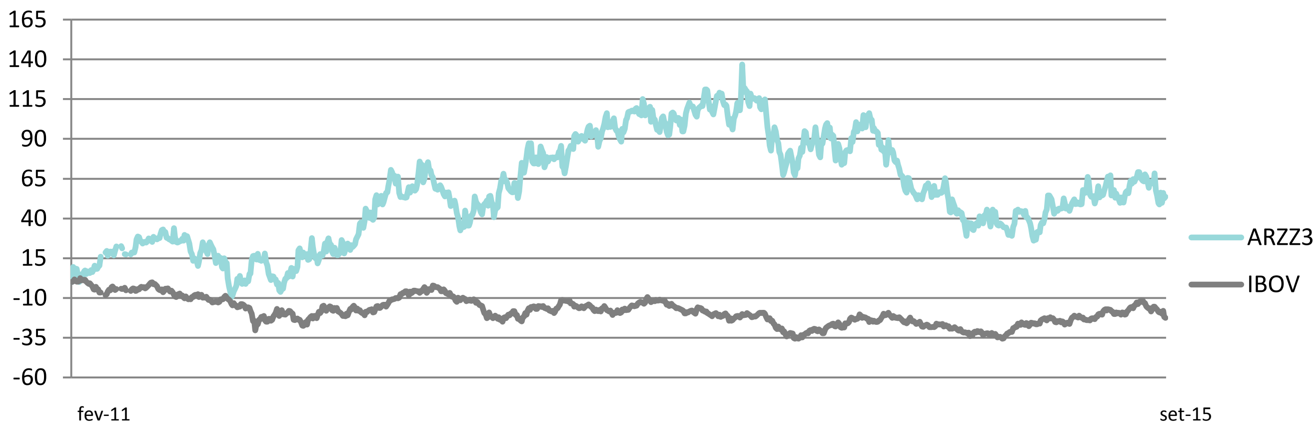
In line with the Company's strategic direction until 2014, invested capital exceeded those of previous years, especially on account of the opening of owned stores that has occurred since 2010. Return on Capital Invested (ROIC) was 19.8% in 3Q15, affected primarily by the concentration of investments in infrastructure over recent years, such as the investments in implementing the Company's new ERP, which will only bear fruit in the medium to long term.

Income from operations	3Q13	3Q14	3Q15	Growth (%)
EBIT (LTM)	149,549	151,794	139,434	-8.1%
+ IR and CS (LTM)	(44,881)	(50,070)	(46,200)	-7.7%
NOPAT	**104,668**	**101,724**	**93,234**	**-8.3%**
Working Capital[1]	262,017	302,987	341,839	12.8%
Permanent assets	128,935	156,237	168,276	7.7%
Other long-term assets[2]	8,429	8,107	23,276	187.1%
Invested capital	**399,381**	**467,331**	**533,391**	**14.1%**
Average invested capital[3]		**433,356**	**500,361**	**15.5%**
ROIC[4]		**23.5%**	**18.6%**	

1 - Working Capital: current assets minus cash, cash equivalents and financial investments less current liabilities minus loans and financing and dividends payable.
2 - Less deferred income tax and social contribution.
3 - Average invested capital in the period and same period previous year.
4 - ROIC: NOPAT for the last 12 months divided by average invested capital.

4. Capital Market and Corporate Governance

As of September 30, 2015 the Company's Market capitalization amounted to R$1.8 bn (stock price R$19.90), a reduction of 32% against the same period of 2014.



Arezzo&Co	
Listing	88,735,476
Ticker	ARZZ3
Listing	2/2/2011
Share Price (06/30/2014)	19.90
Market Cap	1,765,835,972
Performance	
2011[1]	20%
2012[2]	71%
2013 [3]	-24%
2014 4	-9%
2015 [5]	-26%

(1) From 02/02/2011 to 12/29/2011
(2) From 12/29/2011 to 12/28/2012
(3) From 12/28/2012 to 12/30/2013
(4) From 12/30/2013 to 12/30/2014
(5) From 12/30/2014 to 09/30/2015

To ensure greater predictability and transparency to shareholders, the Company has seminnanual distribution of dividends for its shareholders.

Projected payments [1]:

Reference date	Payment date	Remuneration	(R$)	Gross amount by ordinary share (R$)
4/24/2015	5/15/2015	Dividend	35,348,263.63	0.3986
6/15/2015	6/30/2015	Interest on equity	9,750,073.74	0.1099
6/15/2015	6/30/2015	Interest on equity	5,802,596.75	0.0654
8/3/2015	8/27/2015	Dividendo	9,487,923.49	0.1069

(1) Subject to tax withholding at a source rate of 15%, except for proven immune or exempt shareholders, or shareholders domiciled in countries or jurisdictions to which the rules establish different aliquot.

It also provides that the Company shall distribute the dividends, including interest on capital, dividends from other, equivalent to at least 25% of Net income to shareholders. For more information about Arezzo&Co' s remuneration policy, please see: www.arezzoco.com.br.

5. Independent Auditors

The financial statements of Arezzo&Co for the period ended September 30, 2015, were audited by Ernst & Young Auditores Independentes S.S. (“EY”). The Company’s policy for engaging non-audit services from its independent auditors is intended to ensure that there is no conflict of interests or loss of independence or objectivity. In the period ended September 30, 2015, other services, apart from the regular audit and review services and not related to them, were provided by EY. These activities can be summarized as follows:
Services related to a technical review of a tax study undertaken by another firm on the impact of indirect tax on sales and purchases of goods, for a fee of R$46,700; and services related to a technical diagnosis of the company’s online tax return (SPED Fiscal), for a fee of R$35,000.

6. Investor Relations

Shareholders, analysts and market participants have at their disposal information available on the Company’s IR webpage, www.arezzoco.com.br, CVM webpage, www.cvm.gov.br, and at BM&FBovespa webpage, www.bmfbovespa.com.br.

For further information, direct contact can be made with IR department by the e-mail ri@arezzoco.com.br, or telephone +55 (11) 2132-4300

7. Officer’s Statement with regard to the Financial Statements

The Officers of Arezzo Indústria e Comércio S.A. state to have reviewed, discussed and agreed upon the Independent auditors’ report and financial statements for the quarter ended on September 30th, 2015, according and pursuant to CVM Normative Instruction No. 480/09

Disclaimer

The information contained here may include forward-looking information and reflects the executive office’s current perception and prospects for the macroeconomic environment, the industry situation, the Company's performance and financial results. Any statements, expectations, capacities, plans and projections contained here which do not describe historical facts, such as information about the dividend payment statement, the future course of operations, the introduction of relevant financial strategies, the investment program and the factors or trends affecting the financial condition, liquidity or the operating results are considered forward-looking information as defined by the “U.S. Securities Litigation Reform Act” of 1995 and involve a number of risks and uncertainties. These results are not guaranteed to materialize. These statements are based on several factors and expectations, including the economic and market conditions, level of competition in the industry and operating factors. Any changes in these expectations and factors may lead to real results materially different from the current expectations.

The consolidated financial information of Arezzo Indústria e Comércio S/A – Arezzo&Co presented here complies with the International Financial Reporting Standards – IFRS, issued by the International Accounting Standards Board – IASB, based on audited financial information. The non-financial information, as well as other operating information, was not audited by the independent auditors.

1. Company information

Arezzo Indústria e Comércio S.A. (the "Company") is a publicly held corporation headquartered at Fernandes Tourinho Street, 147 – Rooms 1301 and 1303, in the city of Belo Horizonte - Minas Gerais State, with shares traded in the "Novo Mercado" segment of the Securities, Commodities and Futures Exchange (BM&FBOVESPA), ("ARZZ3"), since February 2, 2011.

The Company, together with its subsidiaries, is engaged in the manufacture, development, molding and sale of footwear, bags, women's clothing and accessories.

At September 30, 2015, the Company held 469 franchises in Brazil and 5 abroad; 50 own brand stores across Brazil and 1 own brand store abroad; in addition to a web commerce channel to sell Arezzo, Schutz and Anacapri-branded products.

The franchise system is controlled by Arezzo, and its own brand stores form part of its subsidiaries.

The footwear industry, due to its characteristics, can present variations in sales volume throughout the year, given that a higher volume is expected in the second half of every year. Owing to this seasonality, the balances of Accounts Receivable, Inventories and Accounts Payable may vary significantly between the periods according to order intake and schedule of deliveries as a function of the calendars of collections and special sales. These information are provided to allow for a better understanding of the results since, based on management's judgment, the Company's businesses are not impacted by these effects to the extent of being regarded as "highly seasonal", as defined by CPC 21 (IAS 34), which would require additional disclosures or information in the explanatory notes.

2. Summary of significant accounting practices

2.1. Basis of preparation and presentation of financial statements

The individual and consolidated interim financial statements were prepared and are being presented for the nine-month period ended September 30, 2015 in accordance with CPC 21 (R1) – Interim Financial Reporting, issued by the Brazilian Financial Accounting Standards Board ("CPC"), and with IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board ("IASB"), in line with the rules issued by the Brazilian Securities and Exchange Commission ("CVM"), applicable to the preparation of Quarterly Information ("ITR").

2. Summary of significant accounting practices (Continued)

2.1. Basis of preparation and presentation of financial statements (Continued)

In preparing these interim financial statements, the Company adopted the same accounting principles, estimates, practices and calculation methods and standards consistently to these used in the financial statements as at December 31, 2014, unless otherwise disclosed.

These interim financial statements were prepared under the historical cost convention, except for certain assets and liabilities, classified as financial instruments, which are measured at fair value.

These interim financial statements were prepared by the Company to keep users current on material information presented for the period and must be read in conjunction with the financial statements for the year ended December 31, 2014.

The individual and consolidated interim financial statements of the Company for the nine-month period ended September 30, 2015 were approved in the Board of Directors' Meeting held on November 3, 2015.

2.2. Basis of consolidation

The consolidated interim financial statements include the Company's operations and that of the following subsidiaries, whose ownership interest percentage, at the balance date, is summarized as follows:

	Total ownership interest %			
Subsidiaries	**2015**		**2014**	
	Direct	**Indirect**	**Direct**	**Indirect**
ZZAB Comércio de Calçados Ltda.	**99.99**	**-**	99.99	-
ZZSAP Indústria e Comércio de Calçados Ltda.	**99.99**	**-**	99.99	-
ARZZ International, INC.	**100.00**	**-**	100.00	-
ARZZ Co LLC	**-**	**100.00**	-	100.00
Schutz 655 LLC	**-**	**100.00**	-	100.00

The subsidiaries are fully consolidated as from their acquisition date, which is the date on which the Company obtains their control, and continue being consolidated through the date on which such control ceases to exist. The financial statements of the subsidiaries are prepared for the same reporting period of the Company, using accounting practices that are consistent with those adopted by the consolidated subsidiaries. All intragroup balances, revenues and expenses as well as unrealized gains and losses on intercompany transactions are eliminated in full.

Changes in ownership interest in a subsidiary that do not result in a loss of control are accounted for as transactions between shareholders, in equity.

Net income for the period is fully attributed to the controlling shareholders given that ownership interest held by noncontrolling shareholders corresponds to 0.0001% of the consolidated.

3. Significant accounting judgments, estimates and assumptions

Significant accounting judgments, estimates and assumptions are the same as those adopted in the preparation of the financial statements for the year ended December 31, 2014.

4. New or revised pronouncements

a) New or revised pronouncements – first-time adoption in 2015

The Company understands that standards amended and revised by the IASB effective on or after January 1, 2015 will have no material impacts on its financial statements.

b) New pronouncements – first-time adoption in 2015 – early adoption

The IASB issued amendment to IAS 27 Equity Pickup in Separate Financial Statements, effective as of January 1, 2016. This amendment enables the adoption of the equity method, in separate financial statements, in investments held in subsidiaries. The Company already adopts the equity method in separate financial statements.

c) New or revised pronouncements not yet effective as of September 30, 2015

Standards and interpretations issued but not yet adopted through the date the Company's interim financial statements were issued are set out below. The Company intends to adopt these standards, if applicable, when they become effective.

IFRS 9 – Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 – Financial Instruments, which reflects all financial instruments project phases and replaces IAS 39 – Financial Instruments: Recognition and Measurement, and all versions preceding IFRS 9. The standard introduces new requirements on classification and measurement, impairment losses, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018; early adoption is not permitted. Retroactive application is required, but the presentation of comparative information is not mandatory. Early adoption of versions preceding IFRS 9 (2009, 2010 and 2013) is allowed if first-time adoption date is before February 1, 2015. IFRS 9 adoption will have an effect on the classification and measurement of the Company's financial assets, with no impacts, however, on the classification and measurement of the Company's financial liabilities.

There are no other standards or interpretations issued and not yet adopted that may, based on management's opinion, have a significant impact on P&L or equity reported by the Company.

5. Cash and cash equivalents

	Company		Consolidated	
	09/30/2015	**12/31/2014**	**09/30/2015**	**12/31/2014**
Cash	**20**	15	**290**	544
Banks	**2,589**	6,095	**4,498**	10,287
	2,609	6,110	**4,788**	10,831

6. Short-term investments

	Company		Consolidated	
	09/30/2015	**12/31/2014**	**09/30/2015**	**12/31/2014**
Current				
Fixed income (a)	**29,378**	26,781	**30,034**	26,781
Exclusive investment fund				
Bank Deposit Certificates (CDBs)	**20,307**	15,441	**20,307**	15,441
Repurchase agreements	**22,953**	51,911	**22,953**	51,911
Financial bills (CEF)	**21,990**	-	**21,990**	-
Financial Treasury Bills (LFTs)	**93,414**	95,421	**93,414**	95,421
	188,042	189,554	**188,698**	189,554
Noncurrent				
Certificate accounts with lottery prizes	**-**	-	**90**	29
Total short-term investments	**188,042**	189,554	**188,788**	189,583

(a) These include Bank Deposit Certificates (CDBs) and investments in marketable securities.

Exclusive investment fund

Under CVM Ruling No. 408/04, the investment fund in which the Company holds exclusive participation has been consolidated.

Investment fund ZZ Referenciado DI Crédito Privado is a private credit fixed-income investment fund managed and under custody of Banco Santander S.A. There is no grace period for the redemption of shares, which are readily redeemable without significant loss.

At September 30, 2015, average remuneration for the investment fund is 100.47% of the Interbank Deposit Certificate (CDI). 47.7% of assets comprise Financial Treasury Bills (LFTs) and 82% of assets have daily liquidity.

The Company has financial investment policies determining that investments will be concentrated on low-risk securities and short-term investments in top-tier financial institutions (understood as Brazil's 10 top-tier financial institutions), substantially corresponding to investments remunerated at the CDI rate.

At September 30, 2015, the Company has no investments pledged as collateral to financial institutions.

7. Trade accounts receivable

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Trade notes – domestic customers	**242,585**	190,616	**244,211**	192,231
Trade notes – foreign customers	**35,038**	24,663	**48,853**	34,258
Trade notes – related parties (Note 12.a)	**31,953**	24,233	**-**	-
Checks	**-**	-	**263**	119
Credit cards	**-**	-	**48,627**	51,716
	309,576	239,512	**341,954**	278,324
(-) Allowance for doubtful accounts	**(2,399)**	(365)	**(2,445)**	(411)
	307,177	239,147	**339,509**	277,913
Current	**293,370**	239,147	**325,702**	277,913
Noncurrent	**13,807**	-	**13,807**	-

Changes in the allowance for doubtful accounts are as follows:

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Balance at beginning of period	**(365)**	(252)	**(411)**	(288)
Additions	**(2,034)**	(365)	**(2,034)**	(515)
Realization	**-**	252	**-**	392
Balance at end of period	**(2,399)**	(365)	**(2,445)**	(411)

Some customers have been experiencing financial hardship given the current economic scenario. In this context and based on credit analysis, the Company made some negotiations for maturity extension. Additionally, credit and collateral were rigorously analyzed to reduce Company's credit risk. Such negotiations are documented in specific legal instruments, collateral breakdown and restatement of amounts at rates pegged to CDI.

At September 30, 2015, installment amount reclassified into noncurrent accounts receivable totals R$13,807. In addition, R$499 were written off, on a net basis, and recognized in profit or loss for the quarter ended September 30, 2015.

The Company analyzed accounts receivable at September 30, 2015 and recognized an additional provision amounting to R$2,034. This increase is matched against selling expenses for the quarter ended September 30, 2015.

Out of total trade accounts receivable in September 2015, R$97 (R$97 as December 31, 2014) were given in guarantee for surety bond transactions contracted with financial institutions.

8. Inventories

	Company		Consolidated	
	09/30/2015	**12/31/2014**	**09/30/2015**	**12/31/2014**
Raw material	**5,705**	6,407	**12,917**	13,161
Work in process	**-**	-	**7,498**	9,739
Finished products	**42,972**	27,865	**102,441**	70,867
Advances to suppliers	**1,963**	4,273	**2,256**	5,903
(-) Provision for losses	**(3,725)**	(1,539)	**(4,074)**	(1,539)
	46,915	37,006	**121,038**	98,131

Changes in the provision for losses are as follows:

	Company		Consolidated	
	09/30/2015	**12/31/2014**	**09/30/2015**	**12/31/2014**
Balance at beginning of period	**(1,539)**	(799)	**(1,539)**	(799)
Additions	**(2,670)**	(1,054)	**(3,019)**	(1,054)
Recoveries/realization	**484**	314	**484**	314
Balance at end of period	**(3,725)**	(1,539)	**(4,074)**	(1,539)

9. Taxes recoverable

	Company		Consolidated	
	09/30/2015	**12/31/2014**	**09/30/2015**	**12/31/2014**
State VAT (ICMS) recoverable	**6,767**	11,165	**8,328**	11,985
Prepaid Corporate Income Tax (IRPJ)	**589**	6,061	**1,401**	6,867
Prepaid Social Contribution Tax on Net Profit (CSLL)	**140**	1,986	**519**	2,357
Other	**874**	1,561	**6,360**	6,533
	8,370	20,773	**16,608**	27,742

10. Other receivables

	Company		Consolidated	
	09/30/2015	**12/31/2014**	**09/30/2015**	**12/31/2014**
Advance for advertising fund	**12,834**	4,268	**12,834**	4,268
Receivables from franchisees	**2,474**	2,457	**2,474**	3,903
Advances to suppliers	**1,485**	975	**3,999**	2,525
Advances to employees	**1,020**	332	**1,346**	850
Advances on business travel	**742**	846	**775**	848
Prepaid expenses	**3,057**	55	**3,214**	201
Other receivables	**376**	-	**3,147**	2,808
	21,988	8,933	**27,789**	15,403
Current	**20,577**	8,613	**26,319**	14,482
Noncurrent	**1,411**	320	**1,470**	921

11. Income and social contribution taxes

a) Deferred taxes

	Company		Consolidated	
	09/30/2015	**12/31/2014**	**09/30/2015**	**12/31/2014**
Deferred income and social contribution taxes:				
On temporary differences	**4,937**	2,429	**5,154**	2,382
On income and social contribution tax losses	**-**	-	**3,266**	1,742
Total deferred income and social contribution taxes	**4,937**	2,429	**8,420**	4,124

Deferred income tax asset reconciliation is as follows:

	Company		Consolidated	
	09/30/2015	**12/31/2014**	**09/30/2015**	**12/31/2014**
Opening balance	**2,429**	4,800	**4,124**	5,514
Deferred tax recognized in Income Statements	**2,508**	(2,371)	**4,296**	(1,390)
Closing balance	**4,937**	2,429	**8,420**	4,124

The studies and projections made by Company management indicate the generation of future taxable profits at an amount that allows for the offset of future tax credits over the next years.

Based on future taxable profit projections, the estimate for recoverability of deferred income and social contribution taxes (Company and consolidated) is stated as follows:

	Company	Consolidated
	09/30/2015	**09/30/2015**
2015	**3,753**	**4,622**
2016	**559**	**1,720**
2017	**362**	**1,523**
2018	**187**	**479**
After 2018	**76**	**76**
Total	**4,937**	**8,420**

11. Income and social contributions taxes (Continued)

b) Reconciliation between income and social contribution tax expenses at the statutory and effective rates

Reconciliation of the expense calculated by applying income and social contribution tax rates is as follows:

	Company		Consolidated	
	09/30/2015	09/30/2014	09/30/2015	09/30/2014
Income before income and social contribution taxes	**122,669**	121,063	**122,806**	121,845
Statutory rate (%)	**34%**	34%	**34%**	34%
Expected IRPJ and CSLL expenses at statutory rate	**(41,707)**	(41,161)	**(41,754)**	(41,427)
Deferred income and social contribution taxes on losses other than those from subsidiaries	**-**	-	**(1,940)**	(2,126)
Income and social contribution tax effects on permanent differences:				
Benefit on expenses with research and technological innovation - Law No. 11196/05	**2,526**	2,676	**2,526**	2,676
Equity pickup	**(3,474)**	(2,131)	**-**	-
Interest on equity	**5,288**	4,159	**5,288**	4,159
Expenses with stock option plan	**(1,201)**	(1,169)	**(1,201)**	(1,169)
Tax incentives (Worker's meal program – PAT, Rouanet Act, among others)	**646**	87	**646**	87
Other permanent differences	**1,416**	(857)	**(208)**	(1,378)
Income and social contribution taxes on per income statement	**(36,506)**	(38,396)	**(36,643)**	(39,178)
Current	**(39,014)**	(40,103)	**(40,939)**	(41,494)
Deferred	**2,508**	1,707	**4,296**	2,316
Total	**(36,506)**	(38,396)	**(36,643)**	(39,178)
Effective rate - %	**29.76%**	31.72%	**29.84%**	32.15%

12. Related-party transactions and balances

a) Balances and transactions with subsidiaries and controlling shareholders

	09/30/2015						
	Current assets	Noncurrent assets		Current liabilities	Noncurrent liabilities	Transactions	
	Trade accounts receivables	Receivables	Intercompany loans	Trade accounts payable	Intercompany loans	Revenues	Purchases
Company							
Subsidiaries							
ARZZ Co LLC	**-**	**13,165**	**-**	**-**	**-**	**-**	**-**
ARZZ International, INC	**-**	**25,524**	**-**	**-**	**-**	**18,708**	**-**
ZZAB Comércio de Calçados Ltda.	**31,910**	**-**	**-**	**121**	**-**	**110,058**	**-**
ZZSAP Indústria e Comércio de Calçados Ltda.	**43**	**-**	**-**	**2,471**	**-**	**1,281**	**82,694**
Total Company	**31,953**	**38,689**	**-**	**2,592**	**-**	**130,047**	**82,694**
Consolidated							
Controlling shareholders	**-**	**-**	**-**	**-**	**1,420**	**-**	**-**
Total Consolidated	**-**	**-**	**-**	**-**	**1,420**	**-**	**-**

	12/31/2014					09/30/2014	
	Current assets	Noncurrent assets		Current liabilities	Noncurrent liabilities	Transactions	
	Trade accounts receivables	Receivables	Intercompany loans	Trade accounts payable	Intercompany loans	Revenues	Purchases
Company							
Subsidiaries							
ARZZ Co LLC	-	8,800	-	-	-	-	-
ARZZ International, INC	-	13,770	-	-	-	11,341	-
ZZAB Comércio de Calçados Ltda.	23,418	-	-	433	-	95,667	7
ZZSAP Indústria e Comércio de Calçados Ltda.	815	-	5,916	-	-	354	72,833
Total Company	24,233	22,570	5,916	433	-	107,362	72,840
Consolidated							
Controlling shareholders	-	-	-	-	950	-	-
Total Consolidated	-	-	-	-	950	-	-

12. Related-party transactions and balances (Continued)

b) Nature, terms and conditions of transactions – subsidiaries

The Company's transactions with related parties are carried out under commercial and financial conditions mutually agreed between the parties concerned. The most common transaction is the sale of Arezzo (Company) footwear and accessories to ZZAB and ARZZ International Inc. (subsidiaries), and the acquisition of footwear and accessories from manufacturer ZZSAP (subsidiary).

The sales transactions performed by these related parties are in accordance with specific pricing policies and terms established between the parties. Days sales outstanding (DSO) for related parties is 77 days, while days purchases outstanding (DPO) by related parties is 8 days.

c) Key management personnel compensation

Management compensation is through management fees and profit sharing. At September 30, 2015, Company management compensation related to short-term benefits (management fees and profit sharing) totaled R$4,330 (R$2,769 at September 30, 2014), as follows:

	09/30/2015	09/30/2014
Annual fixed compensation – salary/management fees	**3,614**	2,631
Variable compensation – bonus	**716**	138
Total compensation	**4,330**	2,769

The Company grants a share-based payment plan (Note 30). For the nine-month period ended September 30, 2015, expenses on officers' stock option plan totaled R$845 (R$690 at September 30, 2014), stated as operating expenses before financial income.
The Company and its subsidiaries do not grant post-employment benefits, severance pay packages or other long-term benefits to its management and employees.

d) Transactions or relations with shareholders

Certain Company officers and directors hold directly a total 52.9% interest in the Company's shares at September 30, 2015.

12. Related-party transactions and balances (Continued)

e) Transactions with other related parties

The Company has a legal advisory service agreement in the civil, labor and tax areas with law firm Procópio de Carvalho, owned by Mr. José Murilo Procópio de Carvalho, a member of the Company's Board of Directors, as well as with Ethos Desenvolvimento S/C Ltda., owned by Mr. José Ernesto Beni Bolonha, a provider of human resources management consulting services and also a member of the Company's Board of Directors. For the nine-month period ended September 30, 2015, these entities received R$260 and R$476 (R$374 and R$443 at September 30, 2014), respectively.

The Company hired business advisory services from Instituto de Desenvolvimento Gerencial S.A., entity in which Mr. Wellerson Cavalieiri, member of the Company's Board of Directors, holds interest. For the nine-month period ended September 30, 2015, the entity received R$630 (R$2,556 at September 30, 2014).

13. Investments

For purposes of consolidated interim financial statements presentation, net income and financial position of the subsidiary included in the consolidated, and investment valued under the equity method in the individual and consolidated interim financial statements with functional currency other than the reporting currency, was translated into the reporting currency. The same procedure is adopted for presentation purposes in the individual and consolidated financial statements, of investment balance, equity pickup and exchange variation arising from the translation process, in which: i) assets and liabilities are translated at the exchange rate in force at the consolidated financial statements closing date; ii) net income accounts are translated at the monthly average exchange quote; iii) all differences arising from the translation of exchange rates are posted to equity, in the consolidated statement of comprehensive income, as "Other comprehensive income (loss)"; and iv) amounts presented in the cash flow statements are extracted from changes in translation of assets, liabilities and net income.

13. Investments (Continued)

Description	Assets	Liabilities	Equity	Capital	Net revenue	Income (loss) for the period	% Interest held	Investment/provision for investment losses 09/30/2015	Investment/provision for investment losses 12/31/2014	Equity pickup 09/30/2015	Equity pickup 09/30/2014
ZZAB Com. de Calçados Ltda.	**175,017**	**47,559**	**127,458**	**93,614**	**161,850**	**1,257**	99.99	**127,458**	126,678	**1,257**	1,424
ZZSAP Ind. e Com. de Calçados Ltda.	**40,526**	**15,218**	**25,308**	**21,592**	**64,523**	**(3,109)**	99.99	**25,308**	6,939	**(3,109)**	(1,324)
Investments								**152,766**	133,617	**(1,852)**	100
ARZZ International, INC	**37,814**	**61,141**	**(23,327)**	**24,270**	**40,101**	**(8,366)**	100.00	**(23,327)**	(9,129)	**(8,366)**	(6,369)
Provision for investment losses								**(23,327)**	(9,129)	**(8,366)**	(6,369)
								129,439	124,488	**(10,218)**	(6,269)

	Company 09/30/2015	Company 12/31/2014
Balance at beginning of period, net of provision for losses	**124,488**	125,184
Capital payment	**21,000**	5,721
Other comprehensive income (loss)	**(5,831)**	-
Equity pickup	**(10,218)**	(6,417)
Balance at end of period, net of provision for losses	**129,439**	124,488

13. **Investments** (Continued)

Capital increase

In 2014, subsidiary ARZZ International Inc. increased its capital from US$ 6,589 thousand to US$ 9,139 thousand, totaling US$ 2,550 thousand, equivalent to R$ 5,721 paid in currency in the year.

For the nine-month period ended September 30, 2015, subsidiary ZZSAP Ind. e Com. de Calçados Ltda. increased its capital by R$ 21,000 paid in currency in the period.

14. Property, plant and equipment

	09/30/2015			12/31/2014		
Company	**Cost**	**Depreciation**	**Net**	**Cost**	**Depreciation**	**Net**
Computers and peripherals	**10,491**	**(5,802)**	**4,689**	9,619	(4,662)	4,957
Furniture and fixtures	**7,465**	**(3,030)**	**4,435**	7,019	(2,554)	4,465
Machinery and equipment	**6,479**	**(2,469)**	**4,010**	5,963	(2,000)	3,963
Facilities and showroom	**16,582**	**(4,649)**	**11,933**	14,320	(3,589)	10,731
Vehicles	**242**	**(96)**	**146**	236	(67)	169
Land	**101**	**-**	**101**	101	-	101
Total	**41,360**	**(16,046)**	**25,314**	37,258	(12,872)	24,386

	09/30/2015			12/31/2014		
Consolidated	**Cost**	**Depreciation**	**Net**	**Cost**	**Depreciation**	**Net**
Computers and peripherals	**12,772**	**(7,141)**	**5,631**	11,552	(5,690)	5,862
Furniture and fixtures	**21,115**	**(7,044)**	**14,071**	19,045	(5,479)	13,566
Machinery and equipment	**16,002**	**(6,509)**	**9,493**	14,459	(5,381)	9,078
Facilities and showroom	**66,006**	**(18,221)**	**47,785**	61,371	(14,380)	46,991
Vehicles	**255**	**(109)**	**146**	249	(80)	169
Land	**101**	**-**	**101**	101	-	101
Total	**116,251**	**(39,024)**	**77,227**	106,777	(31,010)	75,767

14. Property, plant and equipment (Continued)

Details of the Company property, plant and equipment are set out as follows:

Company	Computers and peripherals	Furniture and fixtures	Machinery and equipment	Facilities and showroom	Vehicles	Land	Total
Balances at 12/31/2013	2,375	4,401	3,586	9,752	133	1,501	21,748
Acquisitions	3,001	429	420	1,297	-	-	5,147
Depreciation	(687)	(415)	(292)	(866)	(12)	-	(2,272)
Write-offs	-	-	(11)	-	-	(1,400)	(1,411)
Balances at 09/30/2014	4,689	4,415	3,703	10,183	121	101	23,212
Balances at 12/31/2014	4,957	4,465	3,963	10,731	169	101	24,386
Acquisitions	**872**	**446**	**516**	**2,262**	**27**	**-**	**4,123**
Depreciation	**(1,140)**	**(476)**	**(469)**	**(1,060)**	**(50)**	**-**	**(3,195)**
Balances at 09/30/2015	**4,689**	**4,435**	**4,010**	**11,933**	**146**	**101**	**25,314**
Average depreciation rate	20%	10%	10%	10%	20%	-	

Consolidated	Computers and peripherals	Furniture and fixtures	Machinery and equipment	Facilities and showroom	Vehicles	Land	Total
Balances at 12/31/2013	3,360	11,840	7,750	43,959	133	1,501	68,543
Acquisitions	3,178	3,185	1,902	7,976	-	-	16,241
Depreciation	(940)	(1,262)	(774)	(4,116)	(12)	-	(7,104)
Write-offs	(17)	(589)	(34)	(2,116)	-	(1,400)	(4,156)
Balances at 09/30/2014	5,581	13,174	8,844	45,703	121	101	73,524
Balances at 12/31/2014	5,862	13,566	9,078	46,991	169	101	75,767
Acquisitions	**1,227**	**2,150**	**1,572**	**6,323**	**27**	**-**	**11,299**
Depreciation	**(1,454)**	**(1,585)**	**(1,145)**	**(4,316)**	**(50)**	**-**	**(8,550)**
Write-offs	**(4)**	**(60)**	**(12)**	**(1,213)**	**-**	**-**	**(1,289)**
Balances at 09/30/2015	**5,631**	**14,071**	**9,493**	**47,785**	**146**	**101**	**77,227**
Average depreciation rate	20%	10%	10%	10%	20%	-	

15. Intangible assets

Company	09/30/2015 Cost	Amortization	Net	12/31/2014 Cost	Amortization	Net
Trademarks and patents	**3,329**	**-**	**3,329**	2,812	-	2,812
Store use rights	**1,078**	**-**	**1,078**	1,078	-	1,078
System use rights	**71,205**	**(22,353)**	**48,852**	60,120	(12,989)	47,131
Total	**75,612**	**(22,353)**	**53,259**	64,010	(12,989)	51,021

Consolidated	09/30/2015 Cost	Amortization	Net	12/31/2014 Cost	Amortization	Net
Trademarks and patents	**3,459**	**-**	**3,459**	2,928	-	2,928
Store use rights	**38,230**	**-**	**38,230**	39,598	-	39,598
System use rights	**72,303**	**(22,943)**	**49,360**	61,017	(13,467)	47,550
Total	**113,992**	**(22,943)**	**91,049**	103,543	(13,467)	90,076

Changes in Company balances are detailed below:

Company	Trademarks and patents	Store use rights	System use rights	Total
Balances at 12/31/2013	2,655	1,078	22,497	26,230
Acquisitions	21	2	19,820	19,843
Amortization	-	-	(2,420)	(2,420)
Write-offs	-	(2)	(14)	(16)
Balances at 09/30/2014	2,676	1,078	39,883	43,637
Balances at 12/31/2014	2,812	1,078	47,131	51,021
Acquisitions	**517**	**-**	**11,085**	**11,602**
Amortization	**-**	**-**	**(9,364)**	**(9,364)**
Balances at 09/30/2015	**3,329**	**1,078**	**48,852**	**53,259**
Estimated useful life	Indefinite	Indefinite	5 years	

Consolidated	Trademarks and patents	Store use rights	System use rights	Total
Balances at 12/31/2013	2,778	41,495	22,841	67,114
Acquisitions	22	277	19,957	20,256
Amortization	-	-	(2,495)	(2,495)
Write-offs	(11)	(2,140)	(11)	(2,162)
Balances at 09/30/2014	2,789	39,632	40,292	82,713
Balances at 12/31/2014	2,928	39,598	47,550	90,076
Acquisitions	**531**	**117**	**11,286**	**11,934**
Amortization	**-**	**-**	**(9,476)**	**(9,476)**
Write-offs	**-**	**(1,485)**	**-**	**(1,485)**
Balances at 09/30/2015	**3,459**	**38,230**	**49,360**	**91,049**
Estimated useful life	Indefinite	Indefinite	5 years	

15. Intangible assets (Continued)

Major investments made in "system use rights" regard the development and implementation of the new integrated management system which was implemented in the first half of 2015, with additional investment in 2015 of R$ 5,574. The management software selected by the Company was SAP.

For the nine-month period ended September 30, 2015, the amount of R$ 12,383 (R$ 13,116 at September 30, 2014) was recognized in P&L, Company and consolidated, related to expenses with research and development of new products, recorded as Company general and administrative expenses.

Impairment test of indefinite-lived intangible assets

The impairment test of the intangible assets did not require recognition of loss for the year ended December 31, 2014 since their estimated value in use exceeds the net carrying amount as of the measurement date. In preparing these interim financial statements, the Company evaluated the existence of events that could impact the amount of its assets and found no indications that they may have been impaired.

16. Loans and financing

Loans and financing can be summarized as under:

	Company		Consolidated	
	09/30/2015	**12/31/2014**	**09/30/2015**	**12/31/2014**
Working Capital (i)	**-**	-	**19,901**	13,331
FINAME (ii)	**-**	12	**1,037**	1,055
Advance on exchange contracts (ACC) (iii)	**67,954**	29,493	**67,954**	29,493
FINEP (iv)	**35,365**	41,205	**35,365**	41,205
BNDES Progeren (v)	**-**	-	**2,671**	14,323
Other	**-**	-	**-**	3
	103,319	70,710	**126,928**	99,410
Current	**75,706**	37,266	**98,422**	65,081
Noncurrent	**27,613**	33,444	**28,506**	34,329

Interest rates and charges incurred on loans are as follows:

(i) Working Capital in the United States of America: denominated in US dollars, plus average Libor rate + 1.35% fixed p.a.

(ii) Finame: 6% p.m.

(iii) Advance on exchange contracts (ACC): denominated in US dollars, increased by interest rate plus Bank spread, average of 1.69% p.a. at September 30, 2015.

(iv) FINEP: Rate of 4% and 5.25% p.a., or indexed to long-term interest rate (TJLP).

(v) BNDES Progeren - working capital, TJLP rate plus 2.5% p.a.

16. Loans and financing (Continued)

Loan agreement maturities

- Working capital (Bank of America): maturity on September 2016;
- FINAME: monthly installments with final maturity in October 2024;
- ACC: various contracts with final maturity to September 2016;
- FINEP: maturing from 2014 to September 2021; and
- BNDES: maturity at November 15, 2015.

Loans and financing recorded as noncurrent liabilities at September 30, 2015 mature as follows:

	Company	Consolidated
2016	**2,788**	**2,838**
2017	**7,963**	**8,184**
2018	**6,349**	**6,504**
After 2018	**10,513**	**10,980**
Total	**27,613**	**28,506**

Loans are guaranteed by collateral signatures of controlling shareholders and also surety bonds, and do not have covenants on financial ratios.

Other guarantees and commitments

The Company has a technical and financial cooperation agreement with Banco do Nordeste do Brasil S/A to maintain credit facilities intended for Arezzo franchisees in business ventures within the bank's area of operations. Funds of the Constitutional Northeast Region Finance Fund (FNE) are used for financing the modernization of its stores (of third parties) in accordance with standards established by the Company, as well as costs associated with these operations, by way of working capital requirements, if necessary.

The Company is the guarantor of these transactions through surety bond, as engaged by shop owners. At September 30, 2015, the amount is R$ 1,974 (R$ 1,631 at December 31, 2014).

The Company has a technical and financial cooperation agreement with Banco Alfa to maintain credit facilities intended for Arezzo franchisees in business ventures, using BNDES funds for financing the modernization of its stores (of third parties) in accordance with standards established by the Company, as well as costs associated with these operations. The Company is the guarantor of these transactions. At September 30, 2015, balance of these transactions guaranteed by the Company amounted to R$ 3,204 (R$ 3,693 at December 31, 2014).

There not history of Company losses on similar transaction.

17. Trade accounts payable

Breakdown of trade accounts payable is as follows:

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Domestic trade accounts payable	**90,716**	63,891	**101,280**	70,271
Transactions with related parties (Note 12.a)	**2,592**	433	**-**	-
Foreign trade accounts payable	**463**	44	**463**	44
	93,771	64,368	**101,743**	70,315

18. Labor liabilities

Breakdown of labor liabilities is as follows:

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Salaries payable	**120**	5,810	**1,232**	7,398
Accrued for vacation pay and payroll Taxes	**14,039**	5,706	**20,600**	9,707
	14,159	11,516	**21,832**	17,105

19. Provisions for labor, tax and civil contingencies

The balances are as follows:

	Company		Consolidated	
	09/30/2015	12/31/2014	09/30/2015	12/31/2014
Civil	**263**	484	**314**	507
Tax	**1,675**	1,675	**2,044**	2,044
Labor	**2,398**	2,346	**3,221**	2,766
	4,336	4,505	**5,579**	5,317

Based on information provided by its legal advisors and on analysis of ongoing litigation, management set up a provision at an amount deemed sufficient to cover probable losses on existing cases, as follows:

Company	Civil	Tax	Labor	Total
Balances at 12/31/2013	502	1,185	2,162	3,849
Additions/restatements	530	1,216	832	2,578
Reversals/payments	(557)	(727)	(543)	(1,827)
Balances at 09/30/2014	475	1,674	2,451	4,600
Balances at 12/31/2014	484	1,675	2,346	4,505
Additions/restatements	**2**	**-**	**245**	**247**
Reversals/payments	**(223)**	**-**	**(193)**	**(416)**
Balances at 09/30/2015	**263**	**1,675**	**2,398**	**4,336**

Consolidated	Civil	Tax	Labor	Total
Balances at 12/31/2013	524	1,554	2,765	4,843
Additions/restatements	530	1,217	927	2,674
Reversals/payments	(558)	(727)	(819)	(2,104)
Balances at 09/30/2014	496	2,044	2,873	5,413
Balances at 12/31/2014	507	2,044	2,766	5,317
Additions/restatements	**31**	**-**	**963**	**994**
Reversals/payments	**(224)**	**-**	**(508)**	**(732)**
Balances at 09/30/2015	**314**	**2,044**	**3,221**	**5,579**

19. Provisions for labor, tax and civil contingencies (Continued)

In March 2014, the Company provisioned the amount of R$1,217 relating to a tax deficiency notice served by the Brazilian Internal Revenue Service on May 31, 2013 for nonpayment of Corporate Income Tax (IRPJ), Social Contribution Tax on Net Profit (CSLL) and Tax on Financial Transactions (IOF) on loans in the period from June 2008 to December 2009. On August 1, 2014, the provision totaling R$727 relating to IOF was reversed by virtue of the adoption of the federal tax installment program established by Law No. 12973 of 2014. The Company paid the consolidated installment plan amount of R$423 in cash on August 22, 2014. The proceeding related to IRPJ and CSLL is currently at the administrative level.

The Company and its subsidiaries are involved in other legal and administrative proceedings of a civil, tax and labor nature amounting to approximately R$ 47,882, Company and Consolidated, whose likelihood of loss was assessed as possible in the opinion of its legal advisors and, as such, no recognition of provision was required.

These other proceedings include the following:

i) Tax deficiency notice served by the Brazilian IRS on June 11, 2013 referring to IRPJ and CSLL against the Company, questioning the deductibility of the amortization of goodwill arising from the acquisition of equity interest in the Company by BRICS Participações S.A. (BRICS) at market value, which was determined by independent experts, and the subsequent downstream merger by the Company, as described in Note 21.2 of the financial statements as of December 31, 2014. The merged goodwill was recognized net of goodwill adjustment provision, as required by CVM Ruling No. 319/99, and constitutes a tax benefit arising from the deductibility of the referred to goodwill. This case is currently at the administrative level and, according to the Company's legal advisors, the likelihood of loss is “possible”, amounting to R$ 7,868.

ii) Tax delinquency notice served by the Rio Grande do Sul State Finance Office (SEFAZ/RS) on April 2, 2013, referring to allegedly undue ICMS credit taken on shipment of goods to acquirers established in Manaus Free-Trade Zone (ZFM) and Free Trade Areas (ALC), in the period from February 2008 to December 2011, resulting in the required payment of ICMS, as restated, amounting to R$ 5,172. The case is currently at the administrative level and, according to the Company’s legal advisors, the likelihood of loss is “possible”.

Judicial deposits

At September 30, 2015, judicial deposits amount to R$ 5,702, in Company (R$ 5,242 at December 31, 2014), and R$ 7,909, in consolidated (R$ 6,939 at December 31, 2014).

20. Capital and reserves

20.1. Capital

At March 31, 2015, the Board of Directors approved capital increase in the amount of R$40,111, through partial capitalization of the capital reserve, with no new issue of shares.

	Number of shares (in thousands)	Capital R$
Balance at December 31, 2013	88,637	157,186
Capital increase through capitalization of capital reserve	-	62,000
Issue of shares with stock option plan	45	900
Balance at September 30, 2014	88,682	220,086
Balance at December 31, 2014	88,682	220,086
Capital increase through capitalization of capital reserve	**-**	**40,111**
Issue of shares with stock option plan	**53**	**1,050**
Balance at September 30, 2015	**88,735**	**261,247**

20.2. Treasury shares

At March 31, 2014, the Board of Directors approved the introduction of a share buyback program intended to maintain the Company's own shares in treasury for their subsequent cancellation or disposal ("Buyback Program"). Deals can be conducted within 365 (three hundred sixty-five) days beginning March 31, 2014, i.e., they will be closed by March 31, 2015. The Company had not repurchased any share.

On March 30, 2015, the Board of Directors approved the introduction of a share buyback program intended to maintain the Company's own shares in treasury for their subsequent cancellation or disposal ("Buyback Program"). Deals can be conducted within 365 (three hundred sixty-five) days beginning March 30, 2015, i.e., they will be closed by March 29, 2016. Each deal shall be limited to 4,238,629 (four million, two hundred thirty-eight thousand, six hundred twenty-nine) common registered, book-entry shares, with no par value, issued by the Company, accounting for 10% (ten percent) of total outstanding shares issued by the Company, as defined by CVM Ruling No.10/80, article 5. Until September 30, 2015, the Company had not repurchased any share.

21. Dividend and interest on equity paid and proposed

<u>Dividend</u>

Pursuant to the Company's articles of incorporation, shareholders are entitled to a mandatory minimum dividend equivalent to 25% of net income for the year, adjusted by a legal reserve set up as required by the corporation law. Interest on equity, as calculated, is considered to be distribution of profit for purposes of determination of minimum dividend to be paid.

21. Dividend and interest on equity paid and proposed (Continued)

On March 2, 2015, the Board of Directors approved the proposal to allocate net income for the year ended December 31, 2014, including a proposal to pay additional dividend amounting to R$35,348. On April 24, 2015, dividend payment proposal was approved in the Company's Annual General Shareholders' Meeting, paid on May 14, 2015.

On August 3, 2015, the Company approved by means of a Board of Directors' Meeting the payment of interim dividends amounting to R$ 9,489, paid on August 27, 2015. Interim dividends paid for the year consist of prepaid mandatory minimum dividend.

Interest on equity – Law No. 9249/95

In order to meet tax standards, the Company recorded interest on equity paid or credited for the year against "financial expenses". In order to prepare these financial statements, such interest is reversed from P&L against retained earnings, as required by the accounting practices. On such interest, income tax was withheld at source at the rate of 15%, except for shareholders that proved to be tax exempt or tax immune, or shareholders domiciled in countries or jurisdictions where legislation establishes a different rate.

On March 17, 2014, the Board of Directors approved a policy to pay proceeds for 2014 and 2015. Amounts to be paid for 2015, for IOE purposes, amount to R$9,750 for each six-month period, and paid at June 30, 2015 and payable on December 30, 2015.

At June 30, 2015, the Company recorded interest on equity amounting to R$15,553, with R$9,750 approved on March 17, 2014 and R$5,803 on June 15, 2015.

Interest on equity credited over the year is considered prepayment of mandatory minimum dividend.

22. Earnings (loss) per share

In compliance with CPC 41 (IAS 33), the Company set out below information on earnings per share for the nine-month periods ended September 30, 2015 and 2014.

a) Basic earnings per share

	09/30/2015	09/30/2014
Net income for the period (in thousands of reais)	**86,163**	82,667
Weighted average number of shares issued (in thousands)	**88,693**	88,648
Basic earnings per share – in R$	**0.9715**	0.9325

b) Diluted earnings per share

	09/30/2015	09/30/2014
Net income for the period (in thousands of reais)	**86,163**	82,667
Weighted average of shares issued (in thousands)	**88,693**	88,648
Adjustment as per stock options (in thousands)	**207**	55
Weighted average number of common shares for diluted earnings per share (in thousands)	**88,900**	88,703
Diluted earnings per share – R$	**0.9692**	0.9320

23. Net sales revenue

Breakdown of net sales revenue is as follows:

	Company		Consolidated	
	09/30/2015	09/30/2014	09/30/2015	09/30/2014
Gross sales revenue				
Domestic market	**847,262**	811,421	**982,127**	931,603
Foreign market	**61,339**	38,897	**85,508**	50,751
Sales returns	**(15,840)**	(26,920)	**(37,847)**	(37,376)
Discounts and rebates	**(540)**	(887)	**(540)**	(887)
Sales taxes	**(151,948)**	(142,550)	**(192,488)**	(180,819)
Net operating revenue	**740,273**	679,961	**836,760**	763,272

24. Segment information

The Company has only one operational segment defined as footwear, bags and accessories. The Company is organized, and has its performance evaluated as a single business unit for operating, commercial, managerial and administrative purposes. This view is supported by the following factors:

- there is no segregation in its structure for the management of different product lines, brand names or sale distribution channels;
- its manufacturing unit operates under more than one brand name and through more than one sale distribution channel;
- the strategic decisions of the Company are based on studies that indicate market opportunities and not only on performance by product, brand name or channel.

The Company products are distributed under different brand names (Arezzo, Schutz, Anacapri and Alexandre Birman) and through different channels (franchises, multi-brand and own stores), however, they are controlled and managed by management as a single business segment, and the results therefrom are followed up, monitored and analyzed in an integrated manner.

For management purposes, Company management monitors the consolidated gross revenue by brand name and sale distribution channel, as under:

	Consolidated	
Brand name	09/30/2015	09/30/2014
Gross revenue	**1,067,635**	982,354
Arezzo – domestic market	**548,958**	550,175
Schutz – domestic market	**358,982**	324,745
Anacapri – domestic market	**67,720**	50,770
Other	**6,467**	5,913
Foreign market	**85,508**	50,751

	Consolidated	
Channel	09/30/2015	09/30/2014
Gross revenue	**1,067,635**	982,354
Franchises	**476,790**	477,945
Multi-brand	**257,184**	236,074
Own stores	**245,504**	214,255
Other	**2,649**	3,329
Foreign market	**85,508**	50,751

Revenue from foreign market is not stated separately by geographic area, as it accounts for 8% of gross revenue as of September 30, 2015 (5% as of September 30, 2014). There are no customers individually accountable for more than 5% of sales on both local and foreign markets.

25. Expenses by nature

The Company elected to present the consolidated income statement by function. In accordance with the IFRS, detailed information on expenses by nature is as follows:

	Company		Consolidated	
	09/30/2015	**09/30/2014**	**09/30/2015**	**09/30/2014**
Expenses by function				
Cost of sales	**(488,827)**	(435,900)	**(487,290)**	(433,403)
Selling expenses	**(84,854)**	(76,691)	**(182,932)**	(158,368)
General and administrative expenses	**(56,839)**	(53,650)	**(63,052)**	(57,486)
Other operating income (expenses), net	**(2,157)**	(1,021)	**(724)**	(2,617)
	(632,677)	(567,262)	**(733,998)**	(651,874)

	Company		Consolidated	
	09/30/2015	**09/30/2014**	**09/30/2015**	**09/30/2014**
Expenses by nature				
Depreciation and amortization	**(12,559)**	(4,692)	**(18,026)**	(9,599)
Personnel expenses	**(69,086)**	(59,097)	**(114,962)**	(98,322)
Raw material, and consumption and in-use material	**(489,783)**	(437,505)	**(489,552)**	(435,008)
Freight	**(15,044)**	(11,864)	**(18,466)**	(13,706)
Store occupancy	**-**	-	**(22,573)**	(21,776)
Other operating expenses	**(46,205)**	(54,104)	**(70,419)**	(73,463)
	(632,677)	(567,262)	**(733,998)**	(651,874)

26. Financial risk management objectives and policies

a) Fair value

Major financial instrument transactions engaged, as well as their respective fair values calculated by Company management, are as follows:

	Consolidated			
	09/30/2015		**12/31/2014**	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Cash and cash equivalents	**4,788**	**4,788**	10,831	10,831
Short-term investments	**188,788**	**188,788**	189,583	189,583
Trade accounts receivable and other receivables	**353,491**	**353,491**	293,316	293,316
Loans and financing	**126,928**	**126,928**	99,410	99,410
Trade accounts payable and other accounts payable	**108,980**	**108,980**	82,543	82,543

26. Financial risk management objectives and policies (Continued)

a) Fair value (Continued)

At September 30, 2015, the Company's consolidated financial assets and liabilities are classified in the following financial instrument categories:

	Measurement	
	Fair value	**Amortized cost**
Assets		
Loans and receivables		
Cash and cash equivalents	-	**4,788**
Trade and other accounts receivable	-	**353,491**
Financial assets measured at fair value through profit or loss		
Short-term investments	**188,788**	**-**
Liabilities		
Other financial liabilities		
Loans and financing	-	**126,928**
Trade accounts payable and other accounts payable	-	**108,980**

The following methods and assumptions were used in determining the fair value:

- Short-term investments - the book value stated in the balance sheet are equal to fair value due to fact that their remuneration rates are based on the CDI, CDB and LFT variation (Note 6).

- Cash and cash equivalents, trade and other accounts receivable, trade and other accounts payable - derive directly from the Company's and its subsidiaries' transactions, measured at amortized cost and recorded at their original value, less provision for losses and present value adjustment, when applicable. Book value amount approximates fair value, given the short-term settlement of these transactions.

- Loans and financing – these are classified as financial liabilities not measured at fair value and are recorded using the amortized cost, method under contractual conditions. This definition was adopted as the amounts are not held for trading, which, according to management understanding, reflects the most significant accounting information. The fair values of this financing are equivalent to their book values, as these financial instruments have rates equivalent to market rates and feature specific characteristics.

a.1) *Fair value hierarchy*

The Company uses the following hierarchy to determine and disclose the fair value of financial instruments through valuation:

Level 1: prices quoted (without adjustments) at active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, whether directly or indirectly;

Level 3: techniques using data that have a significant effect on fair value recorded which are not based on observable market data.

26. Financial risk management objectives and policies (Continued)

a) Fair value (Continued)

For fair value measurement of its financial instruments, the Company adopts the valuation technique of prices quoted in active markets (Level 1) and the observable price valuation technique (Level 2).

b) Exposure to currency risks

Income from the Company's and its subsidiaries' operations is subject to US Dollar currency risk due to the fact that part of sales revenues are linked to this currency. To minimize currency risk, nearly all exports have financing pegged to that currency.

At September 30, 2015 and December 31, 2014, net exposure to the US dollar is as follows:

	09/30/2015	12/31/2014
Accounts receivable	**35,038**	34,258
Loans and financing	**(67,954)**	(42,824)
Net exposure	**(32,916)**	(8,566)

In order to check sensitivity of assets and liabilities in foreign currency to which the Company was exposed as of September 30, 2015, three different scenarios were defined, and a sensitivity analysis was prepared considering foreign exchange rate fluctuations.

In the following table, three scenarios were considered, with the probable scenario being adopted by the Company. These scenarios have been defined based on management's expectation for exchange rate variations on maturity dates of the corresponding contracts exposed to these risks.

In addition to this scenario, CVM Ruling No. 475, dated December 17, 2008 ("CVM Ruling No. 475"), requires the presentation of two other scenarios applying depreciation at 25% and 50% of the risk variable under analysis. These scenarios are presented in accordance with CVM rules.

Transaction	Curren cy	Probable scenario (book value)	Scenario A	Scenario B
Currency rate appreciation				
Accounts receivable in foreign currency	R$	35,038	42,798	52,557
Loans and financing in foreign currency	R$	(67,954)	(84,943)	(101,931)
Rate depreciation at			25%	50%
Exchange rate reference				
Dollar		3.97	4.96	5.96
Effect on income before taxes	R$		(8,229)	(16,458)

26. Financial risk management objectives and policies (Continued)

b) Exposure to currency risks (Continued)

In October 2012, the Company entered into a derivative hedging instrument in the amount of US$3,025 thousand with a view to reducing currency exposure on its export sales operations, considering the value of portfolio orders, maturing on October 6, 2014. At September 30, 2015, the Company had no new hedging instrument contracts.

Adjustments arising from derivative instruments would have the following effects:

Income statement	09/30/2015	09/30/2014
Loss recognized as financial income (expenses)	-	(150)

The fair value of derivatives was calculated using official quotes for forward US dollar, by reference to the quote for the first forward dollar before and after the maturity of the derivative instrument at year end. The weighted average of forward rates was calculated based on such data, so as to estimate the fair value of the transaction at each year end.

c) Interest rate risks exposure

The Company is exposed to interest rate risks due to contracted loan agreements pegged to the TJLP. The rates incurred are stated in Note 16.

At September 30, 2015, breakdown of loans and financing, in terms of interest rates, is as follows:

	Consolidated	
	09/30/2015	%
Fixed interest	**71,662**	56%
TJLP and Libor-based interest	**55,266**	44%
	126,928	100%

In order to check sensitivity of indexes of loans to which the Company was exposed as of September 30, 2015, three scenarios were defined, and a sensitivity analysis of the effects of changes in the index rates of such instruments was performed.

In the following table, three scenarios were considered, with the probable scenario being adopted by the Company. Based on the long-term interest rate (TJLP) and LIBOR prevailing at September 30, 2015, the probable scenario was defined for 2015 together with the 25% and 50% variations as required by CVM Ruling No. 475.

26. Financial risk management objectives and policies (Continued)

c) Interest rate risks exposure (Continued)

Gross financial expenses were calculated for each scenario, not considering taxes levies and maturity flow of each contract. Financing reporting date was September 30, 2015, with projection of indexes for one year and assessment of sensitivity thereof in each scenario.

Transaction	Currency	Probable	Scenario A	Scenario B
Increase in financial expenses				
Financing – TJLP	R$	2,299	2,874	3,449
Financing – Libor	R$	155	194	233
		2,454	3,068	3,682
Rate appreciation at			25%	50%
Reference for financial liabilities				
Libor		0.78%	0.98%	1.17%
TJLP		6.50%	8.13%	9.75%

d) Financial instruments

There were no changes in the concepts and practices disclosed in the financial statements as of December 31, 2014.

e) Credit risk

There were no changes in the concepts and practices disclosed in the financial statements as of December 31, 2014.

f) Liquidity risk

There were no changes in the concepts and practices disclosed in the financial statements as of December 31, 2014.

The table below presents contractual payments required for the Company's financial liabilities:

	Projection including future interest			
	Whitin 1 Year	**From 1 to 5 years**	**Over 5 years**	**Total**
Loans and financing	100,095	4,892	25,882	130,869
Trade and other accounts payable	108,980	-	-	108,980

g) Capital management

There were no changes in the concepts and practices disclosed in the financial statements as of December 31, 2014.

27. Financial income (expenses)

	Company		Consolidated	
	09/30/2015	09/30/2014	09/30/2015	09/30/2014
Financial income:				
Interest income	**4,040**	4,018	**4,056**	4,026
Short-term investment yield	**16,810**	12,566	**16,909**	13,225
Other revenue	**402**	536	**311**	871
	21,252	17,120	**21,276**	18,122
Financial expenses:				
Banking expenses	**(1,759)**	(1,136)	**(2,079)**	(1,499)
Interest on financing	**(1,331)**	(1,402)	**(1,942)**	(2,917)
Credit card administration fee	**-**	-	**(4,054)**	(3,446)
Notary public fees	**(1,822)**	(662)	**(1,856)**	(662)
Other expenses	**(1,411)**	(452)	**(1,751)**	(637)
	(6,323)	(3,652)	**(11,682)**	(9,161)
Exchange gain (losses), net	**10,362**	1,165	**10,450**	1,486
Total	**25,291**	14,633	**20,044**	10,447

28. Other operating income (expenses), net

	Company		Consolidated	
	09/30/2015	09/30/2014	09/30/2015	09/30/2014
Stock option plan (Note 30)	**(3,531)**	(3,439)	**(3,531)**	(3,439)
Franchise fees	**855**	1,616	**855**	1,616
Recovery of expenses	**442**	94	**454**	94
Gain (loss) on disposal of property , plant and equipment and intangible assets	**21**	211	**(54)**	(1,610)
Other operation income	**56**	497	**1,552**	722
	(2,157)	(1,021)	**(724)**	(2,617)

29. Operating lease agreements – stores lease

Mandatory minimum operating lease payments are as follows:

	Minimum payments at 09/30/2015 (consolidated)
Within 1 year	**17,550**
Over 1 year up to 5 years	**22,454**

The average monthly lease expenses paid amount to R$2,301 (R$2,357 in 2014). These lease agreements mature between four to five years, subject to financial charges related to the General Price Index – Market (IGPM) variation, as specified in each agreement.

For the nine-month period ended September 30, 2015, lease expenses, net of taxes recoverable, totaled R$20,705 (R$21,213 at September 30, 2014). Lease payable balance amounts to R$257 (R$3,643 at December 31, 2014).

30. Stock option plan

4th grant - June 2015

On June 12, 2015, the Company handed in the Stock Option Grant Agreement to participants providing for Plan terms and conditions. This agreement should be signed and returned to the Company within a 30-day term, jointly with the notice of exercise of Lot I and the proof of transfer of funds referring to the exercise of Lot I options, when applicable. Had one of these conditions not been met within the term set up, the participant would have not been eligible for the plan.

The exercise price of the Stock Option Plan is set at R$19.91 per share, equivalent to the average of 90 closing quotations of Company shares at BM&F Bovespa, which occurred before the grant approval, with a 20% discount.

In July 2015, the adhesion to the Stock Option Plan was perfected, with all initial conditions met, express statement from the eligible participants through formalization of the Grant Agreements and, when applicable, notice of the exercise of Lot I and the corresponding transfer of funds.

Breakdown of the stock option plan, considering the grace periods for the exercise of the options, is as follows:

	Maximum number of shares			
Grace period from the grant date	**1st grant**	**2nd grant**	**3rd grant**	**4th grant**
Up to 30 days from the grant date	45,059	22,539	21,744	52,741
From first anniversary	54,731	158,228	195,787	162,992
From second anniversary	54,731	158,228	195,787	162,992
From third anniversary	109,462	316,455	391,572	325,984
Total	263,983	655,450	804,890	704,709

Changes in the stock option plan are as follows:

	1st grant	**2nd grant**	**3rd grant**	**4th grant**
Balance at December 31, 2013	178,875	631,911	-	-
Options granted	-	-	804,890	-
Options exercised	(23,957)	-	(21,744)	-
Options cancelled (*)	(36,089)	(125,207)	(31,376)	-
Balance at December 31, 2014	**118,829**	**506,704**	**751,770**	**-**
Options granted	**-**	**-**	**-**	**704,709**
Options exercised	**-**	**-**	**-**	**(52,741)**
Options cancelled (*)	**(58,023)**	**(69,999)**	**(19,896)**	**-**
Balance at September 31, 2015	**60,806**	**436,705**	**731,874**	**651,968**

(*) Stock options written off due to termination of employees who participated in the stock option plan.

For the nine-month period ended September 30, 2015, the Company calculated R$3,531 (R$3,439 at September 30, 2014) referring to the stock option plan expense recognized in the income statement matched against equity in the capital reserve specific account.

30. Stock option plan (Continued)

In determining the stock options fair value, the following assumptions were used:

	1st grant June/2012		2nd grant June/2013		3rd grant June/2014		4th grant June/2015	
Lot	I	II	I	II	I	II	I	II
Number of shares								
1st maturity	68,231	79,543	25,757	165,286	29,395	236,211	73,955	217,031
2nd maturity	N/A	79,543	N/A	165,286	N/A	236,211	N/A	217,031
3rd maturity	N/A	159,087	N/A	330,572	N/A	472,420	N/A	434,062
Strike price - (R$)	20.86	20.86	27.61	27.61	18.42	18.42	19.91	19.91
Fair value per option - (R$)								
1st maturity	6.66	9.05	7.36	13.82	4.95	9.82	1.55	8.52
2nd maturity	N/A	11.33	N/A	16.37	N/A	10.22	N/A	9.23
3rd maturity	N/A	13.32	N/A	16.72	N/A	11.47	N/A	9.84
Expected dividend ("Dividend yield")	-	-	4.85%	4.85%	5.03%	5.03%	1.89%	1.89%
Share price volatility	40.36%	40.36%	36.29%	41.18%	27.95%	40.91%	24.93%	31.69%
Risk-free interest rate								
1st maturity	8.50%	7.81%	7.86%	10.47%	10.81%	11.75%	13.41%	12.48%
2nd maturity	N/A	8.59%	N/A	10.60%	N/A	11.80%	N/A	12.33%
3rd maturity	N/A	9.35%	N/A	10.69%	N/A	11.86%	N/A	12.25%
Period expected to maturity - (calendar days)								
1st maturity	30	365	30	365	30	365	30	365
2nd maturity	N/A	730	N/A	730	N/A	730	N/A	730
3rd maturity	N/A	1,095	N/A	1,095	N/A	1,095	N/A	1,095

31. Government grants

ICMS matching credit

For the nine-month period ended September 30, 2015, the Company did not enjoy the tax benefit (R$2,830 at September 30, 2014). This amount was recorded in the income statement for the period, reducing expenses related to sales taxes, as provided for in CPC 07 (IAS 20) - Accounting for Government Grants and Disclosure of Government Assistance.

A free translation from Portuguese into English of independent auditor's review report on individual and consolidated interim financial information prepared in Brazilian currency in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and specific Brazilian Securities and Exchange Commission (CVM) rules

INDEPENDENT AUDITOR'S REVIEW REPORT ON QUARTERLY INFORMATION

The Shareholders, Board of Directors and Officers of
Arezzo Indústria e Comércio S.A.
Belo Horizonte – MG

Introduction

We have reviewed the accompanying individual and consolidated interim financial information contained in the Quarterly Information Form (ITR) of Arezzo Indústria e Comércio S.A. (Company) for the quarter ended September 30, 2015, comprising the balance sheet as at September 30, 2015 and the related statements of income and comprehensive income for the three- and nine-month periods then ended and changes in equity and cash flows for the nine-month period then ended, including the explanatory notes.

Management is responsible for the preparation of the individual and consolidated interim financial information in accordance with CPC 21 (R1) – Interim Financial Reporting, issued by the Brazilian Financial Accounting Standards Board (CPC) and IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with specific rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of quarterly information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review Engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on this quarterly information.

Conclusion on the individual and consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the accompanying individual and consolidated interim financial information included in the quarterly financial information referred to above was not fairly prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of quarterly information (ITR), consistently with the rules issued by the Brazilian Securities and Exchange Commission.

Other matters

Statements of value added

We have also reviewed the individual and consolidated statement of value added (SVA) for the nine-month period ended September 30, 2015, prepared under the responsibility of Company management, whose presentation in the interim financial information is required by the rules issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Information (ITR) and considered supplementary information under IFRS, which do not require SVA presentation. These statements have been submitted to the same review procedures previously described and, based on our review, nothing has come to our attention that causes us to believe that they are not prepared, in all material respects, in accordance with the overall accompanying interim financial information.

Porto Alegre, November 3, 2015.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP015199/O-6/F/RS

Guilherme Ghidini Neto
Accountant CRC RS-067795/O-5