

**ZAXY**



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**3Q14 and 9M14  
Results**

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# 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.

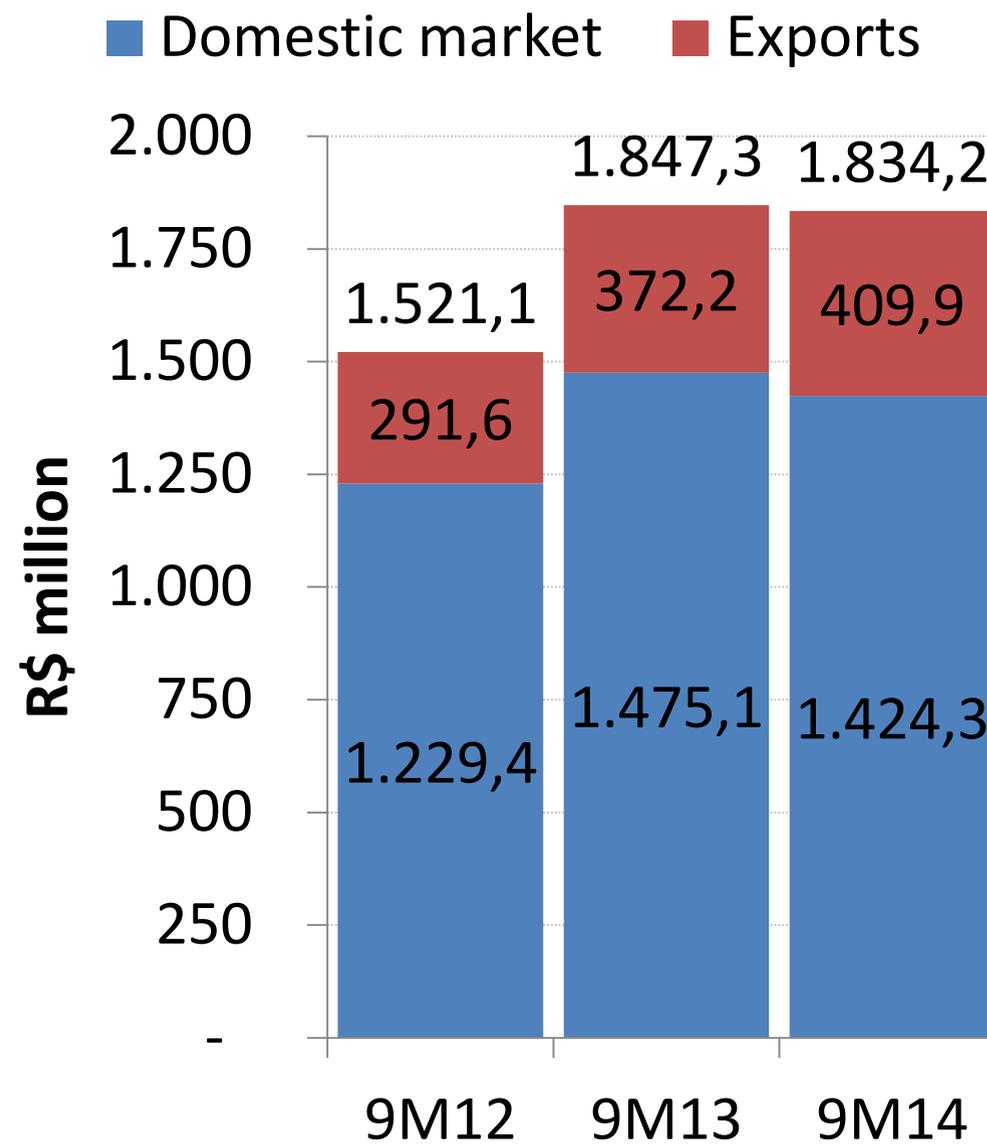
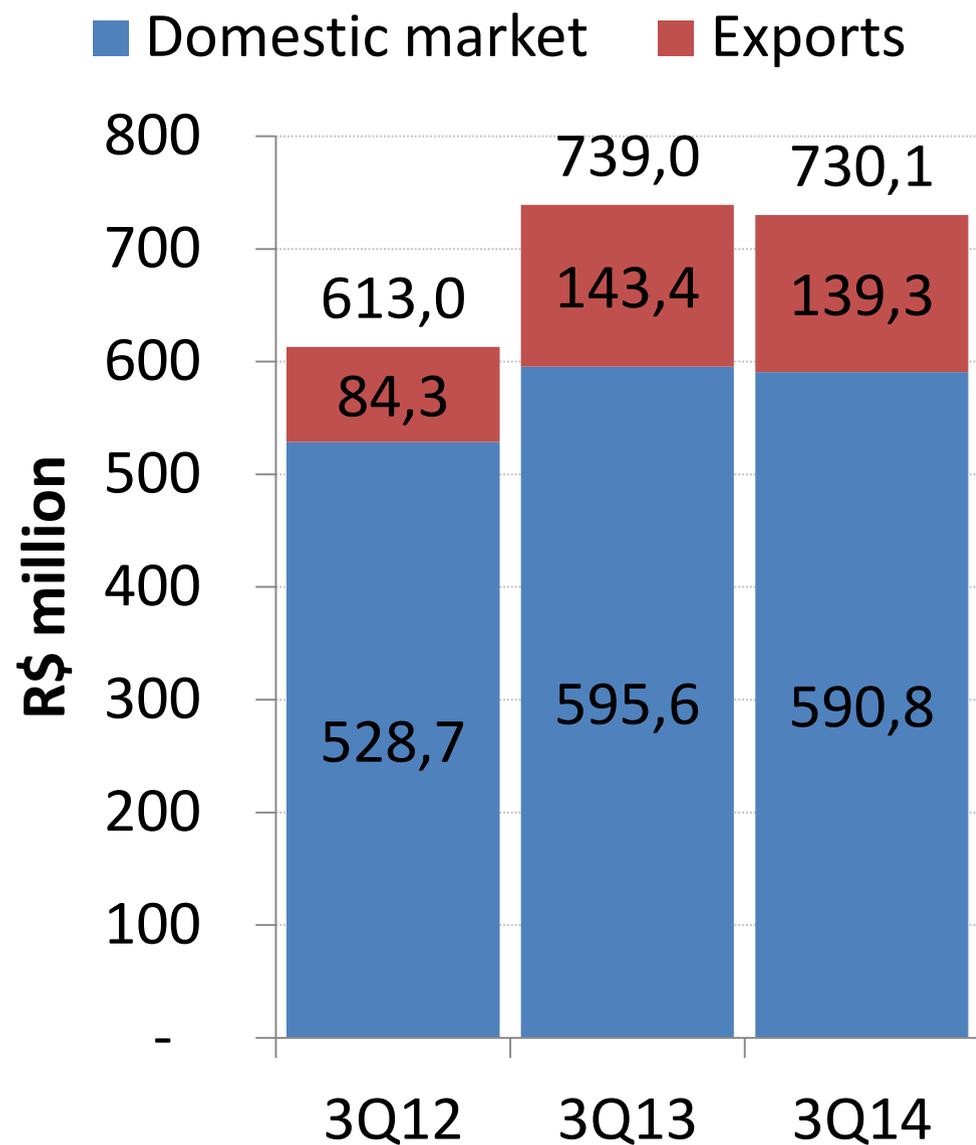
# Highlights 3Q14 (YOY 2013)

Gross revenue	Domestic market: R\$590.8 million		(0.8%)
	Exports: R\$139.3 million		(2.9%)
Volumes	Domestic market: 43.5 million pairs		0.6%
	Exports: 11.4 million pairs		4.3%
EBIT	R\$ 105.8 million		(7.7%)
	Margin 17.6%		(1.6 p.p.)
Profit	R\$ 126.0 million		3.2%
Average price	Domestic market	R\$ 13.60	(1.4%)
	Exports	R\$ 12.22	(6.9%)
		USD 5.37	(6.3%)
Exchange	Negative impact: R\$ 0.8 million		

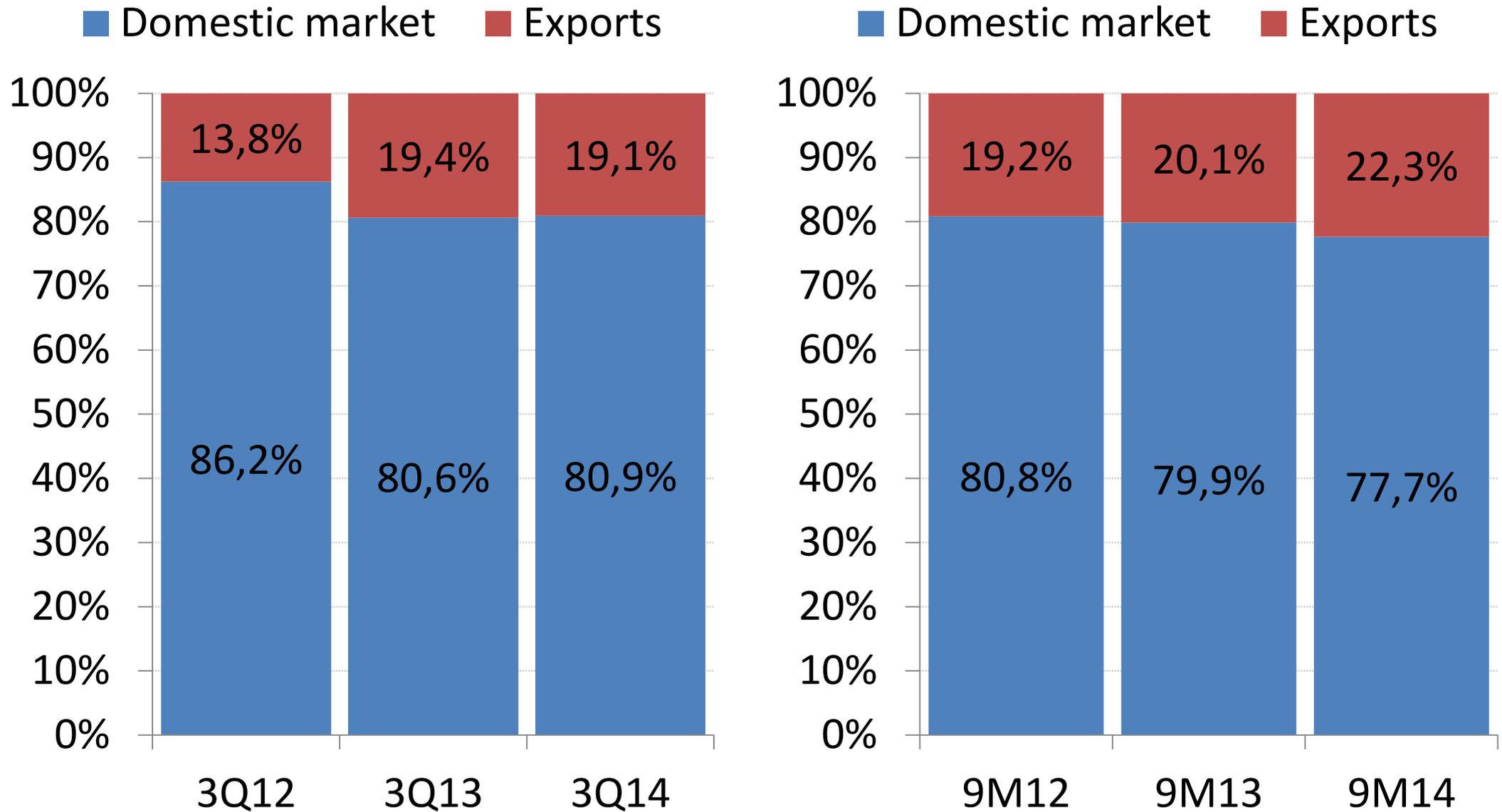
# Destques 9M14 (YOY 2013)

Gross revenue	Domestic market: R\$1,424.3 milhões		(3,4%)
	Exports: R\$409.9 milhões		10,2%
Volumes	Domestic market: 102.1 million pairs		(8,6%)
	Exports: 36.3 million pairs		1,9%
EBIT	R\$ 217.1 million		(16,5%)
	Margin 14.5%		(3,0 p.p.)
Profit	R\$ 295.0 million		1,5%
Average price	Domestic market	R\$ 13.95	5,6%
	Exports	R\$ 11.29	8,1%
		USD 4.93	=
Exchange	Positive impact: R\$ 30.7 million		

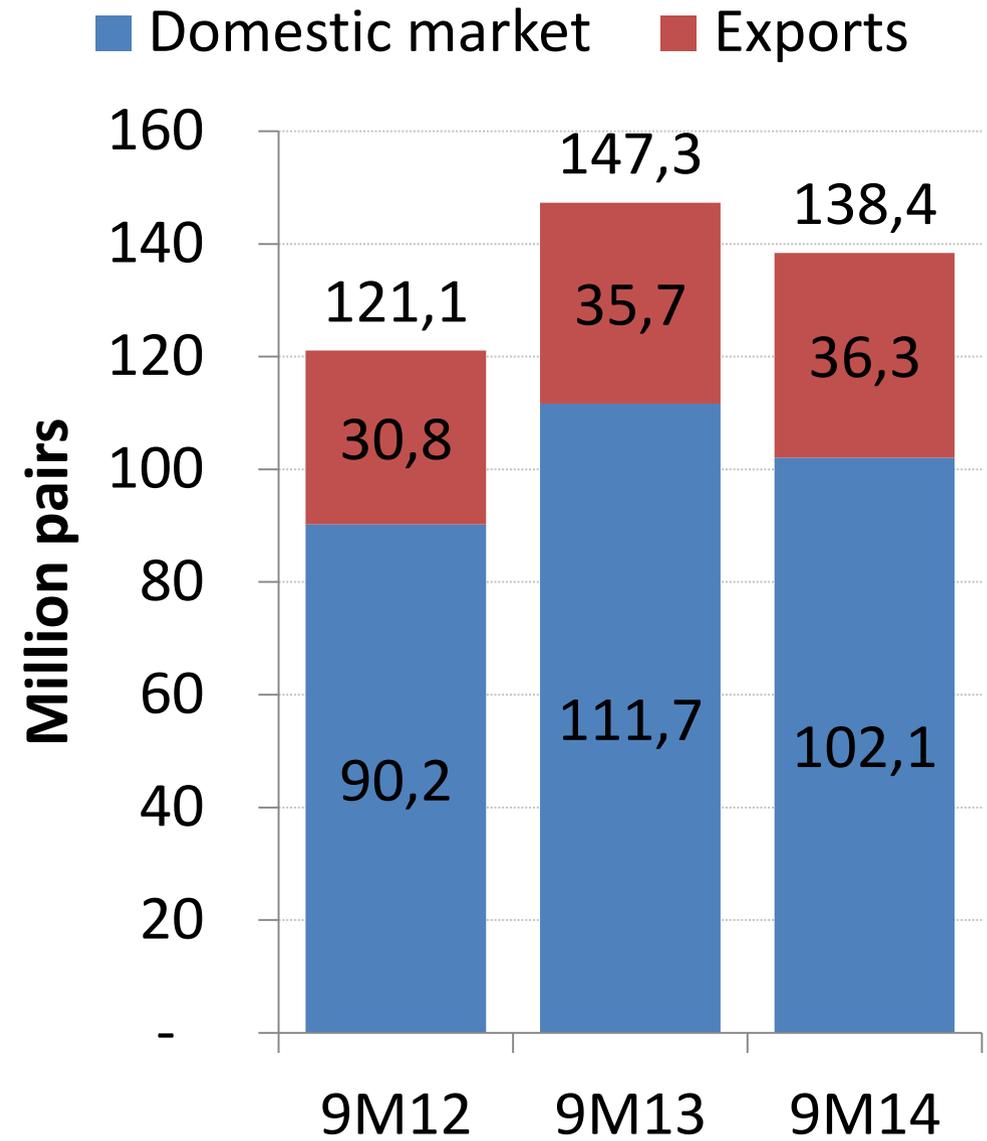
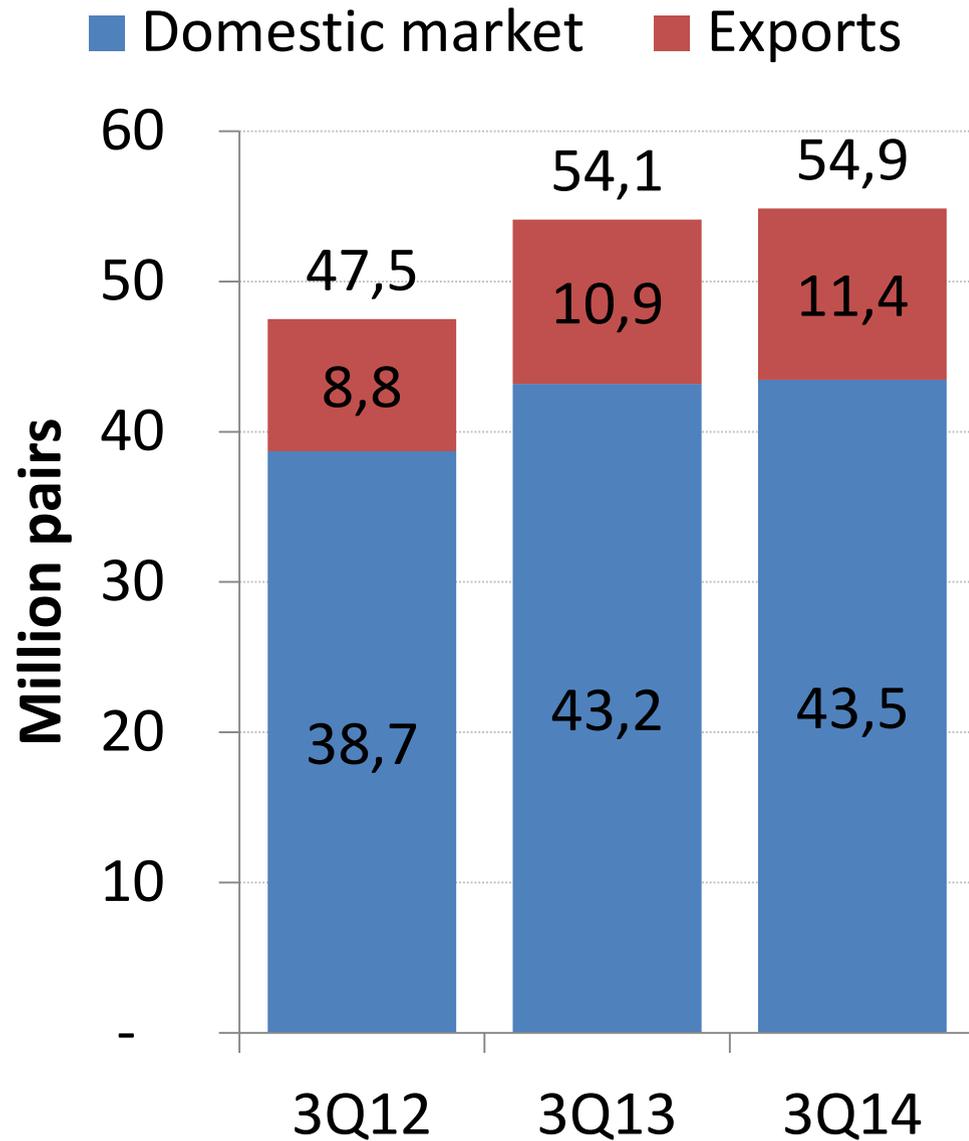
# Gross sales revenue



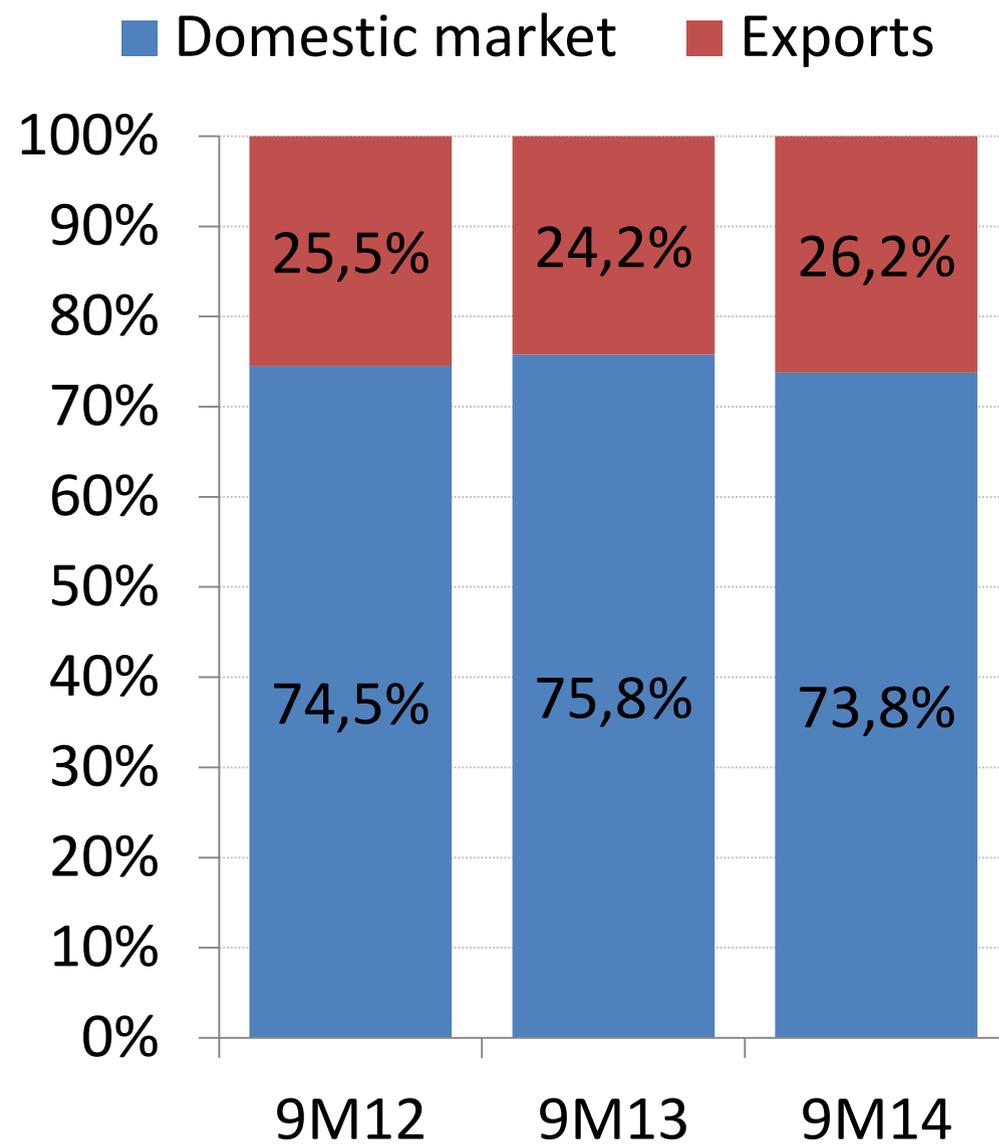
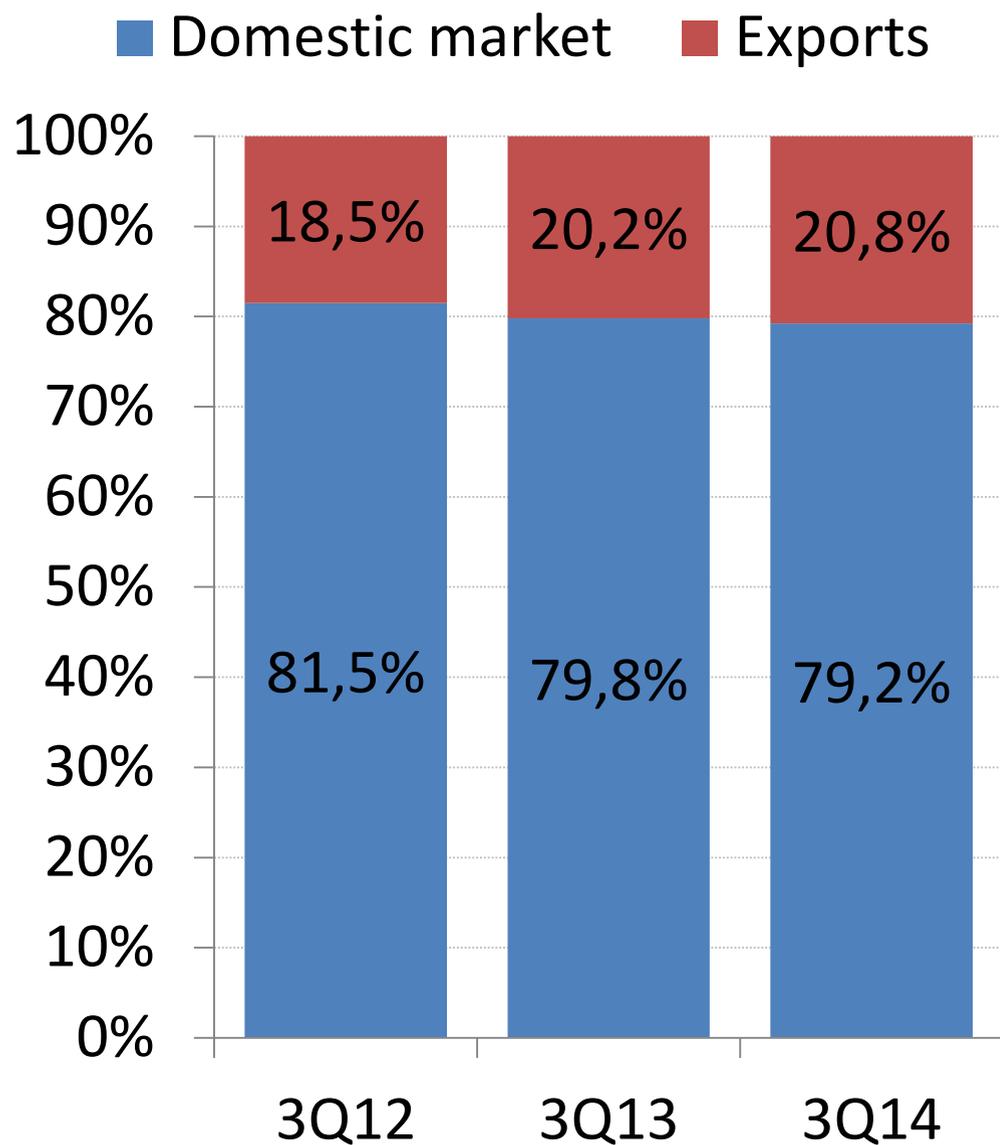
# Gross sales revenue – Analysis by market (%)



# Volumes

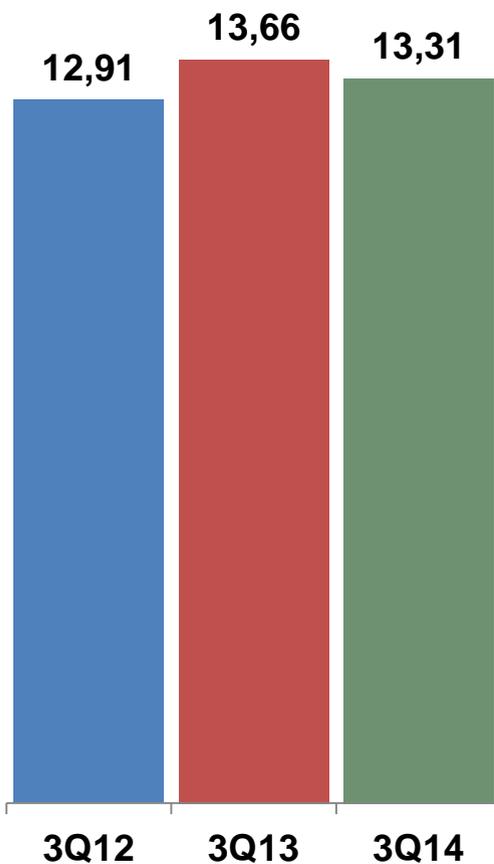


# Volumes – Analysis by market (%)



# Average price – 3<sup>rd</sup> quarter

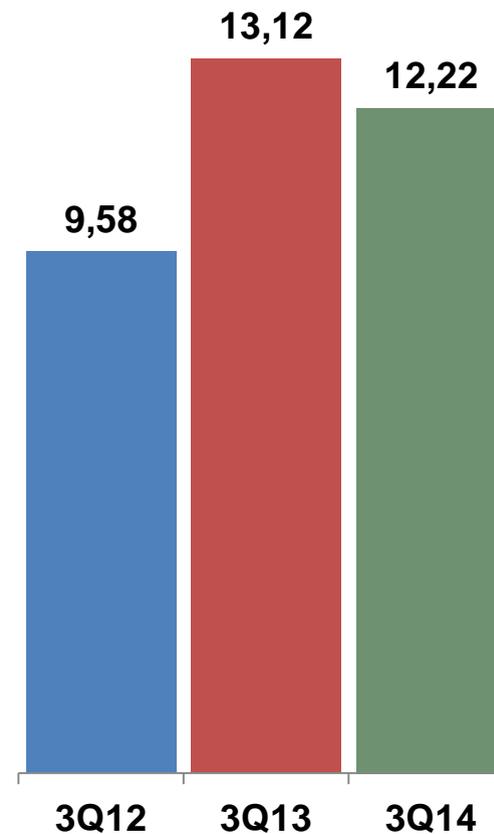
**Average price –  
Total R\$**



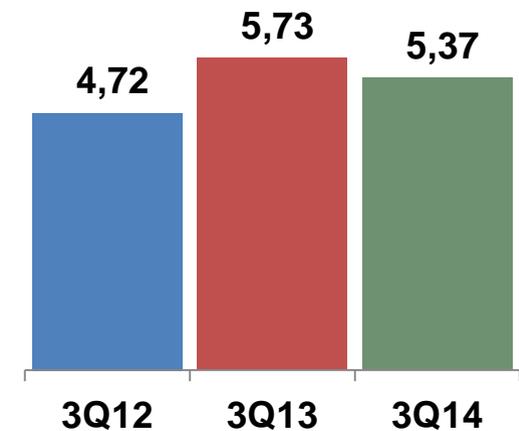
**Average price –  
Domestic market  
– R\$**



**Average price –  
Exports – R\$**

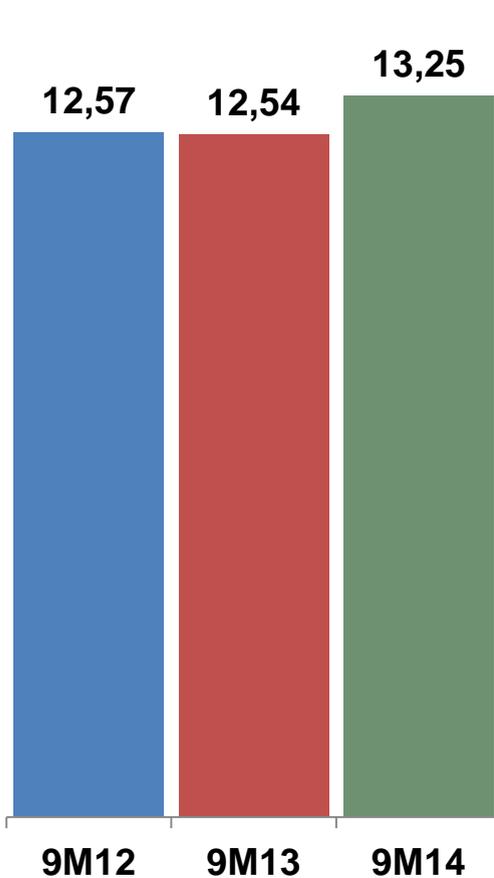


**Average price –  
Exports – USD**

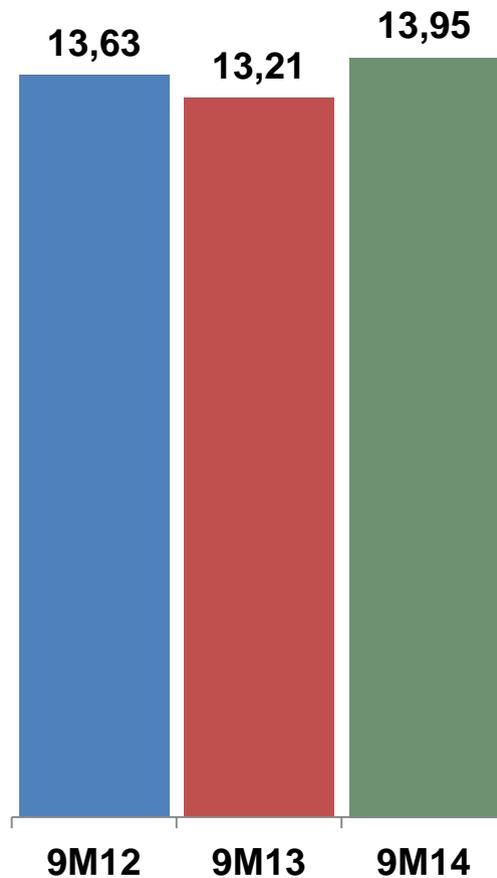


# Average price – 9 months

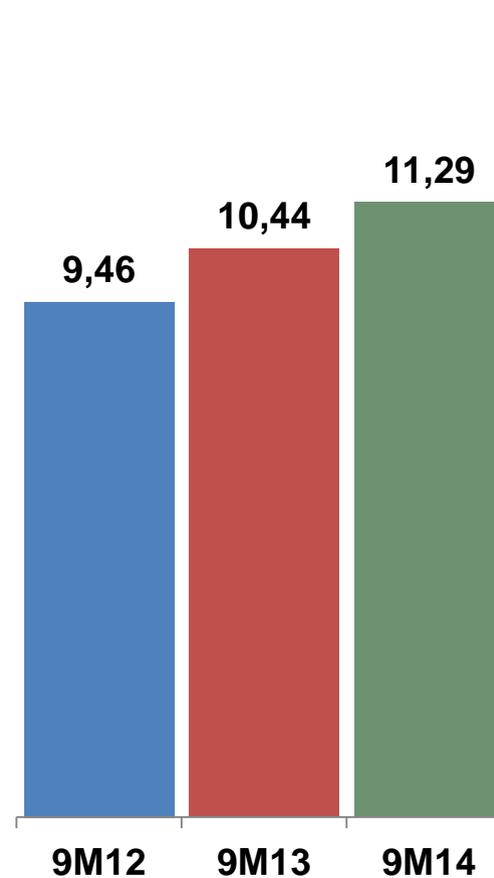
**Average price –  
Total R\$**



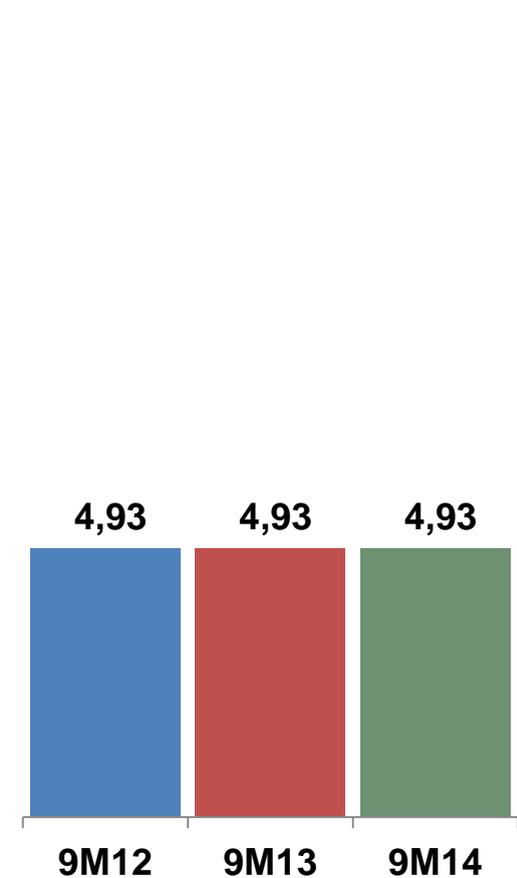
**Average price –  
Domestic market  
– R\$**



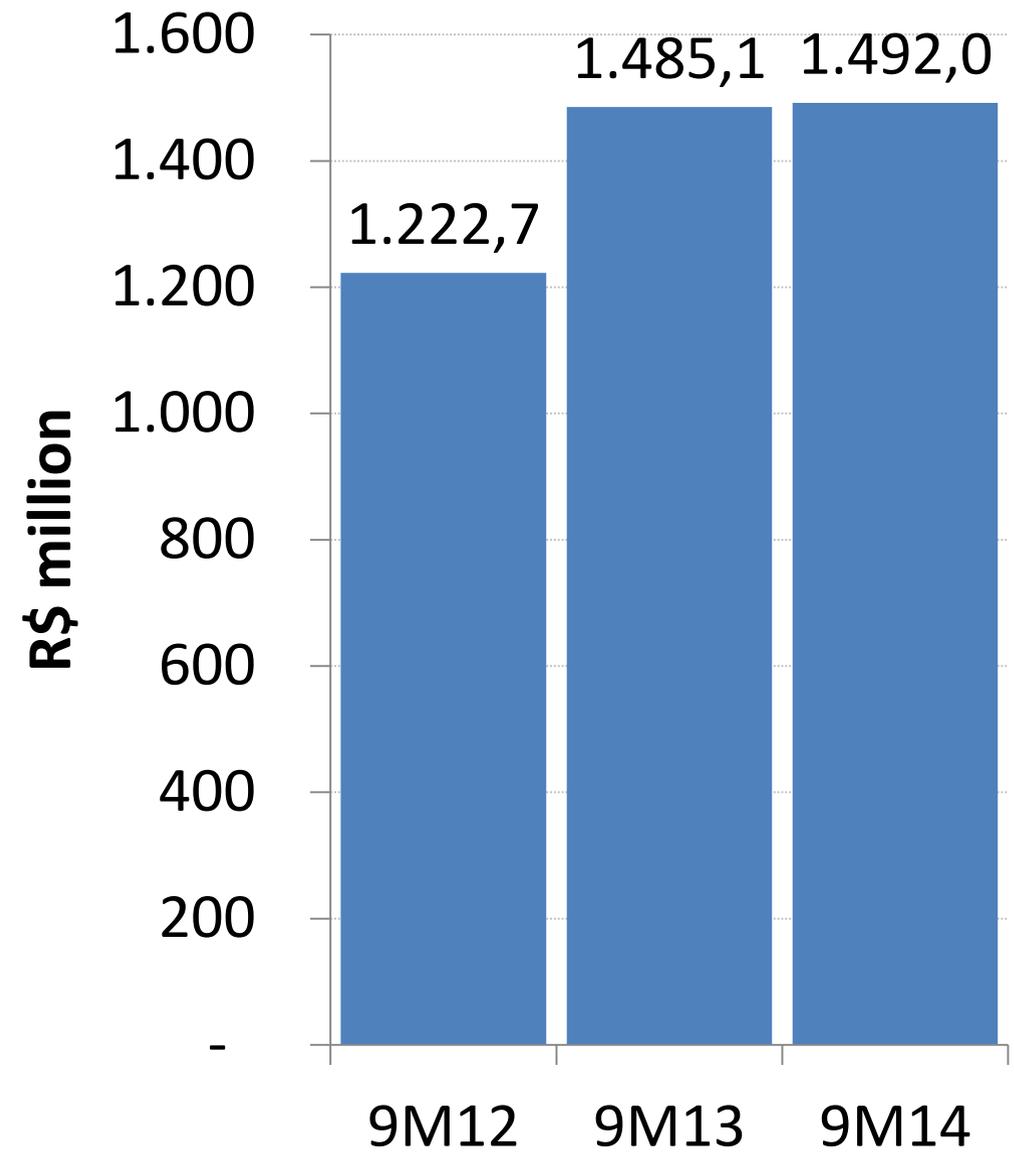
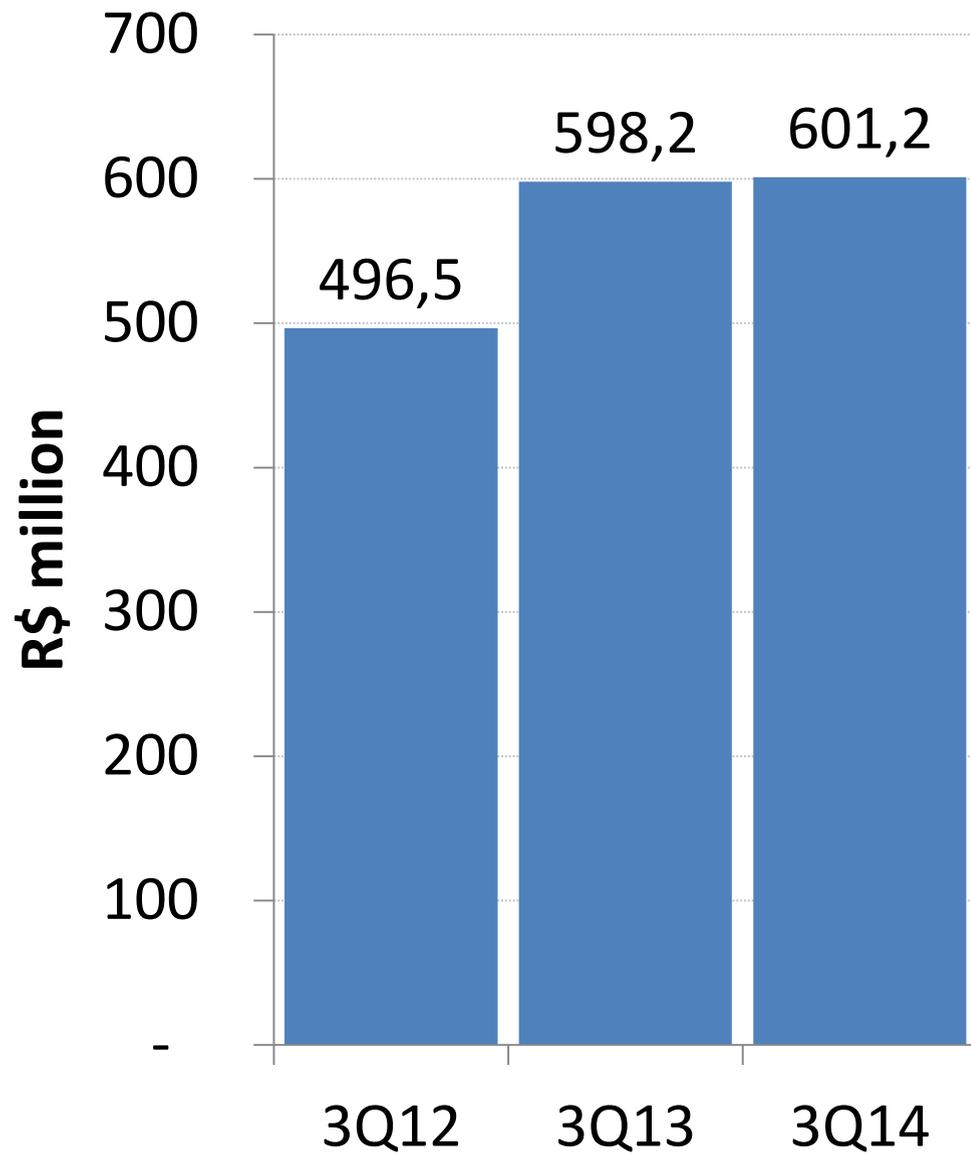
**Average price –  
Exports – R\$**



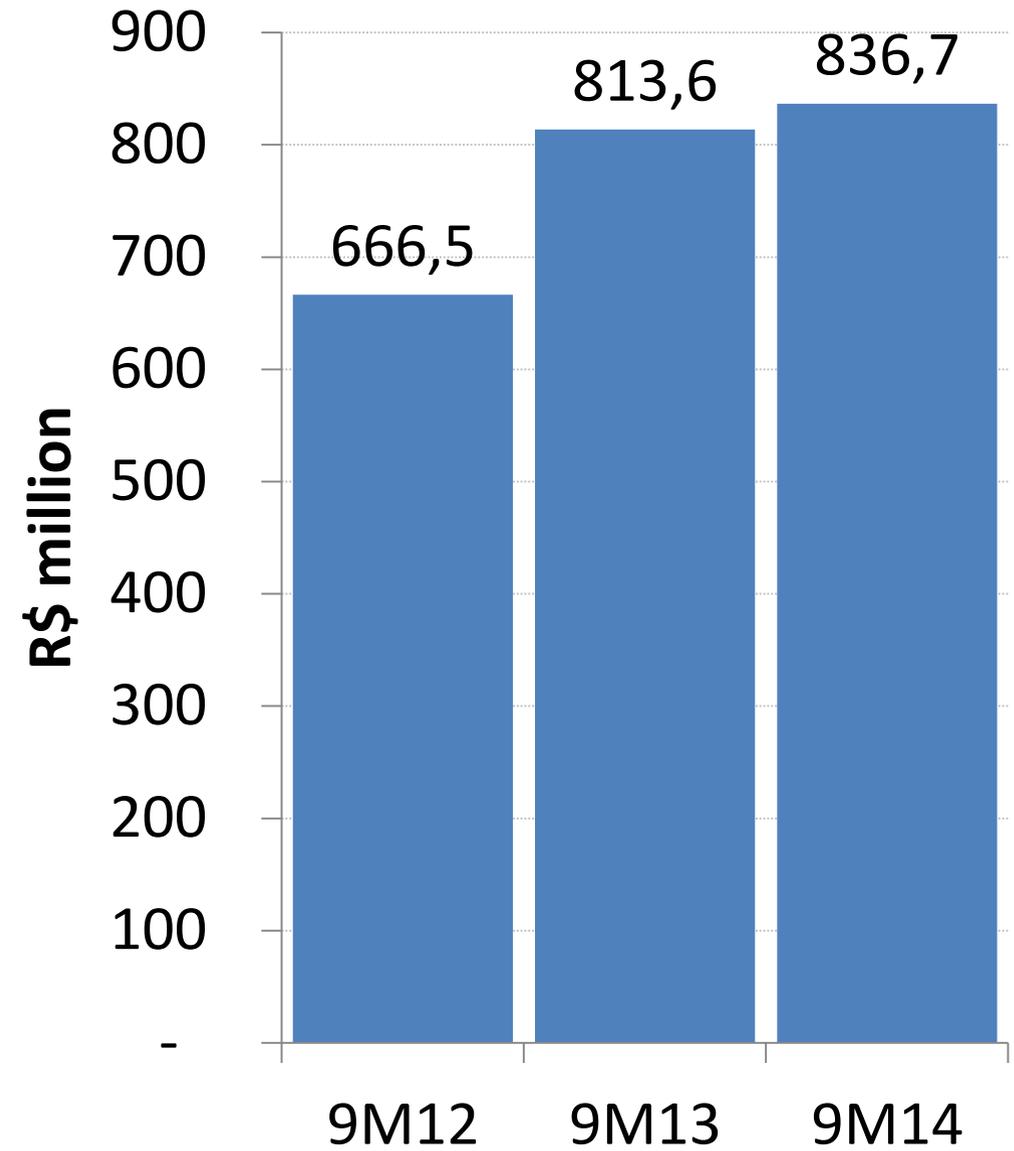
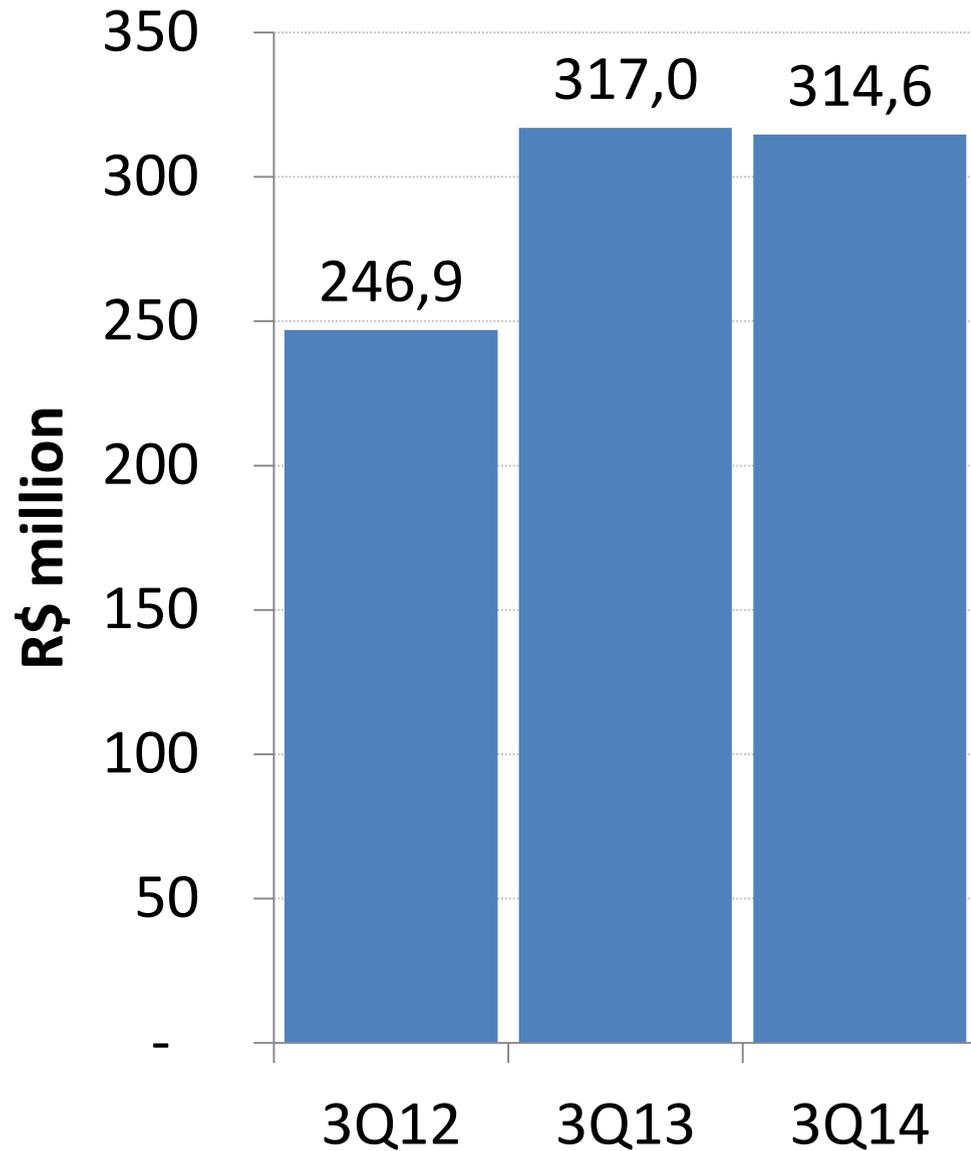
**Average price –  
Exports – USD**



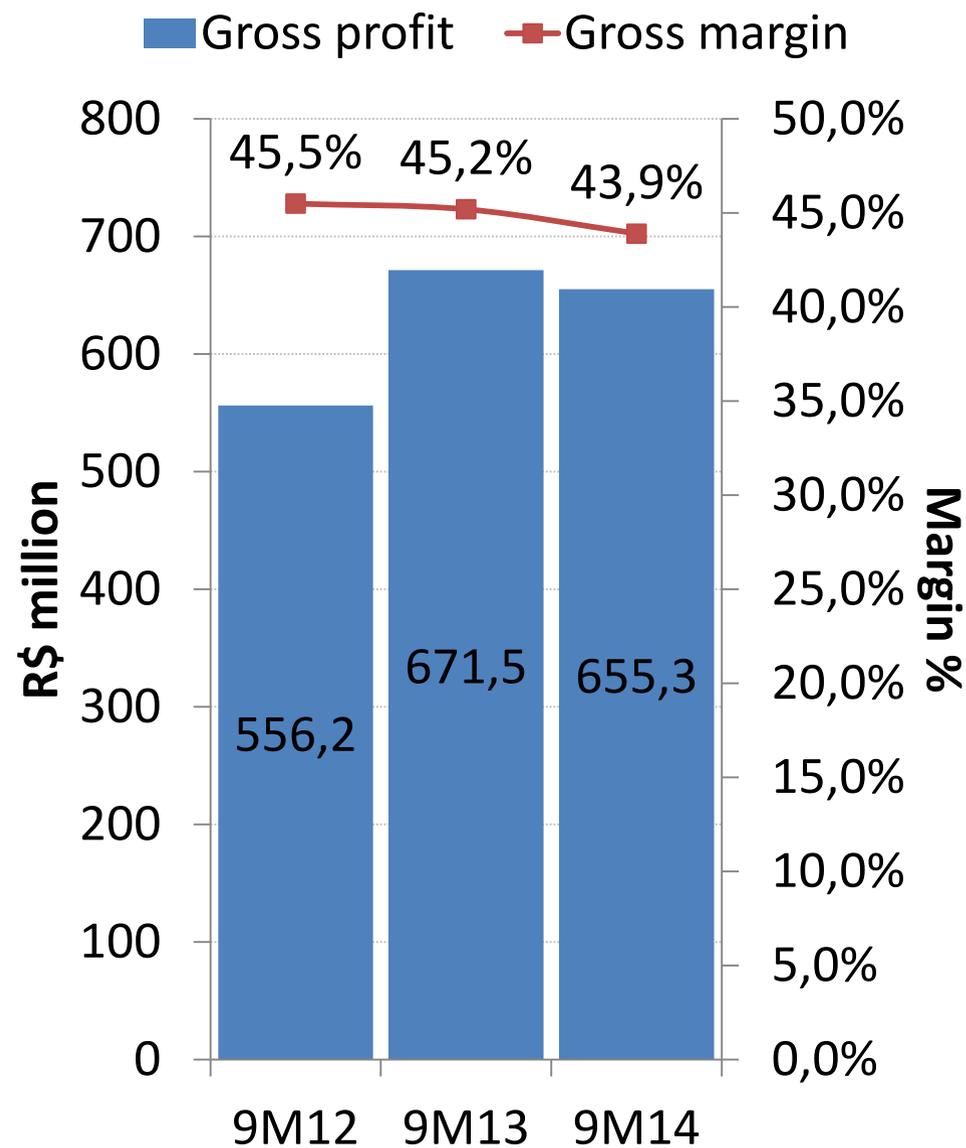
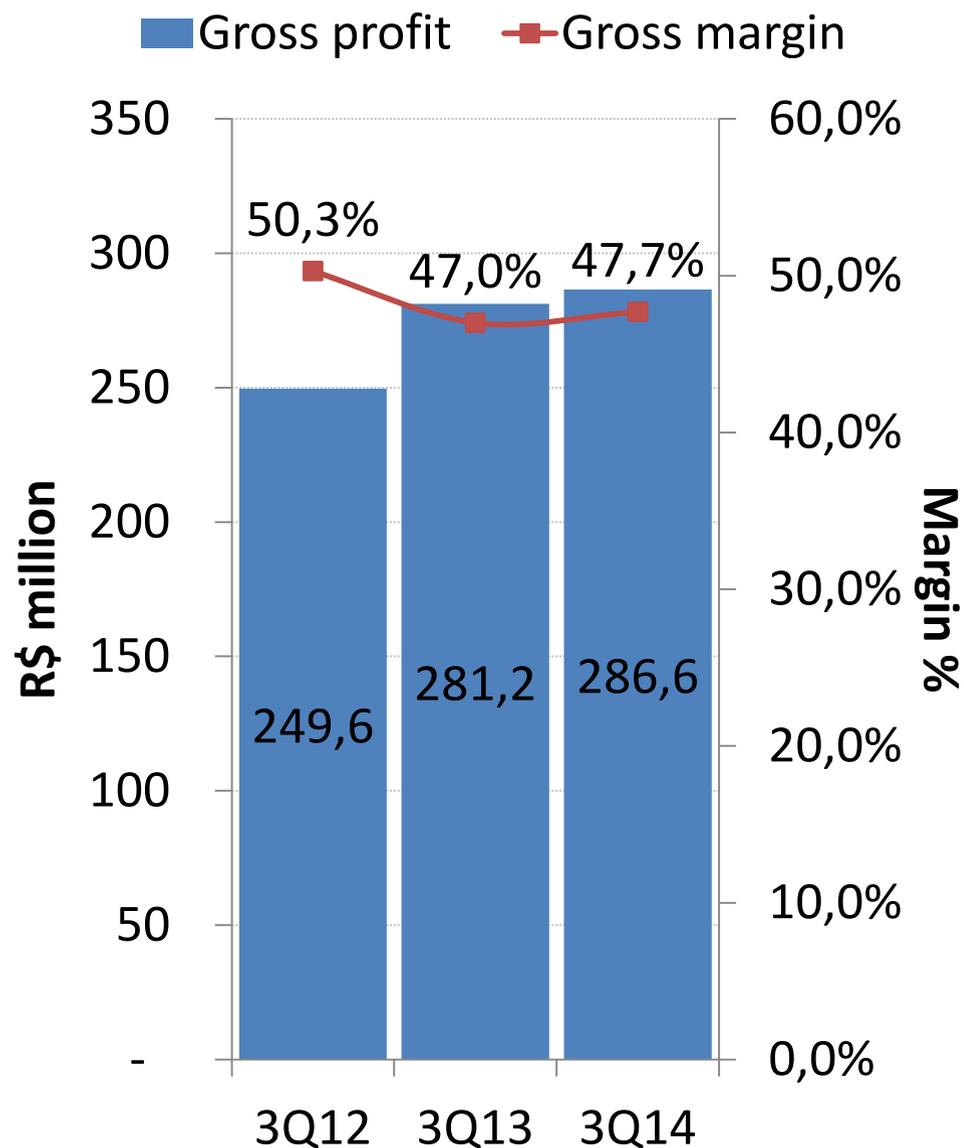
# Net sales revenue



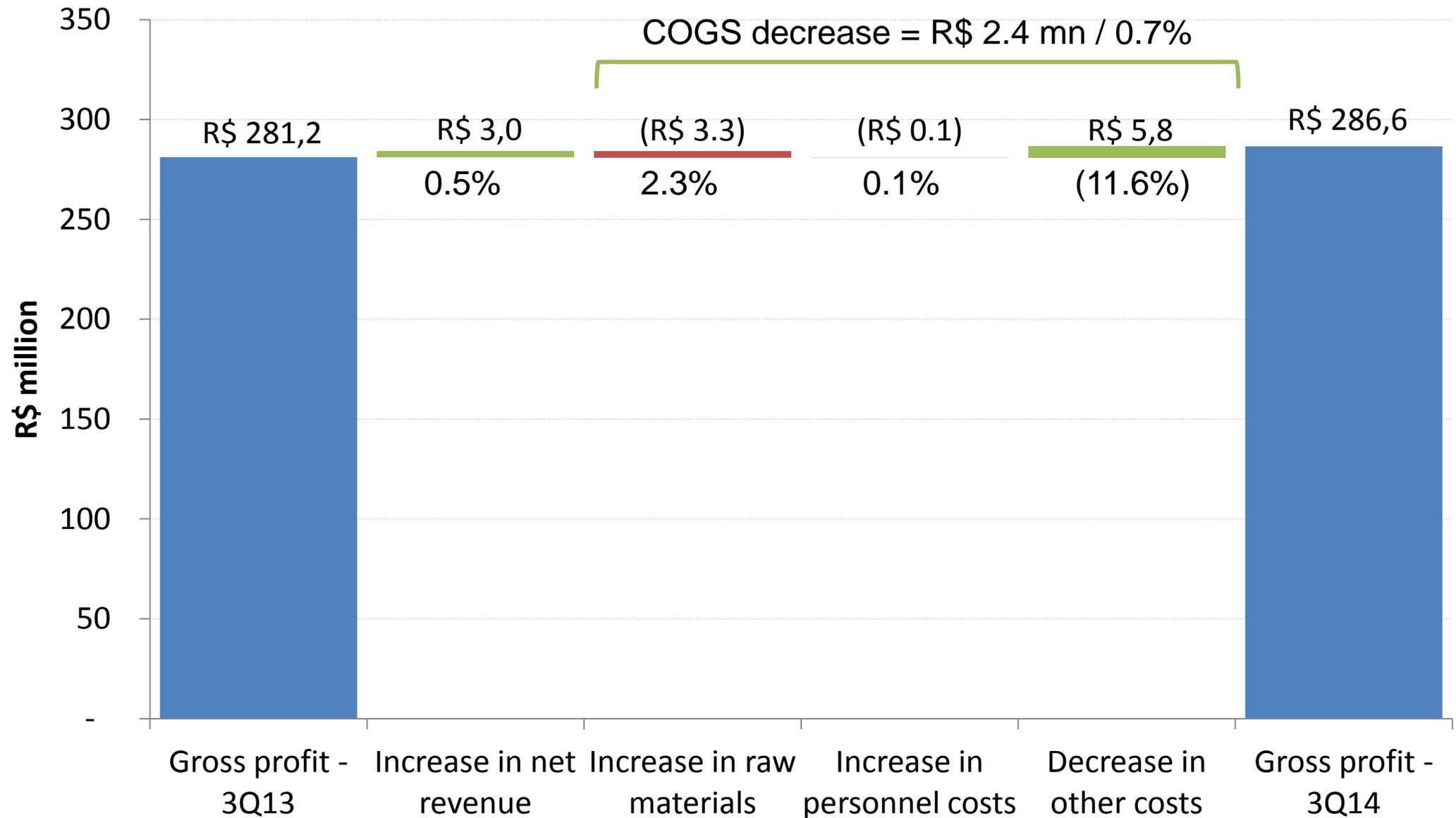
# Cost of goods sold (COGS)



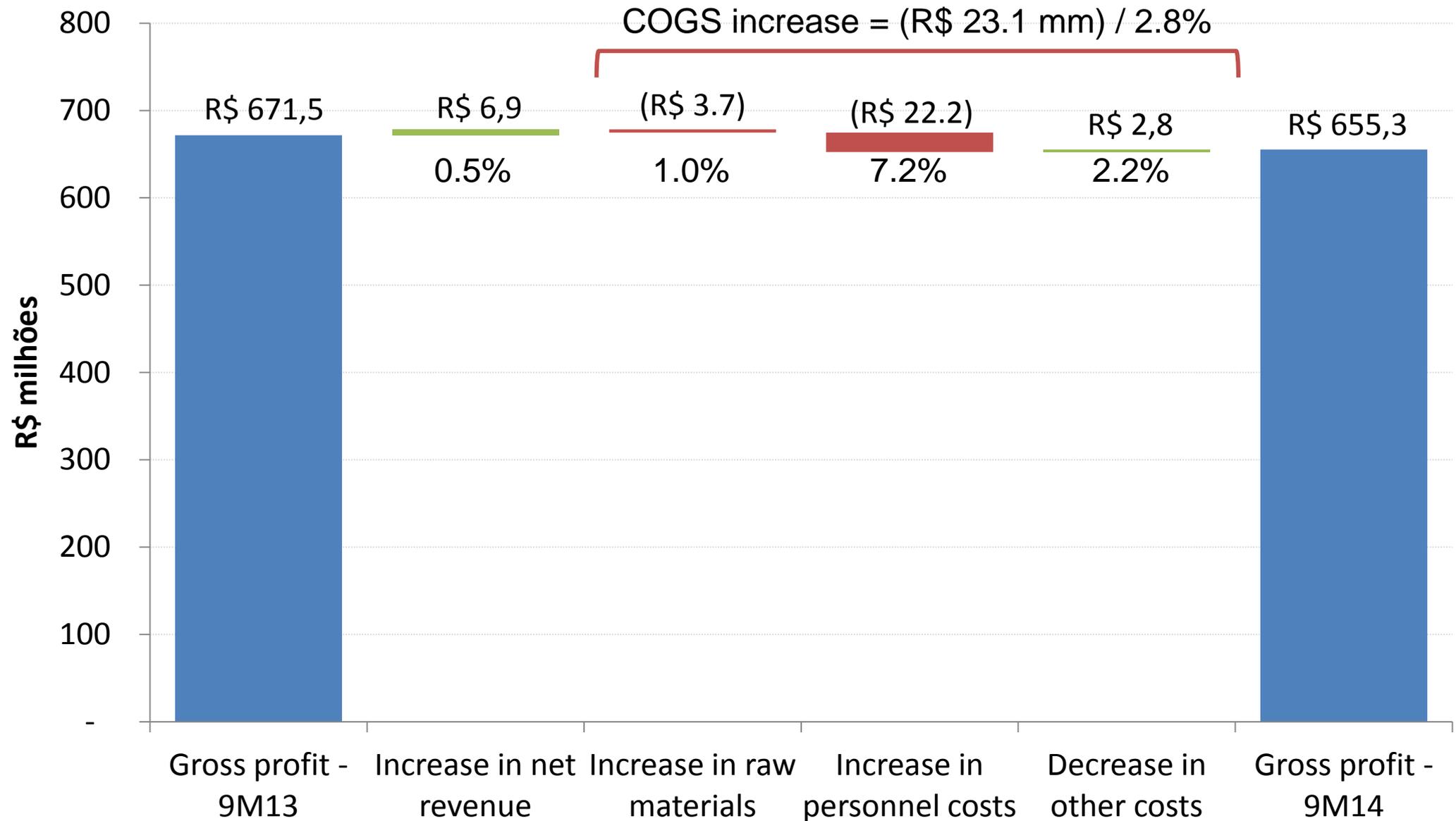
# Gross profit and gross margin



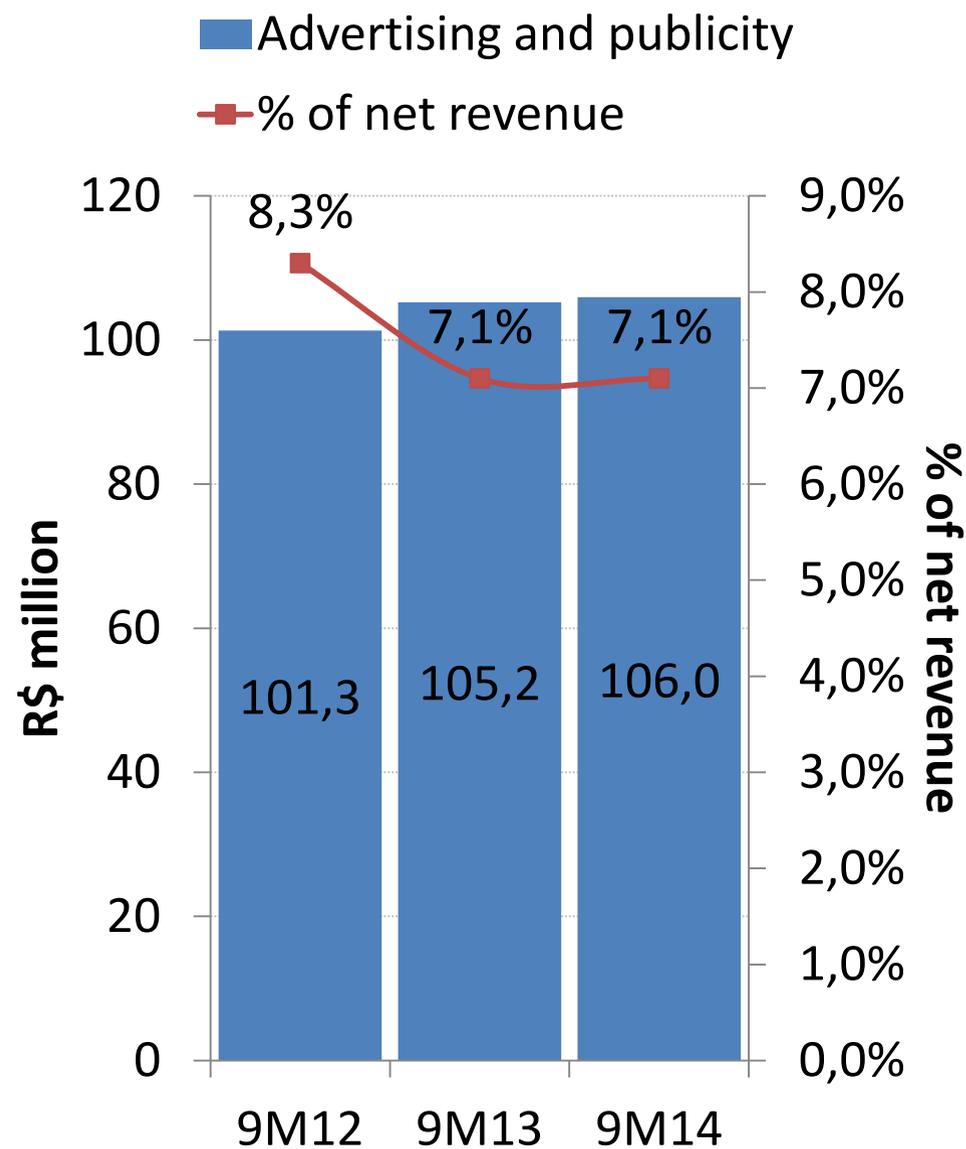
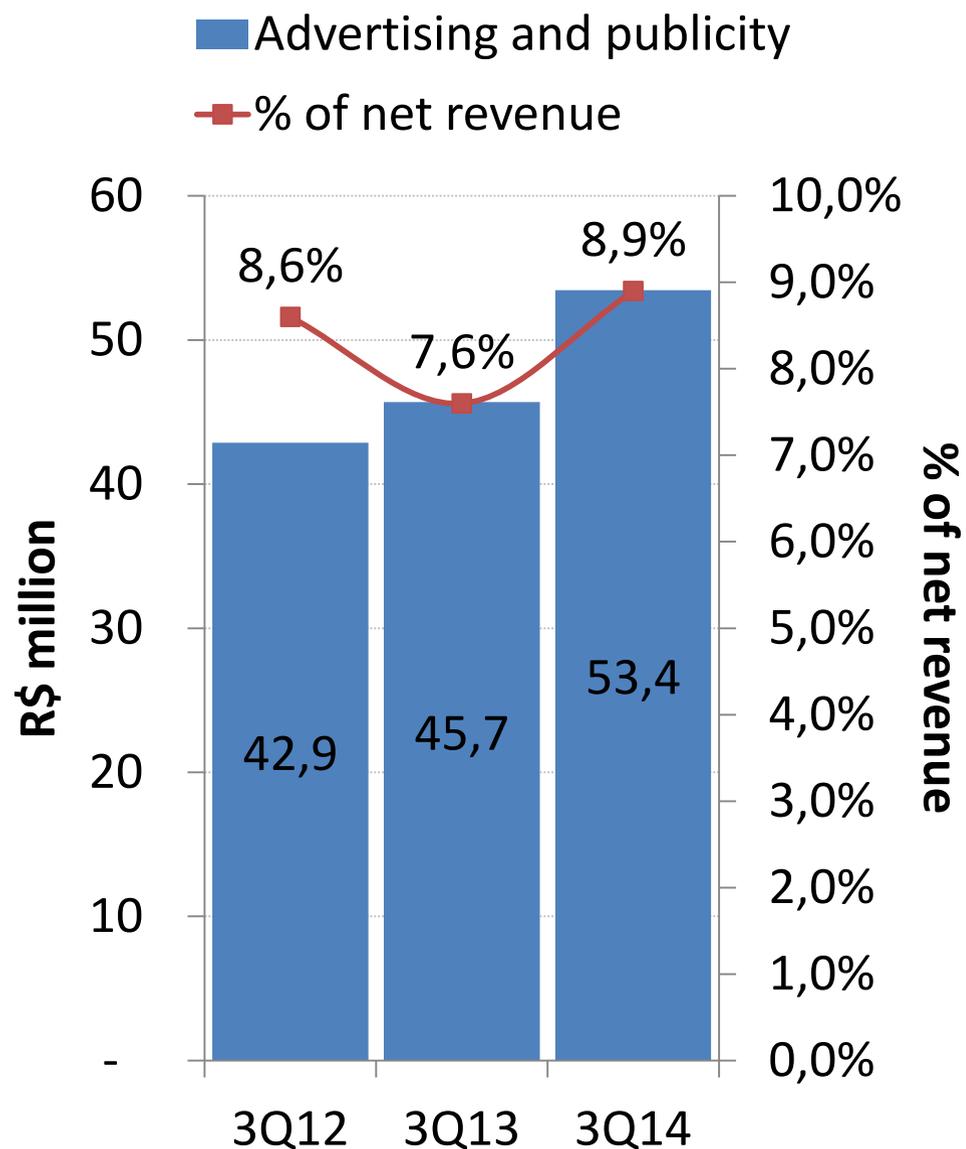
# Gross profit



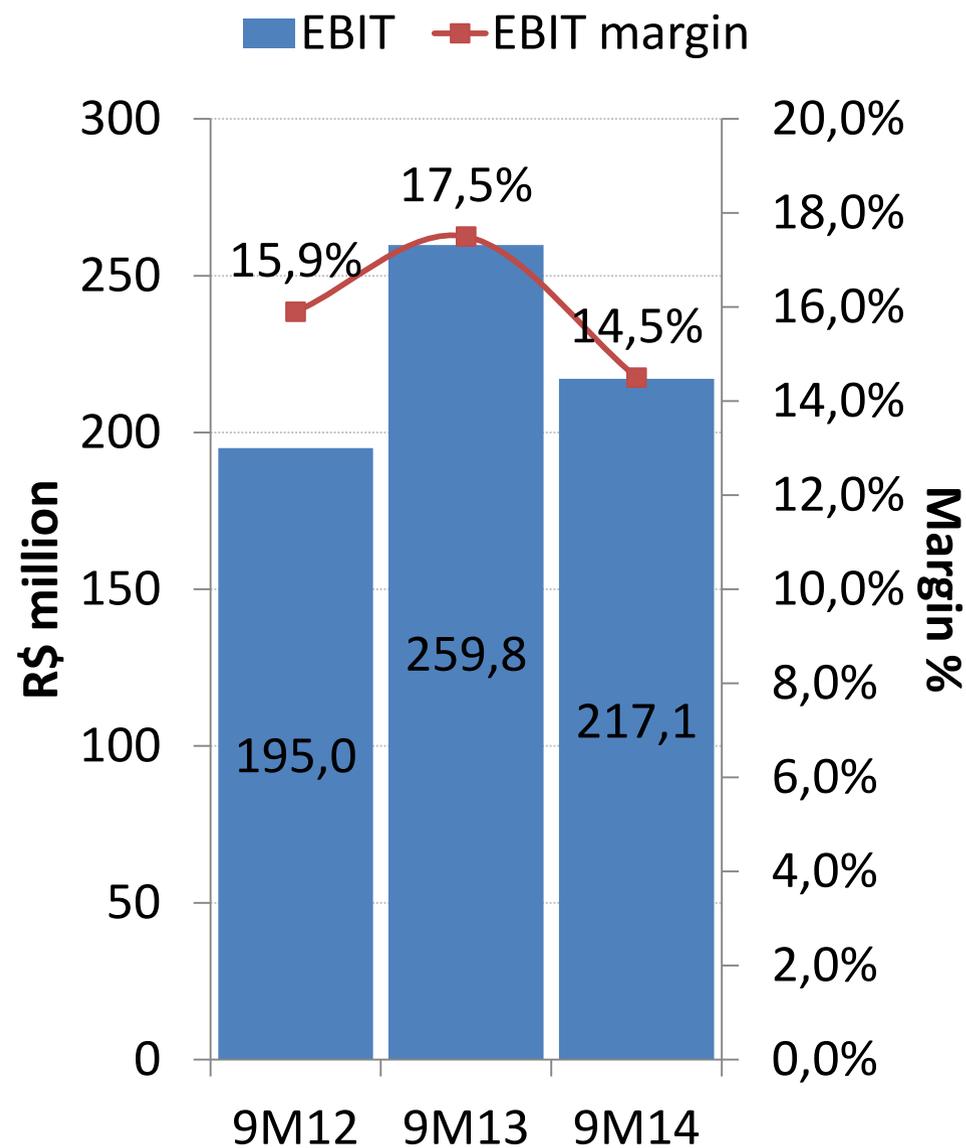
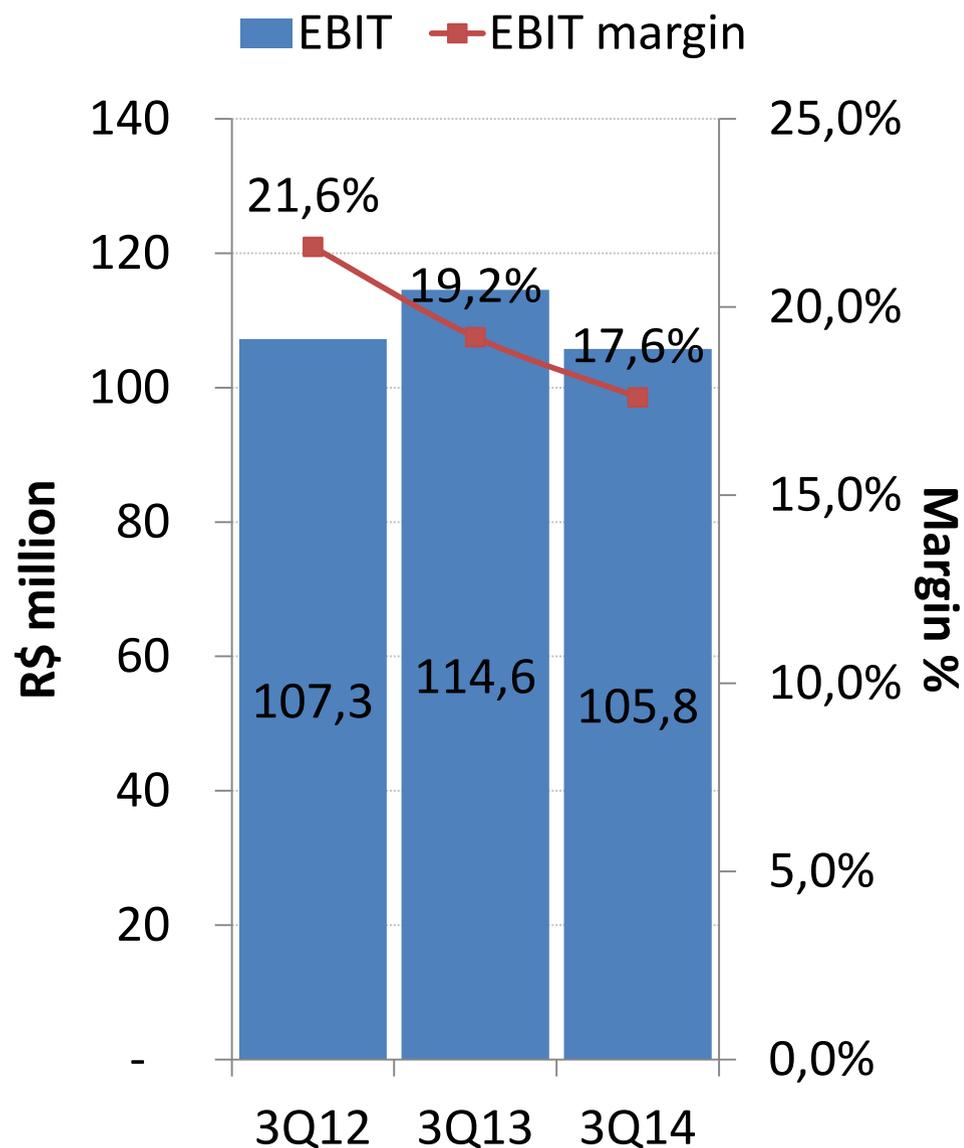
# Gross profit



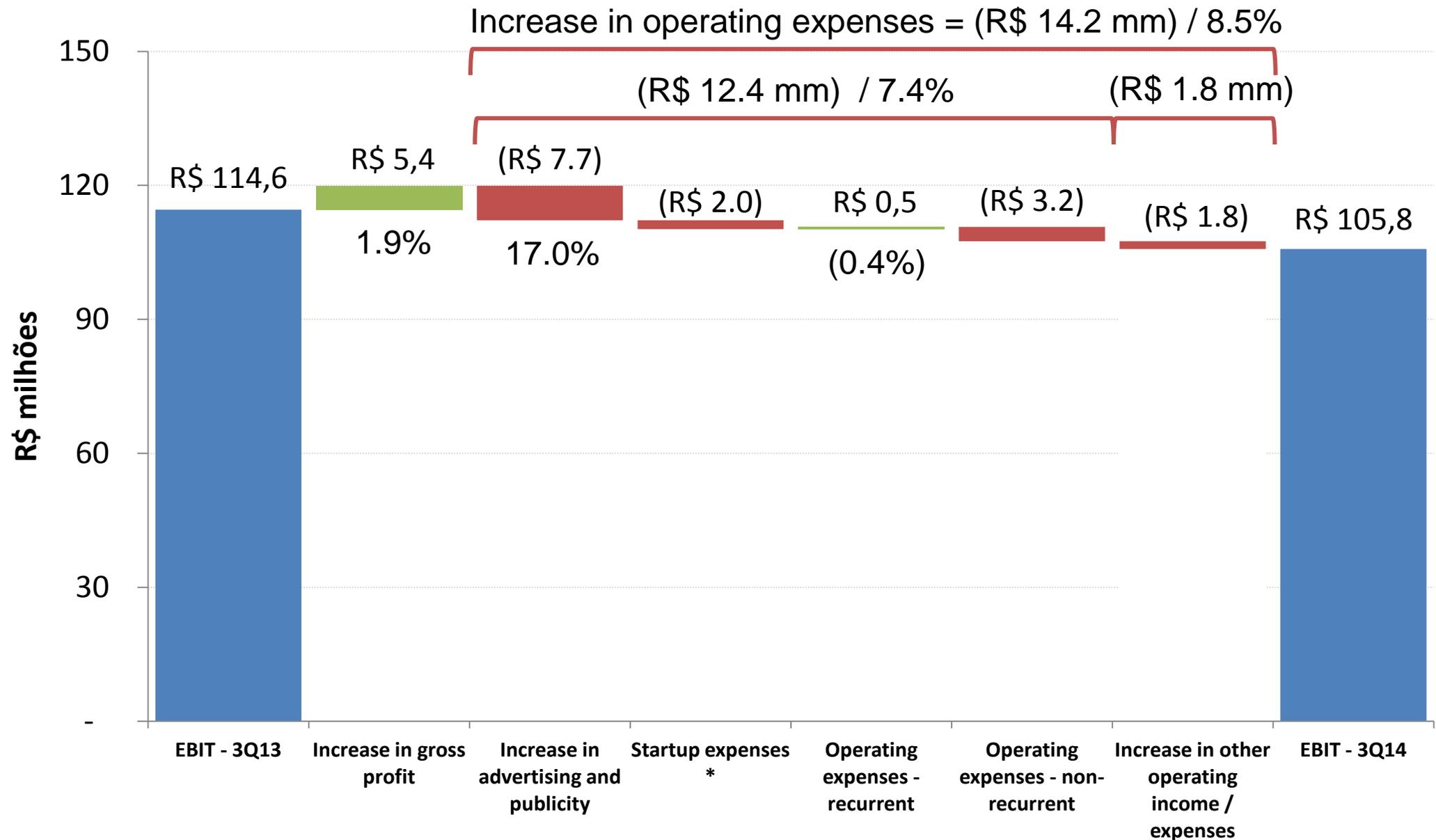
# Advertising and publicity



# EBIT and EBIT margin

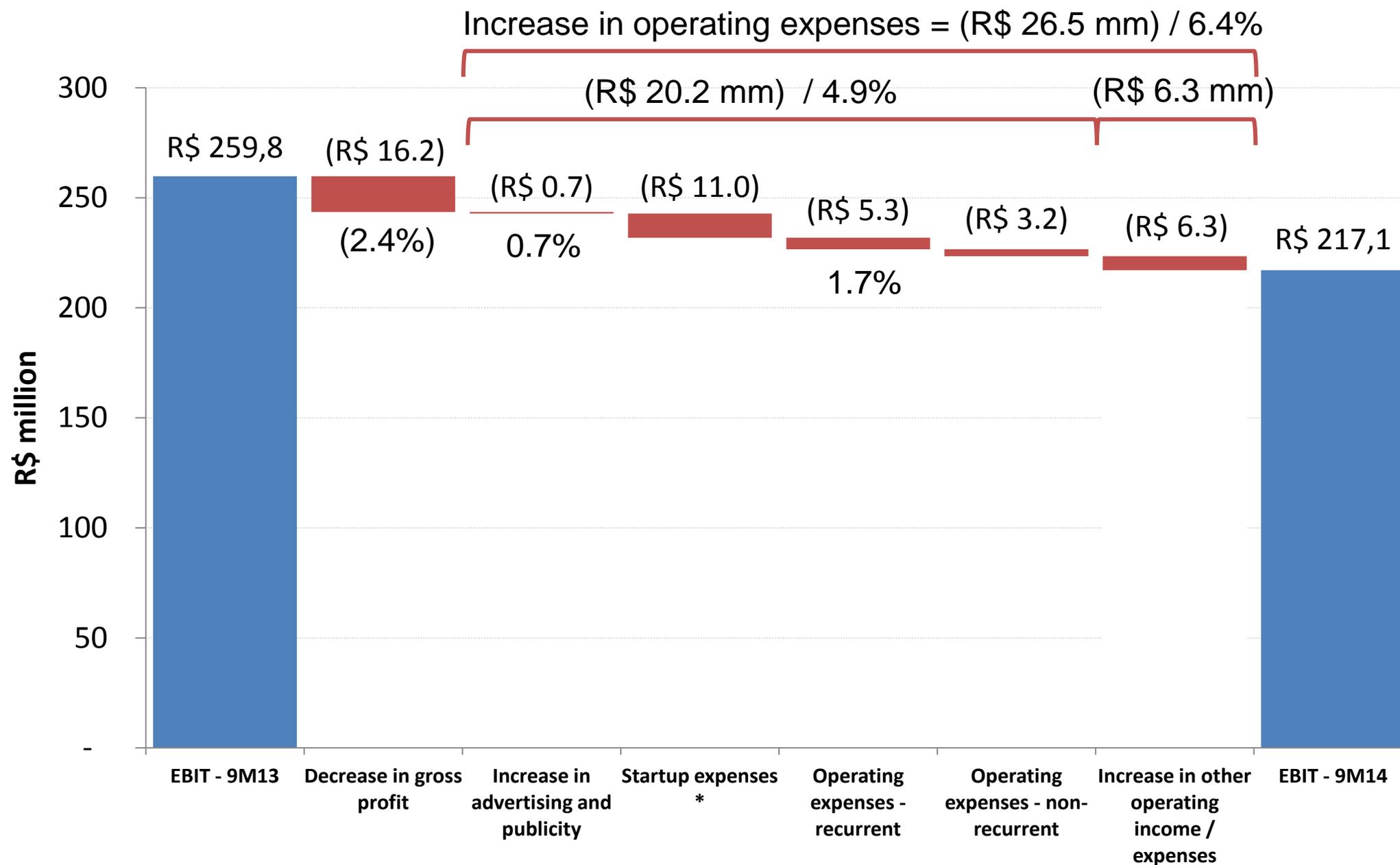


# EBIT



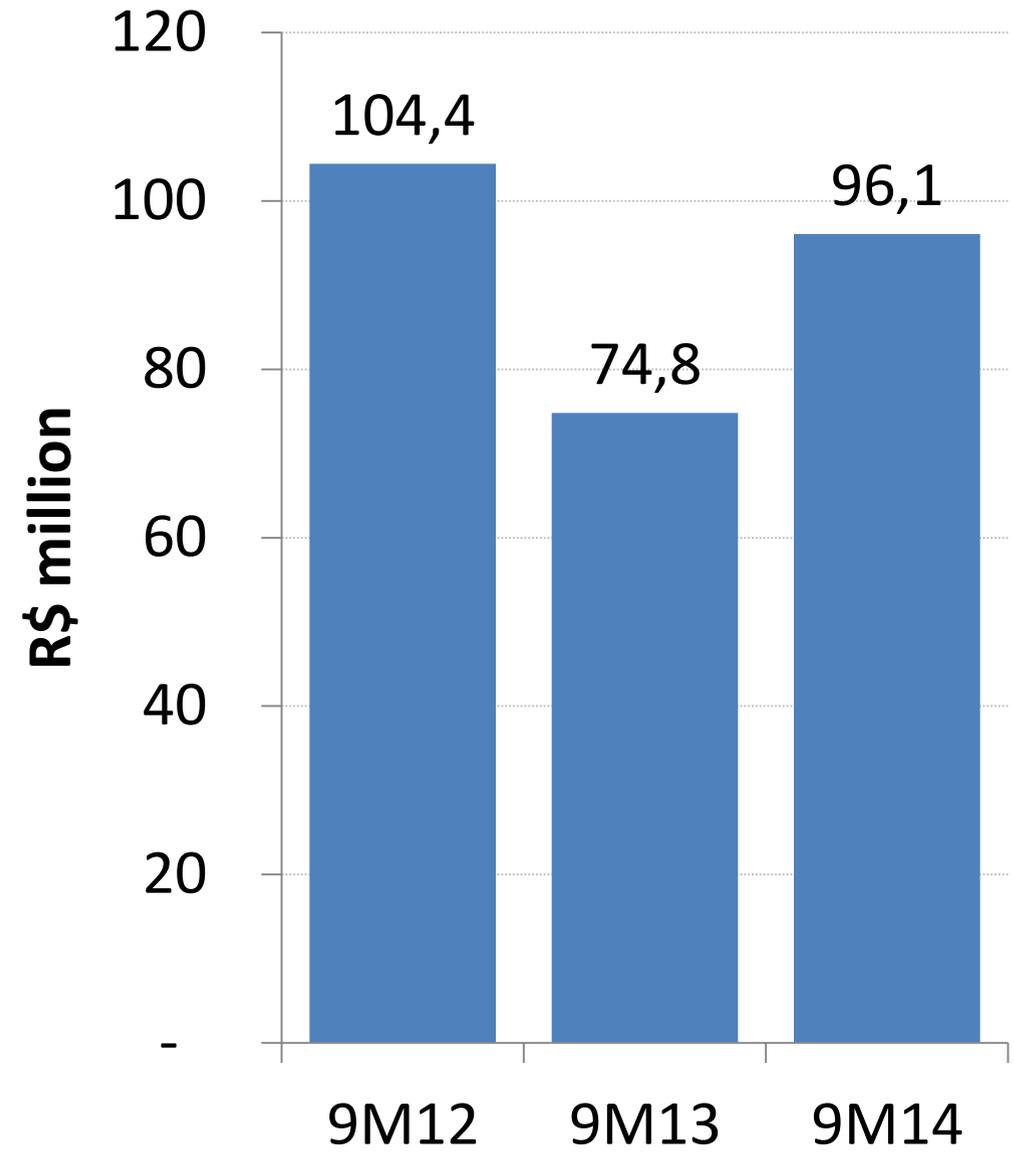
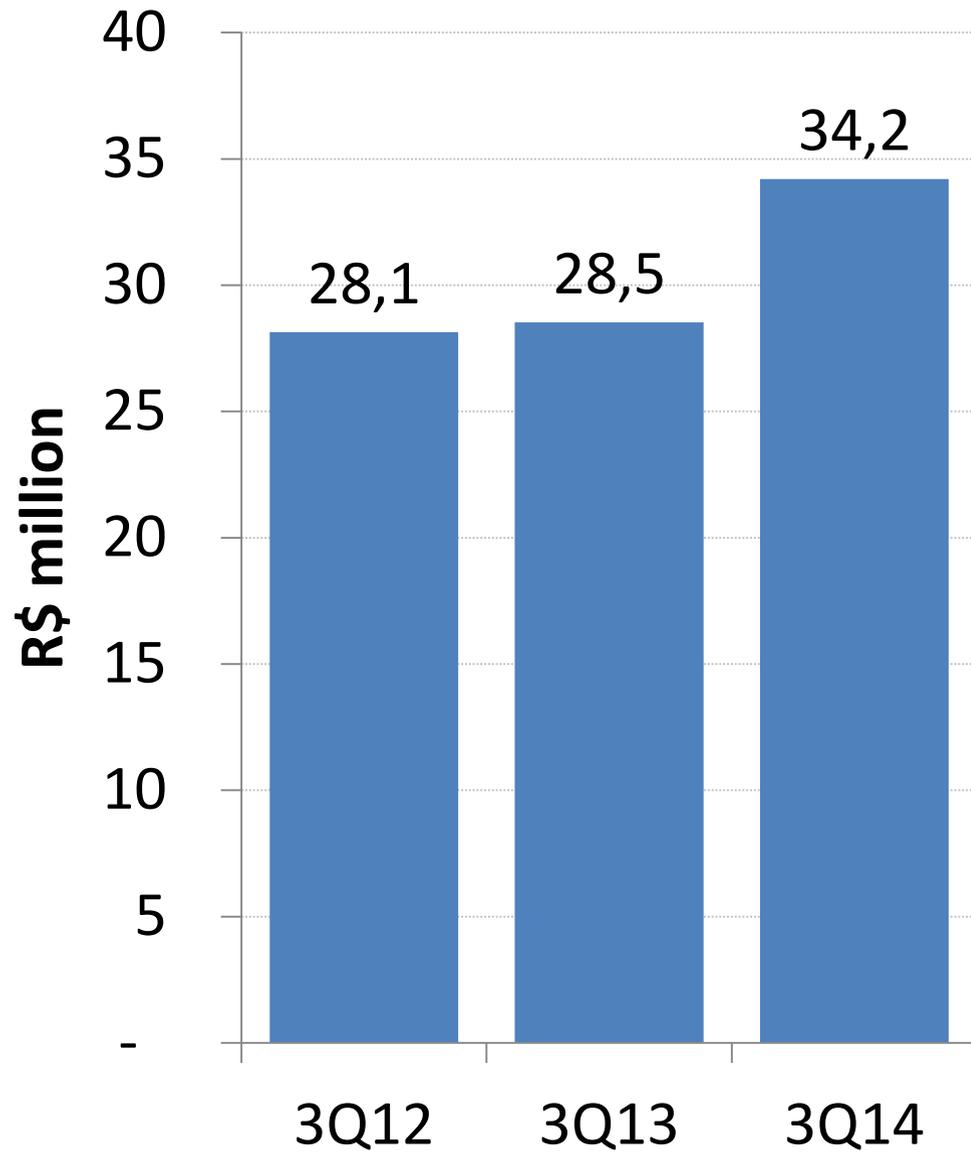
\* Galeria Melissa (London) and A3NP

# EBIT

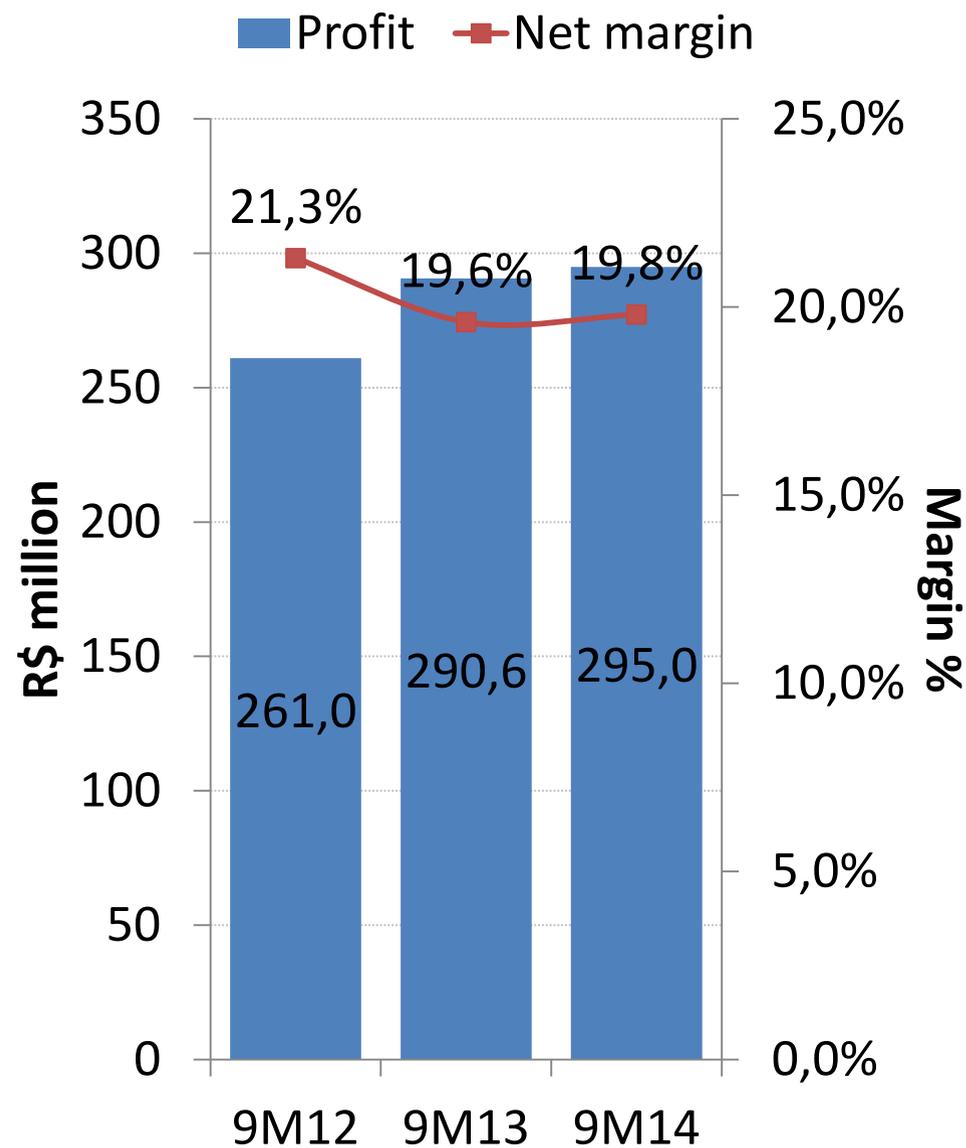
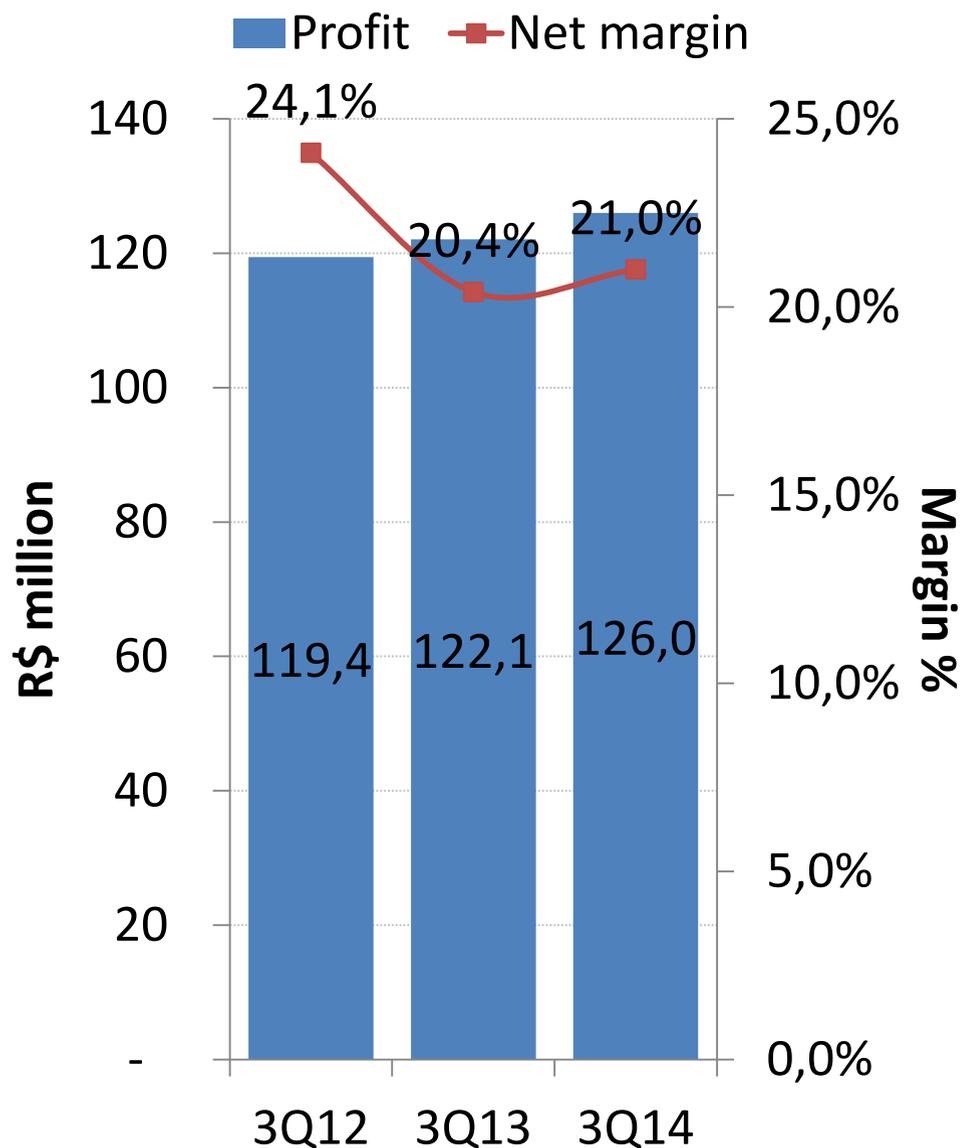


\* Galeria Melissa (London) and A3NP

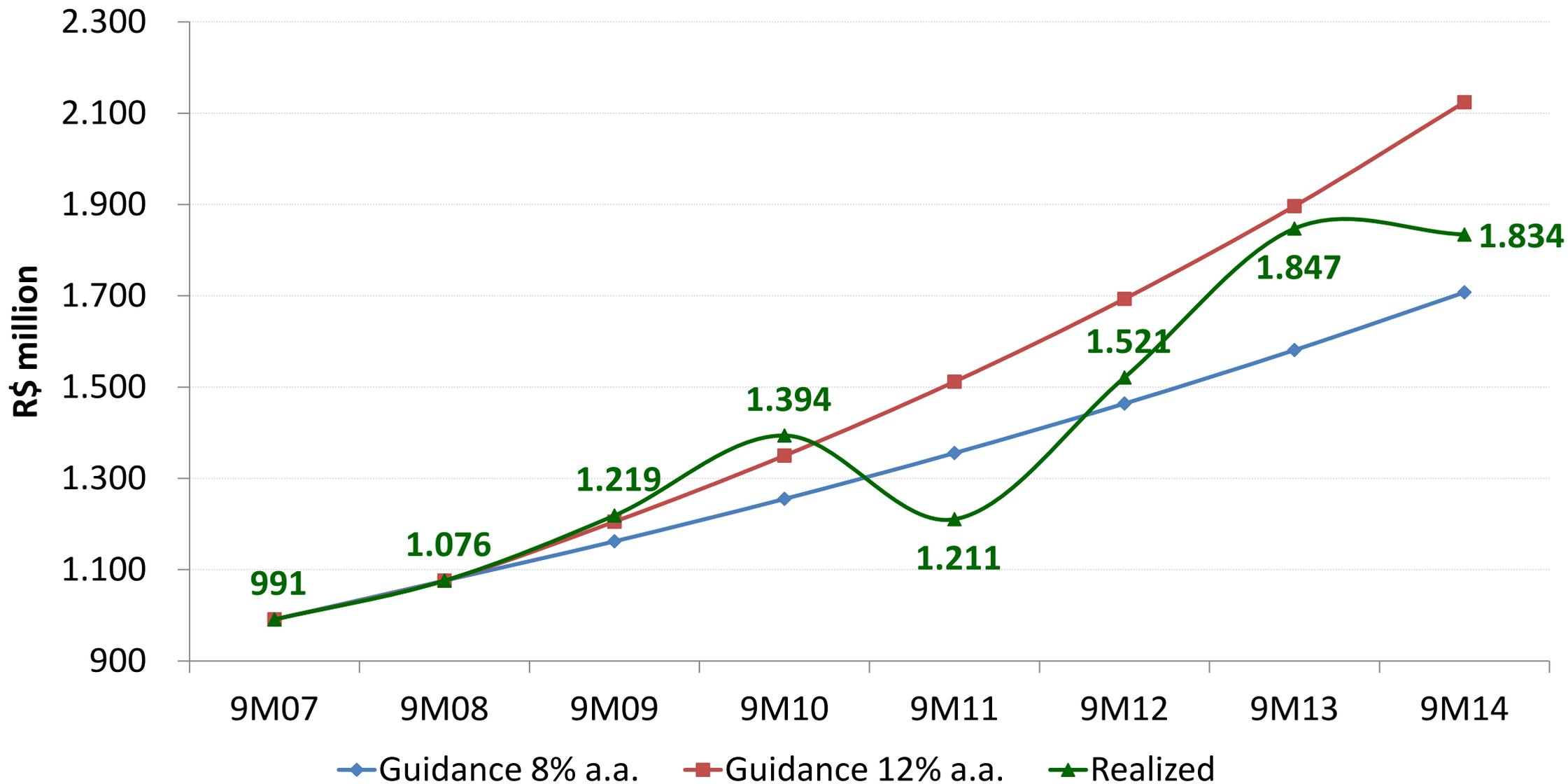
# Finance result



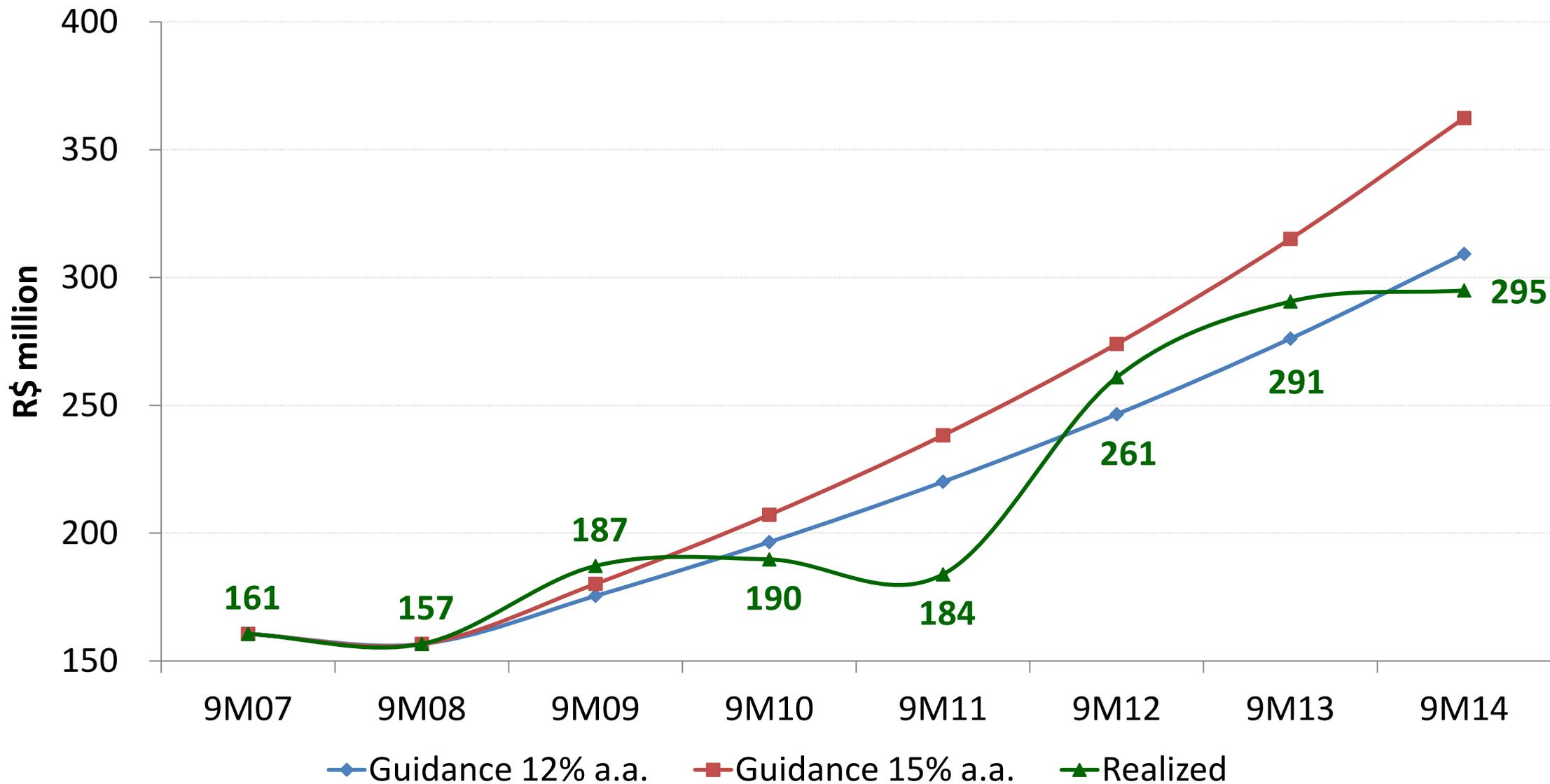
# Profit and net margin



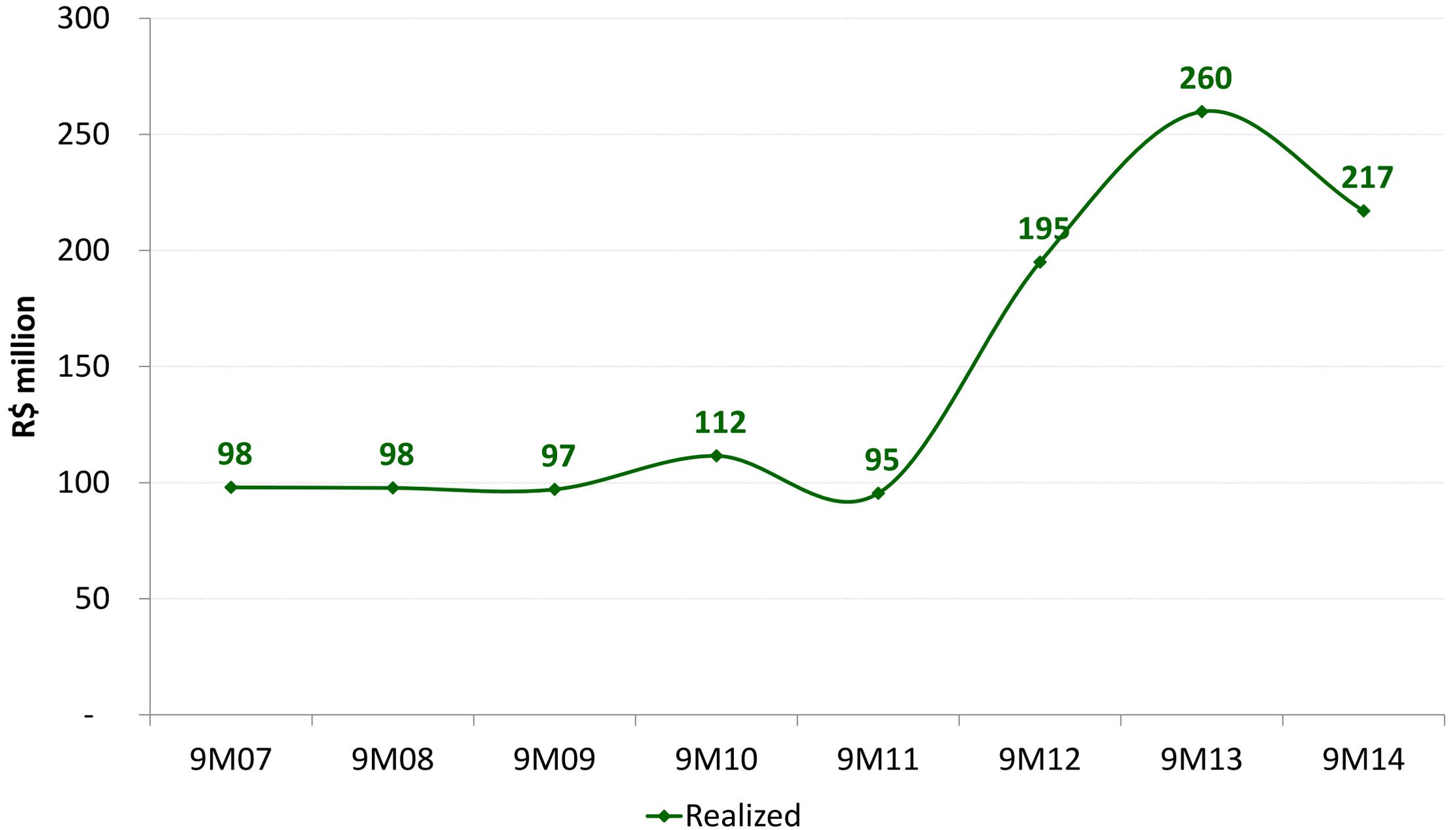
**Gross sales revenue  
Growth at a compound annual growth rate (CAGR)  
between 8% and 12%**



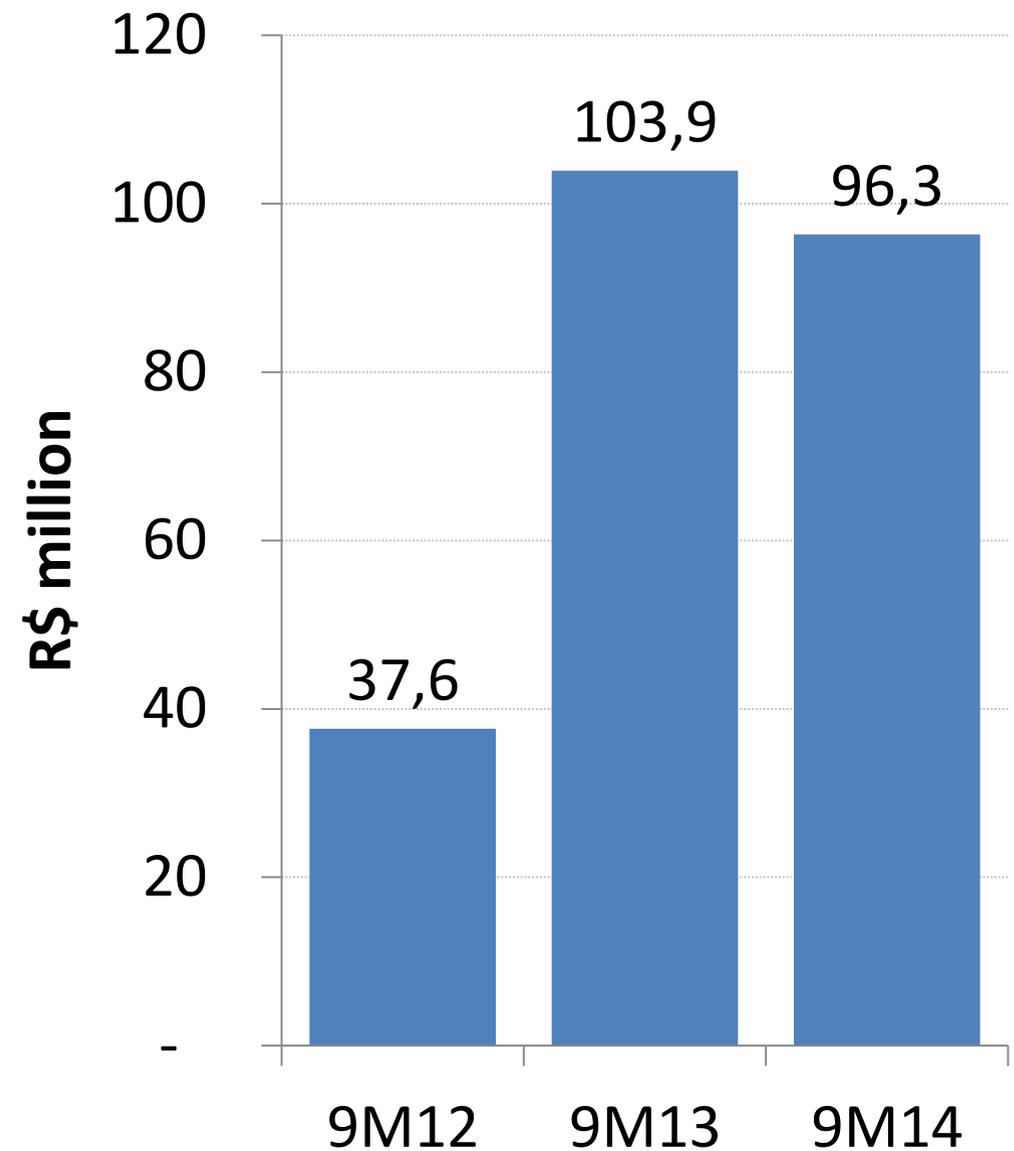
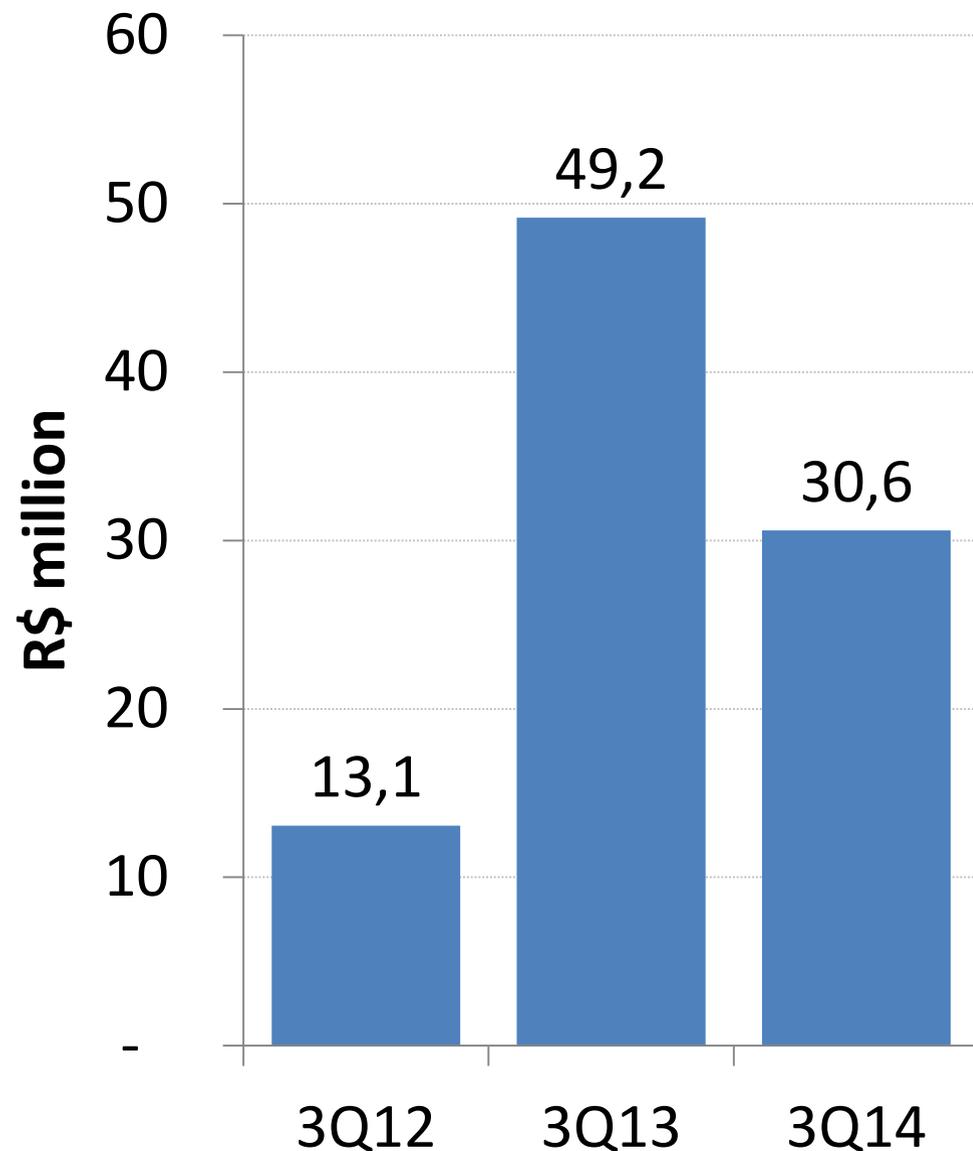
**Profit**  
**Growth at a compound annual growth rate (CAGR)**  
**between 12% and 15%**



### EBIT



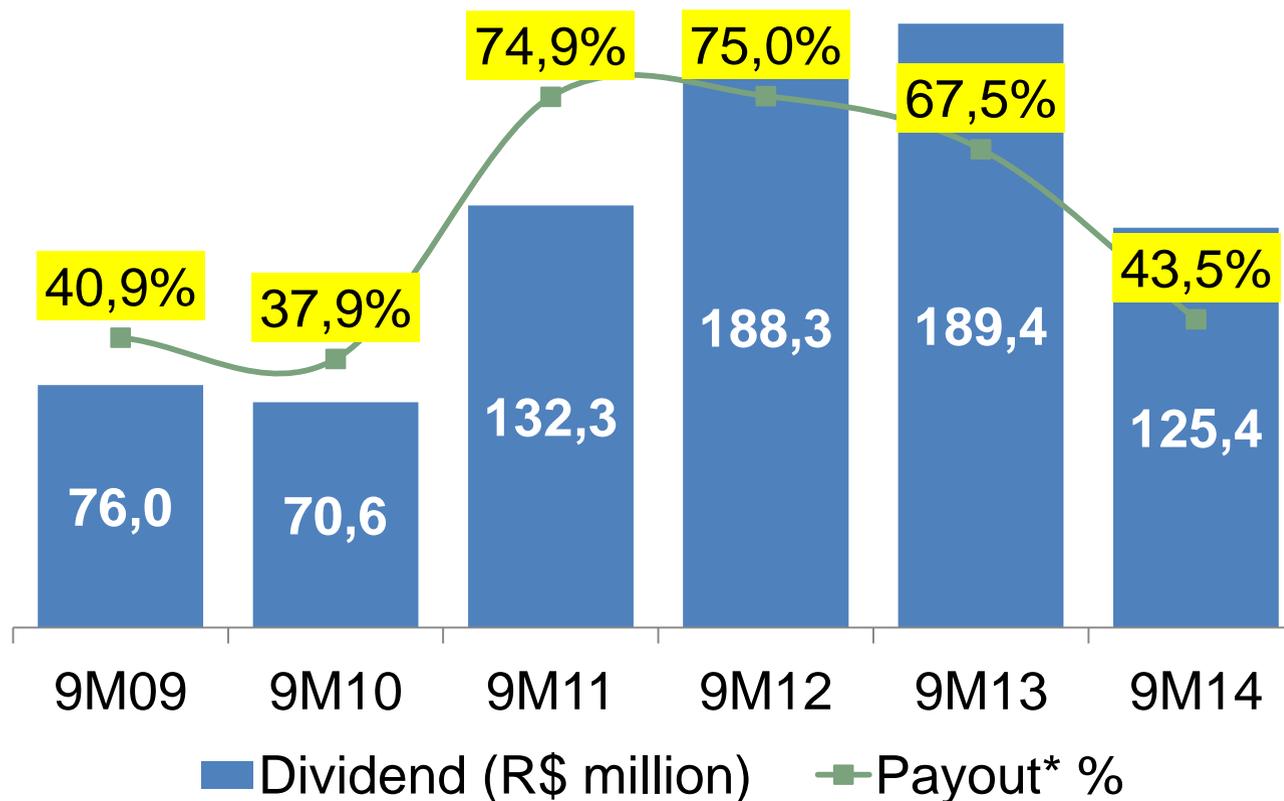
# Investments (Property, plant and equipment and intangible assets)



# Dividends (R\$)

R\$ million	9M09	9M10	9M11	9M12	9M13	9M14
Minimum dividend – 25%	19.6	19.8	33.1	47.1	47.4	31.4
Additional dividend	56.4	50.8	99.2	141.2	142.0	94.0
<b>Total – Dividend</b>	<b>76.0</b>	<b>70.6</b>	<b>132.3</b>	<b>188.3</b>	<b>189.4</b>	<b>125.4</b>
Payout %*	40.9%	37.9%	74.9%	75.0%	67.5%	43.5%

(\* ) Payout: dividend divided by profit after the allocations to legal reserves.



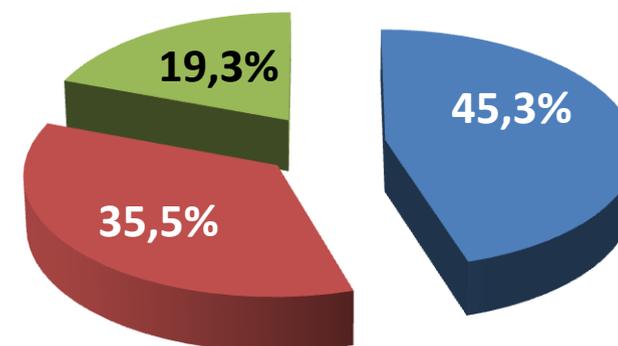
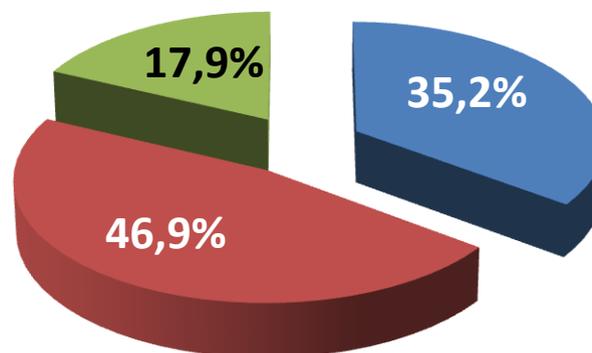
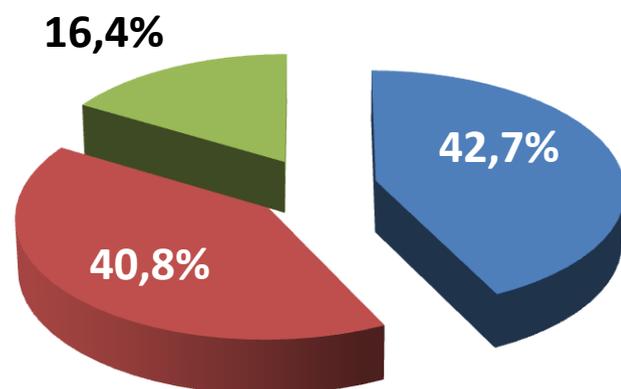
**Accumulated amount of deliberate dividends since IPO:**  
**R\$1,672,497,576.63**  
 – representing **R\$5.561644** per share.  
**(Basis 300,720,000)**

# Assets

**September 30, 2013**

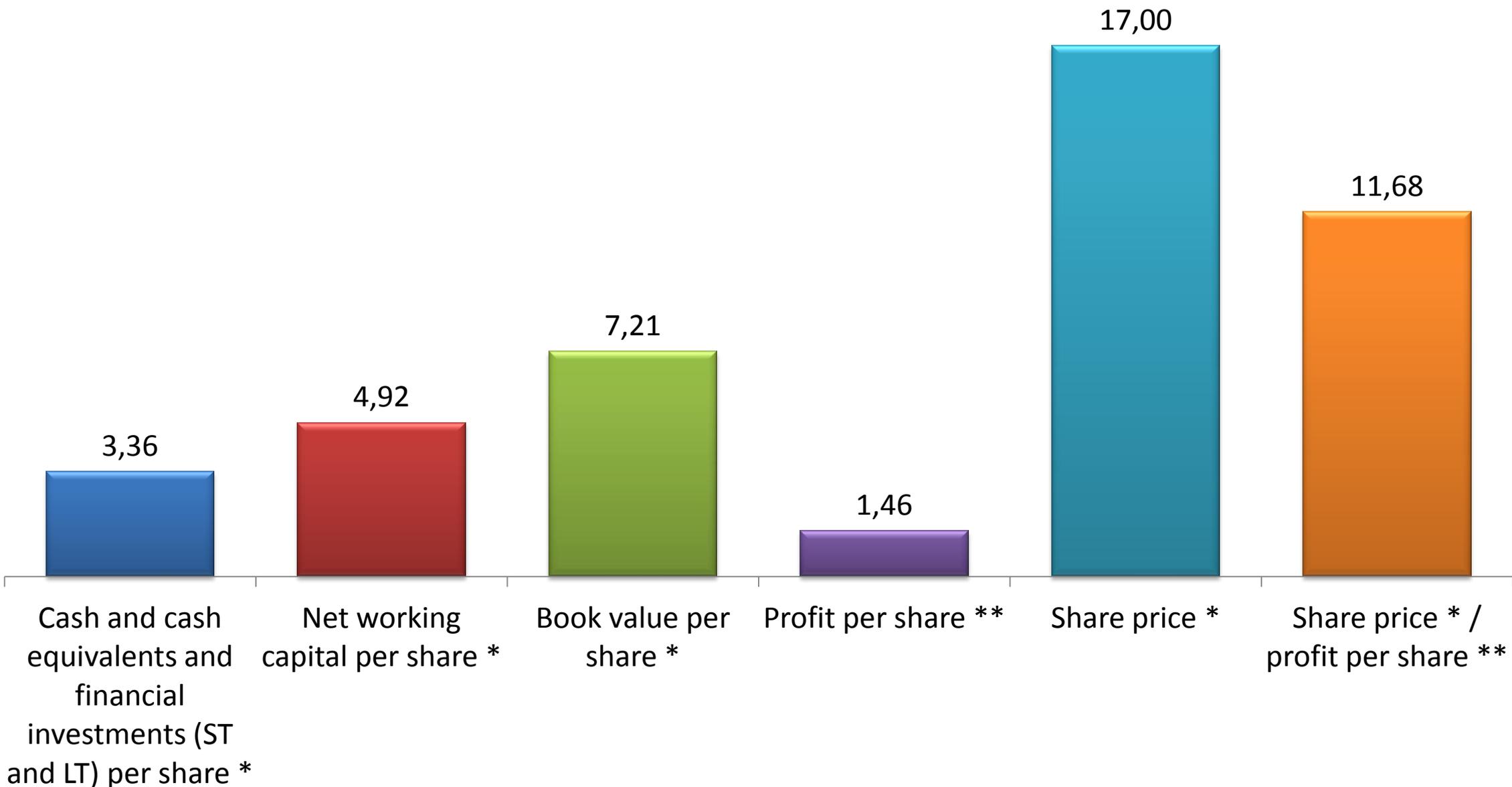
**December 31, 2013**

**September 30, 2014**



- Cash and cash equivalents and financial investments – ST and LT
- Working capital (less Cash and cash equivalents and financial investments – ST and LT)
- Non-current assets

# Value indicators

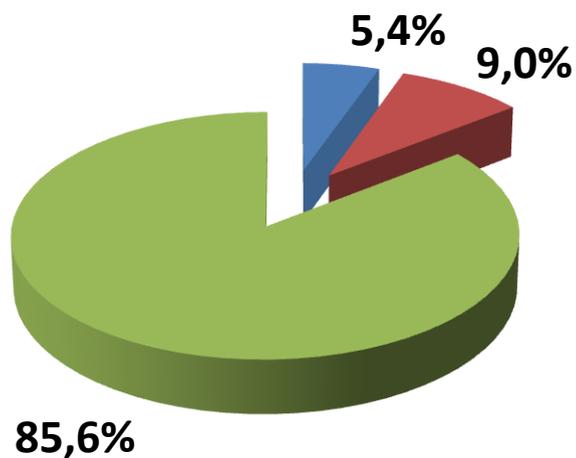


**\* September 30, 2014 / \*\* Last 12 months**

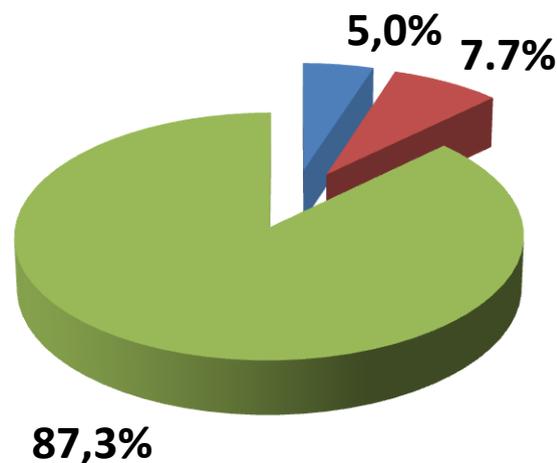
# Liabilities\* and Consolidated equity

\* Liabilities: Current + Non-current

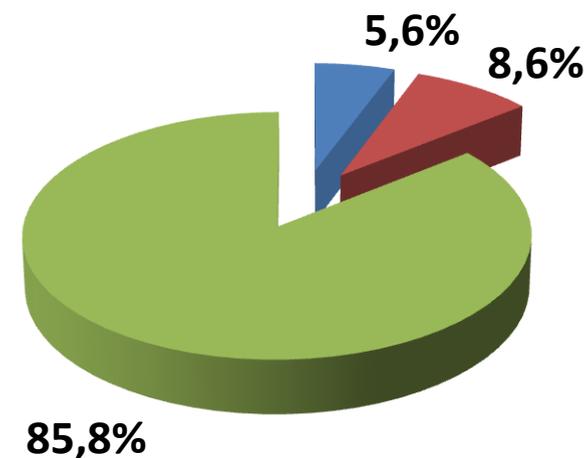
**September 30, 2013**



**December 31, 2013**



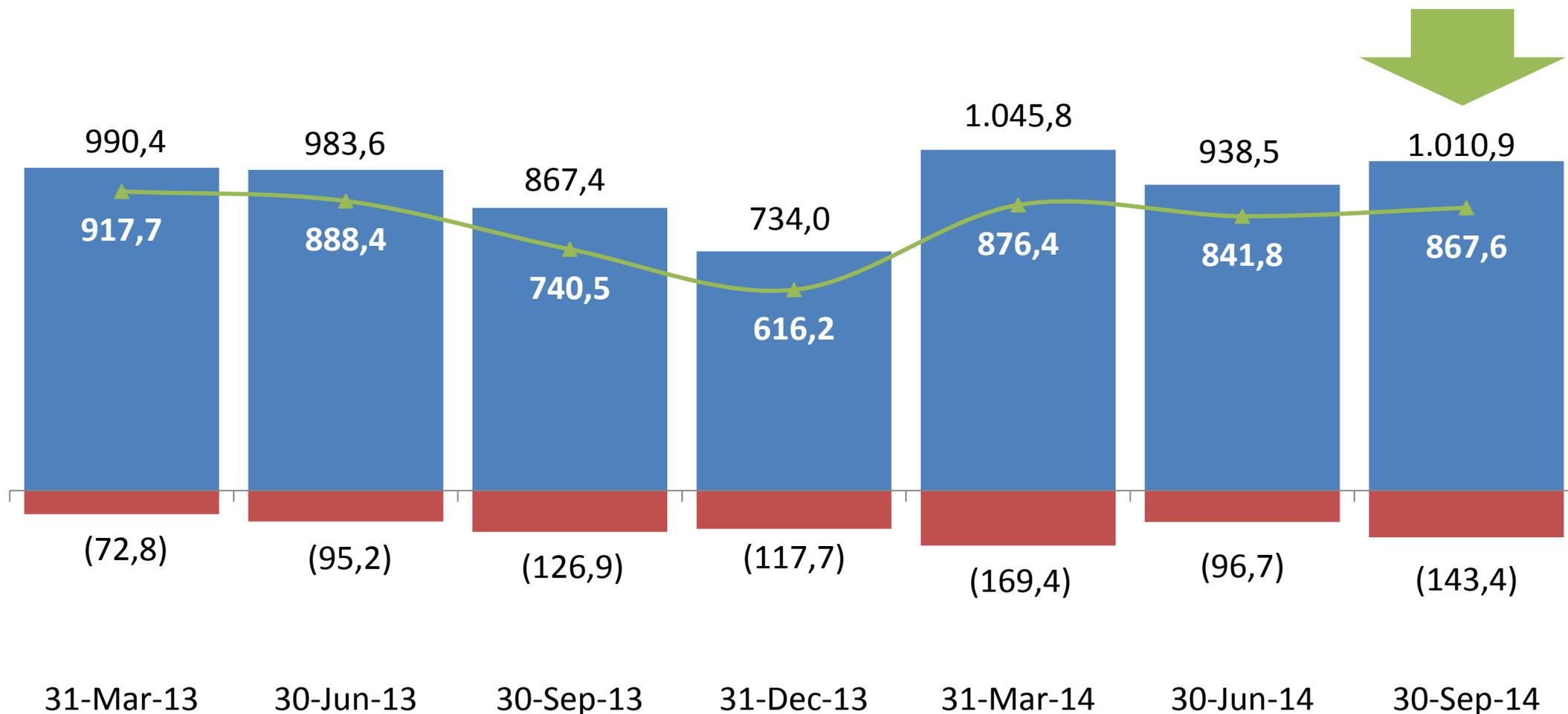
**September 30, 2014**



- Liabilities – Financial
- Liabilities – Operational
- Consolidated equity

# Net Cash (R\$ million)

**Net cash: ↑ 40.8%  
vs. Dec. 31, 2013**



- Cash and cash equivalents and financial investments (ST and LT)
- Borrowings (ST and LT)
- ▲ Net cash

PANEMA  
*Kirei*

Thank you!

*Ipanema*