INTER CONSTRUTORA E INCORPORADORA S.A

QUARTERLY INFORMATION - ITR - ON MARCH 31, 2018 AND REVIEW REPORT OF INDEPENDENT AUDITORS

All financial information in this report will be presented in
Currency: BRL (Brazillian Reais)

INTER CONSTRUTORA E INCORPORADORA S.A

Quarterly Information – ITR

As of March 31, 2018

Content

RELEASE OF 1Q18 RESULTS

Figures in Brazilian Reais (BRL- R$)

INTER
Construtora

Net Operating Revenue (ROL) of R$ 36 million in 1Q18, an increase of 27% in relation to 1Q17

Juiz de Fora, May 14, 2018 - INTER Construtora e Incorporadora S.A. (B3: BOVESPA MAIS - INNT3), which operates in the development of medium and large-sized real estate projects withfocus on popular housing (MCMV), today announces its results for the first quarter of 2018. The financial information are presented on a consolidated basis, prepared in accordance with the International Financial Reporting Standards (IFRS), which considers OCPC 04 on the of ICPC Technical Interpretation 02 applicable to entities of real estate development in Brazil, as approved by the Accounting Pronouncement Committee (CPC), by the Brazilian Securities and Exchange Commission (CVM) and by the Federal Accounting Council (CFC).

Highlights

- Listing of the Company’s shares in the “Bovespa Mais” segment of B3 on February 26, 2018;
- Launch of 1080 units in 1Q18 equivalent to a Potencial Sales Value (PSV) of R$184 million, growth of 538% in relation to 1Q17;
- Contracted sales, net of swaps in the quarter was 326 units corresponding to R$41.12 growth of 47% in relation to 1Q17;
- Gross profit of R$15 million, growth of 9% compared to 1Q17;
- Significant expansion of our land bank (Landbank) to a potential of almost 11,500 units with an equivalent Potencial Sales Value (PSV) of R$1.7 billion.

MESSAGE FROM THE ADMINISTRATION

Introduction

Inter is a publicly traded public limited liability company of category A, headquartered in Juiz de Fora, MG, registered with the Securities and Exchange Commission (CVM). The Company acquires land, incorporates and builds real estate developments in the housing segment that fall within the scope of the "Minha Casa Minha Vida" (MCMV), tracks 1,5; 2 and 3. Inter is a company focused on standardization and gain of scale. This allows cost competitiveness and continuous improvement to every square meter built. Within this segment it focuses on the niche of higher quality and value ventures aggregate for the customer. In all the enterprises, the products called "Smart Apartments". This is what distinguishes Inter from competitors in the segment with a wide range of product categories. The "Smart Apartments" have lifts, water capture and reuse, solar energy for common areas, security cameras, cancellation automatic, electric fence, recreational area equipped, Wi-fi in common areas, bike rack and bicycles shared, laminate flooring, USB sockets, individual hydrometer among other features. The operation is based on three pillars:

1º. Careful acquisition of land

2º. Differentiated quality and speed in construction

3º. Speed in sales and hiring

As a result, growth and margin was above the segment's average. The area of activity o four developments has been the region of Zona da Mata Mineira.

In March the Company was officially listed on B3 through the "Bovespa Mais" program with INNT3 code and INTER SA trading name.

Expansion Plan

The Company's goal is to maintain the pace of growth achieved in recent years.
Analyzing the Company's growth history and the size of the popular housing Market in the Zona da Mata Mineira that are part of the MCMV program, a segment of Inter's activity, Executive Board has understood that it is necessary to expand to other regions in order to achieve the growth.

A geographic expansion plan was developed for the states of Minas Gerais and São Paulo.
Aspects were considered as potential demand for apartments in new cities; housing deficit; qualitative aspects in relation to the greater or lesser probability of acceptance of the product Inter; as well as aspects related to logistics and engineering such as access and cost of material and labour on those localities. In addition to these factors, it was decided to focus on areas close to urban centers with more than 300 thousand people. The main reason is to create a history of perpetuity in these cities so that the costs of initial deployment in a new city are diluted throughout the time.

In the State of Minas Gerais, besides the Zona da Mata Mineira, the Company will focus on the Triângulo Mineiro, in particular Uberaba and Uberlândia. In the State of São Paulo, the focus is on in cities of the interior such as, for example, Bauru, Nova Odessa, São João do Rio Preto, Ribeirão Preto, Piracicaba and Taubaté. In addition, Inter is aware of potential acquisition opportunities lands in São Paulo capital.

Aiming to avoid the mistakes made in the past by other constructors, who expanded their operations geographically, and achieve growth based on solid foundations, the Company understands that the critical success factor is the focus on controls and cost management. For this reason, it has been investing in governance, compliance, process improvement initiatives, systems, training in addition to hiring specialized labor and consultancies.

Marketplace

Real estate business conditions improved in the first quarter, activity in the segment of real estate below R$ 240 thousand, included in the program Minha Casa Minha Vida (MCMV). The same can not be said of medium- and high-income real estate. The company expects this market behavior to remain the same for the months ahead.

MAIN INDICATORS

	1Q18	4Q17	1Q17	Chg. 1Q18 x 4Q17	Chg. 1Q18 x 1Q17
PSV Launched (R$ thousand)	184.000	49.920	28.800	268,6%	538,9%
Contracted Sales, Net of Exchange (R$ thousand)	41.120	49.601	27.971	-17,1%	47,0%
Net Operating Revenue (ROL)	35.973	39.682	28.301	-9,3%	27,1%
Construction Cost (R$ thousand)	(20.993)	(23.628)	(14.541)	-11,2%	44,4%
Construction Cost / ROL (%)	-58,4%	-59,5%	-51,4%	1,2p.p.	-7,0p.p.
Construction Cost / Contrated Sales (%)	-51,1%	-47,6%	-52,0%	-3,4p.p.	0,9p.p.
Gross Profit (R$ thousand)	14.979	16.054	13.759	-6,7%	8,9%
Gross Margin (%)	41,6%	40,5%	48,6%	1,2p.p.	-7,0p.p.
Net Financial Result (R$ thousand)	(1.143)	(1.037)	(569)	10,2%	100,9%
Net Financial Result / ROL (%)	-3,2%	-2,6%	-2,0%	-0,6p.p.	-1,2p.p.
Net Financial Result / Contrated Sales (%)	-2,8%	-2,1%	-2,0%	-0,7p.p.	-0,7p.p.
Net Financial Result / PSV Launched (%)	-0,6%	-2,1%	-2,0%	1,5p.p.	1,4p.p.
Business Expenses (R$ thousand)	(1.831)	(2.643)	(1.062)	-30,7%	72,4%
Business Expenses / ROL (%)	-5,1%	-6,7%	-3,8%	1,6p.p.	-1,3p.p.
Business Expenses / Contrated Sales (%)	-4,5%	-5,3%	-3,8%	0,9p.p.	-0,7p.p.
Business Expenses / PSV Launched (%)	-1,0%	-5,3%	-3,7%	4,3p.p.	2,7p.p.
General and Administrative Expenses (R$ thousand)	(2.826)	(2.432)	(2.045)	16,2%	38,2%
G & A Expenses / ROL (%)	-7,9%	-6,1%	-7,2%	-1,7p.p.	-0,6p.p.
G & A Expenses / Contrated Sales (%)	-6,9%	-4,9%	-7,3%	-2,0p.p.	0,4p.p.
G & A Expenses / PSV Launched (%)	-1,5%	-4,9%	-7,1%	3,3p.p.	5,6p.p.
Net Income (R$ thousand)	8.360	10.127	9.867	-17,4%	-15,3%
Net Margin (%)	23,2%	25,5%	34,9%	-2,3p.p.	-11,6p.p.
EBITDA (R$ thousand)	9.936	11.183	10.510	-11,2%	-5,5%
EBITDA Margin (%)	27,6%	28,2%	37,1%	-0,6p.p.	-9,5p.p.
Cash Generation (R$ thousand)	(6.165)	12.419	(4.938)	-149,6%	-24,8%
Cash and Cash Equivalents (R$ thousand)	23.817	29.983	12.572	-20,6%	89,4%
Gross Debt (R$ thousand)	39.761	38.835	19.392	2,4%	105,0%
Net Debt (R$ thousand)	15.944	8.852	6.819	80,1%	133,8%
Shareholders' Equity Total (R$ thousand)	22.910	20.725	16.838	10,5%	36,1%
Net Debt / Shareholders' Equity (%)	69,6%	42,7%	40,5%	26,9p.p.	29,1p.p.
Net Debt / EBITDA 12M	0,41x	0,22x	0,31x	18,3p.p.	9,9p.p.

	1Q18	4Q17	1Q17	Chg. 1Q18 x 4Q17	Chg. 1Q18 x 1Q17
Contrated Sales (units)	1.080	385	240	180,5%	350,0%
Gross Sales (units)	355	445	247	-20,2%	43,7%
Distractions (units)	29	20	13	45,0%	123,1%
Contracted Sales, Net of Exchange (R$ thousand)	326	425	234	-23,3%	39,3%
Units Reported	306	449	215	-31,8%	42,3%
Produced (units)	369	450	219	-18,0%	68,5%
Completed (units)	60	160	324	-62,5%	-81,5%

New Releases

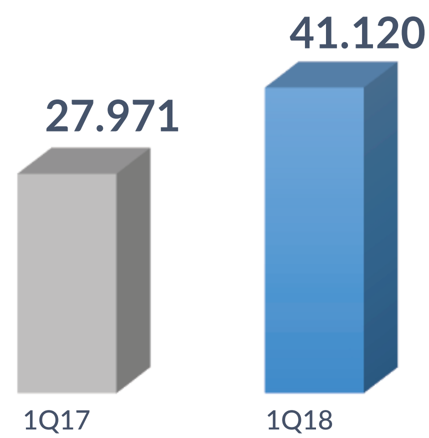
The Company launched the Park Quinet project in the district of Santa Terezinha in Juiz de Fora. The development has 1080 units in a location with high population density and demand. The development is very close to the bus station, Shopping Jardim Norte and Supermarket Bretas, in addition to having a Bahamas Supermarket (largest retailer in the region), in the commercial area of the enterprise itself. Public reception and demand has surprised positively. The estimated PSV for this venture is R$ 184 million.

The pipeline for the remainder of the year is addressed. It is worth mentioning the enterprise of 720 units in the pre-launch phase in the city of Uberaba, among others to be launched later this year year in the cities of Juiz de Fora, Cataguases, as well as developments in cities in the interior of São Paulo.

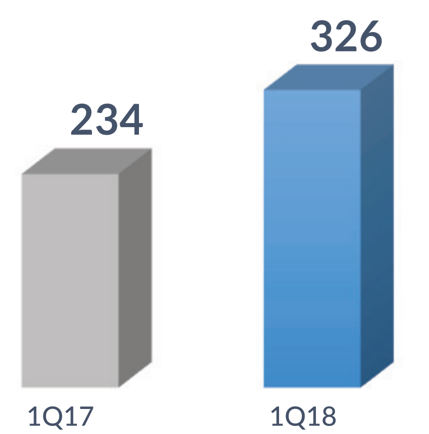
Contracted Sales, net of swaps

The pace of sales remained robust reaching R$ 41.12 million in the period, a growth of 47% in relation to 1Q17. There were 326 units sold against 234 units in 1Q17. The good performance is the result of investment in sales and initiatives to improve product quality.

CONTRACTED SALES, NET OF EXCHANGE (UNITS)



CONTRACTED SALES, NET OF ECHANGE (R$ THOUSAND)



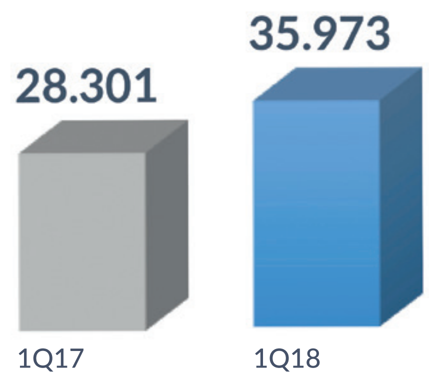
Sell On Offer (VSO)

Sale on offer in 1Q18 was 29%. Lead Generation Experiments via Digital Channels has generated good results compared to traditional media. There was addition in investments in training, contracting in the commercial area and also in the acquisition of real estate sales management system.

Net Operating Revenue (ROL)

Net Operating Revenue (ROL) reached R$ 35.97 million in the quarter, 27% higher than the 1T17. The Net Operating Revenue (ROL) follows the accounting guideline of the POC (Percentage of Completion) where revenue is appropriated according to percentage of work evolution.

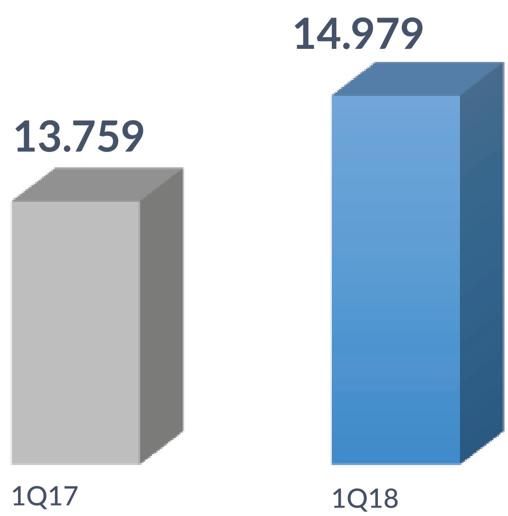
NET OPERATING REVENUE (R$ THOUSAND)



Gross profit

Gross Profit in 1Q18 increased by 9% in relation to 1Q17.

GROSS PROFIT (R$ THOUSAND)



This growth and gross margin could be even greater if the conventration of developments in final phase were not so high. In these projects, 5% of the PSV passed on to the financing institution is retained until obtaining municipal sign-off.

Developments in Progress	City	Units Number	Evolution of Work %
Unique Ubá	Ubá	240	95%
Unique Borboleta	Juiz de Fora	156	95%
Unique São Geraldo	Juiz de Fora	240	95%
Res. São Geraldo II	Juiz de Fora	60	95%
Unique Fontesville	Juiz de Fora	240	83%
Park Marilândia	Juiz de Fora	960	66%
Park Jardim Norte	Juiz de Fora	360	10%
Unique Marilândia	Juiz de Fora	24	0%
Park Quinet	Juiz de Fora	1080	0%
Total		3360	

For this reason, these developments incurred in costs without the corresponding counterpart of the revenue. Both Inter's departments of Engineering and Operations are committed to solving the few pending issues and streamline the bureaucracy to obtain the municipal sign-off in the developments Unique Ubá, Unique Butterfly, Unique São Geraldo and Residencial São Geraldo.

Expenses

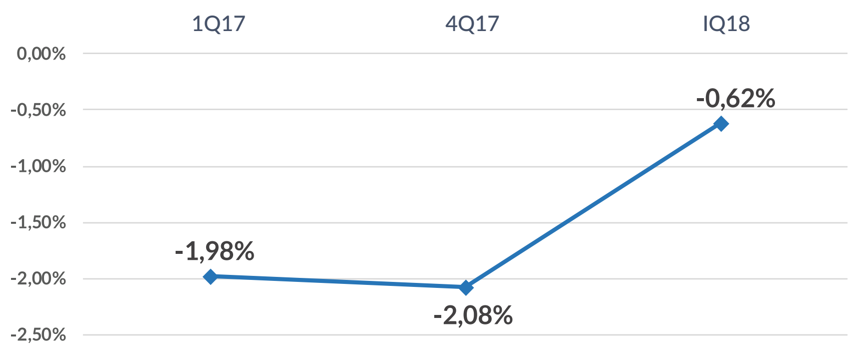
Financial Expenses, Commercial Expenses and G & A Expenses in 1Q18 increased nominally if compared to 1Q17. This was the result of a combination of factors.

The increase in Financial Expenses reflects the change in the order of magnitude of the business, and consequently, the magnitude of the Company's gross debt from one year to the next.

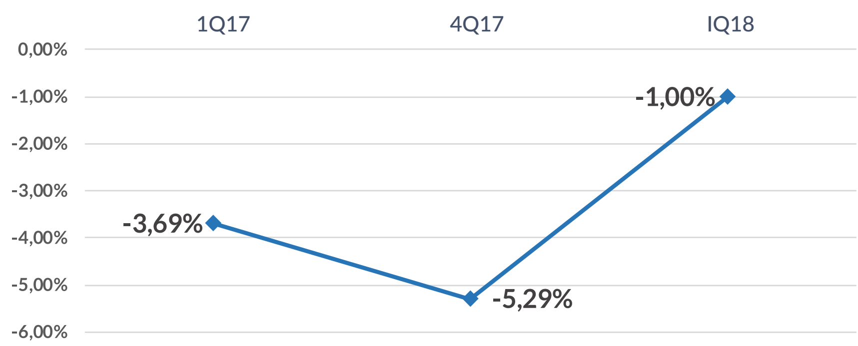
The increase in Commercial Expenses was a reflection of: increased sales volume in the period and mainly due to the disbursement of sales stand, marketing and media expenses at launc of the Park Quinet development with 1080 units, and the pre-launch of the Park Uberaba with 720 units.
The increase in G & A Expenses reflects the current moment of investments that the Company is passing. In view of the strategic plan for growth and geographical expansion, investments are made on the following fronts: governance, internal controls and new business.

However, using a forward looking analysis metric such as, for example, PSV performance of expenses in relation to potential future revenue.

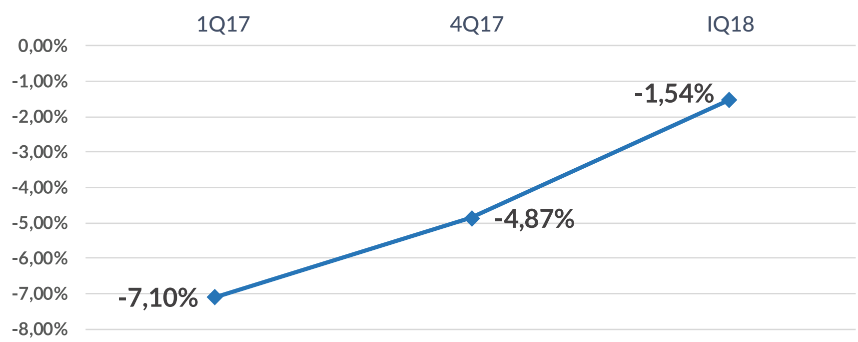
NET FINANCIAL RESULT / PSV LAUNCHED (%)



G & A EXPENSES / PSV LAUNCHED (%)



BUSINESS EXPENSES / PSV LAUNCHED (%)



The Company is strengthening its bases to reach a new level of business.

Financial result

Financial expenses increased 57% in 1Q18 compared to 1Q17. Interest expenses arising from both working capital financial and production support financing are charged in the Financial Expenses account. The anual increase in this exepende reflects the change in the order of magnitude of the business, and consequently the gross debt of the from last year to this one.

	1Q18	4Q17	1Q17	Chg. 1Q18 x 4Q17	Chg. 1Q18 x 1Q17
Financial Income (R$ thousand)	251	239	320	5,0%	-21,6%
Financial Expenses (R$ thousand)	(1.394)	(1.276)	(889)	9,2%	56,8%
Net Financial Result (R$ thousand)	(1.143)	(1.037)	(569)	10,2%	100,9%

Net profit

Net Income in 1Q18 was R$ 8.36 million, 15% less than in 1Q17.
As detailed above, the gross margin was below its potential atypical concentration of ventures near the municipal sign-off and delivery period.
Consequently, 5% of the PSV passed on to the financing institution was withheld. Besides that, expenses increased nominally as a result of investments made in 1Q18, without the equivalent compensation from revenues.

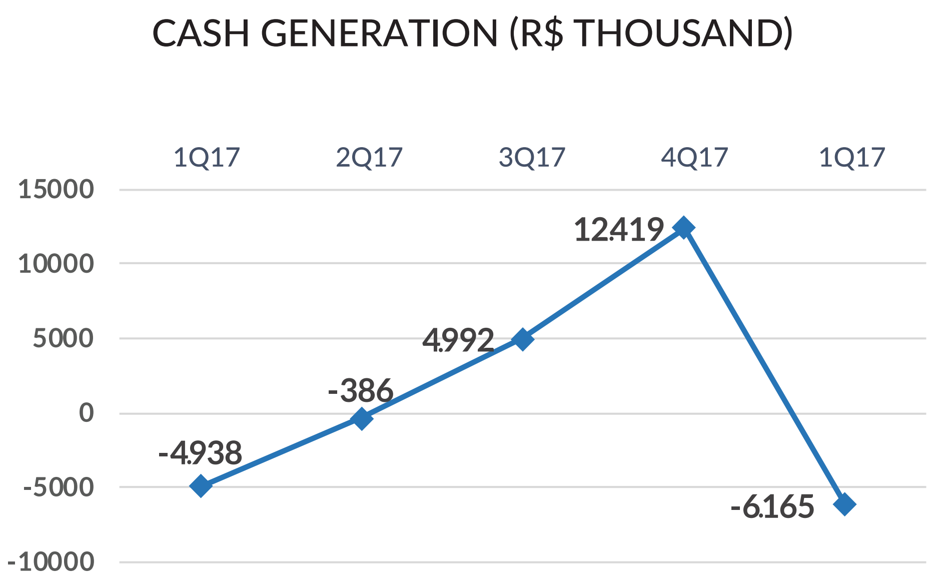
EBITDA

EBITDA in 1Q18 was R$ 9.94 million, 11% lower than in 1Q17.
Gross margin impact and higher level of expenses, for the same reasons and in the same way as in Net Income.

Cash flow

Cash generation was negative by R$ 6.17 million. If it were not for the high concentration pf ventures near the municipal sign-off and delivery period, the retention of 5% of the PSV passed on to the financing institution would have a lesser impact. In addition, if were not for the expenses of launching and pre-launching a total of 1800 units (Park Quinet and Park Uberaba) in 1Q18, cash flow would have been positive.

Negative cash flow generation will revert in the quarters ahead, as a consequence of the beginning of billing of units launched and entry of revenues retained from completed projects.



Bank financing

Financial institution	Feature	Average rate per month	due date	Debt Outstanding 1Q18	Debt Outstanding 4Q17	Chg. 1Q18 x 4Q17
CEF (R$ thousand)	Working Capital	1,4%	11/04/2022	5.296	5.830	-9,2%
ITAU (R$ thousand)	Working Capital	2,0%	16/04/2019	738	793	-6,9%
SAFRA (R$ thousand)	Working Capital	1,3%	31/01/2019	2.875	3.000	-4,2%
Total (R$ thousand)				8.909	9.623	-7,4%

Financing of production support

Financial Institution	Feature	Average rate per month	Average Contract Maturity	Debt Outstanding 1Q18	Debt Outstanding 4Q17	Chg. 1Q18 x 4Q17
CEF (R$ thousand)	Production Capital	0,7%	19/12/2019	30.852	29.213	5,6%
Total (R$ thousand)				30.852	29.213	5,6%

Weighted average cost of debt

Financial Institution	Feature	Debtor Balance 1Q18	Annual Interest (%)	Annual Weighted Interest (%)
CEF (R$ thousand)	Working Capital	5.296	18,0%	2,4%
ITAU (R$ thousand)	Working Capital	738	26,4%	0,5%
SAFRA (R$ thousand)	Working Capital	2.875	16,8%	1,2%
CEF (R$ thousand)	Production Capital	30.852	8,7%	6,8%
Weighted Average Cost (%)				10,9%

Revenue to be Owned by Real Estate Sales

At the end of 1Q18, the revenue to be appropriated, former Results of Future Exercises (REF), amounted to R$ 49.9 millions. This amount corresponds to the future revenue of units already sold to be accounted for by POC (Percentage of Completion) method considering the achievement of 100% evolution of work in all projects.

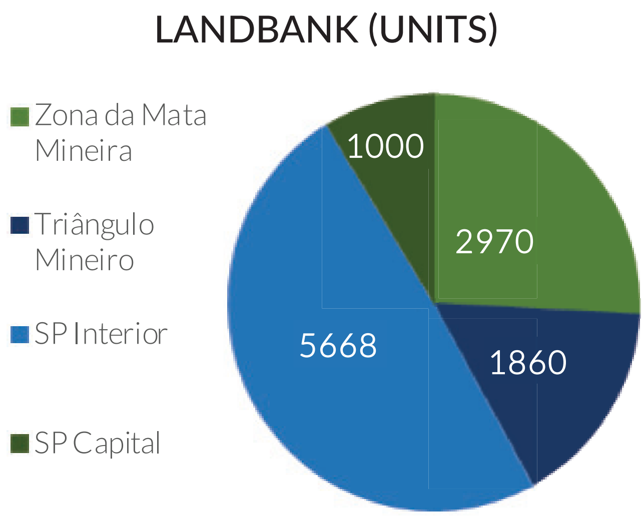
Developments in Progress	Revenues to be appropriated from properties sold (R$ thousand)
Unique Ubá	1.199
Unique Borboleta	1.088
Unique São Geraldo	1.396
Res. São Geraldo II	352
Unique Fontesville	4.136
Park Marilândia	21.996
Park Jardim Norte	19.737
Unique Marilândia	0
Park Quinet	0
Total	49.904

Amount of units to be sold

Enterprises	Built Stock (units)	Construction Stock (units)	Estimated sales value (R$ thousand)
Univercity Residence	3	0	540
Yuni Nova California	1	0	140
Unique Ubá		23	2.990
Unique Borboleta		3	390
Unique São Geraldo		2	260
Res. São Geraldo II		0	0
Unique Fontesville		57	7.410
Park Marilândia		414	53.820
Park Jardim Norte		182	23.660
Unique Marilândia		0	0
Park Quinet		907	145.120
Total	4	1.588	234.330

Landbank

In view of the current scenario, we believe that other developers will focus on low income areas. For this reason, we made the decision to increase the speed of land acquisition. We focus on high potential demand areas which fit the profile of our product. In the first quarter of the year we acquired areas in Juiz de Fora, Uberaba, Uberlândia, São José do Rio Preto, among other municipalities in the State of São Paulo.



We expanded our land bank to a construction potential of almost 11.5 thousand units with a PSV of R$ 1.7 billion. To support this movement of geographical expansion and acquisition of land, the Executive Board, in partnership with market agents, are studying the structuring of a funding operation of resources exclusively directed to the acquisition of land.

Inter Construtora e Incorporadora S.A. list in B3 through the program “Bovespa Mais”

On March 12, 2018, the symbolic event on B3 marked the listing of the Company’s shares in “Bovespa Mais”. This listing segment of B3 is dedicated to fostering the growth of small and medium-sized enterprises via the capital market.

The ceremony was attended by B3’s Financial, Corporate and Investor Relations Vice-President Daniel Sonder, Inter Construtora’s Chief Executive Officer Neylson Almeida, Jurandir Lima and Ednilson Almeida, members of Inter’s Board of Directors; Leonardo Lima, Executive Director of Production, Cid Maciel Monteiro de Oliveira, external consultant at the time invited to assume the position of CFO and DRI, in addition to representatives of the financial and capital market.

During the ceremony, Sonder, from B3, stressed that “the adhesion of Inter Construtora to Bovespa Mais is an example to be followed and also conveys a message of gradual recovery to the market. Seeing that leading companies in the construction industry - which is usually a thermometer of the economy - are betting more and more on this platform is a signal that should be celebrated”.

Neylson Almeida, CEO of Inter Construtora e Incorporadora S.A., presented the following message in his address: “We are here today to introduce ourselves to you. We have achieved great success in the area of the Zona da Mata, building popular housing units with quality and sustainability. The next step is to expand this case of success to other regions of the country”.

Governance

The year 2017 was a very important with respect to corporate governance for Inter. We contracted a financial advisory and a consulting firm specializing in governance to assist the Company in the process of professionalization of management, planning, structuring of processes, formalization, documentation, advice on accounting and hiring of audit, assistance in the registration process with CVM and listing in B3, structuring the investor relations area and organizing the disclosure and publication of results.

The recommendations made by both consultancies are being followed which has resulted in improvement in the company's governance and communication with the market. As a consequence, the Company was registered with the CVM on November 9, 2017.

In the quarter, the Company advanced in the hiring of new talent, professionals focused on the quality of management, we adopted improvements in controls and processes, corporate governance, and in March the Company was officially listed in B3 through the "Bovespa Mais" program with code INNT3 and name of trading floor INTER SA.

Taxation

The Company is included in the special tax regime (RET) - As permitted by Law 12.024 of August 27, 2009, which amended Law 10.931 / 2004 that established the RET, the option was made to subject them to equity and opt for RET. To that end, the consolidated charge for IRPJ and CSLL, the Contribution for Social Security Financing - COFINS and the Social Integration Program - PIS, is calculated at a total aggregate rate of 4% of gross revenues received, of which 1.92% for IRPJ and CSSL and 2.08% for PIS and COFINS.

Relationship with Independent Auditors

In accordance with CVM Instruction No. 381/03, we hereby announce that our independent auditors - BKR-Lopes Machado Auditores - did not provide services during the first quarter of fiscal year 2018, other than those related to external auditing. The Company's policy of hiring independent auditors ensures that there is no conflict of interest, loss of independence or objectivity.

Commitment Clause

According to art. 45 of Chapter VIII - Arbitral Judgment, of the Company's Bylaws: The Company, its shareholders, directors and members of the Fiscal Council undertake to resolve, through arbitration, before the Market Arbitration Chamber, any and all dispute or controversy that may arise between them, related to or arising in particular from the application, validity, effectiveness, interpretation, violation and its effects, of the provisions contained in the Corporation Law, in the Company's bylaws, in the edited rules the National Monetary Council, the Brazilian Central Bank and the Securities and Exchange Commission, as well as other rules applicable to the operation of the capital market in general, in addition to those contained in the BOVESPA MAIS Regulation, the Arbitration Regulation, the Sanctions Regulation , and the Participation Agreement on BOVESPA MAIS.

Board Statement

In compliance with the provisions of CVM Instruction 480, the Board of Executive Officers declares that it has discussed, reviewed and agreed with the opinions expressed in the independent auditors' report and with the financial statements for the year ended March 31, 2018.

Comments

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

The financial information is presented in thousand Reais (R$ thousand), unless otherwise indicated. The statements contained in this document relating to business prospects, projections of operating and financial results, and those related to INTER's growth prospects are merely projections and as such are based exclusively on management's expectations about the future of the business. These expectations depend substantially on the approvals and licenses required for the approval of projects, market conditions, the performance of the Brazilian economy, the sector and international markets and are therefore subject to change without prior notice. This performance report includes non-accounting data such as operating, financial and projections based on the expectations of the Company's Management. Non-accounting data such as quantitative and launch PSV, contracted sales, MCMV program values, inventory at market value, land bank, result to be appropriated, cash consumption, and projections were not subject to review by the auditors independent of the Company.

Investor Relations

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Balance Sheets | IFRS

INTER CONSTRUTORA E INCORPORADORA S/A

Balance Sheets

On 31 March 2018 and 31 December 2017

(In reais)

Active	**Note**	**03/31/2018**	**12/31/2017**
Current			
Cash and cash equivalents	5	23.817.961	29.983.593
Customers for incorporation of real estate	6	14.710.079	13.255.303
stock	7	26.678.125	18.975.746
Advances to third parties		1.258.182	1.474.596
		66.464.347	63.689.238
Not CIRCULANT			
Long-term achievable:			
Related parts	8	1.480.469	1.345.793
Prepaid expenses		1.019.189	947.712
Deposits for social security		-	834.086
		2.499.658	3.127.591
Investment		19.200	19.200
Immobilized	9	17.968.669	18.168.300
Intangible		43.651	43.491
		18.031.520	18.230.991
Total Assets		86.995.525	85.047.820

Passive	**Note**	**03/31/2018**	**12/31/2017**
Current			
Providers	10	8.579.660	5.821.076
Loans and financing	11	6.201.904	2.097.666
Social and labor obligations	12	1.206.405	1.139.347
Tax liabilities	13	783.422	759.505
Other bills to pay		201.639	240.623
		16.973.030	10.058.217
Not CIRCULANT			
Providers	10	11.352.255	15.226.057
Loans and financing	11	33.559.364	36.738.246
Obligations with third parties		-	18.026
Tax installment		35.928	117.017
Provision for contingency	14	2.164.830	2.164.830
		47.112.377	54.264.176
Net worth	15		
Share capital		12.371.189	12.371.189
Profit reserves		10.538.929	8.354.238
		22.910.118	20.725.427
Total liabilities and shareholders' equity		86.995.525	85.047.820

The accompanying notes are an integral part of the quarterly financial information.

Income Statements | IFRS

INTER CONSTRUTORA E INCORPORADORA S/A

Income Statements

Periods of 3 Months Ended March 31, 2018 and 2017

(In Reais, except net income per share)

	Note	**03/31/2018**	**03/31/2017**
Net operating revenue	16	35.973.408	28.301.021
Cost of real estate sold and services rendered		(20.993.969)	(14.541.443)
Gross profit		14.979.439	13.759.578
Operating income (expenses):			
Selling expenses		(1.831.299)	(1.062.426)
General and Administrative Expenses		(2.826.222)	(2.045.493)
Other operating income (expenses), net		(818.080)	(215.493)
		(5.475.601)	(3.323.412)
Operating income before financial result:		9.503.838	10.436.166
Net financial result:	17	(1.143.427)	(568.602)
Financial income		251.190	421.272
Financial expenses		(1.394.617)	(989.874)
Net income for the period		8.360.411	9.867.564
Net Income per Share - In Reais		0,68	0,80

The accompanying notes are an integral part of the quarterly financial information.

Statements of Cash Flows | IRFS

INTER CONSTRUTORA E INCORPORADORA S/A

Statements of Cash Flows

Periods of 3 Months Ended March 31, 2018 and 2017

(In reais)

	03/31/2018	03/31/2017
Cash flows from operating activities:		
Net income for the period	8.360.411	9.867.564
Settings for:		
Depreciation	433.572	74.188
	8.793.983	9.941.752
Changes in assets and liabilities		
Increase in other accounts receivable	(1.454.776)	(11.013.892)
Increase in inventories	(7.702.386)	(2.973.315)
Decrease in advance from third parties	216.413	-
(Decrease) increase in suppliers	(1.115.216)	177.422
Increase (decrease) in tax liabilities	23.919	(11.155)
Increase in obligations with personnel	67.058	198.549
(Decrease) increase in other current and non-current liabilities	(138.097)	654.962
Net cash used in operating activities	(1.309.102)	(3.025.677)
Cash flows from investing activities		
Increase in prepaid expenses	(71.476)	-
Decrease in social security deposits	834.086	-
Increase in related parties	(134.675)	(182.621)
Increase in fixed assets	(233.000)	(268.040)
Increase in intangible assets	(1.100)	(3.585)
Profits paid to shareholders	(6.175.721)	(5.400.144)
Net cash used in investing activities	(5.781.886)	(5.854.390)
Cash flows from financing activities		
Borrowing	925.356	3.941.418
Net cash provided by financing activities	925.356	3.941.418
Reduction in cash and cash equivalents, net	(6.165.632)	(4.938.649)
Statement of the reduction in cash and cash equivalents:		
Cash and cash equivalents at beginning of year	29.983.593	17.511.314
Cash and cash equivalents at the end of the year	23.817.961	12.572.665
Reduction in cash and cash equivalents, net	(6.165.632)	(4.938.649)

The accompanying notes are an integral part of the quarterly financial information.

Statements of Added Value | IFRS

INTER CONSTRUTORA E INCORPORADORA S/A

Statements of Added Value

Periods of 3 Months Ended March 31, 2018 and 2017

	03/31/2018	03/31/2017
Recipes:		
Sales of goods, products and services	35.973.408	28.301.020
Inputs acquired from third parties	(25.101.938)	(17.478.306)
Production and sales costs	(20.993.969)	(14.541.442)
Materials, energy, third party services and others	(4.107.969)	(2.936.864)
Gross added value	10.871.470	10.822.714
Depreciation, amortization and depletion	(433.572)	(74.187)
Net added value produced by the Entity	10.437.898	10.748.527
Added value received on transfer:		
Financial income	251.190	320.827
Total added value to be distributed	10.689.088	11.069.354
Distribution of added value:		
Administrative staff	(115.980)	(96.868)
Taxes, fees and contributions	(818.080)	(215.493)
Financial expenses	(1.394.617)	(889.429)
Dividends	(6.175.721)	(5.434.077)
Retained earnings	(2.184.690)	(4.433.487)
	(10.689.088)	(11.069.354)

The accompanying notes are an integral part of the quarterly financial information.

GLOSSARY

Landbank - land held in stock with the estimated future PSV of the same.

BOVESPA MAIS - Listing segment of B3, Bovespa Mais makes it possible to make smaller fundings compared to the Novo Mercado, but sufficient to finance its growth project. The companies listed on Bovespa Mais tend to attract investors who see a greater development potential in the business. Stock offers can be aimed at a few investors and they usually have prospects for medium to long term returns.

This segment allows you to list without an offer, that is, you can list your company on the Stock Exchange and have up to 7 years to complete the IPO. This possibility is ideal for companies that want to access the market gradually. You can work on the professionalization of your business only for the listing and then have more time to make the public offering of shares. By disassociating one moment from the other, market access tends to be quieter and the level of preparation of your company higher.

Exchange - Land purchase system whereby the land owner receives in payment a certain number of units of the project to be built in it.

**PSV Launched - ** Potential Sales Value of units launched in a given period.

PSV Passed on to the Financing Institution - Potential Sales Value passed on to the financing institution.

Contracted Sales, Net of Exchange - PSV arising from all contracts for the sale of real estate concluded in a certain period, including the sale of units launched in the period and the sale of units in inventory, net of distractions and net of exchange.

VSO - Sales on offer. to minimize the volatility of this metric, we exclude units in stock and units sold from developments in the quarter.

EBITDA - is the acronym for “Earnings Before Interest, Taxes, Depreciation and Amortization”.

Método PoC - In accordance with IFRS, revenues, costs and expenses related to real estate projects are appropriated based on the accounting method of cost incurred (“PoC”), by measuring the progress of the work by the actual costs incurred versus the expenses total budgeted for each phase of the project.

Instituições parceiras

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INTER
Construtora

RELATIONSHIP WITH INDEPENDENT AUDITORS

Pursuant to CVM Instruction 381/03 we hereby announce that our independent auditors - BKR-Lopes Machado Auditores - did not provide during the first quarter of 2018, services other than those related to external auditing. The Company's policy of hiring independent auditors ensures that there is no conflict of interest, loss of independence or objectivity.

Executive Board:

Neylson of Oliveira Almeida
(Chief Executive Officer and Investor Relations Officer)

Almira Gonçalves dos Reis
(Chief Financial Officer)

Leonardo Miguel de Lima
(Production director)

STATEMENT BY DIRECTORS ON THE QUARTERLY FINANCIAL INFORMATION

Opinions and Statements / Statement of Directors on Quarterly Financial Information

We hereby request, in accordance with the provisions of Article 25, item VI of CVM Instruction 480, of December 7, 2009, to declare that, as directors of Inter Construtora e Incorporadora SA, we review, discuss and agree with the information contained in the Quarterly Financial Information of Inter Construtora e Incorporadora SA for the period from January 1, 2018 to March 31, 2018. We remain at your entire disposal for further clarification if necessary.

Juiz de Fora, 05/10/2018

Executive Board:

Neylson of Oliveira Almeida
(Chief Executive Officer and Investor Relations Officer)

Almira Gonçalves dos Reis
(Chief Financial Officer)

Leonardo Miguel de Lima
(Production director)

STATEMENT BY DIRECTORS ON THE REPORT OF THE INDEPENDENT AUDITOR

Mr. Neylson de Oliveira Almeida, Mr. Almira Gonçalves dos Reis and Mr. Leonardo Miguel de Lima, Directors of Inter Construtora e Incorporadora SA, a company headquartered at Rua Ataliba de Barros, 182 room 1504 registered with the CNPJ under no. 09.611.768 / 0001- 76, in compliance with the provisions of items V of article 25 of CVM Instruction 480 of December 7, 2009, declare that they have reviewed, discussed and agreed with the opinion expressed by BKR-Lopes Machado Auditores, contained in the Review Report of the Independent Auditor, regarding the Quarterly Financial Information for the period from January 1, 2018 to March 31, 2018, issued May 15, 2018.

Juiz de Fora, May 10, 2018.

Executive Board:

Neylson of Oliveira Almeida
(Chief Executive Officer and Investor Relations Officer)

Almira Gonçalves dos Reis
(Chief Financial Officer)

Leonardo Miguel de Lima
(Production director)

REPORT ON THE REVIEW OF QUARTERLY INFORMATION - ITR

To the
Shareholders and Directors of
Inter Construtora e Incorporadora S.A
Juiz de Fora - MG

Introduction

We have reviewed the interim accounting information of Inter Construtora e Incorporadora SA ("Company"), contained in the Quarterly Information Form (ITR) for the quarter ended March 31, 2018, which includes the balance sheet as of March 31, 2018 and statements of income, comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, including the notes to the financial statements.

The Company's management is responsible for the preparation of interim accounting information in accordance with Technical Pronouncement CPC 21 (R1) - Interim Statement, contemplating the guidance contained in Circular Letter / CVM / SNC / SEP 01/2018 related to the application of Technical Guidance OCPC 04, on the recognition of income over time and with IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as for presenting this information in a manner consistent with the standards issued by the Brazilian Securities Commission, applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on these interim accounting information based on our review.

Reach scope

We conducted our review in accordance with Brazilian and international standards for the review of interim information (NBC TR 2410 - Review of Interim Financial Information Performed by the Entity's Auditor and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively) . A review of interim financial information consists of inquiries, mainly to persons responsible for financial and accounting matters, and in the application of analytical procedures and other review procedures. The scope of a review is significantly less than that of an audit conducted in accordance with auditing standards and therefore has not enabled us to obtain assurance that we are aware of all material matters that could be identified in an audit. Therefore, we do not express an audit opinion.

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São Paulo - SP | Tel.: 55 11 5041-4610 - Fax: 55 11 5041-4536 | sp@bkr-lopesmachado.com.br
Belo Horizonte - MG | Tel.: 55 31 2122 3216 | evarella@ibs.edu.br
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Vitória - ES | Tel.: 55 27 3100-9900 | es@bkr-lopesmachado.com.br
BKR INTERNATIONAL
www.bkr.com
Américas - Nova York - NY - EUA | Tel.: 1 212 964-2115 - Fax: 1 212 964-2133 | bkr@bkr.com | Contato: Maureen M. Schwartz - Diretora Executiva

Conclusion on the interim information

Based on our review, we are not aware of any fact that would lead us to believe that the interim financial information included in the quarterly information referred to above has not been prepared, in all material respects, in accordance with CPC 21 (R1). guidance contained in Circular Letter CVM / SNC / SEP 01/2018 related to the application of Guideline OCPC 04, on recognition of revenue over time, as well as the presentation of this information in a manner consistent with the rules issued by the Brazilian Securities and Exchange Commission to the preparation of the Quarterly Information (ITR).

Emphasis

As described in note 2.1, the interim financial information was prepared in accordance with technical pronouncement CPC 21 (R1) and the international standard IAS 34 contemplating the guidance contained in Circular Letter / CVM / SNC / SEP No. 01/2018 related to OCPC 04 technical guidance on revenue recognition over time, as long as the process of discussion of technical guidance OCPC 04 is not completed. Our conclusion is not limited to this subject.

Another subjects - Statements of value added

The interim financial information referred to above includes the statements of added value ("DVA") for the three-month period ended March 31, 2018, prepared under the responsibility of the Company's Management and presented as supplementary information for purposes of the international standard IAS 34. These statements have been subject to review procedures performed in conjunction with the review of the interim financial information, in order to determine whether they are reconciled with the interim financial information and the accounting records, as applicable, and if their form and content are in accordance with the criteria defined in technical pronouncement CPC 09 - Statement of Added Value. Based on our review, we are not aware of any facts that lead us to believe that they were not prepared, in all material respects, in accordance with the criteria set forth in this technical pronouncement and consistently in relation to the interim financial information taken as a whole.

Rio de Janeiro, May 10, 2018.

Mário Vieira Lopes
Accountant-CRC-RJ-60.611/O

INTER CONSTRUTORA E INCORPORADORA S/A

Balance Sheets

On 31 March 2018 and 31 December 2017

(In reais)

Active	**Note**	**03/31/2018**	**12/31/2017**
Current			
Cash and cash equivalents	5	23.817.961	29.983.593
Customers for incorporation of real estate	6	14.710.079	13.255.303
stock	7	26.678.125	18.975.746
Advances to third parties		1.258.182	1.474.596
		66.464.347	63.689.238
Not CIRCULANT			
Long-term achievable:			
Related parts	8	1.480.469	1.345.793
Prepaid expenses		1.019.189	947.712
Deposits for social security		-	834.086
		2.499.658	3.127.591
Investment		19.200	19.200
Immobilized	9	17.968.669	18.168.300
Intangible		43.651	43.491
		18.031.520	18.230.991
Total Assets		86.995.525	85.047.820

Passive	**Note**	**03/31/2018**	**12/31/2017**
Current			
Providers	10	8.579.660	5.821.076
Loans and financing	11	6.201.904	2.097.666
Social and labor obligations	12	1.206.405	1.139.347
Tax liabilities	13	783.422	759.505
Other bills to pay		201.639	240.623
		16.973.030	10.058.217
Not CIRCULANT			
Providers	10	11.352.255	15.226.057
Loans and financing	11	33.559.364	36.738.246
Obligations with third parties		-	18.026
Tax installment		35.928	117.017
Provision for contingency	14	2.164.830	2.164.830
		47.112.377	54.264.176
Net worth	15		
Share capital		12.371.189	12.371.189
Profit reserves		10.538.929	8.354.238
		22.910.118	20.725.427
Total liabilities and shareholders' equity		86.995.525	85.047.820

The accompanying notes are an integral part of the quarterly financial information.

INTER CONSTRUTORA E INCORPORADORA S/A

Income Statements

Periods of 3 Months Ended March 31, 2018 and 2017

(In Reais, except net income per share)

	Note	03/31/2018	03/31/2017
Net operating revenue	16	35.973.408	28.301.021
Cost of real estate sold and services rendered		(20.993.969)	(14.541.443)
Gross profit		14.979.439	13.759.578
Operating income (expenses):			
Selling expenses		(1.831.299)	(1.062.426)
General and Administrative Expenses		(2.826.222)	(2.045.493)
Other operating income (expenses), net		(818.080)	(215.493)
		(5.475.601)	(3.323.412)
Operating income before financial result:			
		9.503.838	10.436.166
Net financial result:	17	(1.143.427)	(568.602)
Financial income		251.190	421.272
Financial expenses		(1.394.617)	(989.874)
Net income for the period		8.360.411	9.867.564
Net Income per Share - In Reais		0,68	0,80

The accompanying notes are an integral part of the quarterly financial information.

INTER CONSTRUTORA E INCORPORADORA S/A

Statement of Comprehensive Income

Periods of 3 Months Ended March 31, 2018 and 2017

(In reais)

	03/31/2018	**03/31/2017**
Net income for the period	8.360.411	9.867.564
Other components of comprehensive income		-
Total Comprehensive Income for the Period	8.360.411	9.867.564

The accompanying notes are an integral part of the quarterly financial information.

INTER CONSTRUTORA E INCORPORADORA S/A

Statements of Changes in Shareholders' Equity

Periods of 3 Months Ended March 31, 2018 and 2017

(In reais)

	Capital social	Profit Reserves: Profit Retention	Profit Reserves: Legal reserve	Accumulated profits	Total
Balances as of December 31, 2016	12.371.189	-	-	-	12.371.189
Net income for the period	-	-	-	9.867.564	9.867.564
Allocation of net income:	-	-	-	-	-
Distribution of profits	-	-	-	(5.400.144)	(5.400.144)
Capitalization of reserves	-	4.467.420	-	(4.467.420)	-
Balances as of March 31, 2017	12.371.189	4.467.420	-	-	16.838.609
Balances as of December 31, 2017	12.371.189	6.569.896	1.784.342	-	20.725.427
Net income for the period	-	-	-	8.360.411	8.360.411
Allocation of net income:	-	-	-	-	-
Constitution of legal reserve	-	-	418.021	(418.021)	-
Distribution of profits	-	-	-	(6.175.721)	(6.175.721)
Retention of profits	-	1.766.670	-	(1.766.670)	-
Balances as of March 31, 2018	12.371.189	8.336.566	2.202.363	-	22.910.118

The accompanying notes are an integral part of the quarterly financial information.

INTER CONSTRUTORA E INCORPORADORA S/A

Statements of Cash Flows

Periods of 3 Months Ended March 31, 2018 and 2017

(In reais)

	03/31/2018	03/31/2017
Cash flows from operating activities:		
Net income for the period	8.360.411	9.867.564
Settings for:		
Depreciation	433.572	74.188
	8.793.983	9.941.752
Changes in assets and liabilities		
Increase in other accounts receivable	(1.454.776)	(11.013.892)
Increase in inventories	(7.702.386)	(2.973.315)
Decrease in advance from third parties	216.413	-
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Increase (decrease) in tax liabilities	23.919	(11.155)
Increase in obligations with personnel	67.058	198.549
(Decrease) increase in other current and non-current liabilities	(138.097)	654.962
Net cash used in operating activities	(1.309.102)	(3.025.677)
Cash flows from investing activities		
Increase in prepaid expenses	(71.476)	-
Decrease in social security deposits	834.086	-
Increase in related parties	(134.675)	(182.621)
Increase in fixed assets	(233.000)	(268.040)
Increase in intangible assets	(1.100)	(3.585)
Profits paid to shareholders	(6.175.721)	(5.400.144)
Net cash used in investing activities	(5.781.886)	(5.854.390)
Cash flows from financing activities		
Borrowing	925.356	3.941.418
Net cash provided by financing activities	925.356	3.941.418
Reduction in cash and cash equivalents, net	(6.165.632)	(4.938.649)
Statement of the reduction in cash and cash equivalents:		
Cash and cash equivalents at beginning of year	29.983.593	17.511.314
Cash and cash equivalents at the end of the year	23.817.961	12.572.665
Reduction in cash and cash equivalents, net	(6.165.632)	(4.938.649)

The accompanying notes are an integral part of the quarterly financial information.

INTER CONSTRUTORA E INCORPORADORA S/A

Statements of Added Value

Periods of 3 Months Ended March 31, 2018 and 2017

	03/31/2018	**03/31/2017**
Recipes:		
Sales of goods, products and services	35.973.408	28.301.020
Inputs acquired from third parties	(25.101.938)	(17.478.306)
Production and sales costs	(20.993.969)	(14.541.442)
Materials, energy, third party services and others	(4.107.969)	(2.936.864)
Gross added value	10.871.470	10.822.714
Depreciation, amortization and depletion	(433.572)	(74.187)
Net added value produced by the Entity	10.437.898	10.748.527
Added value received on transfer:		
Financial income	251.190	320.827
Total added value to be distributed	10.689.088	11.069.354
Distribution of added value:		
Administrative staff	(115.980)	(96.868)
Taxes, fees and contributions	(818.080)	(215.493)
Financial expenses	(1.394.617)	(889.429)
Dividends	(6.175.721)	(5.434.077)
Retained earnings	(2.184.690)	(4.433.487)
	(10.689.088)	(11.069.354)

The accompanying notes are an integral part of the quarterly financial information.

INTER CONSTRUCTION AND INCORPORATOR SA

Notes to Quarterly Financial Information

As of March 31, 2018

(In reais)

1 - Operational Context

On May 1, 2017, the General Meeting for the Transformation of Company for Limited Liability Shares into a Joint-Stock Company was held at the Company's headquarters with limited liability - Inter Construtora e Incorporadora Ltda. After the General Meeting and based on the new Bylaws, the Company will be named Inter Construtora e Incorporadora S.A., with headquarters and legal jurisdiction in Juiz de Fora, State of Minas Gerais.

The main corporate purpose of the Company is the realization by incorporation of real estate developments, residential or non-residential, providing financial, technical and material resources for its execution and subsequent sale, as well as secondarily the construction of buildings of any nature.

2 - Summary of the Main Accounting Policies

These quarterly financial information was approved by the Company's Management on May 10, 2018.

The main accounting policies applied in the preparation of these financial information are described below. These policies are consistently applied in all years presented, unless otherwise indicated.

2.1. Basis of preparation

The quarterly financial information was prepared in accordance with the accounting practices adopted in Brazil, in accordance with Technical Pronouncement CPC 21 (R1) - Intermediate Statement, contemplating the guidance contained in Circular Letter / CVM / SNC / SEP 01/2018, related to the application of the OCPC 04, issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM) and the Federal Accounting Council (CFC), on the recognition of revenues over time, as well as presented in a manner consistent with the standards issued by the Brazilian Securities Commission, applicable to the preparation of the Quarterly Information (ITR).

The preparation of financial information in accordance with accounting practices adopted in Brazil requires management to make judgments, estimates and assumptions that affect the application of accounting practices and reported amounts of assets, liabilities, revenues and expenses.

We affirm that all relevant information of the financial information, and only them, are being evidenced, and that correspond to those used by the Company's Management in its management.

In November 2016, "CPC 47 - Revenues from Contracts with Customers" (IFRS 15) was issued by the CPC. This pronouncement establishes new criteria on revenue-related aspects, including the identification of a performance obligation and timing of revenue recognition based on the transfer of control of a good or service. An entity evaluates compliance with certain criteria set forth in this pronouncement to assess whether revenue recognition must occur at a specific time or over time when the entity meets performance obligations. Since then, there has been intense discussion regarding the accounting treatment of said norm for the Brazilian economic and legal environment regarding real estate development sector. The technical area of the CVM, by Circular Letter CVM / SNC / SEP / nº 1/2018, directed the entities to observe what is provided for in OCPC 04 now in effect, approved by CVM Deliberation 653/2010, applying the adjustments made necessary in accordance with IFRS 15 for annual periods beginning on or after January 1, 2018, until there is alignment on the application of revenue recognition over time. Accordingly, the Company awaits the pacification of the matter to measure, if applicable, the possible impact of applying CPC 47 on its financial statements.

2.2. Basis of measurement

The financial information was prepared considering historical cost as a value basis, or fair value, when applicable.

2.3. Functional currency and presentation currency

The financial information is presented in Reais, which is the Company's functional currency. All financial information is presented in Brazilian reais, unless otherwise stated.

2.4. Recognition of income from real estate sales

The practices adopted for the determination and appropriation of the result and recording of the amounts in the revenue accounts for the recognition of real estate sales revenue follow the procedures and guidelines established by the Accounting Pronouncements Committee (CPC) Guideline OCPC 04, which deals with the application of Technical Interpretation ICPC 02, to Brazilian real estate development entities, approved by CVM Deliberation No. 653/10, of which:

Sales revenues are appropriated to income as construction progresses, since the transfer of risks and benefits occurs continuously. In this way, the method called "POC", "execution percentage or completion percentage" of each project is adopted. The POC method is done using the cost ratio incurred in relation to the total budgeted cost of the respective projects and the revenue is calculated by multiplying this percentage (POC) by the contracted sales.

It should be noted that the Company follows the guidelines established by Circular Letter CVM / SNC / SEP / nº 1/2018, which directed entities to observe what is provided in OCPC 04, until there is alignment on the application or not recognition of revenue over time. This determination requires a significant judgment and, in the context of this judgment, Management evaluated all discussions of the topic that culminated in the issuance by the CPC of Technical Guideline OCPC 04 and guided the application of Technical Interpretation ICPC 02 to real estate development entities Brazilians.

2.5. Cash and cash equivalents

They include cash, positive balances in motion account, financial investments with immediate liquidity and insignificant risk of change in their market value, maintained for the purpose of meeting the Company's short-term cash commitments, and not for investments for other purposes. In the period between January 1, 2018 and March 31, 2018, all short-term investments were classified as cash and cash equivalents; three months or less, from the date of employment.

2.6. Customers for incorporation of real estate

It consists mainly of the balances receivable arising from the sale contract of real estate units to individuals, for which they are financed by Financial Institutions in function of the government's Minha Casa Minha Vida government program. In the period from January 1, 2018 to March 31, 2018, the Company did not establish a provision for doubtful accounts, since there is no evidence of risks related to the non-receipt of its receivables.

2.7. Stocks

Inventories of units under construction and inventories of land are stated at cost, which does not exceed market value. Inventories of land in the event of exchange are valued at the sale value of the land exchanged and, exceptionally, the sale value of the exchanged units. The effective cost of building swapped units is diluted in other units.

Material inventories are valued at the lower of the average purchase cost and net realizable values.

INTER CONSTRUCTION AND INCORPORATOR SA

Notes to Quarterly Financial Information

2.8. Taxes recoverable

The account destined to register the retained and anticipated taxes, according to the current legislation. These taxes will be recovered through compensation with taxes due, the amounts are recorded at the original amount, and the updates are recognized only when the actual compensation. In the period between January 1, 2018 and March 31, 2018, there were no tax balances to be recovered.

2.9. Immobilized

It consists mainly of machinery and equipment used in construction contracts, real estate (commercial rooms) and aircraft that logistically support the realization of the Company's real estate projects.

Property, plant and equipment are measured at historical cost, less accumulated depreciation. The historical cost includes the expenses directly attributable to the acquisition of the items and also the costs of financing related to the acquisition of qualified assets.

Subsequent costs are included in the carrying amount of the asset or recognized as a separate asset, as appropriate, only when it is probable that they generate future benefits and as long as the cost of the asset can be reliably measured. The amounts referring to the replaced items are written off, and other maintenance costs are appropriated to income for the year, when incurred.

Depreciation is calculated using the straight-line method in order to allocate costs to the residual values during the economic useful life. The residual values and the useful life of the assets are reviewed and adjusted, when necessary, at the end of each year.

2.10. Intangible

The software licenses acquired are capitalized based on the cost incurred and are amortized over their estimated useful life of up to 5 years.

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Notes to Quarterly Financial Information

2.11. Loans and financing

Loans and financing are initially recognized at the net fair value of costs incurred at the date of the transaction and are subsequently stated at amortized cost. The differences between the amount received and the settlement amount are recognized in the income statement during the term of loans and financing using the effective interest rate method.

Loans and financing are classified as current liabilities, and when the settlement is deferred for more than 12 months, after the balance sheet date, they are classified as non-current liabilities.

2.12. Provision for holidays

They are provisioned in full by the losing party and proportional to maturity, including the respective charges up to the balance sheet date.

2.13. Other current and non-current liabilities

They are stated at known or estimated amounts, plus, when applicable, the corresponding charges and monetary variations incurred up to the balance sheet date.

2.14. Provisions

Provisions are recognized when the Company has a present legal or non-formalized obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Provisions for tax, civil and labor risks are recorded at the amount of probable losses, observing the nature of each provision. Management, based on the opinion of its legal advisors, understands that the provisions set up are sufficient to cover possible losses with lawsuits in progress. Provisions are measured at the present value of the expenses that must be required to settle the obligation, using a pre-tax rate that reflects current market assessments for the time value of money and the specific risks of the obligation. The increase in the obligation as a result of the passage of time is recognized as an expense

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Notes to Quarterly Financial Information

2.15. Taxation

The Company is included in the special tax regime (RET), as detailed below:

• Special taxation regime (RET) - As permitted by Law 12,024 of August 27, 2009, which amended Law 10.931 / 2004 that established the RET, the option was made to subject them to equity and opt for the RET. To that end, the consolidated charge for IRPJ and CSLL, the Contribution for Social Security Financing - COFINS and the Social Integration Program - PIS, is calculated at a total aggregate rate of 4% of gross revenues received, of which 1.92% for IRPJ and CSSL and 2.08% for PIS and COFINS.

2.16. Valuation of the recoverable value of assets

Management annually reviews the net book value of the assets with the purpose of evaluating events or changes in economic or operational technological circumstances that may indicate deterioration or loss of their recoverable value. When these evidences are identified, and the net book value exceeds the recoverable amount, a provision for impairment is recorded, adjusting the net book value to the recoverable value. In the period from January 1, 2018 to March 31, 2018, it was not necessary to record impairment losses, since the tests did not indicate a loss.

2.17. Financial instruments

Financial assets and liabilities are recognized when the Company is part of the contractual provisions of the instrument and are initially measured at fair value. Financial assets and liabilities are presented net in the balance sheet if, and only if, there is a current and enforceable legal right to offset the amounts recognized and if there is an intention to offset, or to realize the asset and settle the liability simultaneously.

2.18. Earnings per share

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Notes to Quarterly Financial Information

3 - Significant Accounting Judgments, Estimates and Assumptions

3.1. Judgments

The preparation of the Company's financial statements requires management to make judgments and estimates and to adopt assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, as well as the disclosures of contingent liabilities, as of the base date of the fi nancial statements. However, uncertainty regarding these assumptions and estimates could lead to results that require a significant adjustment to the book value of the affected asset or liability in future periods.

3.2. Estimates and assumptions

The main assumptions regarding sources of uncertainty in future estimates and other significant sources of uncertainty in estimates at the balance sheet date, involving a significant risk of causing a significant adjustment in the book value of the assets and liabilities in the next financial year, are discussed below:

a) Recognition of revenue and margin of contracts for the sale of real estate and provisions for contracts when the revision of the estimated result of the contracts indicates that the total costs of the contract exceed the total revenue of the contract, the expected loss is recognized immediately as an expense in the result of the year. The estimated result of sales of real estate units is reviewed monthly during the execution of the projects and represents the best estimate of the future economic benefits of the agreement, as well as the associated risks and obligations.

b) Provisions for tax, civil and labor risks - The Company recognizes a provision for tax, civil and labor claims. The assessment of likelihood of loss includes assessing the available evidence, the hierarchy of laws, available case law, the most recent court decisions and their relevance to the legal system, as well as the evaluation of outside lawyers. Provisions are reviewed and adjusted to take into account changes in circumstances, such as applicable limitation period, findings of tax inspections or additional exposures identified on the basis of new matters or court decisions.

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Notes to Quarterly Financial Information

4 - Developments in progress

The Company carries out the construction and incorporation of real estate units to provide services related to its corporate purpose. As of March 31, 2018, the Company carries out the following projects:

Development	Location	Participation
Unique Borboleta	Rua Tenente Paulo Maria Delage, Lotes 236 e 200 - Bairro Borboleta - JF MG	100%
Unique São Geraldo	Rua de Acesso entre Rua Antônio Bento Vasconcelos e a Rua Darci Vargas, Lote 7C - São Geraldo - JF MG	100%
Unique Ubá	Rua Major Carneiro, s/nº - São João - Ubá MG	100%
Residencial São Geraldo da Inter II	Rua Professor Irineu José de Paula – Lote 40 – Quadra E – Previdenciários – Juiz de Fora/MG	100%
Residencial Park Marilândia	Rua Otília de Souza Leal, lote 27B – Nova Califórnia – Juiz de Fora/MG	100%
Unique Fontes Ville	Estrada Fazenda Villaca – Francisco Bernardino – Juiz de Fora/MG	100%
Residencial Minha Casa Minha Vida Park Jardim Norte	Av. Garcia Rodrigues Paes – Barbosa Lage – Juiz de Fora/MG	100%

5 - Cash and Cash Equivalents and Financial Investments

a) Cash and cash equivalents

Description	**03/31/2018**	**12/31/2017**
Cash and banks account movement	12.503.942	14.092.157
Financial investments	11.314.019	15.891.436
	23.817.961	29.983.593

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Notes to Quarterly Financial Information

Short-term investments are classified by the Company's management under the heading "Cash and cash equivalents", since they are considered financial assets with the possibility of immediate redemption and subject to an insignificant risk of change in value. The financial investments have average remunerations ranging from 90% to 102% of the Interbank Deposit Certificate (CDI).

6 - Customers by Incorporation of Real Estate

It is represented by amounts receivable from real estate units that are financed by Financial Institutions (linked to the Minha Casa Minha Vida program), calculated based on the "POC", "execution percentage or completion percentage" method of each March 2018. Substantially the resource was effectively received during the subsequent month, ie, April 2018.

7 - Inventory

	03/31/2018	12/31/2017
Properties under construction	6.392.391	6.392.390
Land	20.285.734	12.583.356
	26.678.125	18.975.746

This item includes apartments under construction and land for future developments. The land of a development is transferred to the account "Properties under construction" at the moment in which the sales of the enterprise are initiated. The Company has agreements with financial institutions to finance the construction of real estate.

8 - Related Parties

This caption includes the related party loan transactions on the base date March 31, 2018, which basically refers to the raising of funds for the construction of future projects with market interest, guarantee and with a defined term.

	31/03/2018	31/12/2017
Inter SPE Juiz de Fora 1 Incorporação Ltda	368.201	307.452
Inter SPE Juiz de Fora 3 Incorporação Ltda	216.577	602.767
Inter SPE Uberaba 1 Incporporação Ltda	731.779	109.212
Inter SPE Juiz de Fora 2 Incorporação Ltda	163.912	326.362
	1.480.469	1.345.793

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Notes to Quarterly Financial Information

The average interest (of remuneration) is 1.00% pa according to the agreement between the parties, the total amount of the loan between the parties may be up to R $ 2,000,000.00 (two million reais) and the payment term will be up to 30 months after the date of the execution of the loaned amounts .

Management Remuneration

In the year ended March 31, 2018, management compensation amounted to R$ 4,500.00, related to pro-labor. There are no post-employment benefits, other long-term benefits or termination benefits for directors or any employees of the Companies.

9 - Fixed Assets

Movement of the period between 01/01/2018 and 03/31/2018:

Description	Annual Depreciation Rate	12/31/2017	Additions	03/31/2018
Cost:				
Furniture and utensils		-		
Machines and equipment	10%	495.000	-	495.000
Vehicles	20%	480.121	233.000	713.121
Commercial Properties	-	2.384.014	-	2.384.014
Airplane	10%	15.888.373	-	15.888.373
		19.247.508	233.000	19.480.508
Depreciation:				
Furniture and utensils		-	-	-
Machines and equipment		(23.606)	(3.182)	(26.788)
Vehicles		(155.197)	(32.241)	(187.438)
Airplane		(900.405)	(397.209)	(1.297.614)
		(1.079.208)	(432.632)	(1.511.839)
		18.168.300		17.968.669

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Notes to Quarterly Financial Information

10 - Suppliers

	03/31/2018	12/31/2017
Production Suppliers	14.864.530	15.972.812
Administrative Suppliers	5.067.385	5.074.321
	19.931.915	21.047.133
Current Liabilities	8.579.660	5.821.076
Non-current liabilities	11.352.255	15.226.057

As of March 31, 2018, all the Company's suppliers are nationals and are part of a pulverized group, where none of them, individually, represents significant or significant value. The Company classifies as "Production Support Suppliers" those directly linked to qualifying asset generation activities (Incorporation and Real Estate Construction), and classifies as "Administrative Suppliers" those that act as a form of support, advice and administrative advice.

11 - Loans and Financing

Financial Institutions	Characteristic	Average rate per month	03/31/2018	12/31/2017
CEF	Working Capital	1,39%	5.295.915	5.829.621
ITAU	Working Capital	1,97%	737.980	793.000
SAFRA	Working Capital	1,30%	2.874.998	3.000.000
CEF	Production Support	0,70%	30.852.375	29.213.291
			39.761.268	38.835.912
Current Liabilities			6.201.904	2.097.666
Non-current liabilities			33.559.364	36.738.246

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

INTER CONSTRUTORA E INCORPORADORA S.A

Notes to Quarterly Financial Information

12 - Social and Labor Obligations

	03/31/2018	12/31/2017
Wages and salaries payable	173.368	168.397
INSS to collect	162.737	151.409
FGTS to collect	32.143	45.242
Vacation Provision	686.877	769.722
13th salary provision	135.144	-
Other	16.136	4.577
	1.206.405	1.139.347

13 - Tax Obligations

	03/31/2018	12/31/2017
IRRF s/ payroll to be collected	11.027	20.202
Withholding of INSS invoices	138.698	144.490
Withholding of ISS invoices	91.561	89.764
Ret to collect	451.148	501.943
IPTU to collect	83.163	
Other	7.825	3.106
	783.422	759.505

14 - Provision for Contigencies

The Company recorded provisions, which involve a considerable judgment by management, for labor, tax and civil contingencies, which it is probable that an outflow of resources involving economic benefits will be required to settle the obligation and a reasonable estimate may be made of the this obligation.

The assessment of likelihood of loss includes assessing the available evidence, the hierarchy of laws, available case law, the most recent court decisions and their relevance to the legal system, as well as the evaluation of outside lawyers.

We present below the changes and the balance as of March 31, 2018:

	03/31/2018	12/31/2017
Labor contingencies	536.000	536.000
Tax Contingencies	1.113.373	1.113.373
Civil Contigencies	515.457	515.457
	2.164.830	2.164.830

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Notes to Quarterly Financial Information

15 – Net Worth

a) Capital Stock

The capital stock subscribed and paid up on March 31, 2018 is R $ 12,371,189.00 and is represented by 12,371,189 shares, all without par value as per the Bylaws.

b) Legal reserve

On March 31, 2018, the Company recorded a legal reserve in the amount of R$ 418,021.00 equivalent to 5% of the net income for the year, as provided for in article 193 of the Brazilian Corporation Law.

c) Profit retention reserve

This reserve has the objective of meeting the needs of resources for future investments, mainly for working capital, capital increase, acquisition of land, investment in property, plant and equipment and intangible assets, and payment of interest on financing.

16 - Net Operating Revenue

	03/31/2018	**03/31/2017**
Revenue from real estate sales	37.304.305	29.051.554
Taxes levied on the sale	(1.325.397)	(750.533)
Cancellations	(5.500)	-
Net operating revenue	35.973.408	28.301.021

INTER CONSTRUTORA E INCORPORADORA S.A

Notes to Quarterly Financial Information

17 - Resultado Financeiro Líquido

Net Financial Result	**03/31/2018**	**03/31/2017**
Revenue on financial investments	185.496	295.112
Discounts obtained	8.487	18.506
Recovery of expenses	57.207	100.445
Interest and fine received	-	7.209
Total financial income	251.190	421.272
Financial expenses	**31/03/2018**	**31/12/2017**
Bank expenses	(350.053)	(121.731)
Interest and liabilities	(81.417)	(17.926)
Interest and inflation	(61.218)	-
Fine	(23.635)	(93.062)
Financing Expenses	(878.294)	(757.155)
Total financial expenses	(1.393.617)	(989.874)
Net financial result	(1.143.427)	(568.602)

18 - Gestão de Riscos

18.1. Market risk

Market risk is the risk that the fair value of the future cash flows of a financial instrument fluctuates due to changes in market prices. Our financial instruments affected by market risk include financing payable and financial investments.

18.2. Interest rate risk

The Company is exposed to the interest rate risk with respect to the unfavorable movement of the same that may increase its financial expense with payment of future interest

18.3. Credit risk

Credit risk is the risk that the counterparty of a business will not meet its obligations under a financial instrument or customer agreement, which would lead to financial loss.

The Company understands that it is not exposed to credit risk in its operating activities, mainly in relation to customers due to real estate development, as a result of the sales of housing units being financed (by Financial Institutions) attributed to the government program Minha Casa Minha Vida.

18.4. Liquidity risk

The liquidity risk is related to the immediate availability of cash in the face of mismatches or the expected rights and obligations.

The Company's Liquidity Risk Management focuses on prevention, control and monitoring capable of identifying situations or problems that in any way could compromise its economic-financial balance.

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

The Company's objective is to maintain the balance between the continuity of funds and flexibility through secured accounts, bank loans and financing.

19 - Insurance - Risks of Engineering and Others

The Company adopts the policy of contracting insurance coverage for assets subject to risks, by amounts considered by Management sufficient to cover possible claims, considering the nature of its activity. The policies are in place and the premiums have been duly paid. As of March 31, 2018, the Company maintains the following main insurance contracts:

a.) Engineering risk: it aims to reimburse the insured in cases of claims caused by design and / or execution error, at the maximum value calculated based on the Estimated Cost of the Work, within the stipulated period for execution, construction characteristics and environment, and the Construtora's rating with the insurer.

INTER CONSTRUTORA E INCORPORADORA S.A

Notes to Quarterly Financial Information

b) End-of-construction guarantee: the objective is to guarantee to the borrower (or the Financial Institution) the resource for conclusion of the project in case of impediment of the contractor to do so, in the maximum amount calculated based on the Budgeted Cost of the Work, in the term stipulated for execution, characteristics of the construction and environment, and the rating of the Construction Company with the insurer.

c) Post-Delivery Guarantee: aims to guarantee to the acquirer (Client) the necessary resource in the cases of corrective maintenance, after delivery of the keys, if the construction company refuses to do so within the legal deadlines, at the maximum value calculated based on the Estimated cost of the project, within the stipulated period for execution, characteristics of the construction and environment, and the rating of the Construction Company with the insurer.

c) Cars and trucks: it aims to repay, up to the maximum limit of the insured amount in the amount 100% of the FIPE table, referring to the hull cover for all the assets.

d) Transport insurance: the Company has transportation insurance, with coverage of its materials, supplies and equipment, whose monthly endorsement, based on the value transported;

e) Other insurance: aims to reimburse, up to the maximum amount of the insured amount, the replacement value of the assets; the Company has property insurance, with coverage of Miscellaneous Risks of its facilities.

The risk assumptions adopted, given their nature, are not part of the scope of the financial information audit, therefore, they were not audited by our independent auditors.

20 - Subsequent Events

After completing its entry in B3, in the listing segment Bovespa Mais, on 02/26/2018, Inter Construtora e Incorporadora SA launched in April 2018 the largest development in its history, Park Quinet, with 1,080 units and one PSV valued at R $ 104,961,000.00. This launch marks a milestone for the Company, as it is a major pillar set out in its Expansion Plan.