

DIRECIONAL ENGENHARIA S/A

CNPJ/MF 16.614.075/0001-00

NIRE 313.000.258-37

MATERIAL FACT

Direcional Engenharia S/A, BM & FBOVESPA: DIRR3 ("**Corporation**"), in accordance with Instruction 358 of the Brazilian Securities and Exchange Commission ("CVM") of January 3, 2002, as amended, hereby announces to its shareholders and the market in general that it has accepted, as of today, a proposal sent by XP Investimentos Corretora de Câmbio, Títulos e Valores Mobiliários S/A, by means of which the contracted party will structure and coordinate a public offering for distribution of quotas from a real estate investment fund ("**FII**"), with restricted distribution efforts, in accordance with the Brazilian Security and Exchanges Commission ("**CVM**") Instruction # 472, of October, 31st 2008, the CVM Instruction # 476, of January 16th 2009, the ANBIMA Code of Regulation and Best Practices of Investment Funds, all other applicable public regulations and the FII own internal regulation.

The FII will be incorporated with the purpose of raising funds in the amount up to two hundred and ten million Brazilian Reais (R\$ 210,000,000.00), under the rule of the best placement efforts ("**Restricted Offer**"). The funds raised by the FII shall be designed to the acquisition, by the FII, of shares issued in the capital of Lago da Pedra Empreendimentos Imobiliários Ltda. (CNPJ/MF 29.736.734/0001-15) ("**Lago da Pedra**"), a Corporation's subsidiary company.

The launch and the closing of the Restricted Offer and the acquisition of Lago da Pedra's shares by the FII are subject to a number of conditions, including, but not limited to, the previous implementation of a corporate reorganization by means of which the Corporation will transfer shares of all or of some of the operational companies clarified below to the capital stock of Lago da Pedra:

- (i) Mirante Empreendimentos Imobiliários SPE Ltda. (CNPJ/MF 15.315.004/0001-36).
- (ii) Muqui Empreendimentos Imobiliários SPE Ltda. (CNPJ/MF 15.709.335/0001-50).
- (iii) Direcional Zircone Empreendimentos Imobiliários Ltda (CNPJ/MF 10.352.174/0001-77).
- (iv) Geminiano Projeto 01 Empreendimentos Imobiliários SPE Ltda. (CNPJ/MF 11.547.008/0001-99).
- (v) Mar Turmalina Empreendimentos Imobiliários Ltda. (CNPJ/MF 10.441.273/0001-25).
- (vi) Lagoa Empreendimentos Imobiliários Ltda. (CNPJ/MF 12.085.317/0001-57).
- (vii) Cajueiro Empreendimentos Imobiliários SPE Ltda. (CNPJ/MF 12.594.978/0001-08).
- (viii) Colina de Santana Empreendimentos Imobiliários SPE Ltda. (CNPJ/MF 15.710.158/0001-22).
- (ix) Direcional Coruripe Empreendimentos Imobiliários Ltda. (CNPJ/MF 12.594.606/0001-81).
- (x) Arapiraca Empreendimentos Imobiliários SPE Ltda. (CNPJ/MF 12.082.337/0001-74).
- (xi) Guarinos Empreendimentos Imobiliários Ltda (CNPJ/MF 19.330.054/0001-43).

The corporate reorganization shall be approved by the Corporation's Shareholders' General Meeting, in accordance with article 31, item "e" of the Corporation's Bylaws.

For such purpose, the Corporation's Board of Directors convened a Shareholders' General Meeting ("**AGE**"), to be held, on first call, on July 26, 2018, at 10:00 am, at the Corporation's headquarters, located in the city of Belo Horizonte, state of Minas Gerais, at Rua dos Otoni, 177, 5th floor, room 1, ZIP CODE: 30150-270, to discuss and decide on the subject of the aforementioned corporate reorganization.

Upon the approval of the aforementioned corporate reorganization by the Corporation's shareholders, the

Corporation will decide on the transfer of the operational companies above to the capital of Lago da Pedra, depending on the amount actually raised by the FII in the Restricted Offer.

The Corporation also informs that, subject to the conditions herein set forth and in compliance with article 20, letter “k” of its Bylaws, the Board of Directors has approved the sale of the shares of Lago da Pedra to the FII.

Belo Horizonte, July 18th 2018.

Carlos Wollenweber

Financial Officer and Investors Relations Officer