

Cimento Tupi S.A.

Interim financial information For the periods ended March 31, 2018 and 2017 (In thousands of Brazilian Reais)

The Company presents next the result of its operational performance.

CEMENT MARKET

The sale of cement in this period recorded an increase of 1 thousand tons compared with the same period of 2017. For 2018 and 2017, there was no sale of clinker

	Quantity shipped in thousand/t	
	1st Quarter 2018	1st Quarter 2017
Cement (ton)	290	289

OPERATING REVENUE

The Company's net revenue reached R\$ 49,104, against R\$ 66,335 in the same period of 2017, which represents a reduction of 25.98%.

GROSS PROFIT AND EBITDA

The Company reported loss, after deduction of costs in the amount of R\$ 3,452. In the same period in 2017, it had a gross profit of R\$ 2,099. The Company's EBITDA was negative by R\$ 5,139, after deduction of non-recurring revenues and expenses, as stated in the table below:

	1st Quarter 2018	1st Quarter 2017
Gross profit	(3,452)	2,099
Selling expenses	(2,243)	(2,868)
General and administrative expenses	(6,752)	(6,840)
Other operating revenues (expenses)	2,642	242
Operating income (loss)*	(9,805)	(7,367)
Depreciation, amortization and depletion	5,413	5,274
Non-recurring expenses (revenues)	(747)	695
EBITDA	(5,139)	(1,398)

*Before financial revenues and expenses

GENERAL AND ADMINISTRATIVE EXPENSES

For this period the Company reported expenses of R\$ 6,752 against R\$ 6,840 in the same period of 2017, a decrease of R\$ 88.

FINANCIAL LIABILITIES

The Company reported net debt of R\$ 1,126,175 in this period of 2018 and R\$ 972,577 in the same period of 2017. The increase in exchange rate and no payment of interest were responsible for the increase in foreign currency debt. The reclassification to short term was due to the accounting practice adopted resulting from the process of debt restructuring of the Company.

	1st Quarter 2018	1st Quarter 2017
Short term		
Bank Indebtedness		
Local currency	243,096	224,577
Foreign currency *	884,046	769,973
Total	1,127,142	994,550
Long term		
Bank Indebtedness		
Local currency	-	-
Foreign currency *	-	-
Total	-	-
Total debt (net of fund raising cost)		
Local currency	243,096	224,577
Foreign currency	884,046	769,973
Total	1,127,142	994,550
Cash and cash equivalents	967	21,973
Net debt	1,126,175	972,577
* Exchange rate losses included in foreign currency loans.	(309,166)	(279,182)

DEBT RENEGOTIATION

The Company's management contracted as financial advisor the company N M Rothschild & Sons (Brazil) Limitada to assist it in the discussion and renegotiation of debts in local and foreign currencies with its creditors.

Until the date of disclosure of the financial statements for the period ended March 31, 2018, the Company entered into agreements for the renegotiation of debts in local currency with the banks Alfa, Banco CCB Brasil, ABC Brasil, Credit Suisse, and is still negotiating terms with Banco de Desenvolvimento de Minas Gerais – BDMG.

Most part of the renegotiated debts had their payment flow and maturities extended from between August 2015 and March 2016 to December 2018 and November 2020.

The Company's management and Rothschild have been discussing with the remaining creditors of Cimento Tupi new terms and conditions that would allow adjusting the Company's cash flow to its new debt profile.

,The Company also has some non-operating assets, such as mines in Adrianópolis, Formosa, and Mossoró, whose disposal in the reorganization process is being evaluated by Management.