

Earnings Release 1Q19



Net Operating Revenue, R\$ 40.5 million in 1Q19, YoY growth of 13%.

Juiz de Fora, 12th July 2019 – INTER Construtora e Incorporadora S.A. (B3: BOVESPA mais – INNT3), which operates in the development of medium and large-scale real estate projects with a focus on popular housing (MCMV), today announces its results of Room Quarter of 2018 and annual 2018. The financial information is presented in a consolidated manner, prepared in accordance with the International Financial Reporting Standards (IFRS), which considers the OCPC 04 guideline on the application of ICPC technical interpretation 02 applicable to entities of Real estate Incorporation in Brazil, as approved by the Accounting Pronouncements Committee (CPC), the Brazilian Securities and Exchange Commission (CVM) and the Federal Accounting Council (CFC).

HIGHLIGHTS

- ✓ **Land bank grew 138% in relation to 1Q18, summing up R\$3.87 billion in PSV.**
- ✓ **Highest number of units completed in one quarter, totaling 984 apartments.**
- ✓ **First "Inter Real Estate Fair" in Juiz de Fora with above expectations' results.**
- ✓ **Launch of 4 projects totaling 1,080 units.**
- ✓ **First quarter audited by KPMG.**



ADMINISTRATION'S MESSAGE

We faced a challenging first quarter in 2019. The government transition process caused delays in both the contracting of financing for production and the mortgage lending of units sold to financial institutions through Minha Casa, Minha Vida program.

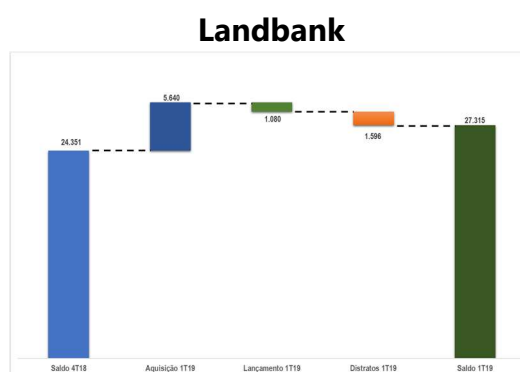
This delay negatively impacted some of our metrics such as launches, net sales, among others. Changes in the criteria for granting loans to customers by financial institutions brought additional challenges in the mortgage lending process. A significant number of proposals and sales fell due to the greater difficulty of approval and expansion of the time for finalization of the process.

In view of the several challenges highlighted above, we had an atypical 1Q19. In the Management's evaluation, the Company underwent a stress test in its operation.

That said, the Company was not let down by the uncertainty caused by the Government's transition. We held the first "Inter Real Estate Fair" at the Shopping Jardim Norte in Juiz de Fora. Results of the number of purchase proposals were higher than expected, showing that there is demand for our products. These proposals will become sales in the coming months.

Another highlight was the debut of KPMG as our independent auditor in 2019. This was a further step towards improving accounting practices and improving corporate governance with the goal of giving investors more transparency and credibility.

Despite the greater challenges in the short term, our strategic positioning of not being exposed to the 1.5 segment of the Minha Casa, Minha Vida program puts us in a promising position in the sector. We maintained the expansion of our Landbank in the quarter, which reached a production potential of 27,315 units, equivalent to R\$3.87 billion in PSV. Most of the land acquired for Minha Casa, Minha Vida projects segments 2 and 3. Some of these lands also have a vocation for real estate launches with financing through the Brazilian System of Savings and Loans (SBPE) that attend higher income public.



FINANCIAL AND OPERATIONAL INDICATORS

	12M19	12M18	Var. 12M19 x 12M18	1Q19	4Q18	1Q18
PSV Released (R\$ 000's)	331.339	468.709	-29,3%	136.347	30.600	184.000
Net Sales (R\$ 000's)	266.923	170.509	56,5%	38.028	80.749	40.991
Net Operating Revenue (NOR) (R\$ 000's)	199.233	142.458	39,9%	40.552	81.631	35.973
Construction Cost (R\$ 000's)	(94.507)	(84.391)	39,9%	(22.059)	(30.843)	(20.993)
Construction Cost / NOR (%)	47,4%	59,2%		54,4%	37,8%	58,4%
Construction Cost / Net Sales (%)	35,4%	49,5%		58,0%	38,2%	51,2%
Gross profit (R\$ 000's)	104.726	58.067	80,4%	18.493	50.788	14.979
Gross Margin (%)	52,6%	40,8%		45,6%	62,2%	41,6%
Net Financial Result (R\$ 000's)	(8.091)	(3.682)	119,7%	(1.604)	(3.786)	(1.143)
Net Financial Result/ NOR (%)	4,1%	2,6%		4,0%	4,6%	3,2%
Net Financial Result / Liquid sales (%)	3,0%	2,2%		4,2%	4,7%	2,8%
Net Financial Result/ GSV Released (%)	2,4%	0,8%		1,2%	12,4%	0,6%
Business expenses (R\$ 000's)	(14.957)	(8.804)	69,9%	(3.722)	(6.554)	(1.831)
Business expenses / (NOR) (%)	7,5%	6,2%		9,2%	8,0%	5,1%
Business expenses / Liquid sales (%)	5,6%	5,2%		9,8%	8,1%	4,5%
Business expenses / GSV Released (%)	4,5%	1,9%		2,7%	21,4%	1,0%
General and Administrative Expenses (G&A) (R\$ 000's)	(20.093)	(8.468)	137,3%	(5.480)	(6.806)	(2.826)
Expenses G&A / (NOR)(%)	10,1%	5,9%		13,5%	8,3%	7,9%
Expenses G&A / Liquid sales (%)	7,5%	5,0%		14,4%	8,4%	6,9%
Expenses G&A / GSV Released (%)	6,1%	1,8%		4,0%	22,2%	1,5%
Net Profit (R\$ 000's)	58.662	34.186	71,6%	6.839	32.501	8.360
Net Margin (%)	29,4%	24,0%		16,9%	39,8%	23,2%
EBITDA (R\$ 000's)	68.482	41.156	66,4%	8.443	36.708	9.946
Margin EBITDA (%)	34,4%	28,9%		20,8%	45,0%	27,6%
Cash flow (R\$ 000's)	39.299	1.369	2770,6%	33.134	(38.194)	(6.165)
Cash and Cash Equivalents (R\$ 000's)	119.412	23.818	401,4%	119.412	89.168	23.817
Gross Debt (R\$ 000's)	134.107	39.761	237,3%	134.107	98.792	39.761
Net debt (R\$ 000's)	14.695	15.943	-7,8%	14.695	9.624	15.944
Total Stockholders' Equity (R\$ 000's)	51.738	22.910	125,8%	51.737	49.572	22.910
Net debt / Net worth (%)	28,4%	69,6%		0,3p.p.	0,2p.p.	69,6%
Net debt / EBITDA 12 months	0,21x	0,39x		0,21x	0,11x	0,39x

OPERATIONAL INDICATORS

	12M19	12M18	Var. 12M19 x 12M18	1Q19	4Q18	1Q18	1Q19 x 4Q18	1Q19 x 1Q18
GSV Released (unity)	2.470	2.724	-9,3%	1.080	204	1.080	429,4%	0,0%
Gross Sales (unity)	2.207	1.418	55,6%	418	672	355	-37,8%	17,7%
Distract (unity)	255	75	240,0%	139	50	30	178,0%	363,3%
Liquid Sales (unity)	1.952	1.343	45,3%	279	622	325	-55,1%	-14,2%
Contracted Units (unity)	1.390	2.160	-35,6%	360	306	900	17,6%	-60,0%
Units Reported	1.593	1.310	21,6%	229	455	316	-49,7%	-27,5%
Produced (unity)	1.497	1.390	7,7%	436	485	369	-10,1%	18,2%
Completed (unity)	1.920	652	194,5%	984	240	0	-	-

LAUNCHES

In 1Q19, Inter launched four projects comprising a PSV of R\$136.4 million. Among these projects, three in the city of Juiz de Fora totalling 840 units and an enterprise of 240 units in the city of São João Del Rey. In the 12-month period, PSV launched reached R\$331.3 million. The reduction in the value of PSV launched year on year is due to the fact that in 1Q18 the launch of the Park Quinet project of 1080 units, with an average price per unit above the average of the other Inter projects, contributed to a higher launched PSV in the first quarter of last year.

For the next quarter, we see growth in launches, year on year, given the evolution in the process of developments in our landbank. The launch pipeline for 2019, 2020 and 2021 is well above the launches in previous years.

GROSS SALES, CANCELATIONS AND NET SALES

Gross sales in 4Q18 reached 418 units, of which 279 were converted into net sales. We had a peak of cancelations in the quarter primarily due to the change in the credit rule and the delay in signing financing contract of Park Uberaba development.

Several customers with pre-approved credit had their approvals reviewed by financial institutions, in addition to the delay in the signing financing contracts' process, which led to cancellation of sales. This high number of cancelations was an atypical event that will not be repeated ahead. Impacted by the atypical peak of distractions in the quarter the VSO, sales speed, fell to 21% in the quarter. Our sales team is already working to reverse this result and return to our historical VSO norm above 30%.

ON-GOING ENTERPRISES

In 1Q19, Inter has 2,626 units under construction and 1,284 units in the launch and start-up phase.

Empreendimentos em Andamento	Cidade	Número de Unidades	Evolução de Obra %
Park Jardim Norte	Juiz de Fora/MG	360	99,5%
Park Quinet	Juiz de Fora/MG	1.080	50,9%
Park Califórnia	Juiz de Fora/MG	160	71,2%
Reserva das Acácias	Juiz de Fora/MG	306	8,4%
Park Uberaba	Uberaba/MG	720	7,5%
Park Palmeiras	Juiz de Fora/MG	204	0,0%
Park São José	Ubá/MG	240	0,0%
Park Realeza	Juiz de Fora/MG	240	0,0%
Reserva São Geraldo	Juiz de Fora/MG	60	0,0%
Unique Grama	Juiz de Fora/MG	540	0,0%
Total		3.910	

INVENTORY

Inter closed 1Q19 with 3 units in inventory of finished units and 2,100 units in units under construction and under launch phase. This amount comprises an estimated potential sale of R\$277.6 million.

Empreendimento	Estoque Construído (unid.)	Estoque em Construção (unid.)	Estimativa valor vendas (R\$ mil)
Park Marilândia	3	0	378
Park Jardim Norte		1	128
Park Quinet		320	49.671
Park Uberaba		463	61.001
Reserva das Acácias		126	17.097
Park California		63	6.294
Park Palmeiras		75	10.247
Park São José		213	25.408
Park Realeza		240	31.240
Reserva São Geraldo		60	7.674
Unique Grama		540	68.433
Total	3	2101	277.571

REVENUES TO APPROPRIATE

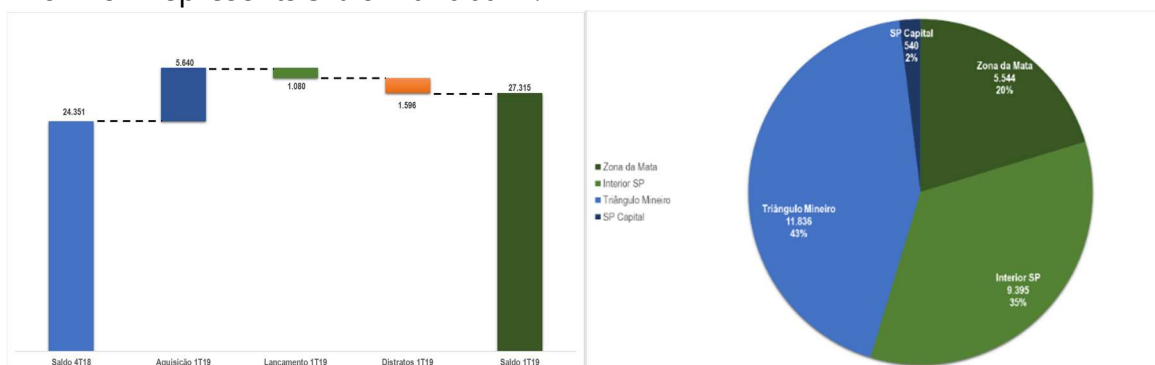
In 1Q19, Inter has revenues to appropriate of units already sold as a function of construction evolution in the amount of R\$137.1 million.

Empreendimentos em Andamento	Cidade	Receita a apropriar (R\$ mil)
Park Jardim Norte	Juiz de Fora/MG	235
Park California	Juiz de Fora/MG	2.819
Park Quinet	Juiz de Fora/MG	49.319
Reserva das Acacias	Juiz de Fora/MG	23.751
Park Uberaba	Uberaba/MG	32.969
Park Palmeiras	Juiz de Fora/MG	19.946
Park Sao Jose	Ubá/MG	1.804
Park Realeza	Juiz de Fora/MG	3.242
Reserva Sao Geraldo	Juiz de Fora/MG	0
Unique Grama	Juiz de Fora/MG	3.021
Total		137.104

Adding the inventory of finished units and units under construction with revenue to appropriate of units already sold, we have R\$414.7 million of potential revenue. Given the typical VSO, sales speed, of 30% and the history of the launching period of the enterprise to the delivery of keys, the Company estimates that most of this amount becomes net operating revenues in the following 18 months.

LANDBANK

Inter acquired 5,640 units in the quarter, 1,080 units launched, and 1,596 units had their purchase contracts cancelled. The Landbank's net growth was 2,964 units, increasing its size to 27,315 units equivalent to R\$3.9 billion in PSV. The vocation of land in Lanbank is primarily focused on the program Minha Casa, Minha Vida segments 2 and 3. We started the acquisition of land for projects with funding from the Brazilian Savings and Loan System (SBPE), which now represents 5% of Landbank.



FINANCIAL INDICATORS

Net Operating Revenue (ROL) totalled R\$40.6 million in 1Q19, an increase of 12.7% over 1Q18.

Net Operating Revenue (ROL)



Gross Profit in 1Q19 was R\$18.5 million. We experienced a gross margin compression of 62% to 46% in the quarter, due to the combination of the atypical high gross margin of 4Q18, detailed in the Earnings Release for the period. In addition, costs incurred in projects with no counterpart of revenue in 1Q19. This occurred in part because of postponement of revenues given the effects of delays in contracting and signing of financing contracts detailed above. Furthermore, expenditures of two projects that are relevant to the Company in the delivery phase, which did not allocate more revenues in the period, contributed to the margin squeeze. As the hiring and remittance dynamics return to the normalized rhythm, in the next quarters of 2019, the gross margin will expand and impact revenue and margin consequently. That said, comparing 12M19 with 12M18 gross margin rose from 41% to 53%.

The **Construction Cost** decreased in the quarter given that 436 units were produced in 1Q19, compared to 485 in 4Q18. Comparing 12M19 with 12M18 we verified the improvement in cost efficiency over Net Operating Revenue from 59% to 47%, as a result of the implementation of initiatives to gain productivity at the construction site.

Commercial Expenses increased R\$1.9 million, comparing 1Q19 with 1Q18. The Net Selling Expenses metric increased from 4.5% to 9.8%. A significant part of this increase is the result of investments in future sales in sales stand, training and sales consulting. That said, this impact is diluted when analysing longer periods, 12M19 presented 5.6% of Commercial Expenses on Net Sales and 12M18 5.2%.

General and Administrative Expenses (G&A) increased R\$11.6 million, comparing 12M19 with 12M18. The factor that most contributed to this increase were investments in human resources. We attracted and hired market professionals in all areas of the Company, in particular in the Information Technology, New Business, Approvals, Projects and Engineering departments. The ratio between G&A and ROL reached 10.1% in 12M19, against 5.9% in 12M18. The Company's goal for this metric is to reach and stabilize at the 5% level. We are incurring approximately R\$2 million a month in G&A costs. To achieve the stated goal the flight plan is to maintain G&A at the current level while raising revenue to R\$500 million. Management decided to invest in preparing the Company for a shift in the level of the business. With a current Landbank of R\$3.9 billion, maintaining the annual revenue level equal to 2018, the company would take 19.5 years to exhaust it. The growth and expansion of the business is a matter of time. Today, Inter already has the team, systems and infrastructure to launch, sell and produce 7 thousand units per year, equivalent to an annual Net Operating Revenues of R\$1 billion.

Net Financial Result was R\$8.1 million negative in 12M19 against R\$3.7 million negative in 12M18. The company is incurring in higher financial expenses primarily due to the impact of interest payments on CRI (Real Estate Receivables Certificate) transactions in the amount of R\$65 million that the Company raised in 2018. These funds are being used for land acquisition and start-up costs. The positive counterpart of these investments is still not being reflected in the Net Operating Revenue as they are medium-term investments.

Net Income for 1Q19 was R\$6.8 million, equivalent to a net margin of 17%. The Company had a net margin compression, due to the combination of the increase in expenses with investments and the postponement of revenue as a result of difficulties with contracting of financing for production and the mortgage lending of units sold to financial institutions detailed above. Even faced with a challenging quarter, the Company was able to print a net margin in line with the margin of the industry segment we operate. We expect to return to the net margin level around 30% as we resume the level of historical contracting of financing for production and the mortgage lending of units sold to financial institutions and as the new launches projected for 2019 gain traction.

EBITDA in 1Q19 was R\$8.4 million, equivalent to a net margin of 21%. That said, EBITDA margin of 34.4% from 12M19 was 5.5% above the EBITDA margin of 12M18.

As of March 31, 2019, the balance of **Cash, Cash Equivalents and Securities** was R\$119.4 million, an increase of R\$30.2 million compared to December 31, 2018.

In 1Q19, the Company had a total **Gross Debt** of R\$134.1 million, an increase of R\$39.6 million in the quarter. Considering raise in the Cash, Cash Equivalents and Securities in the amount of R\$30.2 million, the effect on **Net Debt** in the quarter was an increase of R\$ 9.4 million. This increase served to compose the working capital of the company and to face the period of slower contracting speed.

Despite the nominal increase of both the Company's Gross Debt and Net Debt, under the perspective of net debt over EBITDA and Equity, in 1Q19 the Company had a relative level of indebtedness lower than 1Q18.

	1Q19	1Q18
Net Debt / Equity	36,1%	69,6%
Net Debt / 12-month EBITDA	0,27x	0,39x

Most of the increase in debt was in short-term bank financing. Management considers the level of indebtedness appropriate given the magnitude of the Cash, Cash Equivalents and Securities and the support of the estimated increase in the number of launches, sales and production for 2019.

(R\$ 000's)	1Q19	1Q18
Corporate Financing	53.916	20.679
Production Financing Support	17.265	12.677
Debenture	62.926	65.436
Total	134.107	98.792

Most credit line maturities are concentrated in 2021.

(R\$ 000's)	2019	2020	2021	2022
Corporate Financing	47.234			6.602
Production Financing Support	199	11.943		5.123
Debenture			62.906	

INVESTMENTS

The **Balance of Movements and Equity in Subsidiaries** (SPEs) in 1Q19 is R\$20.8 million. In 1Q19, the Company invested R\$11.0 million in the acquisition of a Bell 407 aircraft to support the logistics of employees of the geographic expansion plan defined in the strategic planning.

CAPITAL AND DIVIDENDS

On April 29, 2019, the Company's capital increased to the amount of R\$50,972,920.00. In 1Q19, during the quarter the Company paid R\$4.7 million referring to the minimum mandatory dividends accrued in December 2018.

RESEARCH AND DEVELOPMENT

The Company has invested resources in the planning, development and acquisition of land for projects to be marketed within the Brazilian Savings and Loan System (SBPE) financing format.

The goal is to meet the demand for business units for clients with income brackets just above the Minha Casa, Minha Vida (MCMV) program. These are projects with quality standards, infrastructure and differentiated leisure areas. The Company is structuring itself to this level of delivery while maintaining the productivity and scale standards it already has in its ventures in the popular segment served by the Minha Casa, Minha Vida program.

HUMAN RESOURCES

The Company continues to invest in hiring and training employees. In 1Q19, the Company reached a turnover level of 5%, maintaining the same level as in 2017 and 2018.

Função	1Q19	2018	2017
Construction	58	56	70
Construction G&A	23	27	26
Corporate G&A	128	81	57
Total	209	164	153

PRODUCT

Apartamentos
INTELIGENTES

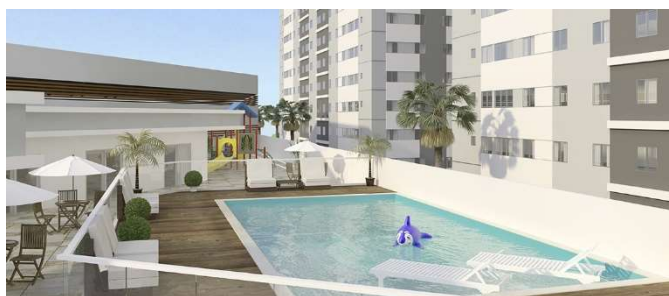
- ✓ We deliver quality popular housing.
- ✓ 100% of the projects launched by the Company follow the "Smart Apartment" line.
- ✓ Towers with elevators.
- ✓ Security cameras and electronic gate.
- ✓ Selective waste collection and individual water meter.
- ✓ Solar power and Wifi in common areas.



Laminate flooring in living room and bedrooms, ceramic in kitchen and bathroom and granite countertops.



Complete recreation area.



BALANCE SHEET | Asset | IFRS | Consolidated

Asset	Note	Controller		Consolidated	
		31/03/2019	31/12/2018	31/03/2019	31/12/2018
Circulating					
Cash and cash equivalents	5	54.638.024	26.743.918	63.497.403	30.363.168
Financial Investments (TVM)	5	51.914.346	54.805.312	51.914.346	54.805.312
Customers by incorporation of real estate	6	28.511.169	40.159.364	31.927.194	40.159.364
Stocks	7	33.746.280	29.137.280	60.806.661	61.602.020
Advances to third parties		2.475.490	2.518.133	4.505.760	3.596.333
		<u>171.285.309</u>	<u>153.364.007</u>	<u>212.651.364</u>	<u>190.526.197</u>
Non-circulating					
Long-term realizable:					
Financial applications to LP (TVM)	5	4.000.000	4.000.000	4.000.000	4.000.000
Related Parties (Mutual)	8	10.673.769	11.017.217	380.076	2.106.148
Anticipated expenses		465.516	580.197	935.046	1.112.752
Judicial Deposits		-	-	404,180	-
		<u>15.139.285</u>	<u>15.597.414</u>	<u>5.719.302</u>	<u>7.218.900</u>
Investment	9	27.398.934	8.312.575	20.033	19.200
Asset	10	25.419.003	18.345.094	25.419.003	18.345.094
Intangivel		41.681	42.717	41.681	42.717
		<u>52.859.618</u>	<u>26.700.386</u>	<u>25.480.717</u>	<u>18.407.011</u>
Total assets		<u>239,284,212</u>	195,661,807	243,851,383	216,152,108

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

BALANCE SHEET [Liabilities| IFRS| Consolidated

Passive	Note	Controller		Consolidated	
		31/03/2019	31/12/2018	31/03/2019	31/12/2018
Circulating					
Suppliers	11	8.102.675	3.641.292	12.996.346	7.393.196
Loans, financing and debentures	12	47.193.822	2.941.732	59.130.275	2.941.732
Social and labor obligations	13	1.741.499	1.647.047	1.849.905	1.662.943
Tax liabilities	14	1.612.872	1.137.033	3.057.008	1.701.083
Other accounts payable		183.564	177.716	183.564	177.782
Mandatory dividends payable		12.662.632	12.662.632	12.662.632	12.662.632
Advances from Customers	15	-	-	6.264.941	8.293.402
		<u>71.497.063</u>	<u>22.207.452</u>	<u>96.144.671</u>	<u>34.832.770</u>
Non-circulating					
Suppliers	11	12.739.516	24.294.538	12.739.516	27.775.223
Loans, financing and debentures	12	74.976.615	91.517.916	74.976.615	95.850.024
Obligations with third parties		-	-	2.065	-
Provision for warranties		3.992.388	3.863.842	3.992.388	3.863.842
Other accounts payable		20.199.360	-	-	-
Mandatory dividends payable		-	-	-	-
Provision for contingency	16	962.784	962.784	962.784	962.784
		<u>112.870.662</u>	<u>120.639.079</u>	<u>92.673.368</u>	<u>128.451.872</u>
Equity					
Capital social	17	20.389.168	20.389.168	20.389.168	20.389.168
Profit reserves		34.527.319	32.426.108	34.527.319	32.426.108
		<u>54.916.487</u>	<u>52.815.276</u>	<u>54.916.487</u>	<u>52.815.276</u>
Non-controlling interest		-	-	116.857	52.190
Total Equity		<u>54.916.487</u>	<u>52.815.276</u>	<u>55.033.344</u>	<u>52.867.466</u>
Total liabilities and shareholders' equity		<u>239.284.212</u>	<u>195.661.807</u>	<u>243.851.383</u>	<u>216.152.108</u>

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

DEMONSTRATION of the results of the year | IFRS | Consolidated

Statements of the results periods ended

March 31, 2019 and 2018

(In reais except net earnings per share)

	Note	Controller		Consolidated	
		31/03/2019	31/03/2018	31/03/2019	31/03/2018
NET operating revenues	18	7.237.870	35.973.408	40.552.094	35.973.408
Cost of properties sold and services rendered	19	(5.950.711)	(20.993.969)	(22.059.722)	(20.993.969)
Gross profit		<u>1.287.159</u>	<u>14.979.439</u>	<u>18.492.372</u>	<u>14.979.439</u>
Operating revenues (expenses) :					
sales expenses	19	(3.019.771)	(1.831.299)	(3.721.976)	(1.831.299)
General and administrative expenses	19	(5.037.476)	(2.826.222)	(5.480.003)	(2.826.222)
Equity result	9	15.781.585	-	-	-
Other operating expenses, net	19	(718.116)	(818.080)	(848.117)	(818.080)
		<u>7.006.222</u>	<u>(5.475.601)</u>	<u>(10.050.096)</u>	<u>(5.475.601)</u>
Operating profit before financial result:		8.293.381	9.503.838	8.442.276	9.503.838
Financial result, Net:	20	(1.519.479)	(1.143.427)	(1.603.707)	(1.143.427)
Financial revenues		1.266.584	251.190	1.284.344	251.190
Financial expenses		(2.786.063)	(1.394.617)	(2.888.051)	(1.394.617)
Net income for the year		<u>6.773.902</u>	<u>8.360.411</u>	<u>6.838.569</u>	<u>8.360.411</u>
Net earnings per share-in reais		<u>0,33</u>	<u>0,68</u>	<u>0,34</u>	<u>0,68</u>
Net income attributable to:					
shareholders of the company		6.773.902	8.360.411	6.773.902	8.360.411
Non-controlling shareholders		-	-	64.667	-

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

CASH FLOW STATEMENT | IFRS | Consolidated

INTER CONSTRUTORA E INCORPORADORA S/A.

Cash flow statements

Financial years ended March 31, 2019 and 2018

(In Reais)

	Controladora		Consolidado	
	31/03/2019	31/03/2018	31/03/2019	31/03/2018
Cash flows from operational activities:				
Net income for the year	6.773.902	8.360.411	6.838.569	8.360.411
Settings for:				
Depreciation	626.092	433.572	626.092	433.572
Equity result	(15.781.585)	-	-	-
Constitution of the provision for guarantees	128.546	-	128.546	-
Provision of interest on loans	1.273.571	-	1.273.571	-
	(6.979.474)	8.793.983	8.866.778	8.793.983
(Increase) reduction of operational assets				
Accounts receivable	11.648.195	(1.454.776)	8.232.170	(1.454.776)
Stocks	(4.609.000)	(7.702.386)	795.359	(7.702.386)
Other circulating and non-circulating assets	42.643	216.413	(909.426)	216.413
(Increase) reduction of operating liabilities				
Suppliers	(7.093.640)	(1.115.216)	(9.432.557)	(1.115.216)
Tax liabilities	475.839	23.919	1.355.925	23.919
Personal obligations	94.452	67.058	186.962	67.058
Other accounts payable by advances from customers	5.848	-	(2.028.461)	-
Other circulating and non-circulating liabilities	-	(138.097)	7.847	(138.097)
Payment of interest on loans	(444.030)		(444.030)	
Cash from (applied to) operational activities	(6.859.167)	(1.309.102)	6.630.567	(1.309.102)
Cash flows from investment activities				
Application Fonrose	2.890.966	-	2.890.966	-
Long-term realizable	458.129	627.935	1.499.598	627.935
Acquisition of investments	(3.304.774)	-	(833)	-
Acquisition/sale of fixed Assets	(7.700.000)	(233.000)	(7.700.000)	(233.000)
Acquisition of intangible assets	1.036	(1.100)	1.036	(1.100)
Net cash applied to investment activities	(7.654.643)	393.835	(3.309.233)	393.835
Cash flows from financing activities				
Borrowing of loans	40.552.222	925.356	49.499.353	925.356
Loan settlement	(13.670.976)	-	(15.013.762)	-
Advance of related parties	20.199.360	-	-	-
Profit distribution	(4.672.690)	(6.175.721)	(4.672.690)	(6.175.721)
Net cash generated by financing activities	42.407.916	(5.250.365)	29.812.901	(5.250.365)
Cash increase and cash equivalents, liquids	27.894.106	(6.165.632)	33.134.235	(6.165.632)
Statement of increase in cash and cash equivalents:				
Cash and cash equivalents at the beginning of the fiscal year	26.743.918	29.983.593	30.363.168	29.983.593
Cash and cash equivalents at the end of the year	54.638.024	23.817.961	63.497.403	23.817.961
Cash increase and cash equivalents, liquids	27.894.106	(6.165.632)	33.134.235	(6.165.632)

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

INVESTOR RELATIONS

Contacts:

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Cid Maciel Monteiro de Oliveira

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RELATIONSHIP WITH INDEPENDENT AUDITORS

In accordance with CVM Instruction 381/03, we inform that our independent auditors - KPMG Auditores Independentes - did not provide, during 2018, services other than those related to external audit. The Company's policy in hiring independent audit services 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 the members of the Fiscal Council, undertake to resolve, by 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 Brazilian Corporate Law, the Company's bylaws, the rules issued National Monetary Council, the Central Bank of Brazil and the Brazilian Securities 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 BOVESPA MAIS Participation Agreement.

COMMENTS

The financial information is based on consolidated financial information prepared in accordance with International Financial Reporting Standards (IFRS), which considers Guideline OCPC 04 on the application of Technical Interpretation ICPC 02 applicable to real estate development entities in Brazil, as approved. the Accounting Pronouncements Committee (CPC), the Brazilian Securities 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), except when otherwise indicated. The statements contained herein regarding business prospects, projections for operating and financial results and those relating to INTER's growth prospects are merely projections and, as such, are based solely on the Board's expectations regarding the future of the business. These expectations depend substantially on the approvals and licenses required to approve projects, market conditions, the performance of the Brazilian economy, the industry and international markets and are therefore subject to change without notice. This performance report includes non-accounting data such as operating, financial and projections based on Company Management's expectation. Non-accounting data such as quantitative and launched PSV, contracted sales, MCMV program values, market value inventory, land bank, backlog, cash consumption, and projections were not reviewed by the auditors. independent of the Company.

STATEMENT BY THE BOARD OF DIRECTORS

In compliance with the provisions of CVM Instruction No. 480, the Board of Executive Officers declares that it has discussed, reviewed and agreed with the opinions expressed in the independent auditors' opinion and with the financial statements for the year ended March 31, 2019.

GLOSSARY

Landbank - land held in inventory with estimated future PSV.

BOVESPA MAIS - B3's listing segment, Bovespa Mais enables smaller funding compared to the New Market, but sufficient to finance its growth project. Companies listed on the Bovespa Mais tend to attract investors who see a stronger development potential in the business. Stock offers may be aimed at few investors and they usually have medium and long term return prospects. This segment allows you to list without offering, meaning you can list your company on the stock exchange and have up to 7 years to perform the IPO. This possibility is ideal for companies that want to access the market slowly. You can work on professionalizing your business for listing purposes only, and then you have more time to go public. By untying each other, market access tends to be smoother and your company's readiness higher.

Exchange - Land purchase system whereby the landowner receives in payment a certain number of units of the enterprise to be built on it.

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

Net Sales - PSV arising from all property sales contracts entered into in a given period, including the sale of units launched in the period and the sale of units in inventory, net of cancellations and net of exchange.

Contracted Units - Units contracted with the financial institution.

Sales over supply (SOV) - To minimize volatility in this metric, we excluded inventory units and units sold from projects launched in the quarter.

EBITDA - stands for Earnings Before Interest, Taxes, Depreciation and Amortization, which means Earnings Before Interest, Taxes, Depreciation and Amortization.

Completed Units - Units completed by engineering. Recorded after completion of the work.

Produced Units - Units produced by measuring the evolution of the work, equivalent construction.

Units repassed - Number of clients (individuals) that signed their financing with a financial institution in the period.