







OUR MISSION

To affect positively the lives of our clients and make them proud of the real estate they have chosen.

OUR VIEW

To obtain returns on the invested capital above the average of listed competitors, being among the top three positions in sales in the regions where we operate by the end of 2011.

To work with a sustainable approach and to be a reference on customer satisfaction.

To be a company made up of motivated and proud people, who work in a cooperative environment where they can grow and develop themselves.



even
even.com.br

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INTRODUCTION

THE ROLE OF CIVIL ENGINEERING

The ability to improve the lives of people depends on the adoption of good practices by the industry

Our 2009 Sustainability Report deals with a reality that no one likes to see about the construction market. Harmful practices, which put at risk the safety and well-being of the community, such as damaging sidewalks around the worksite; abuse and depreciation of employees and service providers, who oftentimes have no proper conditions to have their meals; delivery of bad quality products, with critical project errors, to customers who have deposited

the savings of several years in order to make the dream of owning a house come true. These are some of the facts which show how urgent it is to change the mentality of the industry and to adopt responsible working standards.

In its second report, Even assumed the responsibility to question our market in order to show that it is possible to live up to the strategic role imputed on companies of the construction industry to build a

sustainable world. We have chosen three themes to explore in depth: the responsibility with the worksite's surroundings; the relationship with stakeholders; and the care to control impacts of the project on the environment. We have applied GRI indicators to each one of them. We believe that the information provided by this report should allow for stakeholders to evaluate our performance.



Harmful practices which put at risk the safety and well-being of the community, such as damaging sidewalks around the worksite.

COMMUNITIES



Abuse and depreciation of employees and service providers, who oftentimes have no proper conditions to have their meals.

COLLABORATORS



Delivery of bad quality products, with critical project errors, to customers who have deposited the savings of several years in order to make the dream of owning a house come true.

CLIENTS

HOW THE REPORT IS ORGANIZED

Our report meets the requirements of GRI level C and brings improvements on structure, content, and approach

Periodicity Our first sustainability report covered the period from January 1st to December 31st, 2008. The purpose of it was to reflect the efforts employed by Even to incorporate the analysis of impact of our activities on the three dimensions of sustainability, in order to build an organizational culture which could privilege these values. The efforts employed on data collection showed us how we have evolved and provided us with a wide view of our operations, in a learning process that we have recognized as complex, gradual, and continuous. The current edition provides information about the year of 2009 and brings improvements on its structure, content, and approach.

Boundary The information collected comprises the operations of Even Construtora e Incorporadora, including the branches in Rio de Janeiro and Minas Gerais, Even Vendas, and Green. As in the previous report, we did not include data from the operations of joint venture Melnick Even Incorporações e Construções S/A in the answers to the indicators; the registration of the partnership can be found in the description of the company's profile.

GRI Application Level We tried to exceed the requirements of GRI level C, which establishes the report of 28 profile items and at least 10 performance indicators. However, despite the small effort which would qualify us for level B, we decided, in a transparent attitude, to first consolidate all our principles before moving up to the next step. No external verification was conducted for the GRI indicators presented. (More information can be found under the chart of page 62.)

Indicators We present data related to 65 indicators, being 38 core and 27 additional. We have maintained a smaller number of indicators than initially intended, since we evaluated that some of the information had no sufficient database, or required a long construction stage, not concluded yet.

Structure The format in which this report was organized considered the strategic themes for our activities. We divided the contents using as a common thread the three stages of the industry's business dynamics (development, construction, and post-construction) and, at the same time, emphasized the stakeholders directly involved in each stage. For the content selection, we have considered:

External Factors – themes pointed out by our relationship publics; perceived challenges, in the short and long terms, for the construction industry.

Internal Factors – structure of operations, objectives, and goals; critical factors for the good performance of Even; organizational values, policies, and strategies; expectations of collaborators, shareholders, suppliers, clients, and the community; competitive advantages.

Materiality In order to determine the priority of themes to be approached by this report, we have adopted the same orientation applied to the 2008 report – the internal strategic eye, the opinion of stakeholders, and the feasibility of data collection. The point of view of interested parties



65
GRI INDICATORS

Were determined and informed by Even under this report

was further explored this year with the conduction of the Stakeholders Panel (see page 40), organized with the specific aim of obtaining opinions about the contents. Having as a starting point the goals presented as commitments in the previous publication, we tried to cross them in order to see which indicators were relevant for the publics and thus build the Materiality Matrix, whose premises are explained along the text.

Management Approach Our movement to structure corporate processes and documents aimed at sustainability is recent and will still require time and dedication from the involved teams, in addition to a complex process of raising awareness. Among the documents spread in all our units, we highlight the Code of Conduct and the guidelines for the environmental audit of our works, in addition to the 2008 Sustainability Report.

Contact If you want more information about the sustainability practices by Even or have any questions, please contact us at sobrerelatorio@even.com.br

MESSAGE FROM THE CEO

OUR EVOLUTION TOWARDS SUSTAINABILITY

The preparation of the second sustainability report clearly ratifies our company's commitment to sustainability. Recalling the facts and intentions that led us to prepare the first report last year, we noticed the persistence and determination to face the difficulties we had back then, especially the ones imposed by the macroeconomic turbulence, unseen for decades. Nevertheless - and perhaps even as a result of it - the experience was concluded in a

victorious way.

After this first stage, one could suppose that the continuity would be easier. However, in complex organizations such as those in the construction industry, with multiple and varied stakeholders, this is not necessarily true. The risk of project failure still exists, considering the wide range of business objectives and the possibility of a certain settlement of efforts.

Our commitment
to sustainability
continued along 2009
and became even
more consistent and
evident





But, fortunately, this did not happen in our organization. The mobilization went on, gained strength, gathered together experience and quality, producing an activity even more consistent and evident. The inclusion of the company in the Business Sustainability Index (ISE - Índice de Sustentabilidade Empresarial) of BM&FBovespa, in 2009 (a pioneer fact in the construction industry), expressly certifies the evolution and commitment of our team towards sustainability.

The programs were continued. Several of them were improved and produced even more expressive results. However, beyond the concern with results we have the strategy of turning sustainability into an essential cultural value in our organization. This process becomes possible as our collaborators, supported by the several stakeholders, increasingly become watchers of the implementation and follow-up of such practices. A growing number of collaborators is going through edu-

cation and spreading the knowledge of such values, firming the wide range of concepts which characterizes the mission of the company.

One year has passed, and what we see around the planet – in its economic and environmental dimensions – is the progressive attention towards the issue of sustainability. This may be the capital and distinctive aspect of the company compared to its competitors in terms of results, attractiveness, and community respect.

The route is mapped out. Let's travel it with excitement, adherence, and responsibility. Every collaborator and stakeholder is invited to share this journey with us.

Let's get to work!

Carlos Eduardo Terepins

INNOVATIVE ORIGIN AND SOLID BACKGROUND

Our businesses involve the development and construction of residential and business enterprises, with operations in capitals representing 61% of the Brazilian Internal Gross Domestic Product (as per 2007 census by IBGE) and on several income brackets. We hold the first position of the real estate production ranking for the Sao Paulo metropolitan region, and are among the leading companies in the national industry. Our company was born from a merger, in 2002, between ABC Investimentos and Terepins & Kalili, respectively founded in 1974 and 1980. Since 2006, a part of our shareholding composition is held by Spinnaker Capital, an investment fund based in London, with 31.13% of our share capital.

In 2007 we became a publicly-traded corporation, with shares listed on Novo Mercado, the top level of corporate governance of the Sao Paulo Stock Ex-

change (BM&FBovespa).

Our business is built upon modern and transparent management methods, guided by ethical and responsible practices in the economic, social, and environmental spheres. Combined to a sustainable development view, the continuous growth presented over the past years arises from management based on a self capacity of construction, a consistent sales strategy, focus on operational and financial results, the distinct architecture of our enterprises, and the trust gained from our clients.

We were the first publicly-traded construction company in Brazil to publish its sustainability report according to the guidelines of the Global Reporting Initiative (GRI), and the first and only company of the industry to have joined the Business Sustainability Index (ISE, Índice de Sustentabilidade Empresarial), of BM&FBovespa (see highlight), in 2009.

WHERE WE ARE

Sao Paulo (head office), **Rio de Janeiro**, **Minas Gerais** and **Rio Grande do Sul**

Partner (joint venture) of **Melnick Even Incorporações e**

Construções S/A (Rio Grande do Sul)

COLLIGATED COMPANIES

Even Vendas – Real estate sales

Green – Specialized labor company

PRODUCT AND SERVICE BRANDS

Open – Real estate for the affordable segment

Vida Viva – Residential real estate for the emerging market

Excluseven – Offers selection services for finishing and internal layout options

Even Vendas – Direct sales to customers

Green – Provides labor for execution of services at worksites

CORPORATE INFORMATION*

Company name	Even Construtora e Incorporadora S/A
Legal nature	Publicly-traded company
Traded shares	BM&FBovespa (Even 3)
Net revenue in 2009	BRL 1.16 billion
Number of enterprises	52 active worksites
New enterprises	25
Launched GSV (General Sales Value)	BRL 927 million (Even and Open)
Contracted sales	BRL1.23 billion (9.8% higher than 2008)
Built-up area	393,866 m²
Delivered units	1,688
Number of collaborators	Total: 1,213 Even, 925 (including apprentices); Green, 262; Even Vendas, 26

* Figures from 2009.

ACKNOWLEDGEMENTS AND AWARDS IN 2009

Top Real Estate Award, 2009 edition – First place in the Sao Paulo metropolitan region in the “Constructor” category – Embraesp and O Estado de S. Paulo newspaper.

Top Real Estate Award, 2009 edition – First place in the Sao Paulo metropolitan region in the “Developer” category – Embraesp and O Estado de S. Paulo newspaper.

Brazil’s Most Innovative Companies – Granted by Época Negócios magazine and FGV-Eaespp college to 25 companies of highlight.

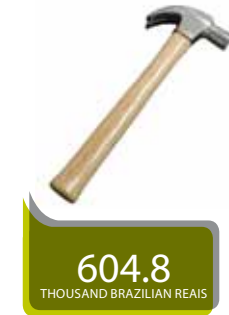
Master Real Estate Award – The International Real Estate Federation (Fiabci) and Secovi-SP, for Duo enterprise, in Alto de Pinheiros.

Vitae Rio Safe Construction Award – Bronze category, granted by Seconci-Rio de Janeiro and Sinduscon-Rio de Janeiro, to the companies that most stood out in Health and Safety at Work management.

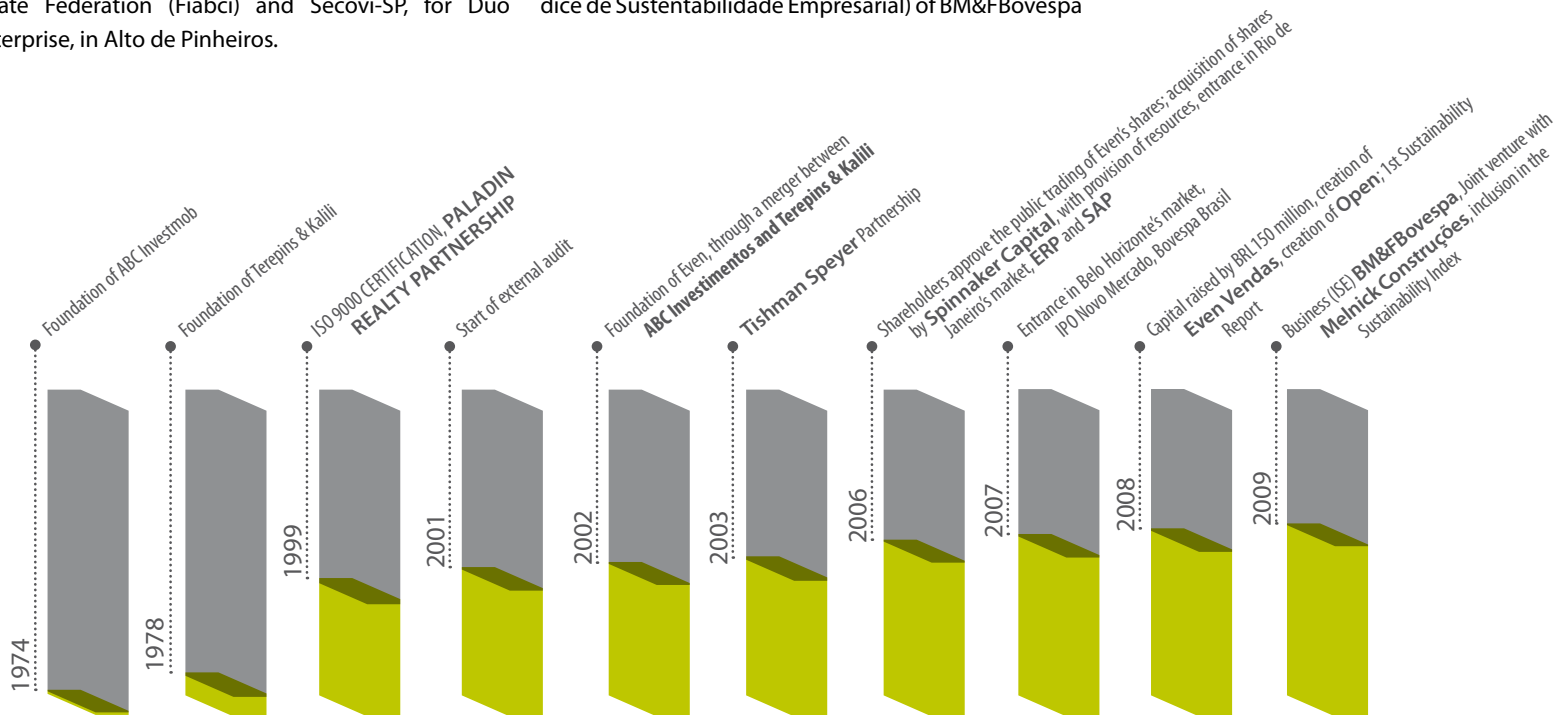
Empreiteiro Magazine – Third position in the national ranking of real estate construction, in meters, launched in 2008, and second position in total built-up meters.

Master Real Estate Award – Rio de Janeiro, Destaque Ademi, in the Construction Sustainability category, with Up Life enterprise.

Inclusion in the ISE – Business Sustainability Index (Índice de Sustentabilidade Empresarial) of BM&FBovespa



Invested in social and environmental initiatives.



CORPORATE GOVERNANCE

STRUCTURED CONTROLS

Measures adopted increase the visibility of decision-making processes

Minority shareholders are represented by an independent advisor in the Board of Directors



43%
FREE FLOAT

Increase of shares in circulation on the market raised their liquidity

For more information on Even's Governance, visit www.even.com.br/ri/

Since its foundation, in 2002, Even has been improving its corporate governance structure, especially following its IPO, in 2007. At the occasion, we opted for the negotiation of shares in the Novo Mercado (New Market) segment of BM&FBovespa, intended for companies committed to delivering corporate governance practices stricter than those required by law. In 2009, we adopted several measures for evolution of the process, with the aim of extending the rights of shareholders, and bringing more transparency and credibility to the decision-making processes and to the relationship with the market.

Such measures were added to the initiatives implemented in 2008, arising from the development of our sustainable practices. In 2009, the progresses

involved the activities of the Social and Environmental Responsibility and Conduct Committees, responsible for the development of strategies, policies, and standards based on sustainability guidelines.

DECISION AND MONITORING BODIES

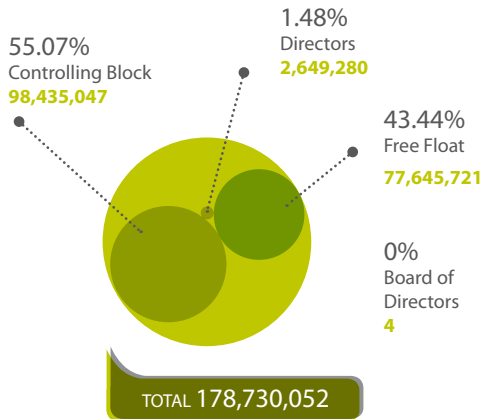
Board of Directors Composed of seven members, elected for a term of two years, with possibility of re-election. The CEO of Even also holds the position of chairman of the Board, whose attributions include the establishment of general policies for the company, the choice of directors, the supervision of the administration, and the approval of strategic operations for the business. The Board holds quarterly ordinary meetings, and extraordinary meetings as required. The

EVOLUTION OF CORPORATE GOVERNANCE IN 2009

- We have integrated an independent advisor elected by minority shareholders to the Board of Directors.
- We have increased the free float rate to 43% with the aim of increasing the shares in circulation on the market, thus improving the liquidity of the shareholder base.
- The formalization of the meeting structure was intensified.
- A corporate event calendar was created.
- We have implemented the Compliance Committee, and concluded the planning of the Risk Management sector, to be implemented in 2010.

SHARE DISTRIBUTION

In December 2009



Even's operations, including the progress of works, are evaluated by the committees in light of social, environmental, and financial aspects



execution of its decisions is the responsibility of the Executive Committee.

Executive Committee Executes the business strategy approved by the Board, develops the plans and projects, and assumes the responsibility for the operational and financial performance of the company. It is composed by members elected by the Board, and holds meetings every fortnight.

Board of Auditors Responsible for inspecting the management activities, reviewing the financial statements, and reporting conclusions to the shareholders, as demanded by established parties. It can be temporary or permanent. Our Articles of Association establish its exclusive election under request of majority and minority shareholders in a General Meeting. In 2009, Even did not install a Board of Auditors.

Investment Committee Holds meetings, as convoked, to evaluate and approve the conditions of our main operations in two situations – to analyze the acquisition of land lots prior to the establishment of any obligations, and the launching of each project. Members of the committee – the CEO and the Executive Committee – review the legal, financial, regulatory, and environmental risk.

Committee for Social and Environmental Responsibility An autonomous body integrated to the Executive Committee, composed of the CEO, directors, and all business areas of Even. (Learn more about the structure and functioning of the area in Sustainability Strategy.)

Conduct Committee Acting independently and composed by directors and managers in charge, representing the several areas of the company, it is responsible for overseeing the compliance with the Code of Con-

duct that rules our operations. The committee reviews suggestions, complaints, and any reported violations to the guidelines and rules of the Code in monthly meetings and, when necessary, in extraordinary meetings. In addition to evaluating noncompliance, the committee clarifies ethical issues. The contact with the Committee is open for the internal and external publics. Collaborators have a contact channel through the intranet to assure they remain anonymous. In 2009, we recorded 772 accesses, forwarded to registration and investigation.

Communication with the Conduct Committee
http://www.even.com.br/codigo_conduta.aspx

The Code of Conduct guides the relationship with strategic publics, in line with the values of Even

DAY-BY-DAY TRANSPARENCY

The process of preparation of Even's Code of Conduct, carried out in 2008, involved representatives from several areas of the company in order to reflect the models of behavior and standards that should be the base of our work. The final document clarifies the responsibilities, rights, and duties of collaborators and the relationship expected between all hierarchical levels and between

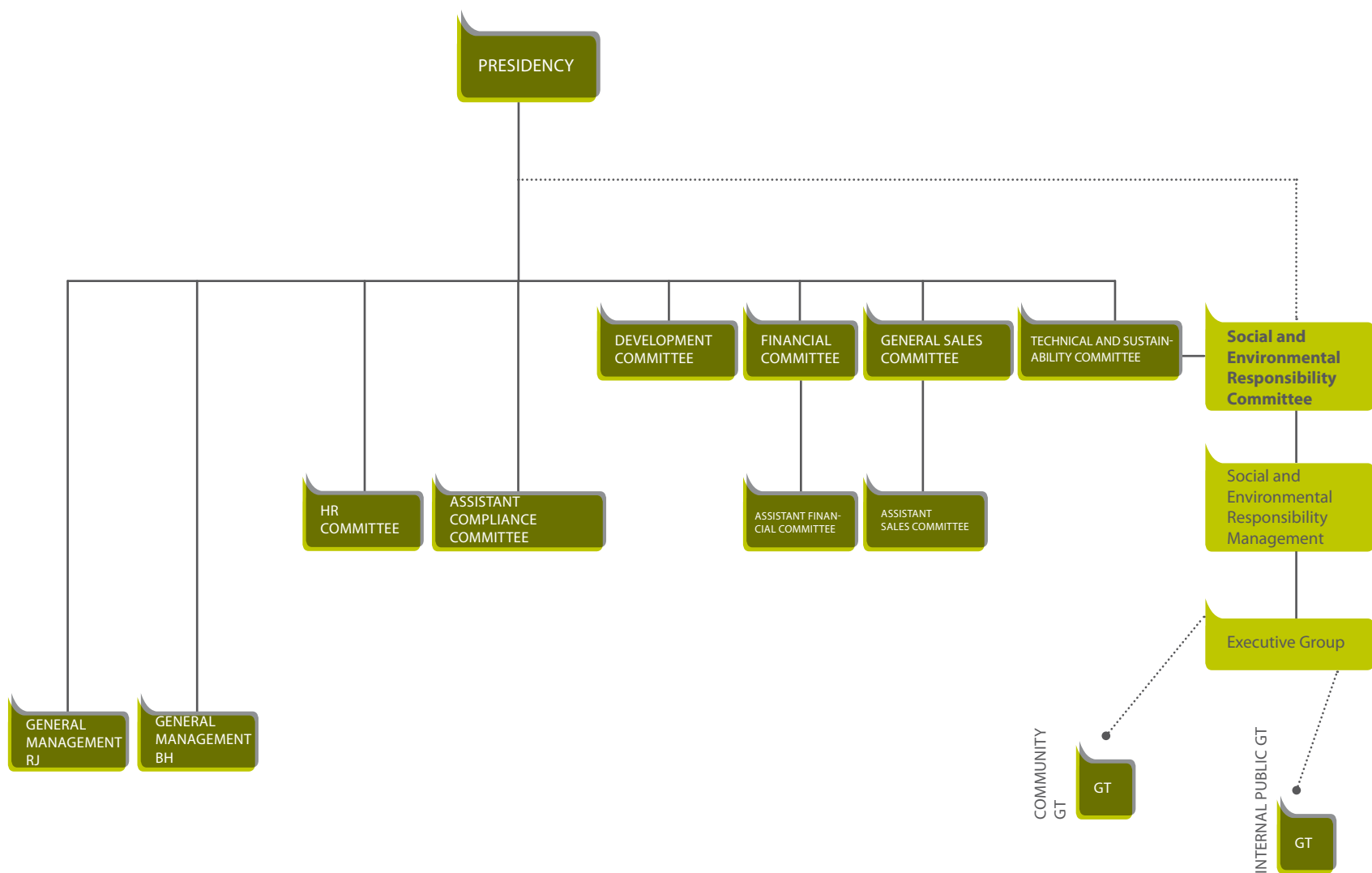
the company and its stakeholders. The guidelines also deal with confidentiality of information, hierarchies, prohibited practices, and conflicts of interest. We have dedicated special effort to its dissemination, both in meetings in Sao Paulo's head office and branches, and also at worksites. Since then, the code has become part of the company's procedures, being introduced to new collaborators in the integration program, and made accessible through the web.

RISK MANAGEMENT

Even's Risk Management system acts on the control of risks that may arise from our regular business, focusing initially on the legal aspect. We are creating a structure for follow-up and analysis of all issues that may generate some legal risk, aimed at developing and strengthening the mechanisms of internal control for such issues. This structure is also aimed at providing identification and evaluation of future risks, integrating to the internal control policy, acting in consonance with the transparency model and premises of corporate governance adopted by us.

In the second half of 2009 we started the project for implementation of this area. The theme was chosen as an initial field of monitoring because of financial, social, and environmental results which could be generated under the legal point of view. After the identification of existing potential risks, some standard procedures were established to be observed by the whole company, intended especially for the minimization of the respective impacts. Initially, we will go through an experimental phase in order to test all mechanisms created and, at a second stage, all established procedures will be submitted to external audit, under attested compliance with the company's transparency requirements.

Our structure will be dependent on the Compliance Committee, and shall count on an exclusively dedicated team. The Legal Risk Management area will be implemented in the company, and will be fully operative by May, 2010.



BOARD OF DIRECTORS

Carlos Eduardo Terepíns – CEO
Claudio Kier Citrin – Deputy Chairman
Luis Terepíns – Advisor
Affonso Celso Pastore – Advisor
Rubens Antonio Tiburski – Advisor
Lars Reibel – Independent Advisor
João Cox Neto – Independent Advisor

STATUTORY EXECUTIVE COMMITTEE

Carlos Eduardo Terepíns – CEO
Silvio Luiz Gava – Technical and Sustainability Director
Dany Muszkat – Financial and Investor Relations Director
João Eduardo de Azevedo Silva – Development Director

ASSISTANT EXECUTIVE COMMITTEE

Paulo Otávio G. de Moura – Compliance Director
Valéria Fernandez – HR Director
Daniella Sasson de Figueira – Controllership Director
Eduardo Cytrynowicz – Financial Director
Meyer Alberto Cohen – General Sales Director
Jonas Magri – Assistant Sales Director

Appointed in an Extraordinary Meeting of February 9th, 2010.

How to make the
community care
more?





Dirt and disorder are some of the negative impacts that could be caused by works around your neighborhood

HOW?

ACCELERATING THE DEFINITIVE TRANSFORMATION

Worksites are all around the landscape of big Brazilian cities. The expansion marks of the real estate market leave no doubts about the benefits and damages caused by the industry. Its unquestionable capacity to create richness and jobs has the counterpoint of large impacts to the community and the planet.

Works provoke permanent or temporary changes to the urban organization. Harmful practices are still the reality in a wide portion of the market. The growth of population density in certain areas without proper planning changes the traffic flow, and affects the way of life of the nearby community. Worksites produce excessive noise and dust. A large part of residues generated by the construction has the wrong destination, and contributes to the creation of more clandestine waste landfills, to the obstruction of rivulet and rivers, and the occurrence of floods. Consumers of natural inputs in the construction, the buildings, in their use and operation, account for 21% of water consumption and around 45% of the electric energy used in Brazil.

Even believes that the industry in which we are has the capacity to provide a large contribution to the well-being of society, and a balanced relationship with the environment. We consider our operations and processes in light of the practice of sustainability, and try to permanently insert its traits to the mission and routine of our organization. We have been employing a continuous effort on the improvement of management and constructive processes in order to minimize the impact of our activities. The initiatives adopted by us are described in this Report.



Periodic meetings are a part of the education support project carried out by Even in cooperation with Emiliano Di Cavalcanti State School, in Sao Paulo



RELATIONSHIP WITH STAKEHOLDERS - COMMUNITY

THE PRACTICE OF FRIENDLY NEIGHBORHOOD



302.2

THOUSAND BRAZILIAN REAIS

Was the amount applied to improvements to the surrounding communities

We define surrounding community as the population living in a radius of 1 kilometer from our enterprises. Having this public as a priority for our activities, we assume commitments before, during, and after the execution of the work. While we try to establish a systematic and efficient dialogue in order to understand the positive and negative impacts caused by our products and operations, we have as a goal the contribution for community development, and this is a commitment to be intensified in 2010.

Since 2008, our support to social projects started to be guided by the Private Social Investment Policy adopted by the company. In line with the business and our strategies, these investments have as a priority the projects that stimulate social transformation, with a focus on education, such as the one developed by us in Emiliano Di Cavalcanti State School, in Sao Paulo. Another example of social initiative model was the construction of Victor Civita Square, in Sao Paulo, in 2008, which has become an icon in the city, and a reference on environmental education. To get to this result, we articulated a series of actions: we undertook the conduction of the work, dedicated the technical know-how of our collaborators, and prompted a joint operation with our providers of materials and services; some of them continued their involvement with the project.

Annually, the amount to be applied in several social fronts is defined by the strategic planning, together with the Committee for Social and Environmental

Responsibility. With the implementation of the Volunteer Program in the company, rescheduled for 2010, it will be possible to gradually increase the scope of our activities.

The presence of Even in the community extends to the valuation of harmony in the neighborhood, as we describe below.

INITIATIVES EXECUTED IN 2009

Investment in benefits for the surrounding communities With an initiative of our own, in 2009 we invested in several improvements to the areas surrounding our enterprises, with the aim of valuing the region where they are located. Among the initiatives, we can highlight the revitalization of squares and median strips; the extension of water and sewage lines; reinforcement of electrical grids; restoration of houses; cleaning of walls; and recovery of asphalt. The resources applied totaled the amount of BRL 302.2 thousand along the past year. On the other hand, values intended to counterpoint works under the law (environmental compensation, road improvement, etc) received BRL 482 thousand.

Neighbor relationship program The relationship actions which we already had in place with the residents of surrounding areas evolved with the creation of a pilot project based on mechanisms to minimize the potential stress and discomfort caused by our activities. From 2010 on, we will map each stage of the works

in order to accurately determine when and how the main impacts take place, and thus define a structured management program for all our projects, from land acquisition to the post-delivery stage. The innovation, compared to the general market, is the emphasis which will be put on post-delivery actions. We have the goal of achieving significant reductions, still in 2010, of complaints received by our Customer Service from neighbors, and having our projects recognized as part of the community.

Support to social projects By means of donations, as defined under the guidelines of the Private Social Investment Policy implemented in 2008, Even supports actions of relevance to the community surrounding its enterprises, in addition to addressing resources to educational projects. In 2009, donations were BRL 246.6 thousand.

TAILORED EDUCATION

In 2009, we proceeded with our pilot project in Emiliano Di Cavalcanti State School. Located in the Vila Leopoldina neighborhood, in Sao Paulo, the institution is close to eight enterprises by Even.

We took part in the project by means of voluntary actions by our collaborators, dedicating an exclusive internal group to the follow-up of activities previously agreed on, just like we had financed the learning consultancy service by Parceiros da Educação NGO. The model adopted by the institution offers support in several scopes: physical and structural matters; management; education to teachers; and integration of the community to the school. A consultant contracted by Even works as an interface to the partner NGO and as a fixed facilitator on site, following activities, and directing the management of resources. The project's purposes and goals were defined after a consultation with the school management, parents and students, and are recorded under a protocol of intentions signed by the parties.

While there is a large demand for physical improvements, our main focus is on student learning issues, and on the development of teachers. Among the defined actions, we have contracted a system for external evaluation, provided by Fundação Cesgranrio, to measure learning improvements annually. Since this is a long-term action, the evolution index will be followed in order to guide the future results of the experience for public schools and other communities where we are present.



Classroom in Di Cavalcanti School, Sao Paulo, a partnership project for public education. An example of Even's presence in communities where the company has enterprises

Clarity and transparency define our relationship with shareholders, the government, and competitors



25%
NET PROFIT

The minimum under Even's statutes for distribution to shareholders

RELATIONSHIP WITH STAKEHOLDERS - SHAREHOLDERS

OPEN CHANNEL WITH INVESTORS

Our relationship with Even Shareholders is guided by transparency and trust, sustained by the investors relationship area. Since the company became public in 2007, we count on an Investor Relations area, and a complete and specialized communication structure on the market. In 2009, we improved this system, creating a specific space on our corporate website for the important communications, and presentation of quarterly balance sheets. The annual balance sheets are presented through teleconferences, and the updated reports about activities and projects are transmitted to the market, shareholders and investors through national and international roadshows.

We have transparent compensation policies, according to the practices of the market, with annual payment of dividends. Our statutes provide for the distribution of at least 25% of the adjusted net profit. Minority shareholders have the tag-along right, which assures the receipt of the total value paid to controllers in case of sale of the company.

Our strategy to expand the shareholder base includes, among others, the spreading of sustainability concepts and practices as a differential of Even in the construction market. We believe that this is seen as a competitive advantage by potential investors.

THE ACHIEVEMENT OF ISE

We are the first - and still the only - construction company in the country to have joined the Business Sustainability Index (ISE, Índice de Sustentabilidade Empresarial) of BM&FBovespa, which gathers companies with renowned commitment to business sustainability, elected from a list of the 150 most liquid companies of BM&FBovespa. Even is a part of the 2009/2010 portfolio, for which 34 companies were selected.

Our initiative to apply for the ISE portfolio and to be submitted to the evaluation of indicators, an action which was included in our strategic planning for 2011, was advanced in two years. We consider that the supervision aspect represented by the index and the strictness of its verifications will be an important motivator for our evolution in the adoption of sustainability in our business activities.

The classification of Even in the group of companies which compose the ISE was seen positively by the market, and influenced investment funds using sustainability criteria in their fundamentals to acquire shares from the company, or even extend their interest. The creation of the ISE follows a global trend of investors to strive to apply their resources in sustainable companies, with a long-term view, evaluated as the most prepared to face economic, social, and environmental risks.



FINES AND SANCTIONS FOR NONCOMPLIANCE

	2009	2008
Labor suits	BRL 297.7 thousand	BRL 128 thousand
Neighbor notices	BRL 312.3 thousand	BRL 130 thousand
Infraction notes at worksites	BRL 260.2 thousand	-
Total	BRL 610.4 thousand	BRL 258 thousand

GRI 508

The inclusion of sustainability criteria at worksites and management processes contribute to the improvement of the construction industry



COMPETITORS

DYNAMIC AND HEALTHY COMPETITION

Even presented no noncompliance regarding its competitors in the construction market. Our relations with competitors are marked by ethics and partnership, even in such a competitive and fragmented business segment. The main factors of potential conflict identified in the real estate development and construction industry are: the search for national and international investors; competition for the best land lots still available for construction in large urban centers; financing conditions; price; establishment of partnership with local constructors; and the search for talents.

The initiatives for the insertion of sustainability in our work are starting to gain visibility among our stakeholders, and from this we expect Even to play a reference role in the improvement of practices and processes in the construction industry. In particular, we mention our guidelines regarding the contracting of our suppliers – with a certain influence over the value chain – as a

factor for diffusion of social and environmental responsibility among parties of our industry. Our recent inclusion in the Business Sustainability Index (ISE, Índice de Sustentabilidade Empresarial) of BM&FBovespa was seen positively among the industry's publicly-traded companies.

GOVERNMENT


CLARITY IN GOVERNMENTAL RELATIONS

Working in an industry subject to regulations arising from the real estate activity itself, as well as from credit policies, leads Even to maintain relations with several government spheres. In all stages of our business, from the acquisition of real estate, the approval and regularization of projects, to the construction and conclusion of enterprises, our activities are subject to the government presence – local administrations, urban and environmental licensing agencies, specialized offices, regulatory bodies, official banks, government entities, public administration agents, and third parties. These contacts are guided by the commitment to support society in its search for solutions to na-

tional problems, and are carried out with correctness and ethics. We watch for the total compliance with the laws in force, the payment of taxes, and the respect to environmental and labor standards.

So far, we had no projects related to the formulation of public policies or with a direct influence over them. As private social investors, we started a pilot project in a partnership with a local public school in the city of Sao Paulo (see Community). According to the results, we intend to extend the experience to other public schools installed around our enterprises. We believe that our social and environmental actions and our management model translate the clear objective of being a citizen company, aware of its responsibility towards the conservation of the environment, and the social justice.

In accordance with the determination of our Code of Conduct, "donations to political and electoral campaigns, if made, shall be transparent and compliant with the applicable laws".

A construction worker wearing an orange long-sleeved shirt and blue pants is working on a wooden frame structure. The worker is positioned on the right side of the frame, leaning forward. The structure consists of several vertical and horizontal wooden beams. The background is dark and out of focus, suggesting an indoor construction site.

How to really value
collaborators and service
providers?



The reality of civil construction reveals that, oftentimes, there are no minimum comfort and safety conditions in the work environment

HOW?

INVESTING IN THE DEVELOPMENT OF TRANSFORMATION AGENTS

Sustainable development is only viable when it comes to people's awareness. This is valid especially for the construction industry, which has several fronts based on high-scale relationships. In this process, people in the role of collaborators and suppliers have a great power to make things come true because of their influence both in terms of risks and business opportunities. Engaging them is a fundamental condition to operate in a sustainable way.

This view does not exist for the most part of the real estate market. Historically, the industry lives with the negligence regarding the education, contracting and work conditions of employees, service providers, and suppliers. There is a clear contradiction between the perceived progresses in the technological field and processes with the insertion of manpower of development efforts.

According to the International Labor Organization (ILO), more than 33% of the registered workers in the construction are functional analphabets and, in general, perform auxiliary functions, with little or no specialization. Around 67% of all employees receive less than three minimum wages, out of which 34.22% receive two minimum wages or less. Only 3.61% of all construction workers receive more than ten minimum wages. The consequence is the negligence towards basic issues of social and environmental responsibility, the rational use of inputs, and the respect for human rights.

For Even, the importance of civil engineering to society turns the people who work in the industry into transformation agents, able to give scale to the diffusion of sustainability. For our collaborators, we endeavor to provide a challenging and cooperative work environment, improving conditions in order to stimulate motivation and pride. With suppliers, we have been trying to develop a relationship based on trust and transparency, in order to have them as partners to spread our values and patterns of conduct. Our actions in this sense are described below.

The Climate Survey confirmed the identification of our collaborators with Even's values, such as sense of stability, group work, and commitment to quality



RELATIONSHIP WITH STAKEHOLDERS - COLLABORATORS

ROOM FOR GROWTH AND DEVELOPMENT



We provide our collaborators with the conditions to work in a challenging, participative environment, aimed at quality

The management model adopted by Even, which incorporates sustainability to the routine of business, has as one of its pillars a functional body formed by talented and motivated collaborators, who are proud to work in a challenging and cooperative environment. Since 2008, we dedicate ourselves to improve the organizational structure so that our team finds the conditions to leverage this process.

In 2009, we concentrated our efforts on the mapping of human resources, on the formulation of a talent-retaining policy, and on the reorganization of structure and processes. In our three-year strategic planning, we define as improvement points: investments in education, development, and evaluation of performance; initiatives aimed at talent retention; dialogue with collaborators, and engagement in sustainability.

In order to adjust to the business expansion plans, we enlarged the functional board by 10% and closed 2009 with 1,213 collaborators. We maintained the same investment level in professional development. Among impact actions carried out already in

2009, we revised the organization of positions and wages. This caused the reduction of 300 existing positions to 90, and compensation conditions and benefits were tailored to the purpose of attracting and retaining talent. In addition, we are implementing a new model of competency evaluation and development system, with emphasis on people management.

Despite the economic turbulences, which impacted the construction market and the company itself, the Climate Survey, on which 851 people took part, pointed to an evolution of internal satisfaction, from 8.10 in 2008 to 8.18 in 2009 (on a scale of 1-10). The aspect with larger visibility in the positive perception of collaborators was the advancement in training, found to be one of the critical aspects of the survey in 2008. The positive evaluation also stood for the attributes which are a part of Even's identity, such as the sense of stability, the company's commitment to the quality of processes and management, and team work.

THE HEART OF OUR BUSINESS

Measures adopted to attract and maintain motivated professionals

Education and Development In 2009, we recorded 17 thousand hours of training, which involved 1,291 collaborators from the management and construction areas. For those working at worksites, Even has a continuous program of training and development, extended also to workers contracted by supplying companies, such as the School Project, which is currently being expanded to cover the complete basic education cycle. In 2010, the structure will be adapted to the new guidelines established by the continuous survey of training needs, aimed at the adequacy of the professional qualification to the needs of the company, and the position held.

Performance and Compensation Our system for evaluation of performance and compensation is currently being reformulated in order to follow the new Policy of Positions and Wages. The evaluation program, which currently counts on a single system for the whole company, will be adapted to involve the competencies demanded by each area, with the establishment of goals, comprising also social and environmental criteria. The compensation system will be linked to individual, team, and company performance. The improvements are intended to provide an even clearer base to the evaluation system and to make the process more and more distinctive and attractive for the company's professionals.

Complementary Pension Plan Implemented in 2008, the initiative represents the first step towards the establishment of a retirement saving culture in the construc-

tion industry. The plan, administered by Unibanco AIG Seguros & Previdência, is based on a model of match contribution, under which the company contributes with 100% of the sum applied by the collaborator on a scale ranging from 1% to 6% of his/her wage. Contributions made by the company totaled BRL 522 thousand in 2009 (in 2008, BRL 132 thousand). The increase in adherence compared to 2008 was 9.68%; in December 2009, of all collaborators in the company, 14.47% had joined the plan.

Career Development The mapping of competencies and education needs, to which the year of 2009 was dedicated, followed a long-term view, essential to strengthen our ability to retain talents. As a consequence, new programs will be implemented in 2010, among which the Even Academy, intended to meet the demands of technical and management development, including education for sustainability. The Financial Academy has the pedagogic coordination of Saint Paul Institute Business School.

Leadership Succession and Creation The training of managers, aimed at a group of 50 professionals with high potential for development, was integrated to a structured program which involves internal actions, training, and post-graduation courses, with emphasis on behavioral education for leadership. The implementation schedule, considering the complexity of the curriculum, extends for two years, and the adopted methodology includes coaching by external specialists, and on-site classes



The mapping of competencies and education demands, made in 2009, guides the new programs for technical and management development, in addition to education towards sustainability



BRL 522 THOUSAND

Was the value of contributions made by Even, in 2009, for the Complementary Pension Plans.



Safety and health are fundamental commitments of Even towards our collaborators, and are constantly monitored by the Human Resources area

New Talents Young people attending universities are a priority in the planning for 2010. The new model for the Intern Program will be jointly developed by selected students, managers, and consultants along the year. In December 2009, we had 220 interns in the company. Up to the present, Even has no Trainee Program.

Acknowledgement Even has an internal process of recruiting and promotion, which in 2009 resulted in 99 collaborators promoted.

Benefits Policy We offer our collaborators a series of benefits, in line with the practices of the market. Among our distinctions compared to the industry, we highlight the complementary pension plan. For third-party employees, we maintain benefits such as the School Project, the Towel Project, medical care, tests, and supply of drugs and prescription glasses.

Health and Well-Being In addition to the maintenance of healthcare plans, Even stimulates, in internal actions, the search for quality of life and preventive care in terms of health and good eating habits. We offer subsidies for collaborators to attend fitness centers, and participation in marathons for interested collaborators, spouses, and children.

Safety We adopt, for collaborators and third-party personnel, strict safety practices in our worksites and administrative units. Continuous investments are made in individual and collective protection equipment and materials, as well as training and awareness-raising campaigns.

Local Contracting For regional operations, Even privileges the contracting of local professionals for the worksites.

Apprentice Inclusion Program We endeavor to go beyond the legal requirements of providing job and learning opportunities for young people looking for the first job, providing the program with initiatives intended to prepare them to become future collaborators. The improvements will be implemented in 2010.

Internal Dialogue Channels Employees are informed about relevant issues of the company through the intranet, the quarterly Even News publication, and through bulletin boards, updated as demanded. Access to top management is made available through the "Speak to the CEO" channel and the internal blog, updated by the directors. To report noncompliance or make complaints to the Conduct Committee, employees have an intranet contact channel, providing assured anonymity and confidentiality. Among the priority goals for the next years we have the improvement of internal communication, intended to articulate the existing tools, create facilitator systems for the good flow of information, and the establishment of mechanisms for the use and impact of such channels.

Education for Sustainability We intend to deepen the perception and education of the internal public on the sustainability issue. This will receive further efforts and resources in 2010.

Volunteering In 2009, Even's employees participated in community projects, such as the one carried out by the Rio de Janeiro branch. The Friends of the Beach initiative, held close to one of Even's enterprises, took a group of collaborators to collect waste along Recreio dos Bandeirantes beach, and distribute cleaning kits with the intent of raising awareness of the local public on environmental conservation. The action counted on the partnership of a supplier, which helped in the stage of awareness raising. For Sao Paulo, we promo-

TOTAL WORKERS PER COMPANY, EMPLOYMENT TYPE, AND REGION

GRI LA1

	Even 2009				Even 2008
	Even	Green	Vendas	Total	Total
Directors	7	0	2	9	11
Managers	53	1	3	57	63
Specialists	251	7	12	270	141
Administrative	60	0	9	69	310
Operational	334	254	0	588	454
Interns	220	0	0	220	195
Total	925	262	26	1,213	1,174
Total Workers Per Region					
SP	791	262	25	1,078	1,057
RJ	60	0	1	61	63
MG	74	0	0	74	54
Total	925	262	26	1,213	1,174

COLLABORATORS PROFILE – TRAINING

GRI LA10

Category	Total Hours	Total Collaborators*	Average Hours of Training per Employee**
Board of Directors	140	10	14.03
Management	2,251	84	26.48
Supervisors	1,713	64	26.45
Administrative	2,361	193	12.14
Technical	7,208	444	16.14
Operational	844	209	4.02
Interns	2,580	279	9.14
Minor Apprentice	85	8	10.41
Total 2009	17,184 h	1,291	13.30
Total 2008	17,978 h	988	18

* The number of trained collaborators may refer to the same collaborator taking part in more than one type of training.

In 2009, the reduction of the average training hours per collaborator was offset by planning and quality gains, provided by the alignment with the Strategic Map. This fact was identified as a strength in the Climate Survey, according to collaborators.

Talent retention measures increase the career opportunities at Even

ted: blood donation, involving 150 employees; bone marrow donation campaign in the head office, with adherence of 150 persons; and donation of a Christmas kit to 200 children. Initially intended for 2009, the implementation of the Volunteering Program will take place in 2010. The program is being designed under the instructions defined in the Volunteering Policy.

Unions We have a good relationship with trade associations, and ensure the freedom of dialogue and association to employees. Even is affiliated to Secovi (Housing and Condominium Union) and Sinduscon (Construction Industry Union) in places where the company operates.

Most of our employees are affiliated to Sintracon (Civil Construction Workers Union), an union with which we established a transparent and positive relationship. Sinduscon (Civil Construction Union, from Sao Paulo) annually negotiates with Sintracon the collective bargaining agreements applicable to employees.

The most recent collective bargaining dates back to May 2009, and expires on April 30th, 2010. The percentage of employees comprised by collective bargaining agreements was of 100% in 2009. There were no reported cases in which the right of exerting the freedom of association and of collective bargaining could be at risk.

DISMISSAL RATES

GRI LA2

	Total employees		Total admissions		Total dismissals		Dismissal rate	
	2009	2008	2009	2008	2009	2008	2009	2008
Men	481	564	258	799	201	235	77.61%	75.56%
Women	224	254	70	330	58	76	22.39%	24.44%
Total	705	818	328	1,129	259	311	100%	100%
<30 yrs of age	263	418	145	602	81	184	31.27%	59.16%
30-50 yrs of age	388	353	151	474	151	121	58.30%	38.91%
>50 yrs of age	54	47	32	53	27	6	10.42%	1.93%
Total	705	818	328	1,129	259	311	100%	100%

Note: Not considering interns for the total of employees.

PUBLIC DIVERSITY

GRI LA13

	Directors		Managers		Specialists		Administrative		Operational		Interns		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Men	8	10	42	42	129	86	31	177	568	447	157	134	908	896
Women	1	1	15	21	141	55	38	133	20	7	63	61	305	278
Total	9	11	57	63	270	141	69	310	588	454	220	195	1,213	1,174
<30 yrs of age	0	0	13	12	130	63	54	178	208	144	201	187	606	584
30-50 yrs of age	7	8	43	49	134	75	15	122	324	269	19	8	542	531
>50 yrs of age	2	3	1	2	6	3	0	10	56	41	0	0	65	59
Total	9	11	57	*	270	*	69	*	588	*	220	*	1,213	1,174
Yellow	0	*	0	*	3	*	1	*	1	*	3	*	8	*
White	9	*	51	*	190	*	51	*	392	*	182	*	875	*
Indigenous	0	*	0	*	0	*	0	*	6	*	0	*	6	*
Pardos	0	*	6	*	69	*	13	*	160	*	27	*	275	*
Black	0	*	0	*	8	*	4	*	29	*	8	*	49	*
Disabled	0	*	0	*	0	*	0	1	0		0	*	0	*
Total	9	*	57	*	270	*	69	*	588	*	220	*	1,213	*

Data not collected in 2008.

BASIS WAGE, MEN X WOMEN

GRI LA14

		Directors	Managers	Specialists	Administrative	Operational	Interns
2009	Men	1.00	1.00	1.00	1.00	1.00	1.00
	Women	0.89	0.97	0.92	0.93	0.92	1.00
2008	Men	1.03	1.00	1.00	1.13	1.00	1.00
	Women	1.00	1.08	1.00	1.00	1.00	1.00

Data for information and calculation of the table above follow the compensation criterion corresponding to similar enterprises, considering Even employees, and excluding Even Vendas and Green employees.

CONFIDENCE AND TRANSPARENCY



83
COMPANIES

Maintain partnership contracts with Even, and there is over a thousand suppliers of products and services

The corporate relationship within the supply chain is acknowledged as one of the most efficient ways to give scale to the sustainability movement, especially in sectors considered to have a strong impact on the environment and social well-being, such as the case of construction. Our chance to spread sustainable practices among companies linked by commercial interest is even more attractive when considering the reach of our supply chain for products and services. Even has partnership contracts with 83 companies, and operates with more than one thousand suppliers of products and services. Since 2007, it is organized to build a relationship of confidence and transparency with partners, based on our values and standards of conduct.

This is a complex proposition, considering the diversity of segments which are part of the chain. We have suppliers of raw materials, such as steel, wood, and cement; of products such as blocks, ceramic, glass, doors, and electric and hydraulic materials; suppliers of manpower, such as contractors; equipment rental companies, such as for cranes and racks; in addition to consultants and draftsmen. Each segment has the potential to generate damages in the three dimensions of sustainability, whether by the possibility of inflating costs and monopolizing the market or by the social and environmental impacts generated to their own production chain.

THE GOOD PRACTICES

As foreseen in our strategic planning, within the pillar of Construction Excellence, we endeavor to involve suppliers in our practices. In 2008, we formalized the creation of a work group dedicated to raising awareness among our partners so that they insert the theme into

their business lines. To define suppliers at this initial stage, we have chosen two selection criteria – companies which adopt advanced social and environmental responsibility practices, and are recognized as benchmarking on the market; and companies acting in areas considered to be of high impact for society and the environment.

This learning process allowed Even's team to create a Booklet of Good Practices in order to guide the selection, contracting, and performance of partners. We also started to adopt, for contracts, clauses of nonuse of child labor, of respect to human rights and assurance of origin for purchased items, among other criteria of commitment to sustainability.

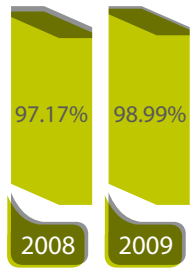
In 2009, we started the process of selection and homologation of companies, based on these criteria. The awareness meetings were held quarterly during the year, and several suppliers followed our recommendation and filled the Ethos Indicators of Business Social Responsibility. The questionnaire raises the key aspects for a sustainable presence, and allows for the identification of the stage in which an organization is along this way.

We visited the companies in order to see the actions they were engaged in and to exchange experiences, stimulating them to implement a code of conduct, selective waste collection, waste management, and to evaluate their own supply chain, among other actions. The initiative has also become a business opportunity, since we have established several partnerships which resulted in innovations in products and services (see Sustainable Construction). Eventually, nine companies were visited, representing 29% of the negotiated values in 2009.

LOCAL PURCHASE PROCESSES

GRI EC6

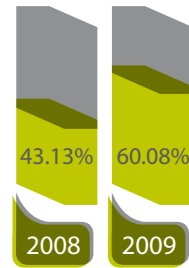
SAO PAULO



RIO DE JANEIRO



MINAS GERAIS



At our worksites, third-party workers follow strict safety rules, and have continuous training programs



By the end of 2009, we considered that the Suppliers Work Group had met the goals established by the action plan, and thus we accepted the closing of its activities. The functions then performed by the members were integrated into the company's routine, in the Suppliers, Quality, and Environment area.

RESULTS THAT CAN BE SEEN

The experience with the suppliers represented a valuable learning opportunity for Even. At first we faced difficulties to convince companies to comply with social and environmental criteria, and to not increase their prices when they met such criteria. This happened first with suppliers of doors, from whom we require the certified wood seal granted by the Forest Stewardship Council (FSC) – see Sustainable Construction. However, after the first meetings, and especially after reading our 2008 Sustainability Report, they were no longer reluctant, and embraced our propositions. In the meetings, they showed a high level of participation and interest in presenting their own experiences with sustainability, as

was the case with the manufacturer of ceramic materials and sanitary ware. We suggested that the invited parties would choose the themes for each meeting, and then we organized lectures on carbon footprint and waste management, among other topics.

As a result of this experience, the partner companies now have own initiatives of applying sustainable execution processes to products and services provided to Even. We then started to be sought by innovative companies, interested in working under our criteria. This growth in adherence to our model resulted in a normalization of prices, which mostly became equivalent to those of conventional suppliers.

In 2010, we intend to continue contributing to the growth of our suppliers, and evolve with our internal practices towards them. We will focus especially on areas requiring improvement, such as the relationship with third-party collaborators at worksites, and the processes related to the post-construction stage. We will review our Owner's Manual under the guidelines of sustainability, and stimulate attitudes such as selective

waste collection in units and condominiums, among other initiatives to favor environmental protection and the well-being of our clients (see Clients and Sustainable Construction).

We are aware of the weaknesses of our industry towards third-party collaborators, and of the need to find solutions for their full professional development. The low education level and the poor work relations expose these workers to risks and difficulties in their daily activities. To compensate for the instability of the construction industry, caused by the fast-moving production cycle, our company prefers to re-contract the same teams when a new project is started. With this, we try to raise awareness in our suppliers so that they may provide their collaborators with wage levels compatible with the market average, as well as to provide the same safety and health conditions offered to collaborators at Even's worksites. In 2009, our enterprises counted on 5,689 third-party workers.

DIVERSIFICATION AND VERTICAL STRATEGY

Marketing agility prompts our growth

For more than 35 years we've been working on the real estate market. We are the largest constructor of the metropolitan region of Sao Paulo, and the second largest in Brazil, according to the general ranking published by Embraesp in June 2009, related to 2008. We also work, principally and strategically, in the metropolitan regions of the states of Rio de Janeiro, Minas Gerais, and Rio Grande do Sul, which represent, together with Sao Paulo, 61% of the Gross Domestic Product of Brazil. We seek a leadership position in all markets where we are present. We believe, based on our experience in Sao Paulo, that the local focus and knowledge bring benefits to the operation, such as: access to the best land lots; potential bargaining with local suppliers; attraction of talents, and interest of the best sales teams. This strategy allows us to create value in every market in which we operate, through the integral application of our vertical and diversified working model, with long-term horizons.

We count on a long history of success on the development of enterprises for several segments: affordable, emerging, middle income, middle-high income, high income, and commercial, through brands aimed at such publics. Thus, we believe that we can capture the best business opportunities of each location, having the flexibility to meet the potential demand, and reducing our exposure in specific segments when necessary. The diversification allows us to offer more products which are fit to the several income brackets, with a better cost-benefit relation for our clients.

We intend to continue the expansion of our brand Open, aimed at the affordable and emerging segments. We believe that products directed to such income class present a large potential for expansion due to their growth expectation, especially in the market where we are. We try to develop products for these consumers by means of standardized construction

projects and processes, searching for well-located land lots, therefore reaching margins similar to our other ranges. For such, we count on specialized teams, and the technical and operational structure which allows us to design and develop enterprises which are fit for the demands of these segments.

We believe that our growth is based on our capacity to accelerate the cycle of development, launching, and sales of enterprises. From 2007 to 2009, the average time between land acquisition and launching was 11.9 months. We intend to make the development of our enterprises within the shortest term possible, by being agile in the search for new land lots, efficient in structuring our products, and quick when selling units. For such, we look for land lots which allow for rapid launching, shortening the period for governmental approval and the development of the product. Our current land bank reflects this strategy, since it is formed mostly by areas which will give origin to enterprises that will probably be launched in the years of 2010 and 2011. We believe that this posture minimizes the financial cost of stock maintenance, and reduces risks related to inversions of marketing trends, allowing for the commercialization of enterprises in line with the current market demands.

Our real estate development activities are completely integrated, which allows us to manage and control all stages, including the process of land acquisition,

planning, development, sales, and construction, with teams especially trained in each of these stages. Our work in all stages of the business allows us to control and maintain, with efficiency, the quality of all projects and the wide execution capacity, adding value to our brand, and contributing to the achievement of better results. We have an own sales force, made up of approximately 394 independent brokers, on December 31st, 2009, allocated exclusively for the commercialization of our products. One of the key factors for the success of our vertical model is that, since 2006, we have the ERP system from SAP consolidated in our operations, integrating departments and branches, and automating the storage of all information related to our business.

We try to make available to our operations the most efficient resources alternatives, meeting the financial needs of our projects in a way that is coherent with their long-term characteristics. We have an operation which coordinates the launching to the guarantee of financing for the construction. Currently, 98% of our enterprises count on bank financing, whether contracted or committed, for the construction.

We also believe that an important factor for the success of our operations comes from the correct deployment of the financial sources to the intended costing. We act in a comprehensive way, maintaining long-term relationships with several resource providers, such as banking institutions, capital markets, fi-

Our real estate activities are completely integrated, and we have an own sales force

A STRATEGIC MAP FOR THREE YEARS

The period of deceleration of business, in the first half of 2009, was faced by us as an opportunity to look inside the company. We were coming from a period of accelerated growth, with a large volume of launched enterprises, and there was a clear need to reorganize our structure, and realign our management processes. This movement, conducted by Even's management, resulted in the preparation of a strategic planning spanning three years.

Our Mission and View, with clear references to stakeholders and to a sustainable operation, inspired the planning process. At first, the pillars to sustain the strategy were defined: five of them represent commitments related to the business (financial, project, sales, works, and clients), and four relate to sustainability (collaborators, partners, marketing, and management). For each one, we defined strategic objectives, valid until 2011.

In order to sustain these pillars and reach our objectives, we anticipated 33 strategic enterprises, to be concluded by 2011. All of them were designed within a defined term, conducted by a work structure which goes from the presidency of the company to the supporting teams, with roles and assignments of each party clearly defined. The alignment between all members is assured by meetings every fortnight. And management rituals help maintain the focus and discipline of teams, led by a sponsor and a leader.

To gain commitment from all collaborators, the Map guidelines were presented to all levels of the company, in a carefully planned communication effort. Even's CEO personally conducted the presentation to directors and managers. Counting on extensive instruction materials, each leader reproduced the guidelines to their team, including at the worksite. In addition, the indicators and goals system was revised and adapted to the new challenges in the company, aligning strategy and execution.

Issues foreseen in the projects include the creation of models for partnerships and regional presence; implementation of management and control tool; business plans for regional operations; and several initiatives for the works sector and the internal public.

The project model was already being used by the Social and Environmental Responsibility Program implemented in 2008, which resulted in eight work groups (see Sustainability Strategy). The structure and the projects were incorporated into the Map, as well as the Reinvent Project, also started in 2008, with the aim of increasing the efficiency of the critical stages of the company's operations. In the fourth quarter of 2009, 17 projects had already been concluded.

nancial co-developers, and shareholders. We also seek to extend the benefits of this work to purchasers of our real estate properties, offering them access to the best financing conditions for their units. In 2009, from all delivered units, 92% were financed by means of the structure of bank transfer, or settled upon delivery of keys.

We have a specialized team of professionals, committed to the sustainable development and to the maximization of our results. Our management model seeks to align the administration with the interests of shareholders through a culture of meritocracy, and a variable compensation model that privileges growth, results, cost efficiency, and innovation. These characteristics contribute to the achievement of consistent results, aligning growth to the proper attention to risks which are inherent to our activities.

We believe that our commitment to sustainable and innovative practices will allow us to create a solid base for the long-term expansion of our operations. Such practices bring positive impacts to our development of products, image, and brand presence. Moreover, they provide production efficiency and cost reduction. We are the only construction company to integrate the Business Sustainability Index (ISE, *Índice de Sustentabilidade Empresarial*), and in July 2009 we were recognized as one of the 25 most innovative companies in Brazil by *Época Negócios* magazine, and the first company in the construction industry included in the ranking.

SUSTAINABILITY STRATEGY

Such as the life cycle of its enterprises, Even is built upon and moved by the long-term view. For us, sustainable development and the search for company perennality are inseparable values, treated as a strategic objective that should be integrated into our business model.

Since 2007 we are working on the implementation of social and environmental responsibility concepts and practices to the strategy and routines of the company. We want to be seen as a company committed to social and environmental responsibility, which stimulates sustainable operation in the construction industry. Our goals are the principles of our Mission and View – the reaffirmation of our commitment before clients, shareholders, employees, and the society in general. Our challenge is to make sure that all business stages are coherent with the guidelines on environmental quality and social justice.

PREPARING FOR SUSTAINABLE OPERATION

We lived 2009 as a period of transition, dedicated to inserting sustainability management into our internal structure, and to incorporating changes to our business model. For two years, we concentrated on the implementation of social and environmental concepts and practices. During this period, we went through stages of analysis of the company's activities, mapping of opportunities and vulnerabilities regarding our stakeholders, and the process of raising awareness and engaging leaderships. With the diagnosis in hand, we could establish priorities and a methodology, define action plans, and put them into practice. This task was assigned to eight multidisciplinary Work Groups (WGs) organized in 2008.

The Committee for Social and Environmental Responsibility, implemented in 2008, had among its responsibilities the conduction of a structured transition to the new model. The Executive Group and the Work Groups reported to this committee, forming a structure maintained in line by the Social and Environmental Responsibility Management. All positions were occupied with part-time dedication.

COMMITMENTS AND GOALS

GOVERNANCE

PURPOSE

- Implement projects defined under our strategic planning

GOAL IN 2009

- Execute the schedule for implementation of projects with quality and assertiveness

ACTIONS IN 2009

- Development of 33 enterprises, from which 17 were implemented
- Implementation of the Compliance Committee
- Planning of the Risk Management structure

COMMITMENTS FOR 2010

- Conclude ongoing projects
- Transmit the concept of sustainability to branches (MG and RJ)
- Have a dedicated Sustainability Governance structure
- Implement the Legal Risk Management Project

RELATIONSHIP WITH STAKEHOLDERS

PURPOSE

- Extend the communication channels with our stakeholders to stimulate dialogue

GOAL IN 2009

- Develop relationship actions focused on interest groups

ACTIONS IN 2009

- Organization of events and lectures
- Publicity campaign for RS 2008
- Multistakeholder Panel
- Creation of Neighbor Service

COMMITMENTS FOR 2010

- Maintain the routine of events and lectures to stakeholders
- Increase the publicity of RS 2009
- Extend the participation of publics in the Stakeholder Panel
- Create an indicator to measure neighbor complaints
- Provide resources for the sustainability education inside the company

COMMUNITY

PURPOSE

- Promote the relationship with communities nearby our enterprises
- Use financial, material, and human resources to maximize our actions in the community

GOAL IN 2009

- Develop the pilot project for community education (SP)
- Develop a project for mitigation of impacts among neighbors

ACTIONS IN 2009

- Adoption of Di Cavalcanti school, and implementation of the pilot project
- Planning of Neighbor Action project
- Creation of Neighbor Service

COMMITMENTS FOR 2010

- Deepen the experience with the pilot project for community education
- Implement the Neighbor Action pilot project around two worksites
- Create an indicator to measure neighbor complaints

ENVIRONMENT

PURPOSE

- Multiply the sustainability practices adopted by Even among suppliers and partners

GOAL IN 2009

- Implement a tool to classify, measure, and evaluate the waste generated by the worksite
- Create metrics and establish waste reduction goals for 2010
- Make an inventory of gas emissions in a pilot worksite

ACTIONS IN 2009

- Publicity of environmental awareness actions for employees and stakeholders
- Not implemented
- Conduction of inventory of emissions at three worksites

COMMITMENTS FOR 2010

- Reduce by 10% the overall residues at worksites
- Make an inventory for other works by Even to be started, and at the main office

SUPPLIERS

PURPOSE

- Multiply the sustainability practices adopted by Even among suppliers and partners

GOALS IN 2009

- Create action plans for the joint development of responsible practices
- Prioritize local suppliers

ACTIONS IN 2009

- Program of visits by sampling to nine companies, and homologation of suppliers
- Sustainability Report replaces the booklet for guidance
- List of local suppliers prepared

COMMITMENTS FOR 2010

- Have ten suppliers evaluated and homologated
- Improve by 10% the percentage of contracting with local suppliers

CLIENTS

PURPOSE

- Spread service quality values and valuation of customers in all sectors of the company

GOAL IN 2009

- Improve the quality of service in all stages of relationship, reducing the response time, and improving the assertiveness of the request

ACTION IN 2009

- Development of a CRM system at Even

COMMITMENT FOR 2010

- Increase the percentage of delighted clients identified in the Customer Satisfaction Survey

COLLABORATORS

PURPOSE

- Value collaborators and extend dialogue channels
- Invest in the spread of sustainable practices concepts to all areas of the company

GOALS IN 2009

- Review the structure and actions of the Human Resources Management area
- Implement a Volunteering Program for collaborators
- Establish a merit and acknowledgement system for retention of talents
- Improvements in training, benefits
- Implement a diversity program, focused on people with special needs

ACTIONS IN 2009

- Area was restructured
- The Volunteering Program was not implemented
- Planning of systems and processes for the selection, evaluation, development, and retention of collaborators
- The program for social and environmental goals in performance evaluation was not implemented
- The program for insertion of disabled collaborators was not implemented

COMMITMENTS FOR 2010

- Implement the Volunteering Program
- Implement the Management Program and the Intern Program Projects



Even's works area had advances in innovation of construction techniques, partner relations, waste management, and relationship with suppliers and partners.

CRITICALITY MATRIX

2009	2008
1- Clients	1- Community
2- Community	2- Shareholders
3- Collaborators	3- Suppliers
4- Suppliers	4- Government
5- Shareholders	5- Collaborators
6- Competitors	6- Media
7- Unions	7- Clients
8- Media	8- Competitors
9- Government	9- Unions

MANAGEMENT STRUCTURE IN 2009

Committee for Social and Environmental Responsibility An autonomous body integrated to the Executive Committee, comprising all business areas of Even. It is composed of the CEO, directors, the Social and Environmental Responsibility Management, and leaders of work groups dedicated to implementing sustainability actions. In quarterly meetings, the members of the committee decide on the lines of conduct of the company towards sustainability, and guide their execution, inserting them into the strategic planning. At the same time, they evaluate the impacts of social and environmental issues in the construction industry, and seek to articulate with society movements linked to sustainable development. As part of the process for sustainability improvement, in 2009 members of the committee participated in meetings with specialists in the field. The lectures addressed themes such as the work of the Global Reporting Initiative (GRI), and the functioning of the Sustainability Index (ISE) of BM&FBovespa. To make the committee's decisions operational, there is a structure organized as an Executive Group, and work groups concentrated on priority engagement publics, defined by the Criticality Matrix, and coordinated by the sustainability management.

Executive Group Two directors and the sustainability management centralize the area's management, based on guidelines formulated by the Committee. They are responsible for tasks related to planning and the stakeholders, such as coordinating the action plans, monitoring their implementation, recommending new plans, providing for internal and external communications, and articulating partnerships. The Executive Group, in its meetings, has guest participants from the company's support areas, as required.

Work Groups (WGs) Organized as demands related to the stakeholders arise, they are responsible for the conduction of the action plan. As soon as the objectives are achieved, the WG is dissolved, and its tasks

are incorporated into the company's routine. In 2009, three groups were active: Suppliers, Community, and Internal Public. Formed by one leader and participants from several areas of the company, each group gathers fortnightly for evaluation and planning.

Social and Environmental Responsibility Manager Acting as the interface between the Social and Environmental Responsibility Committee, the Executive Group and the Work Groups, its attributions include actions connected to sustainability communication – stimulate the consideration and discussion of relevant themes; manage the dialogue and engagement of stakeholders; and search for innovations, spreading them to all collaborators.

KEY MANAGEMENT ACTIVITIES DEVELOPED IN 2009

Inclusion in the ISE A The action foreseen to 2011 was successfully concluded in late 2009. Approved as a new member of the Business Sustainability Index (ISE, *Índice de Sustentabilidade Empresarial*), of BM&FBovespa, Even joins a group of 34 companies selected among 150 for its recognized commitment to business sustainability (see Corporate Governance.)

Stakeholders Panel Even's first experience in systematically listening to the stakeholders most involved with the business took place in late 2009. The event was attended by representative collaborators, suppliers, clients, and shareholders. The invited parties representing the community/neighborhood were not present. The dynamics proposed for the meeting tried to raise four issues related to Even and to the Sustainability Report: strengths; weaknesses; improvement suggestions; and themes considered important to the report. The evaluations of participants allowed us to create a list of relevant themes, which are addressed in this report, and which will be a part of the reviews for the elaboration of the strategic planning.

Inclusion in the ISE and publication of the sustainability report formalized our commitment to society

Suppliers WG Active since 2008, it advanced in several fronts in 2009 – nine verification visits held; quarterly events for spreading the sustainability concept; replacement of the Supplier Booklet by the Sustainability Report as guidance for relations; formalization of processes for registration and monitoring of social and environmental guidelines; and articulation of partnerships for projects on waste management and development of socially and environmentally friendly products and materials. Having achieved its objectives, the group was deactivated in late 2009 (see Sustainable Suppliers and Construction.)

Community WG Created in 2008, it worked in two instances: support to projects under the Private Social Investment Policy, such as the adoption of a public school for a pilot experience and donations to social organizations of the region surrounding our enterprises; and actions intended to narrow relations with the neighborhoods around our enterprises (see Community.)

Internal Public WG Operative since 2008, when it developed the Volunteering Policy, the group is committed to the elaboration and implementation of the Volunteering Program as regards the internal and external demands, and the need to create clear guidelines to such activities, in addition to internal and external campaigns. Activities intended for 2009 were postponed to 2010.

Sustainable Construction The works area of Even advanced in the planned fronts – innovation of construction techniques; waste management; relationship with suppliers and partners; improvements in the relationship with third parties (see Sustainable Construction.)

THE REPORT ACCESSIBLE TO EVERYONE

For Even, the Sustainability Report is an instrument of communication with its stakeholders – a way of opening the doors of the company and accounting for the evolution of our actions in light of economic, social, and environmental aspects. As we think it would be essential to assure that everyone could have access to the publication, we organized a campaign to publicize it among our stakeholders.

At first, we worked with the distribution of 800 printed copies, sent by mail to some clients and shareholders (in Brazil and abroad). The most active suppliers received their copies in one of the quarterly seminars, which was totally dedicated to the presentation and discussion of the initiative to prepare sustainability reports under the GRI guidelines. We also published a PDF file with the full report on our website, under Investor Relations. In five months, we recorded 1,251 accesses to the report. A summary report, with short and straightforward texts, had 22 thousand copies printed and distributed to a wide list of suppliers, shareholders, and clients. In an industry event, attended by our main competitors, Even delivered a lecture to present the report, the first in the construction market focused on sustainability and the GRI guidelines.

For collaborators, both in the offices and at worksites, we developed an interactive communication campaign, launched in a presentation by the CEO, Carlos Eduardo Terepins, and the sustainability management. The campaign addressed, in a fun and simple way, the sustainability concept, and the importance of the report. It also presented the good practices of the company, in addition to its main challenges. The contents were transformed into three booklets, divided by the sustainability dimensions: social, environmental, and financial.

In order to stimulate reading and discussion, a part of the text explained the sustainability concept by means of games, including seven errors, word puzzles, and a quiz. At the end, a detachable result sheet encouraged readers to send the answers to the Human Resources Management department (or to the engineer in charge). The first thousand people to send their answers received, as an acknowledgement, a pack of cards especially developed for the campaign, with questions and hints on sustainability.

In addition to publicizing the report, the campaign was designed to serve as a learning tool. In all, we estimate that around 30 thousand people have become aware of the contents of our sustainability report.



55%
OF RESIDUES

Were sent for
recycling or reuse
by the industry

We analyze
environmental,
social, and financial
aspects in all
stages of a project

SUSTAINABLE CONSTRUCTION

ENGAGEMENT PRESENT AT WORKSITES

Search for quality and innovation characterize our construction processes

We operate in an industry – the real estate market – with a high potential to present solutions which may contribute to the improvement of the quality of life of a community, especially in big cities. We represent an important factor for the economic development of society, because of our ability to create direct and indirect jobs, and to move a wide production chain. On the other hand, civil engineering, with its products, is among the most aggressive activities to the social well-being and environmental balance, because of the impacts on urban life, and to the excessive consumption of raw material, water, and electric energy.

At Even, we are aware of the negative consequences that may be caused by our operations, and have endeavored to fit our procedures to the principles of sustainable construction. The design, construction, and operation of our projects have been going through an improvement of the construction processes and policies which rule our relationship with stakeholders, in order to make them increasingly efficient and aligned to the three pillars of sustainability – financial, social, and environmental.

CERTIFIED PRECAUTIONS AT THE WORKSITE

Even includes in the evaluation of its business the analysis of environmental, social, and financial aspects in all stages of a project. We make investments to make our operations compliant with the standards acknowledged as excellent.

We have the NBR ISO 9001:2008 and PBQP-H international certifications, which attest compliance with excellence standards and procedures. We have adapted for our worksites part of the environmental sustainability indicators recommended by the Leadership in Energy and Environmental Design (Leed), such as the cleaning and organization of the worksite and surroundings; the precautions to avoid soil contamination; the report on the destination of waste; and the monthly monitoring of water and electric energy consumption, among other criteria.

Among the sustainable construction practices adopted by Even, described below in detail, we highlight the waste management; the search for innovation in systems and materials; the use of low environmental impact materials; the reduced use of wood in buildings; the productive partnership with suppliers; the precautions with the working conditions at worksites; and the commitment of the technical managers to the implemented guidelines.

In 2010 we will start the implementation of enterprises designed in 2009 to improve our relationship with customers and neighbors of works under construction. Likewise, pilot projects implemented to test construction processes, waste management solutions, and the carbon footprint should be extended to new projects conducted by Even.

We adopt strict procedures to maintain the cleanliness and organization of the worksites and surroundings

WASTE MANAGEMENT

The control of waste generation is one of the greatest challenges in civil engineering. Considering the nature of our activity, the materials used are heterogeneous and in large amounts, which makes it extremely hard to find solutions to avoid wasting, and improve the destination of residues while complying with the basic requirements of environmental responsibility: reduce, reuse, and recycle.

The culture of the real estate industry in the country lacks the dedication to further plan efforts intended to avoid the excess residues at worksites. On average, according to data from study Alternatives for Reduction of Waste at Worksites, conducted by the Department of Engineering and Construction of the Polytechnic College of the University of Sao Paulo (2001), the industry wastes 56% of cement, 44% of sand, 30% of plaster, 27% of conductive materials, and 15% of PVC tubes and wiring ducts.

In our projects, with the implementation of the Environmental Management System, this reality is quite different, because of the environmental audit process, which monitors, measures, and defines the destination of most residues generated by works. All companies contracted by Even to transport construction residues must be compliant with the system (see box Organized and Safe Dumpster). Among other requirements, the companies should present their municipal licenses, and a license for dumping in public landfills. In 2009, the waste management system allowed for 100% of residues to be correctly discarded. 55% were destined to recycling or reuse by the industry.

In 2009, new waste management initiatives were added to the ones already adopted for our projects. Several of them count on active participation by suppliers that maintain solid partnership relations with Even. Working together, we can reach technological advances to solve environmental impact issues.



RECYCLED MATERIALS USED

GRI EN2

Material	Supplier	% Recycled
Steel	Supplier 1	69%
	Supplier 2	80%
Aluminum	Supplier 1	65%
	Supplier 2	90%
	Supplier 3	10%
	Supplier 4	100%
Plaster (including Chapiscofix)	Supplier 1	93.69%
	Supplier 2	0%
	Supplier 3	0.8%
	Supplier 4	0%
Medium Washed Sand	Supplier 1	0%
	Supplier 2	0%
	Supplier 3	0%
Recycled Crushed Stone	Supplier 1	100%
	Supplier 2	100%
Concrete Blocks	Supplier 1	1%
Ceramics/Tiles	Supplier 1	8%
	Supplier 2	22%
Cements (all CPs)	Supplier 1	66.05%



Innovations in sustainable construction implemented by Even in 2009 counted on the strategic partnership of our suppliers in all stages of the work.

ACTIONS IMPLEMENTED IN 2009

Reuse of bentonitic mud Complicated to discard, the material is used to stabilize the soil during the execution of foundations and retaining walls for annex buildings. With previous knowledge on the presented technology, we were able to convince our partner for foundations to invest in equipment which would allow for an environmentally friendly disposal process. This results in the reuse of the material up to eight times. Moreover, the segregation of the product allowed for the reuse of water. This innovation benefits not only Even, but also the entire industry.

Recycled mortar Through the analysis of waste management reports, we found out that most of the wastage in the construction process derives from the execution of brickwork and mortar finishing. In light of this, searching for the concept of reuse, we implemented a miniplant at the worksite itself, and during the daily cleaning the workers separate the solid waste to be removed by the specialized companies. Next, we send the remaining residues (dust, sand, and grit) to a machine that grinds and washes the components which, when mixed, turn into mortar. At the end of the process, the material is tested, packaged, and sealed for use at the worksite itself. The reuse of residues eliminates the cost of dumpsters, reduces expenses with mortar, and improves the local air conditions.

Plaster A material of high impact on the environment, hard to recycle, and expensive to remove. Even has the purpose of studying a methodology for reusing the residues generated in the production process of other industries.

Used packages We have entered into partnerships with suppliers of materials to share the responsibility for the final destination of post-consumption products and processes. For instance, to provide for the collection of paperboard and plastic packages and send them for recycling, in addition to replacing individual packages with collective packages. The agreement had progresses in 2009 for the segments of sanitary ware, paints, and locks. At worksites, the nets used to protect the facade are used as sacks for transporting materials.

Ceramic coating without mortar Our construction process foresees the laying of ceramic and tile finishing directly over the walls, without the use of mortar. The system is used both inside the apartments and on the facades of buildings made of structural masonry.

Recovery of degraded areas Residues classified as construction waste are forwarded to companies specializing in recovering land lots which have suffered environmental impact, such as quarries.



2,726,945
MORTAR SACKS

Was the amount of 40kg mortar sacks used in 2009.

TOTAL WEIGHT OF RESIDUES

GRI EN22

Class	Type (description)	Volume (T)	Destination
II B	Brickwork and concrete	16,271	Recovery of degraded area
II B	Soil	123,195t	Landfills
II B	Paper and plastic	151	Recycling
II B	Wood	1,248	Biomass
II B	Metals	15	Recycling
II A	Plaster	3,550	Landfills
II A	Mix	3,476	Landfills
Total residues		24,711	

Separated by type and disposal method / Average weight/m³ of soil = 1.2 T/m³

MATERIALS USED BY WEIGHT OR VOLUME

GRI EN1

Material	Unit	Total
Steel	kg	18,977,852
Aluminum	kg	1,326,456
Mortar	40 kg sack	2,726,945
Sand	m ³	76,840
Concrete block	unit	10,208,271
Total ceramic / tiles	m ²	588,547
Cements (all CPs)	50 kg sack	505,170
Concrete (all FCKs)	m ³	271,891
Ready-made door kit	unit	15,354
Crushed stone	m ³	29,021
Sawed wood	m ³	313,214
Glass	m ²	184,904

Considered: raw materials, processed materials, goods, semi-finished pieces, packages

We endeavor to reduce the waste of materials at worksites with the proper management of residues, the search for innovation in systems and materials, and the application of quality processes



WOOD

Convenience and cost cause wood to be largely used in construction. Removed from the Amazon, oftentimes illegally, it ends up serving as raw material for concrete formwork, scaffolds, and other structures used

at worksites. Since 2007 Even has adopted measures to reduce the consumption of wood in our works, replacing it for reusable materials. We have also started to use reforestation and/or certified wood in our production process.

For some equipment traditionally made of wood, we have adopted materials of continuous use, such as iron and plastic. For example, the collective protection system for workers started to be made of metal, and can be used in other projects. In the case of concrete formworks, present at all worksites, 30% are made of plastic, with a life cycle six times longer than those made of wood; the remaining 70% are made from reforestation wood.

Even uses legal native wood in protection trays, templates, pergolas, and pool decks. In 2009, we chose a site for a pilot project, in which all wood forms in the structure were made from FSC-certified wood.

Currently, the dissemination of good practices among Even suppliers contributes to match the price of certified wood products used by us to the price of non-certified products.

TEN EVEN ENTERPRISES OBTAIN THE FOD

In 2009, we had progresses in the practice of using reforestation and/or certified wood in our production processes, and were the first constructor to request the homologation of all enterprises after registering with the Ministry of Environment for operating with the FOD, Forest Origin Document (DOF, *Documento de Origem Florestal*).

This mandatory certification, granted in 2009 to ten Even enterprises, ensures the traceability of the wood used by us and the reliability of the wood dealers from which we purchase wood. The regularization of the FOD adds to the initiative of requiring from our door suppliers the certification issued by the international body Forest Stewardship Council (FSC) or by the Council for Forest Management. The international seal is a warranty that all wood used for the manufacture of doors comes from sustainable managed forest areas.

THE RECYCLING COURSE



1 COLLECTION

The construction waste is collected from the entire worksite



2 SEPARATION

Workers separate residues by type



3 STORAGE

Residues are stored directly to dumpsters





4 REMOVAL

The worksite requests the removal of dumpsters



6 WEIGHING

Residues are weighed upon arrival to landfills or recycling companies



5 TRANSPORTATION

The transporting company forwards the residues to the defined locations

DESTINATION BY TYPE OF RESIDUE



Plaster is forwarded to a private landfill.



Wood is used as biomass for heating furnaces and boilers in cellulose and paper companies



Plastic, glass, and iron are sent to recycling



The remaining waste is used for recovery of degraded areas



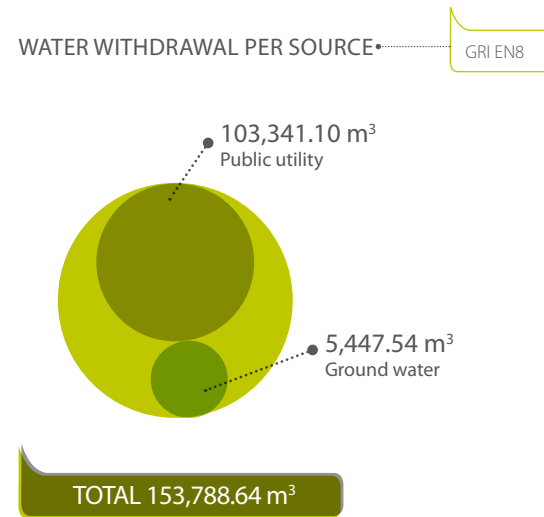
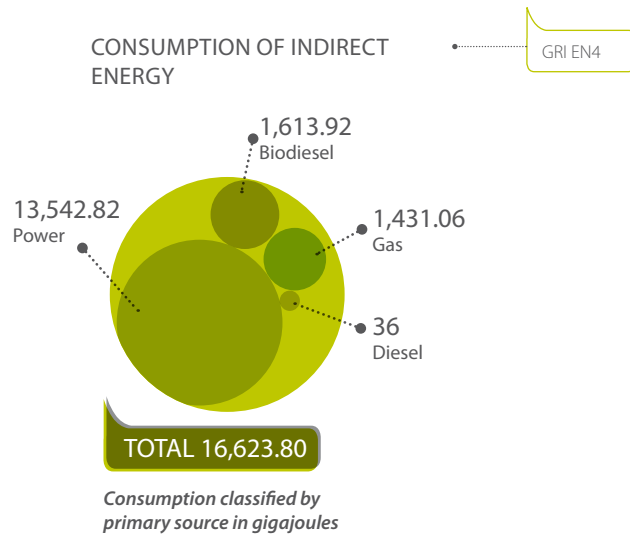
ORGANIZED AND SAFE DUMPSTER

Waste management system reduces losses and costs

Even's partnership for waste management is aimed at solving a key difficulty in this issue – to separate the solid waste generated at worksites by type, and measure the amounts produced. The system adopted in our enterprises allows us to identify in detail the composition of residues, establish precise goals for waste reduction, and give a proper destination to each type of residue. With this information, we can engage the collaborators responsible for the worksites so that, in addition to making the separation of residues a routine activity, they practice the responsible consumption of raw materials.

The rationalization of activities provided by the system leads to a reduction of losses and wastage, results in cleaner processes and products, and serves as a living example for environmental awareness. In 2009, our partnership handled and forwarded the waste from 25 enterprises by Even. The process also involves the technical assistance service offered by Even to condominiums. In Rio do Janeiro, a similar collection system is being developed. In Minas Gerais, we have trained and registered a supplier to work with the waste management system.

Every month, the company sends a report to Even describing the destination of residues. The adoption of this management system allowed the proper destination of 100% of the waste, with 55% forwarded to recycling or reuse by the industry.



WATER AND ENERGY SAVINGS

We have programs for the reasonable use of water and electric energy, monitoring the consumption and raising the awareness of our collaborators and partners on this issue. From all the water used at Even's worksites, totaling 153,788 m³, 100% is destined to the public sewage system.

WORKSITES AND THIRD PARTIES

One of the critical aspects for the real estate industry is the worksite. Because of its transitory nature – an inherent trait of the industry's business model –, it presents most of the fragile situations of the operations of companies as regards the work environment and the qualification of workers, among other aspects. For Even, constructing in a sustainable way also means to make sure that workers contracted in third-party regime have working conditions that respect the integrity of each person, and reinforce their dignity, self-esteem, and personal development.

Care for the Environment All of our worksites follow an organization, cleaning, and environmental care standard for the maintenance of the work area, common and hygiene equipment, and in the benefits offered to workers. At the common areas, plastic laminate tables can be reused at new worksites, and bathrooms count on gas-heated showers, reducing the consumption of electric energy. Workers receive clean towels every day upon arriving to work and find liquid soap in the bathrooms, as well as sunscreen lotions. They have access to medical care, tests, and provision of medications. And, regularly, a doctor contracted by Even visits worksites and coordinates vaccination campaigns.

Safety We have a severe control of safety aspects at our worksites. In addition to inspecting the use of all mandatory protection equipment, we promote internal campaigns, and monitor the compliance with specific standards. In 2006, we created the Even

Safety Contest as a means to strengthen the engagement of employees and third parties to principles adopted by the company. This effort was acknowledged in the past two years with the conquest of important awards on the theme (see Acknowledgments and Awards.)

Training Collaborators and third-party workers maintain a weekly training routine. The themes addressed follow the 5S concepts applied to the construction routine and deal with waste selection, street cleaning, safety at work, selective collection, etc. For newcomers, there is an integration training, which is annually updated. In place since 2006, the course approaches the management of safety at work, the values of the company under the sustainability guidelines, the respect for human rights, and the gentle treatment to all our stakeholders.

Constructive innovations adopted in our enterprises contribute for the sustainable use of the real estate in the long term

Formal Education Since 2006 we have developed the School Project, directed to collaborators and service providers at the worksites, and implemented in partnership with Sesi and the Construction Industry Union (Sinduscon). Covering the contents from the 1st to the 4th grade of elementary education, the course is taught in four months at the worksites, for the convenience of workers. Over 200 people have already graduated and received the certificate of completion from the Ministry of Education. About 130 were attending the course by the end of 2009. In addition to regular classes, the course includes cultural activities, such as movie sessions and tours to historical sites. In 2009, the program, until then conducted in our units in Sao Paulo and Rio de Janeiro, was extended to Minas Gerais.

LIFE CYCLE OF THE ENTERPRISE

The work stage of an enterprise is the greatest focus of the attention constructors devote to the business. The concept of life cycle of the enterprise after its delivery is still a minor concern in our industry. However, under the sustainability point of view, the construction stage represents only 20% of the water and electric energy consumption; the remaining 80% will be used along the useful life of the delivered enterprise.

Even believes that the conception of the enterprise as a whole is part of the mission of the companies in this industry. In 2009 we improved our construction processes and, in 2010, we will start to adjust our communication channels with clients, aiming at raising their awareness on the importance of reducing environmental impact with the proper use of their real estate. One of the premises already defined will be the review of the Owner's and Manager's Manual, which is delivered upon conclusion of the works, and highlights the possible measures to be taken during the use of the real estate.



A SQUARE FOR ALL

Even's first enterprise in Sorocaba, a city in the state of Sao Paulo, became an example of articulated efforts for the benefit of stakeholders. In conjunction with our suppliers of materials and services, and the voluntary work of employees themselves, we created a leisure area within the worksite itself, called the Worker's Square, located in a wooded area measuring 600 sqm.

The area, after being carefully gardened, was equipped with tables and chairs, mattresses and grill, becoming a meeting point for hundreds of workers hired for the construction. The partner companies constantly provide books, magazines, and newspapers. The combined efforts of all participants allowed for the building of the square at no cost.



200
WORKERS

At worksites have graduated from the School Project, and received the elementary school certificate

Before / After – Installed in a clear area and coated afterwards, the plumbing system developed by Even provides easy access in case of repairs and restorations, avoiding the need to break walls



SOLUTIONS APPLIED OR AT THE PILOT STAGE

Friendly Plumbing Solution The plumbing system developed and used by Even is installed in a free area that can be easily reached, and not embedded in the wall. In addition to reducing the generation of residues, both during the work and afterwards, for maintenance, the “visiting shafts” make future restorations at units easier, and avoid the breaking of walls in case of leakage. The plumbing is visible at the basement.

Energy Efficiency Timers and occupancy sensors provide lighting in sectors of the common areas of the building, for automatic switching on and off. The elevators are provided with high-performance engines to reduce electric energy consumption.

Environmentally Friendly Toilet Initially available only at common areas, the close coupled toilets with double drive started to be used in the design of all units of the enterprises delivered by Even. The renegotiation of prices with the manufacturer allowed for the adoption of the system in large scale, which provides water savings of around 40% compared to the conventional model.

Rational Use of Materials We reduced the use of copper in our enterprises, and replaced it with thermoplastic resin piping, which does not require

thermal insulation. The ceramic blocks used to erect walls were replaced by concrete blocks, eliminating the need to apply mortar to correct imperfections. We also use recycled crushed stone for gardens and basement drainage.

Raised Floor in the External Area The system used to elevate floors about 30 to 40 cm from the slab does not require sand and cement, and provides easier waterproofing and interventions, without requiring breakage.

Solar Power In January 2010 a pilot project was developed to analyze the performance of solar plates installed in one of our enterprises. From May 2009 on, all our new projects designed with more than two bathrooms will be provided with this system.

CARBON FOOTPRINT

In accordance with IPCC (Intergovernmental Panel on Climate Changes), the construction industry is responsible for 40% of all emissions of greenhouse gases into the atmosphere. In late 2009, Even completed a pilot project aiming at developing an in-depth comparative study on the emissions of each of them. The findings were direct and direct emissions: at Type 1 worksite, of 21,270.28tCO₂; at Type 2 worksite, 24,266.02;

and, at Type 3 worksite, 14,089.98. Despite the similar values, the variation measured reaches 26% when we measure emissions/sqm of construction area, which are 0.25tCO₂/sqm, 0.23tCO₂/sqm, and 0.31tCO₂/sqm, respectively. Our intention is to measure the carbon footprint related to 2010.

COMMITMENT OF LEADERSHIPS

Since 2005, sustainability practices and safety issues at the worksites are under the direct responsibility of the technical managers and their teams. The compliance with the standards is monitored by the general audit, and is part of the variable compensation program of the entire work team. The goals include the presentation of innovative initiatives, both aiming at improving construction processes and identifying good practices that may be passed on to other projects. The audit also inspects whether contractors hired by Even comply with the standards and policies set forth by the company. One specific item of the variable compensation program to which the bonus goal of engineers is associated is the staying of collaborators of the hired companies at the school up to the completion of the basic course.

TORA DE

REGUA

(ENCHER)

How to avoid the disappointment of clients with the quality of the work?




Problems in the quality of finishing oftentimes are only identified after the delivery of keys

HOW?

TRANSFORMING THE WAY OF LIVING

The purchase of a real estate is part of a dream for most people, and involves some of the highest expectations kept along one's life. Due to its unique characteristics as a durable good, it involves a relationship between the purchaser and the developer that lasts for many years. The failure to understand this context leads to frustration, conflicts, and losses that represent great damage for a part of the economy with the weight of civil engineering.

The relation with the client does not end with the delivery of keys, let alone with the execution of the agreement, as is still the practice in our market. As an acknowledgment of a commitment that extends for life, Even registered it in its Mission and Vision. We believe that the conception of the enterprise as a whole is part of the mission of the industry's companies so we can have a sustainable world. We continuously look at Even's structure, as well as its processes, so that they keep in line with the commitment to our clients.



The meetings held periodically by Even aim at keeping clients updated on the progress of works, and clarify any questions, demands, and complaints





At defined stages of the construction, clients are invited to visit the worksites. Accompanied by Even's employees, they have access to the progress of the works, and can learn details on their units

RELATIONSHIP WITH STAKEHOLDERS – CLIENTS

A LIFELONG RELATIONSHIP

The relationship between the purchaser of a real estate and the developer that sold it can last up to 20 years, from the purchase, construction, and delivery to the payment of the final installment of the bank financing. For most people, this will be the highest investment in their entire lives. As it will be one's future home, the acquisition of a real estate comprises an emotional dimension that few consumption experiences reach. This view of the business, however, is not fully absorbed yet by the construction industry. Traditionally, the contact between company and client is focused on the purchase and delivery of keys, when the deal is deemed completed, and the relationship comes to an end.

The character of a dream that a real estate means to the dweller is comprised in Even's Mission and Vision since 2008, and impregnates the sustainable operation model adopted by us. We recognize the depth of the relationship we hold with our clients, and the degree of commitment that needs to be assumed by the entire organization for many years.

We understand that the commitment with our client begins much before the concrete relationship. It starts at the design stage, which must cover not only the works, but also ensure the well-being of future dwellers, foreseeing how they will use their property, both from the personal and from the environmental and community point of views. This attitude goes around the marketing team, the sales team, the financial and legal areas, the technical construction

and service personnel of the enterprise, and the client service system, which are involved at the different stages along the course of this relationship.

MULTIPLICATION OF CLIENTS

The understanding and the attention to the client's needs become even stronger in light of the business expansion experienced by Even in the past three years. To the 12 thousand purchasers serviced during 2009 further ten thousand will be added in 2010, referring to the 37 enterprises that will be delivered this year. In order to meet this doubled demand, we redesigned the client relationship area, which now integrates a new executive board, and had its set of standards and procedures mapped out and systematized in all stages of the process. The implementation of the new structure will be completed in May 2010.

VALUED PERCEPTION

To guide this reorganization, Even counted on the Customer Satisfaction Survey database, which has been carried out annually in the past five years with a representative sampling of people. The survey is carried out at different moments of the relationship between the purchaser and the developer (at the sales office; upon the materialization of the purchase; during construction; upon delivery of keys; and after the move to the new address), which allows us to accurately distinguish relevant issues with which the client is satisfied and those that require improvements.



After interviewing 664 people, in September 2009, the results of the survey showed a significant reduction in the percentage of unsatisfied clients, which was a goal defined in our 2008 action plan. There was also an improvement at the work delivery stage, and in the results of clients that recommend Even. We identified as sensitive issues the services provided after the delivery of keys, such as the technical assistance. As a standard procedure, the findings of the survey are brought to the involved areas, and the expectations of clients become the goal of the team, influencing the variable compensation of each of them.

Among the actions implemented in 2009, we restructured our Customer Service, with the implementation of a CRM system, which allowed for a better follow-up of our clients' needs. We also had an increase of 60% in the number of positions at the customer service. These measures resulted in a significant improvement in the service quality, and a reduction in the average waiting time of the calls, besides decreasing the number of lost calls, which was a goal established in 2008. In 2009, we received around 20 thousand calls from clients, of which 89% had their questions settled in the first contact.

The findings of the Customer Satisfaction Survey became a goal for each team involved in client services, and affect their variable compensation

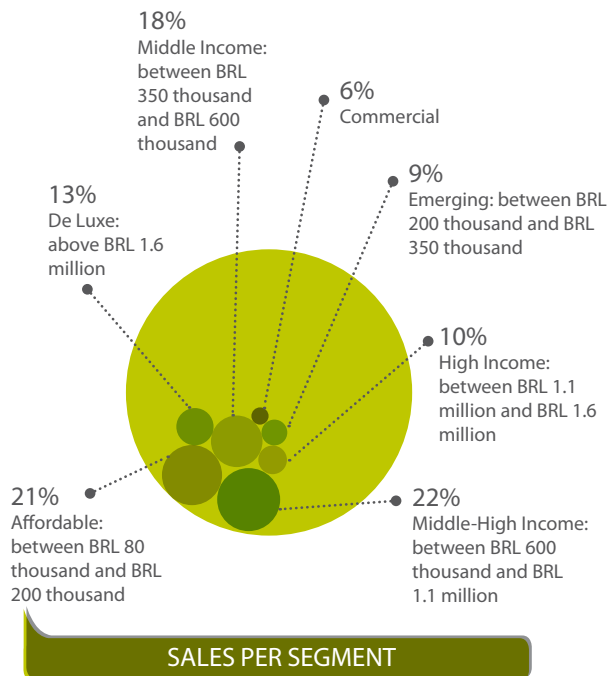
FUTURE INNOVATIONS

- **Creation of a dedicated center that will articulate all areas of the company involved in the process**
- **Improvement of the management system, which will provide more intelligence to the data stored about clients, without risking their privacy**
- **Creation of an Ombudsman service aimed at providing technical support to the demands of clients**
- **Expansion of the dialogue channels, with emphasis on the Internet**

BUSINESS PERFORMANCE

AGILITY AND SAFETY TO THE RIGHT EXTENT

Segmentation and expertise in sales boost our growth



Contrary to our expectations in early 2009, we reached the end of the year with a record sales volume of BRL 1.2 billion, and launches of approximately BRL 900 million. Even delivered 15 enterprises along 2009, corresponding to 1,688 units. We currently have 52 worksites in activity, and closed the year with a land lots base of BRL 4.3 billion intended for new real estate products.

The 25 enterprises launched in the period served the four states in which we have business, being 16 in the metropolitan region of Sao Paulo, three in the countryside of the state, four in Rio Grande do Sul, one in Rio de Janeiro, and one in Minas Gerais. The Open line, which offers real estate properties for the affordable segment, reached 31% of the total launches. These figures show the successful strategy of geographic and segment diversification adopted by the company.

From the total sales of 2009, 43% came from enterprises launched in previous years. Out of the sales of the fourth quarter, 56% came from launches from previous quarters. A relevant point in our commercial strategy was the performance of Even Vendas, which accounted for 56% of all sales of the year in its area of operation.

In December we launched the first Open project in Rio de Janeiro, which reached 67% of sales already in the first month. The Open brand identifies Even's enterprises directed to the affordable segment, with costs ranging up to BRL 350 thousand, and its results have been quite significant for the company, totaling 40% of the launches of the year. We believe that the emerging segment represents great potential for growth in the construction industry, as shown by the 2009 results. The segment accounted for 2,077 units launched by Even in the past year, with 78% sold within the same year.

Even has always worked with the concept of "High Turnover", seeking to minimize the time between the acquisition of the land and the launching of the product. Our land lots base totals 3.16 thousand sqm, which allows us to launch, in the next years, around BRL 4.3 billion in real estate products. This represents a potential for 57 enterprises. Part of these purchases occurred in the fourth quarter of the year, when 18 new land lots with sales potential were acquired, in the amount of BRL 860 million (just Even's portion). These figures follow the company's strategy of developing projects with a smaller average General Sales Value (GSV), so as to minimize risks.

ECONOMIC PERFORMANCE

SUSTAINABLE PERFORMANCE IN THE LONG TERM

Even delivered 15 enterprises in 2009, and has 20 projects assured for 2010

The Brazilian economy had increased performance throughout 2009, evidencing the different scenarios that influenced the construction industry. From a pessimist first quarter, still under the economic retraction climate prevailing in the last months of 2008, it evolved to a vigorous and dynamic movement, especially as from the second quarter, and

maintained its growth until the end of the year.

Even's option for the financial and operational conservatism at the beginning of the year also guided the company during the period of market recovery, which is an option that signalizes the maintenance of a sustainable performance in the future. We had significant increases in the selling speed of our units in

MAIN CONSOLIDATED FINANCIAL AND OPERATIONAL INDEXES

BRL million	2009*	2008**	2007**
Net Income	1,168.2	825.2	428.4
Gross Profit	332,319	283.6	166.4
Gross Margin (% of net income)	31.8%	35.5%	38.8%
Adjusted EBITDA	230,709	128.8	78.1
Adjusted EBITDA margin (% of net income)	19.7%	15.6%	18.2%
Adjusted Net Profit	124,454	79.7	52.9
Adjusted Net Margin (% of net income)	11.6%	11.3%	13.8%
Launches	1,129,142	1,435.1	1,757.8
Contracted sales	1,464,763	1,126.3	790.9
Contracted sales/Launches	XXXXX%	79%	43%

* The figures above are consistent with the practices set forth in Law No. 11638.

** The figures above are consistent with the practices used prior to the alterations made by Law No. 11638.

The affordable segment, represented by Open brand, totaled 40% of all launches by Even in 2009

POTENTIAL SALES VALUE OF INVENTORY BY YEAR OF LAUNCH

Year scheduled for delivery	Inventory at market value	% of Inventory
Delivered units	44,974	3%
2010	485,904	36%
2011	569,943	43%
2012	238,554	18%
Total	1,339,375	100%

all times of the year. The improvement in the scenario allowed us to increase the expected volume of releases along the second half of the year, based on consistent sales results. We reached the end of 2009 with a net income 110.6% higher than that of 2008, totaling a record sales volume of BRL 1.2 billion, and launches of around BRL 900 million.

REFLEXES OF THE ECONOMIC ENVIRONMENT ON THE INDUSTRY

In the economic scenario observed in Brazil in 2009, which was opposite to the climate of uncertainties of the international market, the Central Bank had an important initiative of speeding the reduction of the basic interest rate as a strategy to balance the domestic market. The resumption of the economic activity, which followed this movement, contributed to increase the availability of credit, and to the growing trust shown by consumers in the country, which was already visible in the first quarter of 2009.

The construction industry absorbed the positive impact of the federal measures encouraging the purchase of real estate properties that benefited all layers of population. The new growth of activities in

the construction industry may be measured by the results of the fourth quarter of 2009 in the city of Sao Paulo – according to Secovi, the market of new residential properties in the capital had a 145% increase of sales compared to the same period in 2008. From January to December 2009, residential and commercial enterprises totaling BRL 15.56 billion were launched in the metropolitan area of Sao Paulo, according to data from Embraesp.

ROBUST INDEXES DRIVE EVEN'S GROWTH

Even's net income more than doubled compared to 2008 – it increased from BRL 59.1 million to BRL 124.4 million (110.6%). Another highlight of the year was the Ebitda margin (profit before interests, taxes, depreciations, and amortizations) of 19.7%. The net income of sales and services accumulated in the year increased from BRL 827.5 million in 2008 to BRL 1.17 billion in 2009, representing a 41.2% increase, driven by the considerable advance in the speed of sales of our units along the entire year. Around 70% of all launches in 2009 were sold in the period.

ADDED VALUE STATEMENT (AVS)

GRI EC1

	2009	2008	2007
Direct Economic Value Generated	1,253,153	897,370	468,629
Income	1,253,153	897,370	468,629
Distributed Economic Value	(1,158,432)	(852,537)	472,902
Operating Costs	(907,341)	(658,299)	363,725
Payroll and benefits	(69,835)	(63,760)	32,648
Payments to capital providers	(75,955)	(54,873)	35,030
Payments to government	(104,939)	(73,689)	41,499
Investments in the community	(362)	(1,916)	(1,119)
Retained Economic Value	94,721	44,833	4,273

The company reached the end of 2009 with a sales record of BRL 1.2 billion. This amount was nearly 10% higher compared to the previous year, when the company recorded BRL 1.12 billion in sales. It is important to highlight that, in 2009, the company launched BRL 926.7 million in GSV, or -35% of the amount of BRL 1.4 billion reached in 2008. From the total sales of 2009, 47% were from enterprises launched in prior years. Our construction financing index remained high. Of all enterprises, 98% have guaranteed financing.


PROSPECTS

The year 2009, with the challenges brought by the uncertainties of the economic scenario, represented an important opportunity to consolidate Even's growth base. We delivered 16 enterprises along the entire year, a fact that attests our performance and delivery capacities. In 2010 we will have a delivery volume above 20 enterprises. The expressive results of 2009 give us with the certainty that we have qualified teams and proven processes to face the 2010 commitments.

We closed the year with an inventory amounting to BRL 1.33 billion in units scheduled to be delivered between 2010 to 2012, corresponding to 97%. Our land lots bank ensures the company the launching of around BRL 4.3 billion

in real estate products, which is a potential corresponding to 57 launches. These are indicators that show a solid future for the company in the domestic real estate market.

Despite the forecast expansion of the economy in Brazil, we are aware of issues external to Even's business that may affect us. Among the monitored risks, we follow the market moves that may point to payment failures by consumers. Our risk management processes include the continuous monitoring of clients' payment flow. This allows us to react promptly to potential problems. By the end of 2009, our portfolio presented a low and steady default status for our enterprises.

A construction worker wearing a red hard hat, safety glasses, and a grey long-sleeved shirt is working on a large, rusted metal rebar structure. The worker is using a tool to adjust the rebar. In the background, another worker is visible, and the setting appears to be an industrial or construction site.

**EVEN CONSTRUTORA E INCORPORADORA S.A.
AND EVEN CONSTRUTORA E
INCORPORADORA S.A. AND SUBSIDIARY
COMPANIES**

Financial Statements, December 31st, 2009 and 2008, and
Report of Independent Auditors

REPORT OF INDEPENDENT AUDITORS

To the Executives and Shareholders of EVEN Construtora e Incorporadora S.A.

- 1.** We have audited the balance sheets of EVEN Construtora e Incorporadora S.A. and the consolidated balance sheets of EVEN Construtora e Incorporadora S.A. and its subsidiary companies as of December 31st, 2009 and 2008, and the related statements of income, of changes in net equity, of cash flow, and of added value of EVEN Construtora e Incorporadora S.A. and the related consolidated statements of income, of cash flow, and of added value for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements.
- 2.** We conducted our audits in accordance with approved Brazilian auditing standards, which require that we perform the audit to obtain reasonable assurance about whether the financial statements are fairly presented in all material aspects. Accordingly, our work included, among other procedures: (a) planning our audits, taking into consideration the significance of balances, the volume of transactions, and the accounting and internal control systems of the Company; (b) examining, on a test basis, evidence and records supporting the amounts and disclosures in the financial statements; and (c) assessing the accounting principles used and significant estimates made by Company's management, as well as evaluating the overall financial statement presentation.
- 3.** In our opinion the financial statements audited by us present fairly, in all material aspects, the financial position of EVEN Construtora e Incorporadora S.A. and EVEN Construtora e Incorporadora S.A. and subsidiary companies as of December 31st, 2009 and 2008, and the results of operations, of changes in net equity, cash flows, and added values of EVEN Construtora e Incorporadora S.A., as well as the consolidated results of operations, cash flows, and added values for the years then ended, in conformity with accounting procedures determined by Brazilian Laws.

Sao Paulo, March 1st, 2010.

PricewaterhouseCoopers
Independent Auditors
Accountant CRC 2SP000160/O-5

Valdir Renato Coscodai
Accountant CRC 1SP165875/O-6

BALANCES SHEETS

AT DECEMBER 31, IN THOUSAND BRAZILIAN REAIS

Assets	Controlling Company		Consolidated	
	2009	2008	2009	2008
CURRENT				
Cash and cash equivalents (Note 3)	105,263	112,380	281,571	262,179
Restricted accounts (Note 4)			32,220	59,952
Accounts receivable (Note 5)	6,599	19,649	1,033,999	540,539
Real estate for sale (Note 6)	15,823	14,745	555,226	452,092
Current-accounts with partners in enterprises (Note 12)	16,765	12,735	40,492	20,950
Deferred income tax and social contribution (Note 16)	319	2,421	319	2,421
Recoverable taxes and contributions	7,485	9,178	11,506	11,152
Other accounts receivable	16,079	14,039	54,891	29,404
	168,333	185,147	2,010,224	1,378,689
NON-CURRENT				
Non-current assets				
Accounts receivable (Note 5)	24,105	30,287	136,577	143,999
Real estate for sale (Note 6)			101,675	200,746
Advances for future capital increase (Note 7)	192,372	141,363	1,165	3,606
Related parties (Note 11)	8,916	4,479	200	601
Deferred income tax and social contribution (Note 16)	1,163	1,851	1,163	1,924
Other accounts receivable	6,866	4,963	7,341	4,976
	233,422	182,943	248,121	355,852
Investments (Note 7)	1,160,256	883,460	11	11
Premium (Note 7)	2,511	4,615		
Fixed assets (Note 8)	6,819	5,015	11,518	23,336
Intangible (Note 8)	2,752	3,360	2,893	3,532
	1,405,760	1,079,393	262,543	382,731
Total Assets	1,574,093	1,264,540	2,272,767	1,761,420

Management's explanatory notes are an integral part of the financial statements.

Liabilities and net equity	Controlling Company		Consolidated	
	2009	2008	2009	2008
CURRENT				
Loans and financing (Note 9)	25,361		136,264	84,042
Suppliers	153	1,271	34,592	34,114
Accounts payable for real estate acquisition (Note 14)	847	5,318	17,242	31,194
Current-accounts with partners in enterprises (Note 12)	407	225	7,115	7,381
Advances from clients (Note 13)	507	348	129,737	101,110
Taxes and contributions payable	10,401	11,857	31,886	25,723
Deferred income tax and social contribution (Note 16)	319	2,421	34,357	21,546
Related parties (Note 11)	165,443	11,801	3,050	4,967
Debentures (Note 10)	16,830	14,291	16,830	14,291
Proposed Dividends (Note 17 (b))	29,733	14,258	29,733	14,258
Transfer of receivables (Note 5(b))	2,067	5,636	15,316	12,303
Other accounts payable	13,273	1,750	30,464	12,812
	265,341	69,176	486,586	363,741
NON-CURRENT				
Loans and financing (Note 9)	126,610	142,133	433,672	216,234
Accounts payable for real estate acquisition (Note 14)	2,425	3,121	27,752	38,627
Taxes payable (Note 15)	440	1,263	40,528	26,064
Advances for future investments (Note 7)			3,552	4,115
Deferred income tax and social contribution (Note 16)	1,163	1,851	4,538	4,439
Debentures (Note 10)	303,751	248,934	303,751	248,934
Stock option plan (Note 20)	1,946	6,893	1,946	6,893
Transfer of receivables (Note 5 (b))	18,090	19,570	43,788	35,173
Other accounts payable	428	439	8,802	4,207
	454,853	424,204	868,329	584,686
MINORITY SHAREHOLDER INTEREST			32,060	23,909
Net equity (Note 17)	757,264	757,262	757,264	757,262
Net equity (Note 17)		(22,784)		(22,784)
Custos de transação	10,981	8,996	10,981	8,996
Plano de opção de ações (Nota 20)	85,654	27,686	117,547	45,610
Reservas de lucros				
	853,899	771,160	885,792	789,084
Total Liabilities and net equity	1,574,093	1,264,540	2,272,767	1,761,420

INCOME STATEMENTS

YEARS ENDED AS OF DECEMBER 31 – IN THOUSAND BRAZILIAN REAIS, EXCEPT AS OTHERWISE PROVIDED

	Controlling Company		Consolidated	
	2009	2008	2009	2008
Gross operating income				
Real estate development and resale	7,567	24,390	1,198,130	837,087
Provision of services	51,678	44,479	20,302	28,813
Deductions from gross income	(5,736)	(5,925)	(50,227)	(38,377)
Net operating income	53,509	62,944	1,168,205	827,523
Incurred costs with sales	(42,788)	(31,313)	(835,886)	(551,881)
Gross profit	10,721	31,631	332,319	275,642
Operating revenues (expenses)				
Commercial (Note 2.2 (p))	(4,896)	(2,160)	(70,880)	(88,063)
General and administrative	(64,220)	(61,228)	(68,513)	(68,334)
Management compensation	(8,311)	(9,570)	(8,311)	(9,570)
Other net operating revenues (expenses)	1,964	(3,155)	3,276	(4,375)
	(75,463)	(76,113)	(144,428)	(170,342)
Operating profit (loss) before corporate interest and financial results	(64,742)	(44,482)	187,891	105,300
Result of corporate interests (Note 7)				
Equity accounting	225,313	126,843		
Provision for losses	(1,262)	(2,641)		
Premium amortization	(2,104)	(3,298)		
Financial result				
Financial expenses	(53,613)	(48,358)	(43,844)	(38,860)
Financial revenues	6,893	13,197	35,468	35,270
Monetary and exchange variance, net		(96)		(3,975)
	175,227	85,647	(8,376)	(7,565)
Net profit (loss) before minority interest	110,485	41,165	179,515	97,735
Income tax and social contribution				
Current			(28,104)	(18,727)
Deferred			(15,773)	(7,421)
			(43,877)	(26,148)
Net profit (loss) before minority interest	110,485	41,165	135,638	71,587
Minority shareholder interest			(11,184)	(12,496)
Net profit (loss) for the year	110,485	41,165	124,454	59,091
Outstanding shares at year end	178,730,052	178,500,030		
Net profit (loss) per share of capital stock at year end - BRL	0.62	0.23		

Management's explanatory notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN NET EQUITY



IN THOUSAND BRAZILIAN REAIS, EXCEPT AS OTHERWISE PROVIDED

	Capital Stock	Transaction Costs	Stock Option Plan	Income Reserves		Accumulated Profit (Loss)	Total
				Legal	Retained Profits		
As of December 31, 2007	607,257	(22,784)	5,443	779			590,695
Increase and payment of capital (Note 17)	150,005						150,005
Stock Option Plan (Note 20)			3,553				3,553
Net profit for the year						41,165	41,165
Application of profit							
Legal reserve				2,058		(2,058)	
Proposed dividends – BRL 0.08 per share (Note 17)						(14,258)	(14,258)
Reserve of retained earnings (Note 17 (b))					24,849	(24,849)	
As of December 31, 2008	757,262	(22,784)	8,996	2,837	24,849		771,160
Absorption of transaction costs		22,784			(22,784)		
Increase and payment of capital (Note 17)	2						2
Stock option plan (Note 20)			1,985				1,985
Net profit for the year						110,485	110,485
Application of profit							
Legal reserve				5,524		(5,524)	
Proposed dividends – BRL 0.17 per share (Note 17)						(29,733)	(29,733)
Reserve of retained earnings (Note 17 (b))					75,228	(75,228)	
As of December 31, 2009	757,264		10,981	8,361	77,293		853,899

Management's explanatory notes are an integral part of the financial statements.

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The table below presents the information and the page reference where the responses to GRI indicators are consolidated in this report

APPLICATION LEVEL		C	C+	B	B+	A	A+
MANDATORY	SELF- DECLARED						
	EXAMINED BY THIRD PARTIES		WITH EXTERNAL VERIFICATION		WITH EXTERNAL VERIFICATION		WITH EXTERNAL VERIFICATION
OPTIONAL	EXAMINED BY GRI						

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EC7.	Local hiring There are no hiring procedures in place for this purpose. No branches were opened in 2009.	-

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EN3.	Direct energy Energy Consumption (GJ) – Total: 13,542.82	-
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WATER

EN8.	Water by source	49
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EMISSIONS, EFFLUENTS, AND WASTE

EN21.	Water discharge 100% of all water used at Even's worksites is destined to the public sewage system.	-
EN22.	Total weight of waste	44
EN26.	Initiatives to mitigate environmental impacts	42

PRODUCTS AND SERVICES

PAGE

COMPLIANCE

EN28.	Non-compliance with environmental laws In 2009, Even received an environmental fine in the amount of BRL 14,900.00 referring to the Environmental Commitment Agreement (TCA No. 045/2007), for enterprise Boulevard Sao Francisco – due to the unsuitability of the planting of trees agreed in a contractual sanction.	-
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EMPLOYMENT

LA1.	Profile of workers	31
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LABOR/MANAGEMENT RELATIONS

LA4.	Collective bargaining agreements The percentage of collaborators covered by collective bargaining is 100%.	-
LA5.	Minimum notice period regarding operational changes There is no minimum notice period policy foreseen in collective bargaining agreements or norms defined by the company.	-
LA8.	Education, training, counseling, prevention, and risk control programs in course to provide assistance to employees, families or members of the community in relation to severe diseases. We performed the following actions: Donation of Bone Marrow – 150 donators – campaign focused on collaborators and condominium of the Central Office. Influenza (Flu) Vaccination Campaign – Between May and June 2009, 1,155 doses of vaccines were made available to all collaborators and service providers at the worksite. Tetanus Vaccination Campaign – In partnership with the Basic Health Unit (Pinheiros), 1,528 doses of vaccines for all service providers and collaborators at the worksites in Sao Paulo were administered. With that, we reduced the absence of collaborators and service providers to work. Rubella Vaccination Campaign – The action supplements the National Campaign for Fighting Rubella, which aims at vaccinating collaborators of both genders aged between 19 and 39. 560 doses have been made available for all worksites in Sao Paulo.	-

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SOCIAL PERFORMANCE – HUMAN RIGHTS

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MANAGEMENT AND INVESTMENT PRACTICES

HR1.	Human rights clauses	34
HR2.	Suppliers assessed Considering Even's major suppliers (ABC curve), the percentage of partners assessed in human rights criteria in 2009 was 41.20%. This percentage refers only to hiring for construction work, but stands out for the interaction of the company to raise awareness on sustainability. For service providers, the assessment of human rights was evidenced upon the delivery of the GPS/GFIP slips, which evidence the hiring of employees under the Brazilian legislative rule CLT (Consolidation of Labor Laws).	-
HR3.	Policies for assessment and treatment of performance in human rights. Even did not hold any training on Human Rights in 2009.	-

NON-DISCRIMINATION

HR4.	Incidents of discrimination No incidents of discrimination were reported or documented in 2009.	-
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FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

HR5.	Freedom of association Even did not identify any operation in which the freedom of association or collective bargaining was at risk in 2009.	-
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SOCIAL PERFORMANCE – SOCIETY

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COMMUNITY

SO1.	Programs and practices to assess and manage the impacts of operations on communities	20
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SOCIAL PERFORMANCE – PRODUCT RESPONSIBILITY

PR8.	Complaints There were no complaints referring to violation of our clients' privacy in 2009. For 2010, Even will keep the policy of respect to our clients' privacy, prohibiting the disclosure of personal and contact information and requiring that selling companies act accordingly.	-
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COMPLIANCE

PR9.	Non-compliance No fines were paid for violations to the provision and use of products and services in 2009. For 2010, we will keep the clarity of information directed to our clients, always aiming at complying with contractual provisions and technical specifications of the enterprises.	-
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SELO FSC

CREDITS

Corporate Information

General Coordination

Even

Technical and Sustainability Committee

Reporting Team

Responsible Director

Silvio Luiz Gava

Coordinator

Patricia Domingues

Social and Environmental Responsibility Manager

Flavia Sinopoli Lafraia

Team:

Fábio Terepins

Flavia Sinopoli Lafraia

Claudia Nascimento

Daniella Sasson de Figueira

Geovana Luiza Berta

Editorial and Design Coordination

Report Comunicação

Proofreading

Assertiva Produções Editoriais

English Translation

Vertice Translate

Photos

Paulo Brenta

Printing and Finishing

Gráfica Editora Aquarela S.A.

For doubts or suggestions, please contact
sobrerelatorio@even.com.br



