
4Q15 and 2015 Results

Conference Call
February 26th, 2016
10:30 a.m. (Brasília Time)














Disclaimer

This presentation contains statements that can represent expectations about future events or results. These statements are based on certain suppositions and analyses made by the company in accordance with its experience, with the economic environment and market conditions, and expected future developments, many of which are beyond the company's control. Important factors could lead to significant differences between real results and the statements on expectations about future events or results, including the company's business strategy, Brazilian and international economic conditions, technology, financial strategy, developments in the footwear industry, conditions of the financial market, and uncertainty on the company's future results from operations, plans, objectives, expectations and intentions – among other factors. In view of these aspects, the company's results could differ significantly from those indicated or implicit in any statements of expectations about future events or results.












Highlights 4Q15 (YOY 2014)

– excluding the non-recurring effect – A3NP

Gross Revenue	Domestic market: R\$ 530.6 million			(18.8%)
	Exports: R\$ 265.7million			14.6%
Net Profit	R\$ 240.3 million			22.7%
EBIT	R\$ 171.1million			(1.8%)
	Margin 25.4%			1.9 p.p.
Exchange	Positive impact: R\$ 89.7 million			
Volumes	Domestic market: 40.2 million pairs			(20.8%)
	Exports: 14.7 million pairs			(7.0%)
Average price	Domestic market	R\$ 13.21		2.5%
	Exports	R\$ 18.00		23.3%
		US\$ 4.86		(18.5%)

Highlights 2015 (YOY 2014)

– excluding the non-recurring effect – A3NP

Gross Revenue	Domestic market: R\$ 1,899.2 million			(8.6%)
	Exports: R\$ 730.8 million			13.9%
Net Profit	R\$ 603.0 million			22.1%
EBIT	R\$ 454.7 million			13.7%
	Margin 20.7%			2.8 p.p.
Exchange	Positive impact: R\$ 214.5 million			
Volumes	Domestic market: 134.5 million pairs			(12.0%)
	Exports: 45.9 million pairs			(12.0%)
Average price	Domestic market	R\$ 14.12		3.8%
	Exports	R\$ 15.91		29.5%
		US\$ 4.78		(8.4%)

Dividends and Interest on Equity



Allocation of the profit for 2015	R\$
Net Profit	551,223,335.75
(-) Tax incentives reserve	(271,634,996.27)
Basis for calculation of the legal reserve	279,588,339.48
(-) Constitution of legal reserve	(13,979,416.99)
Mandatory dividends calculation basis	265,608,922.49
(+) Reversal of reserve (reflecting na equal reserve made in subsidiary)	10,316,725.47
Total of dividends proposed by management	275,925,647.96 ¹
<i>Minimum mandatory dividend (R\$265.608.922,49 x 25%)</i>	66,402,230.62
<i>Dividend proposed in excess of yhe mandatory dividend</i>	209,523,417.34
Sum	275,925,647.96 ¹

¹ Dividends “ad referendum” the Annual General Meeting of Stockholders that considers the financial statements for 2015 business year.

Dividends and Interest on Equity



Allocation of provents (Interest on Equity and Dividends)	R\$
(+) Dividends paid in advance	165,031,505.86 ¹
(+) Gross interest on Equity	100,000,000.00 ¹
(+) Balance of dividends for the 2015 business year	577,416.63 ¹
(+) Dividend originating from reversal of a reserve	10,316,725.47 ¹
Dividends / Interest on equity proposed by management	275,925,647.96¹
(-) Income tax withheld at source (15%) ²	(15,000,000.00)
Dividends / Interest on Equity, net of tax, proposed by management	260,925,647.96¹

¹ Corporate action payments will be approved “ad referendum” the Annual General Meeting of Stockholders that considers the financial statements for the 2015 business year.

Dividends and Interest on Equity



Corporate action payments distributed/ proposed					
Deliberation	Date approved	Ex date	Date of start of payment	Amount R\$	Amount per share R\$
1st interim dividend ¹	Apr. 23, 2015	Apr. 28, 2015	May 13, 2015	67,384,476.90	0.2241
2nd interim dividend ¹	July 23, 2015	July 30, 2015	Aug. 12, 2015	43,889,275.91	0.1460
3rd interim dividend ¹	Oct. 22, 2015	Oct. 29, 2015	Nov. 11, 2015	53,757,753.05	0.1788
Balance ^{1 and 2}	Feb. 25, 2016	Apr. 19, 2016	Apr. 27, 2016	10,894,142.10	0.0362
Interest on Equity ^{1 and 2}	Feb. 25, 2016	Apr. 19, 2016	Apr. 27, 2016	85,000,000.00	0.2827
			Sum	260,925,647.96	0.8678

1 Corporate action payments will be approved “ad referendum” the Annual General Meeting of Stockholders that considers the financial statements for the 2015 business year.

2 Value of the corporate action payments per share is subject to alteration depending on the balance of shares in treasury on the cutoff date (April 14, 2016.)

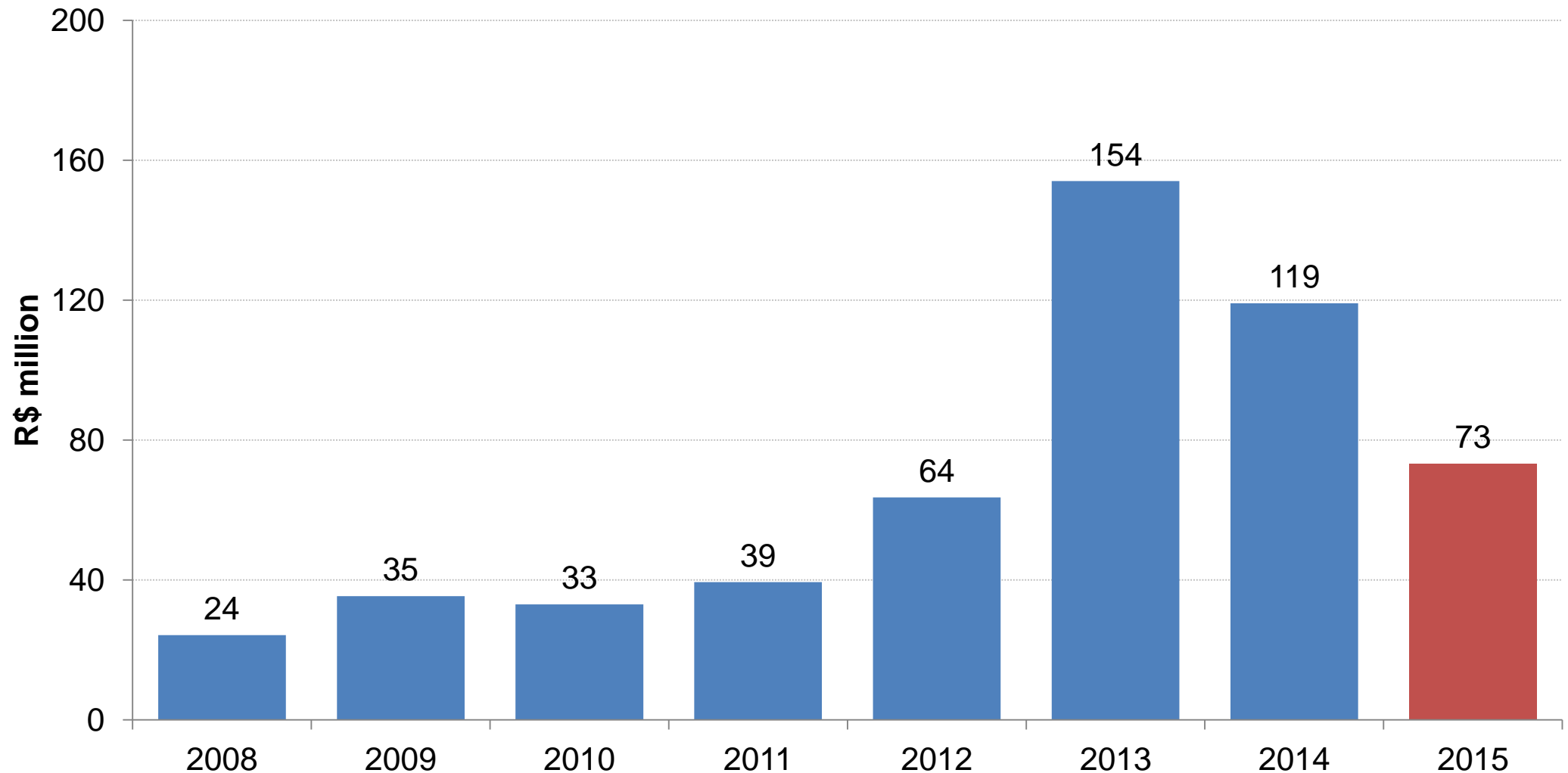
Equity

Year (R\$'000)	Initial Stockholders' Equity ¹	Net Profit	Dividends	Reinvestment	Return on Equity	Final Stockholders' Equity ¹
2005	733.566	200.116	81.181	118.935	27,3%	847.373
2006	847.373	257.343	128.261	129.082	30,4%	998.510
2007	998.510	260.508	119.724	140.784	26,1%	1.132.718
2008	1.132.718	239.367	109.000	130.367	21,1%	1.274.080
2009	1.274.080	272.211	110.000	162.211	21,4%	1.430.569
2010	1.430.569	312.399	121.738	190.661	21,8%	1.624.542
2011	1.624.542	305.446	219.526	85.920	18,8%	1.713.743
2012	1.713.743	429.003	293.503	135.500	25,0%	1.848.309
2013	1.848.309	433.540	300.057	133.483	23,5%	1.957.295
2014	1.957.295	490.244	220.814	269.430	25,0%	2.232.649
2015	2.232.649	551.223	275.925	275.298	24,7%	2.520.866
Accumulated		3.956.265	2.043.881	1.912.384	971,5%	

1) End-of-year stockholders' equity, i.e. excluding dividends, proposed for subsequent year.

Capex (Fixed and intangible)

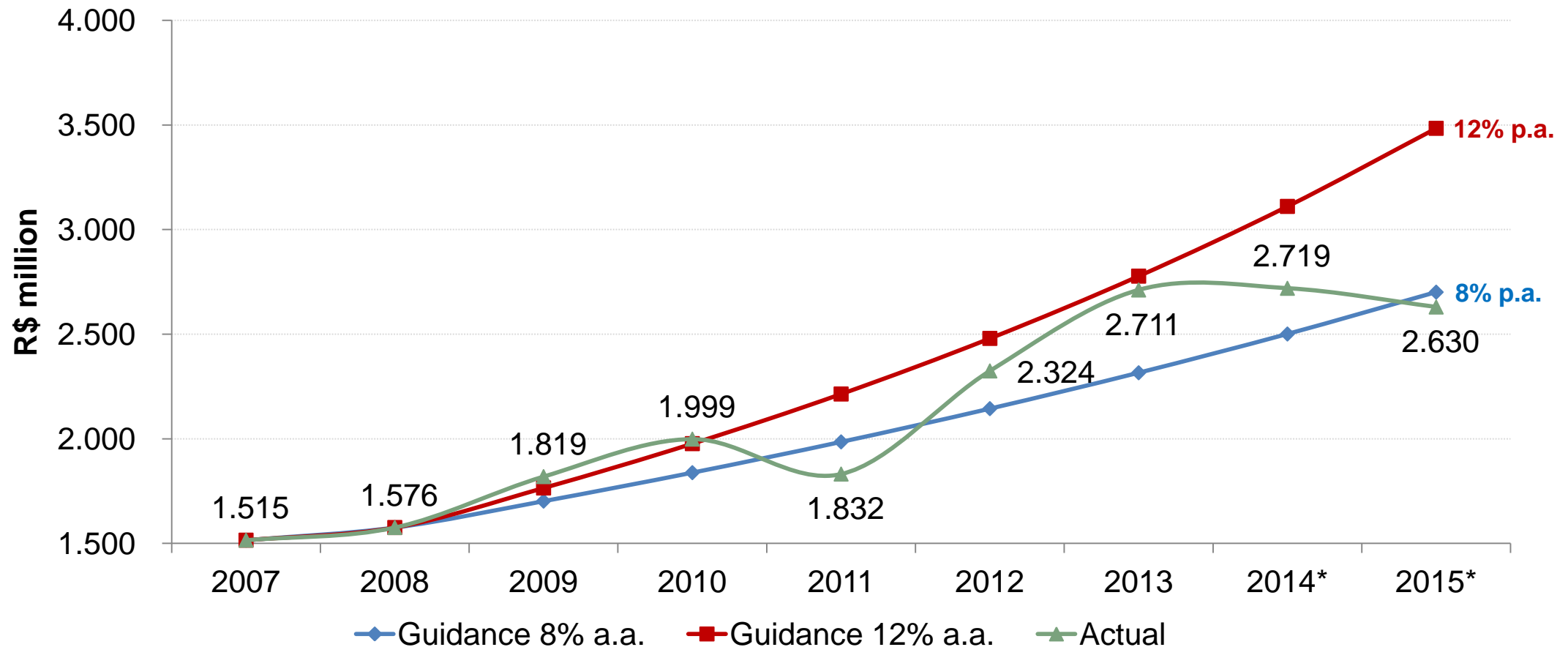
CAGR (2008-2015): 17,1%



Comparison of performance with targets

* excluding the non-recurring effect – A3NP

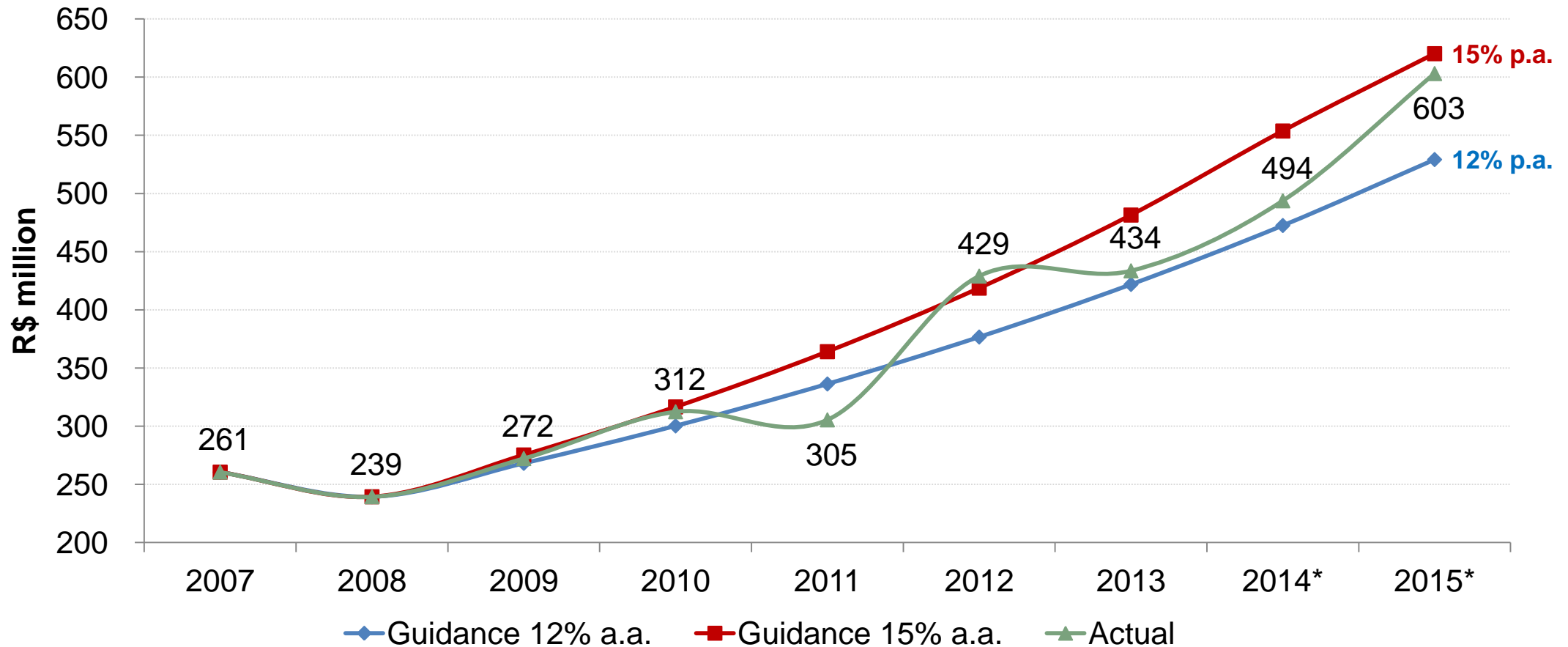
Gross revenue CAGR between 8% and 12%



Comparison of performance with targets

* excluding the non-recurring effect – A3NP

Net Profit CAGR between 12% and 15%



Ipanema



Thank You!