

Rio de Janeiro, May 8, 2018. **Brasil Brokers Participações S.A. (BM&FBovespa: BBRK3)** focuses on real estate brokerage and consulting services and has significant presence in Brazil's top real estate markets. Today's earnings releases is for the first quarter of 2018 (1Q18).

Our consolidated financial statements have been prepared in accordance with accounting practices adopted in Brazil, based on Brazil's corporate law and Securities and Exchange Commission (CVM) regulations. **For this report, the effects of restructuring, divested companies, written-down investments and additional legal provisions have been reclassified and recognized under "Non Recurring Effects and Discontinued Operations".**



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Earnings Conference Call

Portuguese

May 9, 2018
10h30 (Brasília time)
09h30 (NY time)
Tel.: +55 (11) 3192-1001
Tel.: +55 (11) 2820-4001
Code: Brasil Brokers
Replay: +55 (11) 3193-1012
Replay Code: 224723#

English

May 9, 2018
10h30 (Brasília time)
09h30 (NY time)
Tel.: +1 (646) 828-8246
Code: Brasil Brokers
Replay: +55 (11) 3193-1012
Replay Code: 607032#



Operational Highlights

- ✓ **Contracted Sales** ended the first quarter of the year at R\$ 832.7 million, with a growth of 2% over same period last year. The number of **Contracted Units** increased by 6% when compared to 1Q17.
- ✓ **1Q18's average ticket** for properties sold by Brasil Brokers was R\$ 376 thousand in the 1Q18, 4% lower when compared to the 1Q17.
- ✓ **Volume** of contracts financed through our main home-loan partnership with Bradesco reached R\$ 211 million in 1Q18, which was 270% up from 1Q17's volume. Note that 1Q18's monthly average contracts signed was R\$ 99 million.
- ✓ The Company brokered rentals of 294 properties and ended the quarter with **3,329 properties and developments** under management.
- ✓ Our **sales force** totaled 7,276 associated independent brokers at the end of 2017.



Financial Highlights

- ✓ **1Q18's Adjusted Net Revenue¹** at R\$ 22.4 million was up 19% on 1Q17's.
- ✓ In evidence **with our diversification** strategy, Revenue from supplementary businesses, rather than traditional primary and secondary markets, accounted for 42% of 1Q18 sales.
- ✓ **Adjusted Administrative Expenses¹** decreased by 19% over 4Q17, and were in line with 1Q17's numbers.
- ✓ **1Q18's Adjusted EBITDA¹** was negative R\$ 10.0 million but R\$ 0.3 million better than in the same period of the previous year.
- ✓ The Company ended the first quarter of 2018 with a total of R\$ 32.1 million **cash and financial investments**.

¹ Adjustments shown in table 1 hereof

Financial statements

Disclaimer: In this report we will be showing the results from our operations in 1Q18, 4Q17 and 1Q17, highlighting the total non-recurring effects of restructuring, the impact of sales of companies and write-down of investments, as well as additional legal provisioning in the fourth quarter of 2017, to better compare with operational history.

Table 1 below shows all adjustments itemized:

Table 1 - Quarterly Economic and Financial Performance (R\$ '000)

| | Financial Statement | | | | | | | | |
|--|---------------------|---|--------------------|------------------|---|--------------------|------------------|---|--------------------|
| | 1Q18 Adjusted | Non-recurring Effects and Discontinued Operations Effects | 1Q18 Accounting | 4Q17 Adjusted | Non-recurring Effects and Discontinued Operations Effects | 4Q17 Accounting | 1Q17 Adjusted | Non-recurring Effects and Discontinued Operations Effects | 1Q17 Accounting |
| Contracted PSV | 832,747 | | 832,747 | 1,030,367 | | 1,030,367 | 818,002 | | 818,002 |
| Average Commission | 3.21% | | 3.21% | 2.70% | | 2.70% | 2.83% | | 2.83% |
| Service Revenue | 26,771 | - | 26,771 | 27,782 | - | 27,782 | 23,182 | - | 23,182 |
| Discounts and Rebates | (750) | - | (750) | (1,040) | - | (1,040) | (1,357) | - | (1,357) |
| Taxes on Revenue | (3,578) | - | (3,578) | (3,612) | - | (3,612) | (3,018) | - | (3,018) |
| Net Revenue | 22,443 | - | 22,443 | 23,130 | - | 23,130 | 18,807 | - | 18,807 |
| Cost of Services Rendered | (2,498) | - | (2,498) | (2,123) | - | (2,123) | (799) | - | (799) |
| Gross Profit | 19,945 | - | 19,945 | 21,007 | - | 21,007 | 18,008 | - | 18,008 |
| Operating Costs and Expenses | (29,944) | (952) | (30,896) | (41,267) | (34,897) | (76,164) | (28,331) | (395) | (28,726) |
| Administrative Expenses | (25,699) | (1) (952) | (26,651) | (32,690) | (1) (1,090) | (33,780) | (27,326) | (1) (395) | (27,721) |
| Management Remuneration | (1,735) | - | (1,735) | (1,563) | - | (1,563) | (764) | - | (764) |
| Allowance for Doubtful Accounts | (324) | - | (324) | (668) | - | (668) | 101 | - | 101 |
| Other Operating Revenue (Expenses) | (2,186) | - | (2,186) | (6,346) | (2) (3) (33,807) | (40,153) | (342) | - | (342) |
| EBITDA | (9,999) | (952) | (10,951) | (20,260) | (34,897) | (55,157) | (10,323) | (395) | (10,718) |
| Depreciation and Amortization | (2,369) | - | (2,369) | (2,290) | - | (2,290) | (2,512) | - | (2,512) |
| Amortization of Asset Impairment | - | - | - | - | (4) (16,438) | (16,438) | - | - | - |
| Financial Expenses | (412) | - | (412) | (509) | - | (509) | (210) | - | (210) |
| Financial Income | 1,382 | - | 1,382 | 4,414 | - | 4,414 | 2,390 | - | 2,390 |
| Income before Taxes | (11,398) | (952) | (12,350) | (18,645) | (51,335) | (69,980) | (10,655) | (395) | (11,050) |
| Provision for Income Tax | (228) | - | (228) | 244 | - | 244 | (418) | - | (418) |
| Provision for Social Contribution Tax | (90) | - | (90) | 82 | - | 82 | (163) | - | (163) |
| Minority Interest | (176) | - | (176) | 14 | - | 14 | (44) | - | (44) |
| Net Income (losses) from Operations | (11,892) | (952) | (12,844) | (18,305) | (51,335) | (69,640) | (11,280) | (395) | (11,675) |

(1) Expenses arising from transformation project, with restructuring and sales of companies.

(2) Write-down of CaR Resale: Write-down of MGE, Jairo Rocha and HomeHunters reseller receivables.

(3) Contingencies: Legal Contingencies updated to 2017.

(4) IFRS: Write-down of Goodwill Impairment for acquisition.



Section 1 - Message from Management

For Brasil Brokers, 2018's first quarter was marked by a reversal of the downward trend in real estate purchase and sale numbers. For first time since 2012, the Company has posted annual growth in Potential Sale Value (PSV) and it was the third consecutive quarter of growth in number of units sold.

Volume launches was up in the beginning of the year, especially in São Paulo, mostly due to lower average ticket products. There is still heated demand for smaller floor-space low-income products, as shown by our VSL (Velocity over Launches) ratio of 43% in the 1Q18 over 38% in 2017.

Gradual growth of business was associated with progress made on Brazil's main macroeconomic indicators, such as better financing conditions and lower volumes of stocks in the Primary Market.

Underlining the importance of our business diversification strategy, Net Revenues grew 19% on 1Q17, while our PSV of own operations in the period was 2%. Note that the volume of loans originated through our financial services platform for sales and distribution reached R\$ 211 million, which was 270% up on the same period of the previous year.

Lines of business classed as complementary, i.e. those other than traditional Primary and Secondary Markets, accounted for 42% of revenues in the early part of the year.

To make structure increasingly more efficient, we have invested R\$ 2.5 million over the last 12 months to deploy and customize new support systems that will deliver productivity gains for our back office. We held a few renegotiating rounds for rental agreements and supplier contracts in general, mainly Information Technology, Telecommunications and Legal Advice.

We must also mention the first effects of our Digital Transformation process that added functionalities to our website in the last few months in order to enhance customer experiences when searching, browsing and interacting. We have also leveraged use of data intelligence to offer more precise opportunities and reformulated our marketing strategy to improve our positioning on search portals and in social media channels. As a result, 1Q18's number of visits to our website more than doubled against 4Q17's and the number of pages browsed per visit was up 17% on the same period while average length of stay per visit rose from 5 to 7 minutes.

We launched our B2B portal for large-asset segment sales, such as corporate floors and malls, thus building closer relationships with our customers. This segment has huge growth potential since many assets pose attractive commercial conditions for long-term investors.

In February, we created a new business unit called UNIQUE exclusively to sell luxury properties in Rio de Janeiro. With its own brand and concept, UNIQUE stands out for its edge hi-tech tools such as Virtual Tours, 3D printers and artificial intelligence systems, with special customer service from the firm's partners as their sales executives.

We would like to mention that cases involving labor and employment claims showed better results. Our success rate in 2018 YTD has shown a significant improvement compared to 2017's. We are beginning to get more rulings ordering claimants to pay losing party and bad-faith litigation costs. In addition to a higher success rate, another unmistakable sign of a better outlook is that the average number of new claims filed per month was down 53% from 2017.

Finally, the Company's cash position was negatively affected by a total of R\$ 7.3 million held in Brasil Brokers bank accounts was frozen on March due to provisional execution in a civil-liability case being heard by the 5th Panel of the Manaus district in the state of Amazonas. The court of first instance authorized blocking the account on the grounds that this amount was required for alimony expenses. Brasil Brokers objected and obtained a ruling to suspend its effects which was issued by the chief judge of the Court of Amazonas on March 28, 2018. Given this decision, our legal advisors believe the frozen funds must be returned to the company until higher instances analyze the merits of the case.

¹ Adjustments shown in table 1 hereof



Section 2: Operating Performance - Real Estate Brokerage

Our segment - intermediating real estate purchases and sales - presented a growth in the number of units sold for the third consecutive quarter, the market's uptrend in São Paulo, where we posted 55% of the units and 27% year-on-year growth of the overall sales value. The evolution of Brazil's economic situation and our focus dedicated to market share in the region were factors contributing to these sales numbers for our own operations.

Table 2 - Contracted Sales

| Operating Highlights | 1Q18 | 1Q17 | 1Q18 vs. 1Q17 | 4Q17 | 1Q18 vs. 4Q17 |
|--------------------------------|-------|-------|------------------|-------|------------------|
| Contracted Sales (R\$ million) | 833 | 818 | 2% | 1,030 | -19% |
| Units Sold | 2,216 | 2,098 | 6% | 2,785 | -20% |
| Average Ticket (R\$ thousand) | 376 | 390 | -4% | 370 | 2% |

Total PSV of contracted sales in our segments at R\$ 833 million was 2% up on 1Q17 but 19% down from its 4Q17 level, directly impacted by the units' lower *average ticket*, in line with the seasonality of the operation.

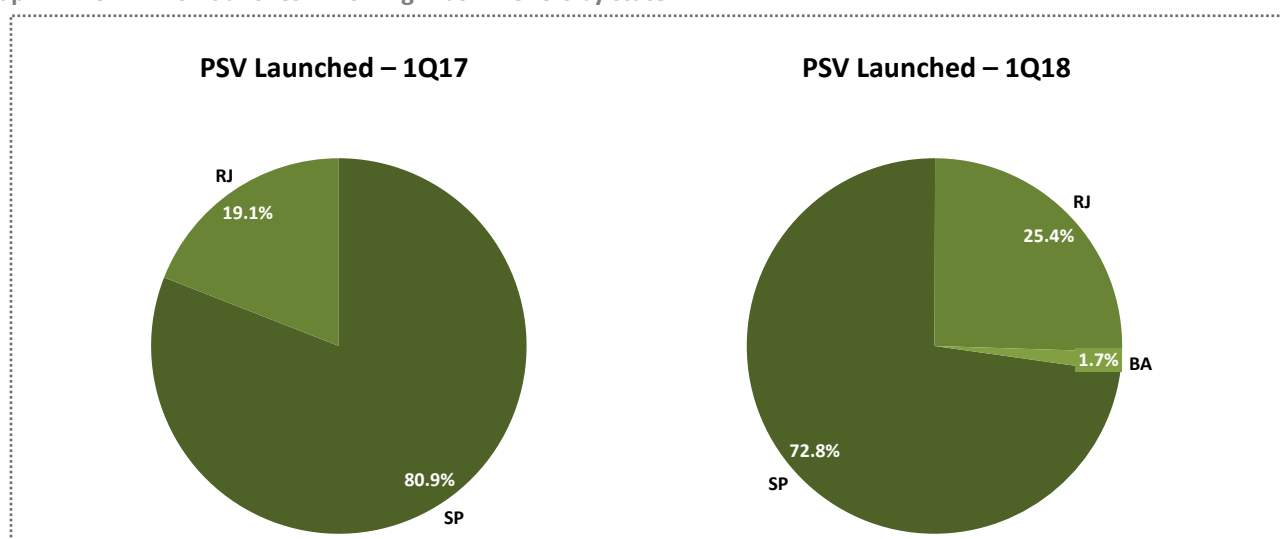
2.1 - Primary Market

Table 3 - Launches

| Launches | 1Q18 | 1Q17 | 1Q18 vs. 1Q17 | 4Q17 | 1Q18 vs. 4Q17 |
|-------------------------------|-------|-------|------------------|-------|------------------|
| PSV Launched (R\$ million) | 1,360 | 1,320 | 3% | 2,563 | -47% |
| Launched Units | 5,371 | 4,063 | 32% | 9,091 | -41% |
| Average Ticket (R\$ thousand) | 253 | 325 | -22% | 282 | -10% |

PSV of new launches involving our Company in the first quarter of 2018 was 3% higher than in 1Q17. There were 5,4 thousand units launched, which was 32% up year on year, with an average ticket of R\$ 253 thousand, clear showing a changed profile for launches as they shifted to concentrate in lower-priced segments.

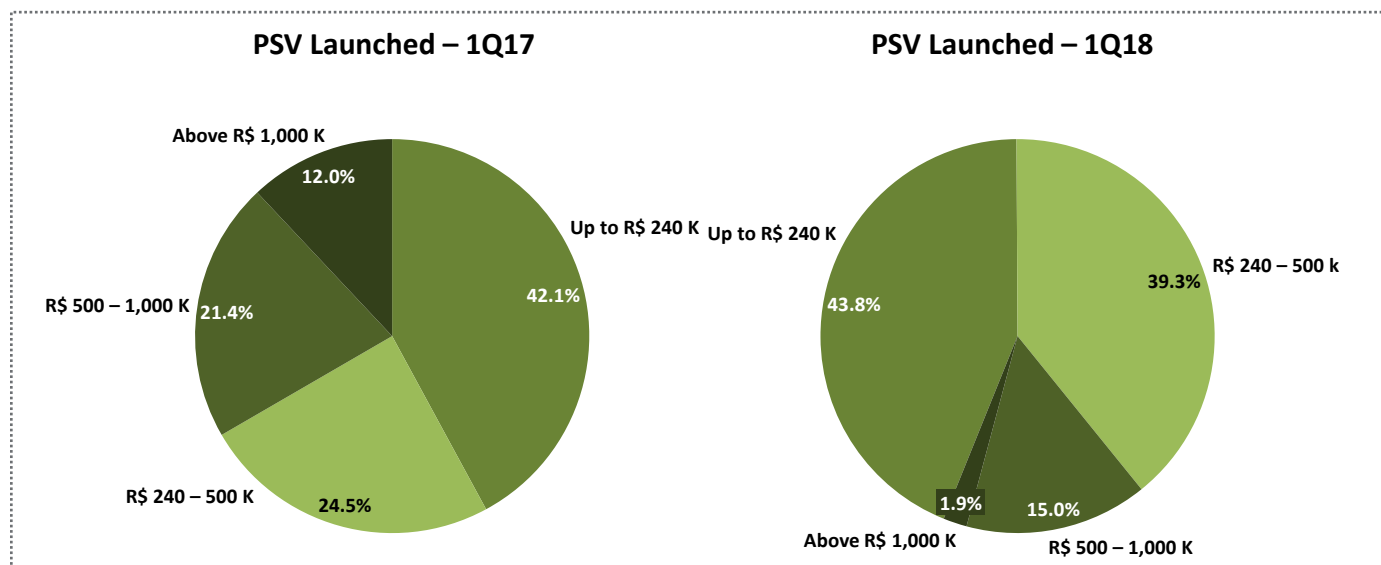
Graph 1 - PSV mix of launches involving Brasil Brokers by state



The state of São Paulo is Brazil's biggest market and is continuing to show signs of recovery with the largest share of the company's launches. In the quarter, Rio de Janeiro posted the highest volume of launches for the last six quarters and reached a 25% share.

¹ Adjustments shown in table 1 hereof

Graph 2 - Launches involving Brasil Brokers - PSV mix by Price Range



Of 1Q18's total of R\$ 1.4 billion PSV of projects launched with our involvement, 1.9% sold for R\$ 1 million or more, 15.0% from R\$ 500,000 to R\$ 1 million, 39.3% from R\$ 240,000 to R\$ 500,000 and 43.8% below R\$ 240,000.

Table 4 - Primary Market Contracted Sales

| I - Launch Sales | 1Q18 | 1Q17 | 1Q18 vs. 1Q17 | 4Q17 | 1Q18 vs. 4Q17 |
|--------------------------------|-------|-------|---------------|-------|---------------|
| Contracted Sales (R\$ million) | 209 | 98 | 113% | 294 | -29% |
| Units Sold | 697 | 232 | 200% | 905 | -23% |
| Average Ticket (R\$ thousand) | 300 | 423 | -29% | 325 | -8% |
| II - Inventory Sales | 1Q18 | 1Q17 | 1Q18 vs. 1Q17 | 4Q17 | 1Q18 vs. 4Q17 |
| Contracted Sales (R\$ million) | 382 | 497 | -23% | 476 | -20% |
| Units Sold | 1,195 | 1,481 | -19% | 1,555 | -23% |
| Average Ticket (R\$ thousand) | 320 | 336 | -5% | 306 | 5% |
| I + II = Primary Market | 1Q18 | 1Q17 | 1Q18 vs. 1Q17 | 4Q17 | 1Q18 vs. 4Q17 |
| Contracted Sales (R\$ million) | 591 | 595 | -1% | 770 | -23% |
| Units Sold | 1,892 | 1,713 | 10% | 2,460 | -23% |
| Average Ticket (R\$ thousand) | 313 | 348 | -10% | 313 | 0% |

In the first quarter of 2018, overall volume sales in the primary market were 1% down on 1Q17's, driven by sales of new properties (launched up to 180 days), which rose 113% over the same period. Velocity was another factor that has positively influenced sales in this market, which rose from 7% in 1Q17 to 15% in 1Q18.

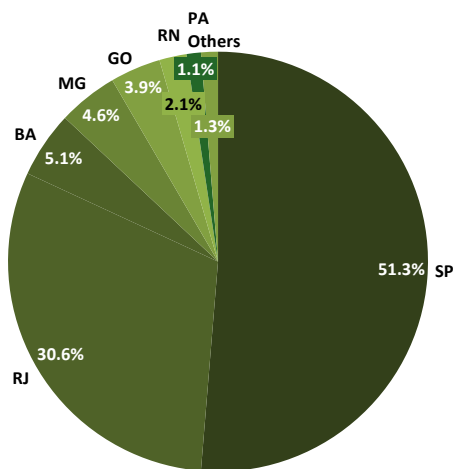
Financial volume of sales of remaining properties (stocks), decreased in the quarter and this together with a lower average ticket of sales of new launches held back primary market sales from posting even higher growth. It should be noted that this segment accounted for 65% of the total intermediated in the primary market in 1Q18.

Graph 3 - PSV Contracted Sales by State

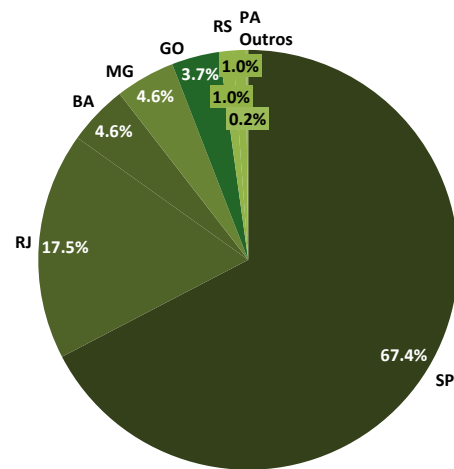
¹ Adjustments shown in table 1 hereof



Contracted Sales – 1Q17



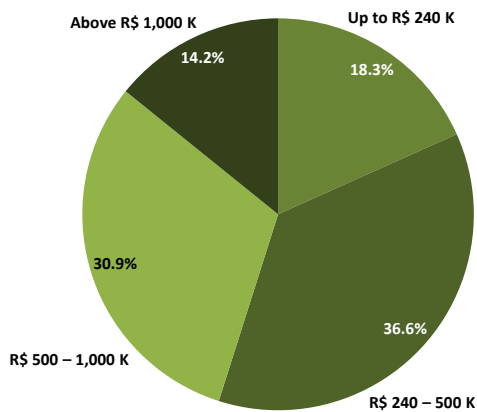
Contracted Sales – 1Q18



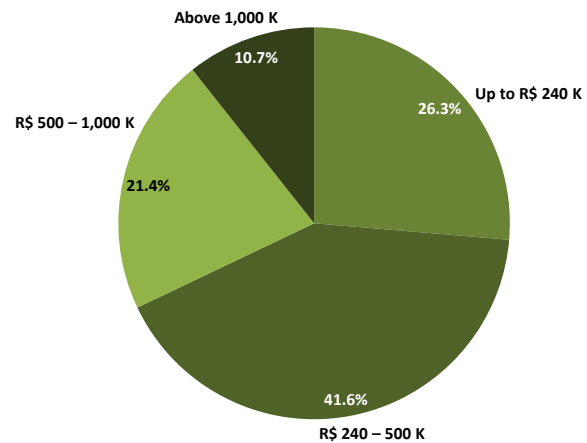
89.5% of 1Q18's Primary Market total contracted sales were made in the Southeast, 4.6% in the Northeast, 3.9% in the Mid-West, 1.0% in the North and 1.0% in the South Region.

Graph 4 - PSV Mix by Price Range

Contracted Sales – 1Q17



Contracted Sales – 1Q18



In the first quarter of 2018, 10.7% of the primary market's total of R\$ 591 million contracted sales consisted of properties priced R\$ 1 million or more, 21.4% priced from R\$ 500,000 to R\$ 1 million, 41.6% priced from R\$ 240,000 to R\$ 500,000 and 26.3% priced below R\$ 240,000.

¹ Adjustments shown in table 1 hereof

2.2 - Secondary Market

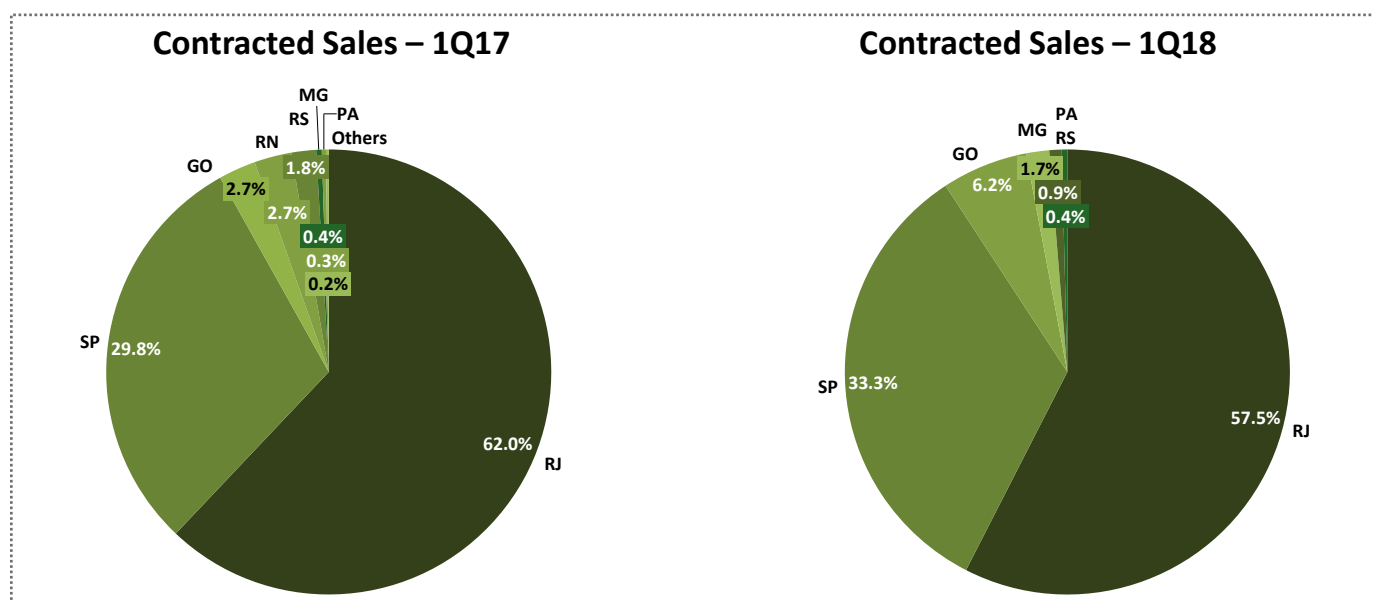
Table 5 - Sales of Ready or Used Properties

| Operating Highlights | 1Q18 | 1Q17 | 1Q18 vs. 1Q17 | 4Q17 | 1Q18 vs. 4Q17 |
|--------------------------------|------|------|------------------|------|------------------|
| Contracted Sales (R\$ million) | 224 | 223 | 1% | 201 | 12% |
| Units Sold | 322 | 385 | -16% | 320 | 1% |
| Average Ticket (R\$ thousand) | 697 | 578 | 21% | 629 | 11% |

Our average volume of sales in the used segment has been practically stable between R\$ 70 million and R\$ 80 million per month for the last 2 years.

1Q18's sales of ready products totaled R\$ 224 million, 1% more than 1Q18 and 12% more than 4Q17, mainly due to improved sales of this segment in the São Paulo market and by the 16% growth in the average ticket.

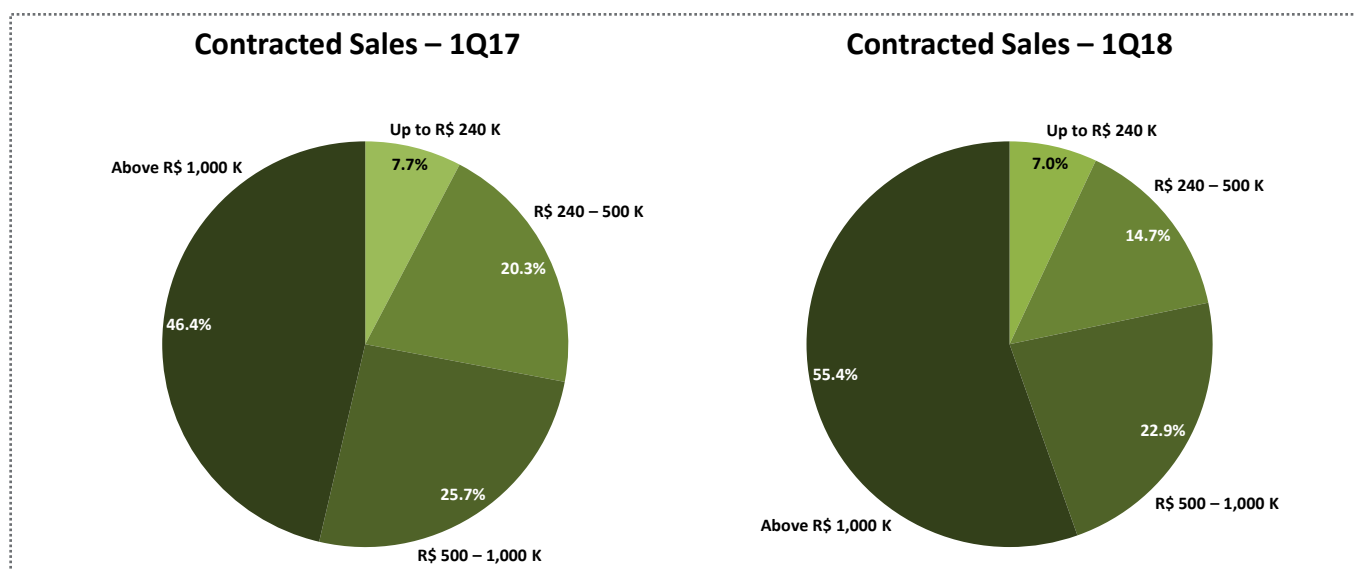
Graph 5 - General Value of Contracted Sales Mix by State



In the first quarter of 2018, of contracted sales of ready-made or used real estate, 92.5% were made in the Southeast Region, 6.2% in the Central-West Region, 0.9% in the North Region and 0.4% in the Southern Region.

¹ Adjustments shown in table 1 hereof

Graph 6 - PSV Mix by Price Range



In the first quarter of 2018, 55.4% of 1Q18's total R\$ 224 million sales contracted in the secondary market consisted of properties price from R\$ 1 million up, 22.9% from R\$ 500,000 to R\$ 1 million, 14.7% from R\$ 240,000 to R\$ 500,000 and 7.0% R\$ 240,000 or less.

2.3 - Corporate Market

Table 6 - Corporate Sales

| Corporate Segment (R\$ millions) | 1Q18 | 1Q17 | 1Q18 vs. 1Q17 | 4Q17 | 1Q18 vs 4Q17 |
|----------------------------------|------|------|---------------|------|--------------|
| Contracted PSV | 17.0 | - | 0% | 50.4 | -66% |

1Q18 corporate segment sales totaled R\$ 17.0 million from the commercialization of developments in Pernambuco and Minas Gerais. Brasil Brokers Corporate targets the *Large Corporate* segment and offers advisory and brokering services for purchase and sale of large assets such as malls, corporate towers and logistics / industrial warehouses. This segment has great growth potential since many assets posed attractive commercial conditions for long-term investors, and tend to become increasingly relevant portions of the Company's total revenues.



Section 3: Operational Performance - Diversified Revenues

The Company has been striving to extend the range of its business in order to provide fully unique customer experiences, thus diversifying revenue streams and improving profitability.

This strategy broadens perception of the Company's value for the market, our broker associates and various business partners and clearly poses the goal of making Brasil Brokers a unique reference.

¹ Adjustments shown in table 1 hereof

3.1 - Housing Finance

Table 7 - Housing Finance

| Mortgage Loans (R\$ millions) | 1Q18 | 1Q17 | 1Q18 vs. 1Q17 | 4Q17 | 1Q18 vs 4Q17 |
|-------------------------------|------|------|------------------|------|-----------------|
| Signed | 297 | 72 | 313% | 182 | 63% |
| Invoiced | 211 | 57 | 270% | 146 | 45% |

Through our partnership with Bradesco, the financial value of contracts signed in the first quarter of 2018 was 313% and 63% higher than in the same periods of 2017 and 4Q17 respectively, this showing steady growth in the most last few quarters.

Volume financing invoiced in 1Q18 was 270% higher than 2017's first quarter and 45% higher than 4Q17's, reflecting the results of operational reorganization this business vertical that enabled us to boost focus and productivity.

3.2 - Rental

Table 8 - Rental

| Rental | 1Q18 | 1Q17 | 1Q18 vs. 1Q17 | 4Q17 | 1Q18 vs 4Q17 |
|----------------------|-------|-------|------------------|-------|-----------------|
| Brokered Properties | 294 | 342 | -14% | 217 | 35% |
| Properties Portfolio | 3,329 | 3,432 | -3% | 3,386 | -2% |

During the first quarter of 2018, the Company rented 294 properties, which was 35% more than in 4Q17, and ended the period with 3,329 properties and developments under management regionally divided between Goiás (66%), São Paulo (15%), Pará (15%) and Rio Grande do Sul (4%).

This segment of the market tends to become increasingly strategic for the Group because it has grown significantly despite the adverse economic scenario and because it is highly scalable while providing recurring quarterly revenue of around R\$ 2.4 million. The portfolio's rentals average R\$ 1,672 and our management fee averages 10.0%.

Lastly, this line of business poses numerous opportunities to sell and charge other related products such as insurance and fees for services rendered.



Section 4: Economic and Financial Performance

4.1 – Operating income and commission (Adjusted¹)

Table 9 - Revenue and Commission

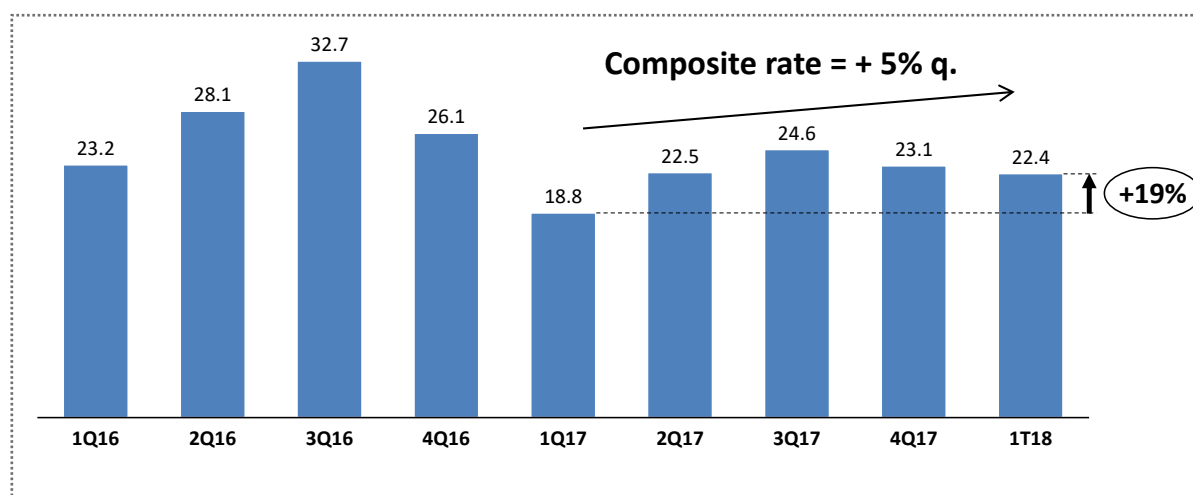
| Operating Revenue (R\$MM) | 1Q18 | 1Q17 | 1Q18 vs. 1Q17 | 4Q17 | 1Q18 vs. 4Q17 |
|---------------------------|--------|--------|------------------|--------|------------------|
| Gross Operating Revenue | 26,771 | 23,182 | 15.5% | 27,782 | -3.6% |
| Gross Commissions - % | 3.21% | 2.83% | 0.38 p.p. | 2.70% | 0.52 p.p. |
| Net Operating Revenue | 22,443 | 18,807 | 19.3% | 23,130 | -3.0% |

¹ Adjustments shown in table 1 hereof

Gross Revenue from Brasil Brokers' continuing operations services, represented by the sum of the commissions of the various segments of the Group, totaled R\$ 26.8 million in 1Q18. On the other hand, compared to the same period of the previous year the company posted 15.5% growth.

It is worth noting our efforts to diversify the revenue sources. Of the total for the first quarter, 41% were originated in the primary market, 17% in the secondary market, 28% in the housing finance partnership and 14% sales in other segments.

Graph 7 – Evolution of Adjusted Net Revenue ¹



1Q18's Adjusted Net Operating Revenue reached R\$ 22.4 million, which was 3% down on 4Q17, in line with the seasonality of the operation, but 19% up on 1Q17 R\$ 18.8 million adjusted number.

4.2 - Administrative expenses (Adjusted ¹)

This report's quarterly results were reclassified and recognized in "Non Recurring Effects and Discontinued Operations". For comparative purposes, the tables below and our Expenses and Earnings analyses do not include non-recurring effects for any of the periods shown.

Once again, the Company retained its focus on pursuing efficiency gains in order to boost profitability. We made more far-reaching changes to our *back-office* systems and processes, ceased operating directly in some regions with licensed operations and closed down some of our stores. This does not mean that we are no longer recurrently investing in operational upgrades. As our strategic plan stipulates, we are progressing our agenda for the digital transformation of our business platform and we inaugurated a new business unit, UNIQUE, focused on the high-standard market in Rio de Janeiro

Of the total expenses incurred in 2018's first quarter, we highlight the fact that just over R\$ 952 thousand were for severance indemnities, contractual termination fines, and spending on specialized consultancy firms that helped us with our transformation project.

It is worth reiterating that there are still uncertainties in relation to a more consistent recovery in the market, so we will be making more far-reaching operational adjustments in 2018.

¹ Adjustments shown in table 1 hereof

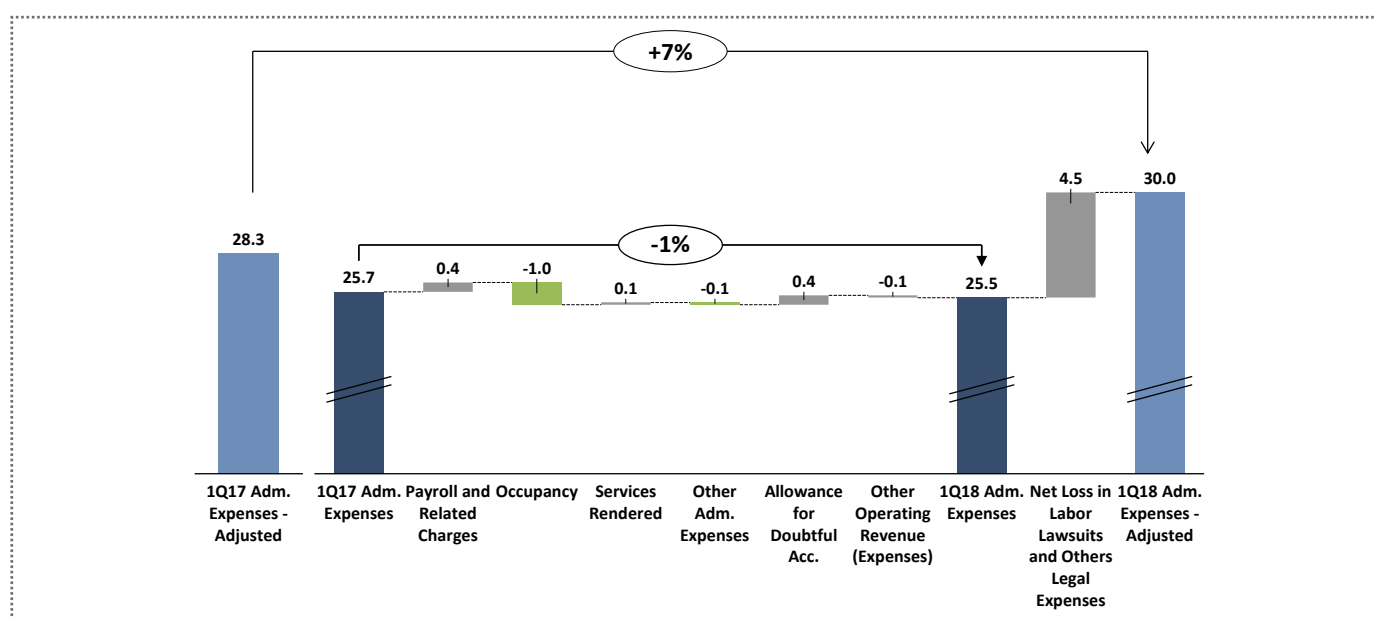
Table 10 – Adjusted administrative expenses ¹

| (em R\$MM) | (1) 1T18 | (1) 1T17 | 1T18 vs. 1T17 | (1) 4T17 | 1T18 vs. 4T17 |
|--|-------------|-------------|---------------|-------------|---------------|
| General and Administrative Expenses | 25.1 | 25.7 | -2.3% | 30.4 | -17.3% |
| Payroll and Related Charges | 13.9 | 13.5 | 3.1% | 16.2 | -13.9% |
| Occupancy | 6.5 | 7.5 | -14.0% | 7.4 | -12.9% |
| Outsourced Services | 4.6 | 4.5 | 2.7% | 6.3 | -26.4% |
| Other Expenses | 0.1 | 0.2 | -40.7% | 0.5 | -77.2% |
| Provision for Doubtful Accounts | 0.3 | (0.1) | -420.8% | 0.7 | -51.5% |
| Other Operating Income (Expenses) | 0.0 | 0.1 | -71.3% | 0.3 | -91.3% |
| Total Administrative Expenses | 25.5 | 25.7 | -0.9% | 31.4 | -18.8% |
| Loss in Labor Lawsuits | 3.1 | 4.4 | | 11.5 | |
| Reversal Labor Provision | (1.5) | (4.3) | | (6.5) | |
| Procedural costs and other Legal Expenses | 2.9 | 2.4 | | 4.8 | |
| Total Operating and Administrative Expenses | 30.0 | 28.3 | 5.9% | 41.3 | -27.4% |

(1) Not including effects of non-cash non-recurring accounting adjustments and discontinued companies.

Graph 8 - Total Adjusted Administrative Expenses - Comparison ¹

1Q17 vs. 1Q18 (R\$ million)



1Q18's Administrative Expenses showed a nominal decrease of **R\$ 0.2 million, or 1%**, against 1Q17's. The main variations in the operational accounts are analyzed below:

Payroll & Related Charges - Up R\$ 0.4 million or 3.1% on the previous year, reflecting the internalization of some outsourced services with the objective of obtaining savings in the Contracted Services Package and the annual agreement on the total payroll.

Occupancy - R\$ 1.0 million or **14.0% down** on 1Q17, reflecting the reduction in the number of stores and some renegotiations of rental contracts.

¹ Adjustments shown in table 1 hereof

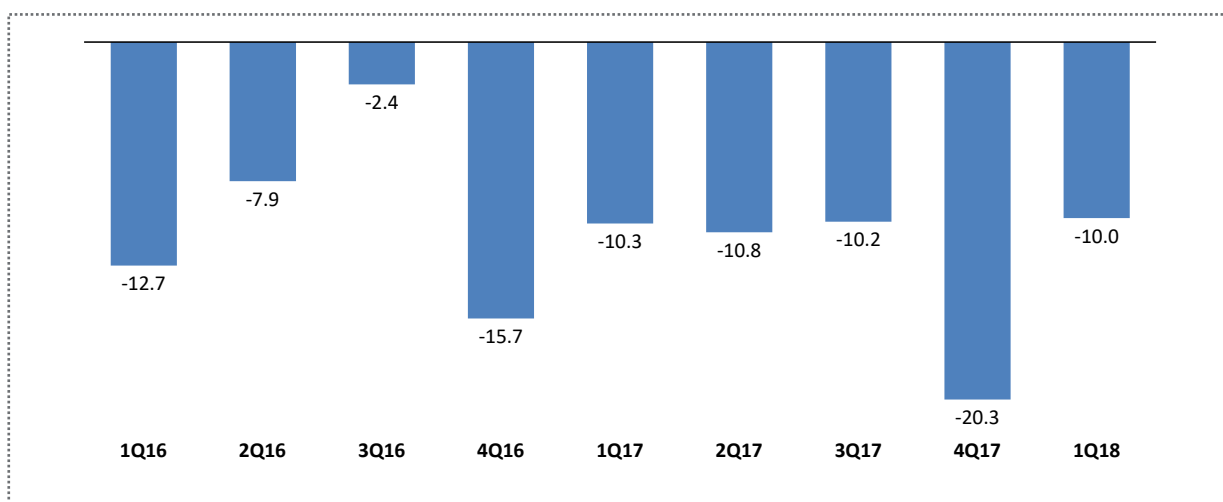
Outside Services - R\$ 0.2 million or 2.7% increase over the same period of the previous year due to higher legal consulting and fee expenses.

PDD - Up R\$ 0.4 million on 1Q18 (sic).

Following conservative accounting principles, at the end of the first quarter of 2018 we had accrued a total of R\$ 70,1 million provisioning against labor and employment contingencies. During the quarter, we incurred losses in the amount of R\$ 3.1 million, of which R\$ 1.5 million had been foreseen in the provision accrued at the end of the year, therefore it had less impact on our 1Q18 result. As shown in our previous earnings release, we are dealing with the matter on a sector wide basis rather than separately in order to draw the attention of higher instances of the judiciary courts and the legislature to the real nature of the relationship between real estate companies and associated independent brokers and we are changing our strategy in the courts. These measures have already enabled us to litigate more successfully.

4.3 - EBITDA - Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted ¹)

Graph 9 - Adjusted EBITDA - Quarterly Evolution ¹ (R\$ million)



Our 1Q18 Adjusted¹ EBITDA was R\$ 10.0 million, this showing an increase of approximately R\$ 10.3 million in relation to the fourth quarter of 2017, and R\$ 0.3 million in relation to the same quarter of the previous year.

4.4 – Depreciation and Amortizations (Adjusted¹)

The Adjusted Depreciation and Amortization line¹ totaled R\$ 2.4 million in 1Q18 against R\$ 2.3 million in 4Q17 and R\$ 2.5 million in 1Q17.

4.5 – Financial Result (Adjusted ¹)

Our net adjusted Net Financial Result¹ totaled R\$ 970 thousand in 1Q18, which was R\$ 2.9 million and R\$ 1.2 million lower than 4Q17 and 1Q17 respectively.

4.6 – Net Income (Adjusted¹)

1Q18's Adjusted Loss was R\$ 11.9 million against R\$ 18.3 million in 4Q17 and R\$ 11.3 million in 1Q17.

¹ Adjustments shown in table 1 hereof

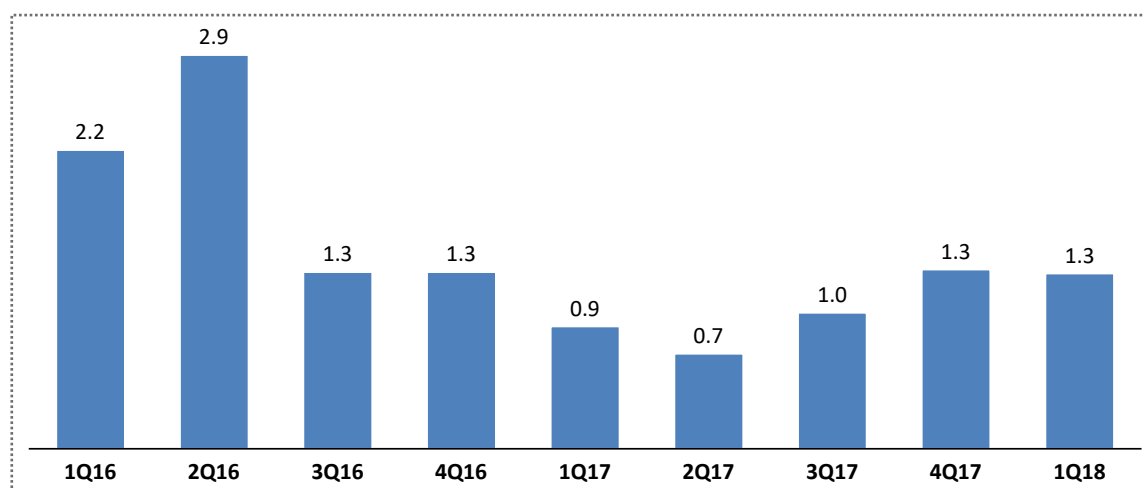


Section 5: Investments, Cash and Debt

5.1 - Capex (accrual basis)

Our investments in the first quarter of 2018 totaled R\$ 1.3 million, most of which was used on our new business unit named UNIQUE, located in Rio de Janeiro, and on the deployment and customization of our back-office systems.

Graph 10 - Capex - Quarterly Evolution (R\$ million)



5.2 - Cash and Cash Equivalents

Table 11 - Cash and Cash Equivalents

| Cash Flow (R\$ MM) | 1Q18 |
|--|-------------|
| Cash and Financial Investments at the beginning of the period | 57.3 |
| Operational Activities | (4.9) |
| Lawsuit losses | (6.9) |
| Other Lawsuit Expenses | (3.9) |
| Blockade - lawsuit | (7.3) |
| Transformation Project | (0.3) |
| Restructuring | (0.5) |
| Net Cash Flow - Operating Activities | (23.8) |
| Capital Raise | - |
| Investment Activities | (1.3) |
| Payment of Acquisitions | - |
| Shareholder's Activities | (0.1) |
| Cash and Financial Investments at the end of the period | 32.1 |

Our total cash and cash equivalents in the first quarter of 2018 totaled R\$ 32.2 million. These amounts basically refer to financial investments in bank deposit certificates and fixed-income funds earning remuneration at rates pegged to the CDI (interbank) rate.

¹ Adjustments shown in table 1 hereof

The Company does not hold investments in derivatives, securities or any other instruments exposed to currency exchange variation or equities. All investments strictly follow company policy and rules in relation to issuers' solidity, maturity, concentration and minimum ratings.

Our quarter-end date receivables totaled R\$ 14.9 million with an estimated average term of 50 days.

Our 1Q18 net cash flow from operating activities was negative R\$ 23.8 million, net of working capital and taxes. Of this total, approximately R\$ 6.9 million were spent on labor and employment claims, another R\$ 3.9 million on legal advice and fees to cover all cases and R\$ 0.8 million on our transformation project and restructuring costs.

Cash used for the quarter's investing activities was R\$ 1.3 million.

We would like to highlight that on March 17, 2018 a total of R\$ 7.3 million held in Brasil Brokers bank accounts was frozen due to provisional execution in a civil-liability case being heard by the 5th Panel of Manaus in the state of Amazonas. Our legal advisors believe that the frozen funds must be returned to the company until higher instance courts have analyzed the merits of the case.



Section 6: Labor and Employment Liabilities

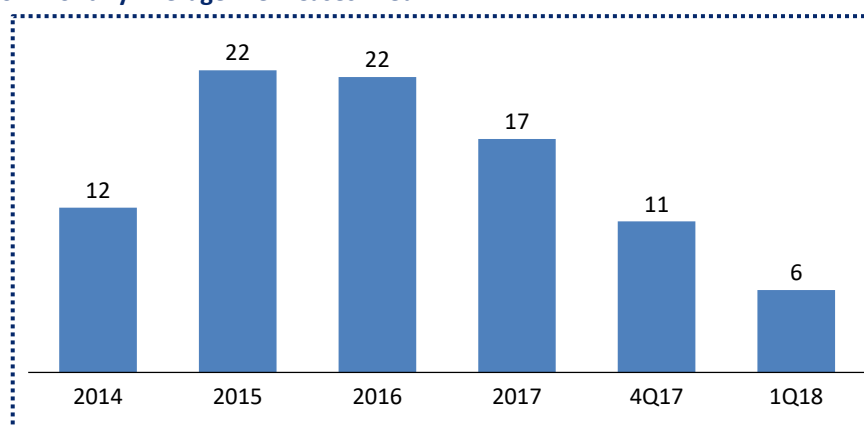
We continue to be affected by unfavorable court decisions despite laws 6.530 and 13.097 promulgated in 2015 to regulate the profession, which stated that real estate brokers were independent professionals without any employment or social security relationship.

In 2018 we are now noting that more and more courts have realized that this relationship preserves the autonomy of the parties without any type of the subordination required to characterize an employment relationship. We believe the courts' better comprehension of the facts arises from a series of measures taken individually by Brasil Brokers and collectively by the brokerage sector.

These changes began to reflect positively in our results in both first- and second-instance courts.

In addition to the favorable evolution our success rate in actions, another clear sign of an improved scenario is the number of new employment claims filed in the first quarter of 2018. In 2017, our monthly average was 17 new claims filed, while in 1Q18 the average has fallen 65% to 6 new cases per month.

Graph 11 - Evolution of Monthly Average New Cases Filed



In addition to fewer new cases being filed, there are increasing numbers of courts ordering claimants to pay losing party court costs and bad-faith litigation.

¹ Adjustments shown in table 1 hereof

We have now accrued R\$ 70.1 million provisions in our balance sheet to cover possible losses in these cases, which we recognize strictly in accordance with conservative accounting principles.



Section 7: Corporate Governance

7.1 - Corporate Agenda

| Results Release - Agenda | |
|-----------------------------|------------------|
| Event | Date |
| 2Q18 Quarterly Release | 9th of August |
| 2Q18 Conference Call | 10th of August |
| 3Q18 Quarterly Release | 14th of November |
| 3Q18 Conference Call | 16th of November |
| Calendar of Public Meetings | |
| Event | Date |
| Investor's Day | 6th of December |

¹ Adjustments shown in table 1 hereof

Appendix I - Quarterly Earnings Statement (R\$ '000)

| Financial Statement | | |
|--|--------------------|--------------------|
| | 1Q18 Accounting | 1Q17 Accounting |
| Contracted PSV | 832,747 | 818,002 |
| <i>Average Commission</i> | 3.21% | 2.83% |
| Service Revenue | 26,771 | 23,182 |
| Discounts and Rebates | (750) | (1,357) |
| Taxes on Revenue | (3,578) | (3,018) |
| Net Revenue | 22,443 | 18,807 |
| Cost of Services Rendered | (2,498) | (799) |
| Gross Profit | 19,945 | 18,008 |
| Operating Costs and Expenses | (30,896) | (28,726) |
| Administrative Expenses | (26,651) | (27,721) |
| Management Remuneration | (1,735) | (764) |
| Allowance for Doubtful Accounts | (324) | 101 |
| Other Operating Revenue (Expenses) | (2,186) | (342) |
| EBITDA | (10,951) | (10,718) |
| Depreciation and Amortization | (2,369) | (2,512) |
| Financial Expenses | (412) | (210) |
| Financial Income | 1,382 | 2,390 |
| Income before Taxes | (12,350) | (11,050) |
| Provision for Income Tax | (228) | (418) |
| Provision for Social Contribution Tax | (90) | (163) |
| Minority Interest | (176) | (44) |
| Net Income (losses) from Operations | (12,844) | (11,675) |

¹ Adjustments shown in table 1 hereof

Annex II - Consolidated Balance Sheet as of March 31, 2018 (R\$ '000)

| A S S E T S | | |
|--|----------------|----------------|
| | 1Q18 | 1Q17 |
| Current Assets | | |
| Cash and cash equivalents | 32,101 | 10,489 |
| Securities | - | 18,821 |
| Accounts receivable | 14,632 | 14,076 |
| Advances to suppliers | 439 | 138 |
| Recoverable taxes | 4,100 | 3,951 |
| Option operations | - | 3,355 |
| Prepaid expenses | 2,741 | 3,721 |
| Accounts receivable - resale companies | 703 | 10,854 |
| Other credits | 6,847 | 4,320 |
| Total Current Assets | 61,563 | 69,725 |
| Noncurrent Assets | | |
| Long-Term Assets | | |
| Securities | - | 16,186 |
| Receivable Accounts | 250 | 830 |
| Land available for sale | 760 | 1,066 |
| Recoverable taxes | 12,024 | 12,511 |
| Option operations | - | 1,992 |
| Law suits deposits | 27,977 | 17,109 |
| Accounts receivable - resale companies | 1,457 | 6,719 |
| Other credits | 5,330 | 4,315 |
| | 47,798 | 60,728 |
| Investments in subsidiaries | | |
| Fixed Assets | 15,495 | 20,163 |
| Intangible assets | 232,487 | 257,065 |
| | 247,982 | 277,228 |
| Total Noncurrent Assets | 295,780 | 337,956 |
| Total Assets | 357,343 | 407,681 |

¹ Adjustments shown in table 1 hereof

Annex III - Consolidated Balance Sheet as of March 31, 2018 (R\$ '000)

| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
|---|----------------|----------------|
| | 1Q18 | 1Q17 |
| Current Liabilities | | |
| Suppliers | 5,688 | 10,741 |
| Accrued payroll and related charges | 5,699 | 4,850 |
| Legal / Labor | 8,328 | - |
| Taxes and contributions payable | 2,362 | 2,623 |
| Advances from clients | 675 | 1,772 |
| Dividends payable | 356 | 120 |
| Accounts payable - Company acquisition | - | 2,586 |
| Option operations | - | 39 |
| Provision for contingencies | 22,493 | 14,055 |
| Other accounts payable | 4,103 | 7,534 |
| Third-Party Values from the Rental Business | 2,114 | 2,025 |
| Total Current Liabilities | 51,818 | 46,345 |
| Noncurrent Liabilities | | |
| Long-term Liabilities | | |
| Provision for contingencies | 62,708 | 71,731 |
| Accounts payable - Company acquisitions | - | 569 |
| Option operations | - | 638 |
| Other payables | 3,091 | 119 |
| Total Noncurrent Liabilities | 65,799 | 73,057 |
| Shareholders' Equity | | |
| Subscribed capital | 590,437 | 520,437 |
| Capital reserve | 43,478 | 43,478 |
| Retained Losses | (292,453) | (185,879) |
| Treasury shares | (23,717) | (23,717) |
| Stock Option Program | 25 | - |
| Transactions with non-controlling shareholders | (79,528) | (75,281) |
| Shareholders' equity attributed to controlling sharehold | 238,242 | 279,038 |
| Minority interest | 1,484 | 9,241 |
| Total Shareholders' Equity | 239,726 | 288,279 |
| Total Liabilities and Shareholders' Equity | 357,343 | 407,681 |

¹ Adjustments shown in table 1 hereof

Annex IV - Cash Flow (R\$ '000) - from January 1 to March 31, 2018

| Cash Flow Statement from Operating Activities - Consolidated | | |
|---|-----------------|-----------------|
| | 1Q18 | 1Q17 |
| Net Income before Income Tax and Social Contribution from 01/01 to 03/31 | (12,350) | (11,050) |
| Adjustments to reconcile net income (loss) and net cash generated from operating activities: | | |
| Depreciation | 1,422 | 1,730 |
| Amortization | 762 | 782 |
| Allowance for doubtful accounts | 324 | (101) |
| Provision for contingencies | - | (4,716) |
| Market value adjustment accounts receivable | (137) | (93) |
| Long-Term Financial Expenses | - | 8 |
| Result of shares purchase | (30) | - |
| Adjusted Net Income | (10,009) | (13,440) |
| Variation between Assets and Liabilities | | |
| Accounts receivable | (1,666) | 6,755 |
| Recoverable taxes | 1,316 | 330 |
| Other Credits | 618 | (2,329) |
| Other long-term assets | (7,655) | 1,310 |
| Suppliers | (2,410) | 3,001 |
| Payroll and related charges | 1,391 | 224 |
| Taxes and contributions to recover | (1,186) | (2,151) |
| Advances from clients | 30 | (677) |
| Provision for contingencies | (1,808) | - |
| Other current liabilities | (2,007) | 425 |
| Prepaid expenses | (180) | (1,407) |
| Other long-term liabilities | (200) | 46 |
| | (13,757) | 5,527 |
| Net Cash provided by Operating Activities | (23,766) | (7,913) |
| Investing Activities | | |
| Securities | - | 10,052 |
| Addition of fixed assets | (1,206) | (36) |
| Intangible assets | (82) | (889) |
| Net Cash Used in Investing Activities | (1,288) | 9,127 |
| From Financing Activities with Third Parties | | |
| Accounts payable - Company acquisitions | - | (221) |
| Net cash generated from financing activities with third parties | - | (221) |
| From Financing Activities with Shareholders | | |
| Minority shareholders interest | (129) | (1,091) |
| Net cash provided by financing activities with shareholders | (129) | (1,091) |
| Increase (decrease) in cash and cash equivalents | (25,183) | (98) |
| Cash and cash equivalents at the beginning of the period | 57,284 | 10,587 |
| Cash and cash equivalents at the end of the period | 32,101 | 10,489 |

¹ Adjustments shown in table 1 hereof