



Financial and Economic Performance 2Q15



Judicial Recovery

On May 25, 2015, as disclosed in the Relevant Fact, the Company filed, together with the other companies in the Lupatech Group, the request for court-supervised reorganization. The request has been approved by the Courts on June 23, 2015 and all information relating to the process are available on the website of Brazilian Securities Exchange Commission and of Investor Relations of Lupatech S/A - In Judicial Recovery.

Management has been making efforts in negotiating with creditors, in the demobilization of non-core assets and the search for potential investors. However, the scenario was aggravated by the adverse situation in the oil and gas sector created from the drastic reduction of the oil barrel price in the international market and the significant increase in risk perception in the chain of products and services for the segment in Brazil. These factors have brought negative effects on the whole industry supply chain, contributing to frustrate some expectations and cause us to submit the request for court-supervised reorganization.

The decision to judge the request for court-supervised reorganization aims to preserve the Company's value, its social function and the stimulation of economic activity, serving in an organized manner to the interests of its creditors and shareholders and managing responsibly the Company's assets.

Financial and Economic Performance

Net Revenue

Net Revenue (R\$ thd)	2Q14	2Q15	Chg. %	1Q15	2Q15	Chg. %	1S14	1S15	Chg. %
Products	32,570	9,684	-70.3%	13,700	9,684	-29.3%	67,054	23,384	-65.1%
Oil&Gas Valves	13,818	3,184	-77.0%	3,072	3,184	3.6%	24,348	6,256	-74.3%
Industrial Valves	4,119	2,797	-32.1%	3,261	2,797	-14.2%	10,312	6,058	-41.3%
Anchoring Ropes	12,928	3,221	-75.1%	6,724	3,221	-52.1%	28,922	9,945	-65.6%
Others Products	1,705	482	-71.7%	643	482	-25.0%	3,472	1,125	-67.6%
Services	65,755	56,250	-14.5%	69,513	56,250	-19.1%	132,555	125,763	-5.1%
Oilfield Services Brazil	38,565	32,356	-16.1%	39,804	32,356	-18.7%	80,792	72,160	-10.7%
Oilfield Services Colombia	21,339	19,979	-6.4%	21,666	19,979	-7.8%	40,579	41,645	2.6%
Tubular Services & Coating	5,851	3,915	-33.1%	8,043	3,915	-51.3%	11,184	11,958	6.9%
Total	98,325	65,934	-32.9%	83,213	65,934	-20.8%	199,609	149,147	-25.3%

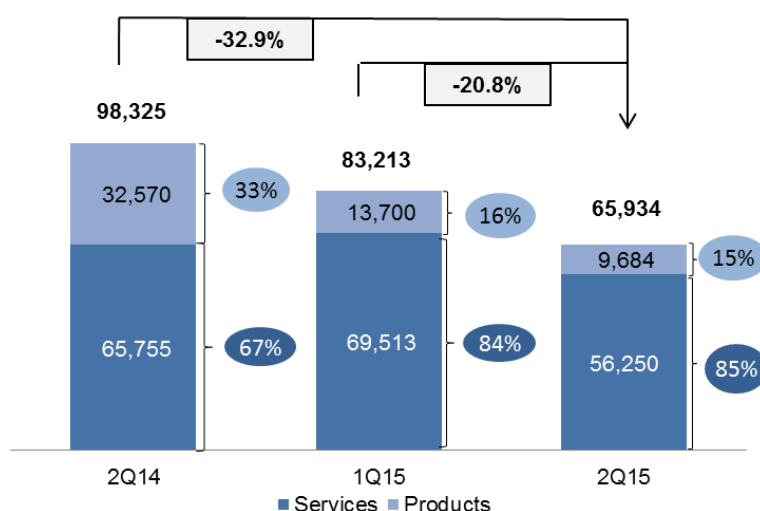
The Consolidated Net Revenue in the 2Q15 reached R\$ 65.9 million, versus R\$ 98.3 million in the 2Q14 and R\$ 83.2 million in the 1Q15, a reduction of 32.9% and 20.8%, respectively. In the first semester of the year, the Consolidated Net Revenue reached R\$ 149.1 million versus R\$ 199.6 million in the 1S14, a decrease of 25.3%.

The Products Segment performance was the main responsible for reduction of Consolidated Net Revenue in the three comparative periods mentioned above. The Oil&Gas Valves and Anchoring Ropes divisions were the most affected by cash constraints, staying well below their real potential and having part of their operations paralyzed by lack of resources to purchase raw materials. Thus, the Net Revenue of Products Segment presented reduction in the 2Q15 of 70.3% and 29.3% compared to 2Q14 and 1Q15, respectively, and decreased 65.1% comparing the cumulative position of the first half 2015 to 2014.

The Services Segment presented reduction of 14.5% and 19.1% in Net Revenue of 2Q15 compared to 2Q14 and 1Q15, respectively, from R\$ 65.8 million in the 2Q14 and from R\$ 69.5 million in the 1Q15 to R\$ 56.2 million in the 2Q15. The Oilfield Services Brazil division was the main responsible for the nominal Net Revenue reduction in the Services Segment, R\$ 32.4 million in the 2Q15 versus R\$ 38.6 million in the 2Q14 and R\$ 39.8 million in the 1Q15, primarily due to the standstill of some operations by cash constraints, as well as by the delay in Slickline operations. In addition, cash constraints also affected the Tubular Services & Coating division, that presented a reduction of 33.1% and 51.3% in Net Revenue of the 2Q15 compared to the 2Q14 and to the 1Q15, respectively.

In the first semester of the year, the Net Revenue of Services Segment decreased 5.1%, from R\$ 132.6 million in the 1S14 to R\$ 125.8 million in 1S15, due to the factors mentioned above.

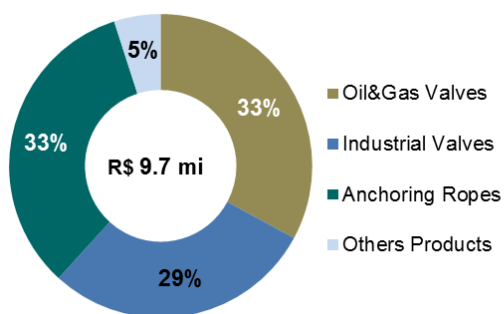
Net Operating Revenue (R\$ thd)



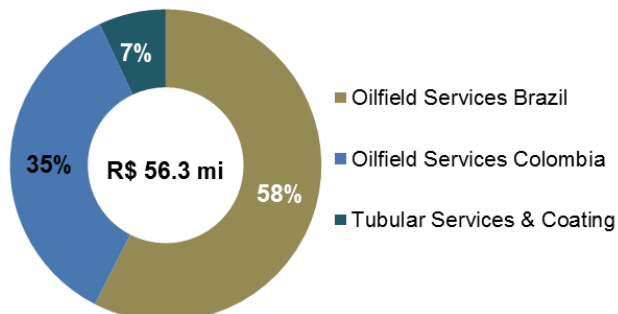
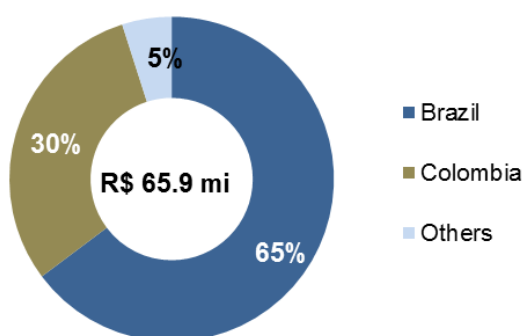
Revenue Distribution – 2Q15

Products

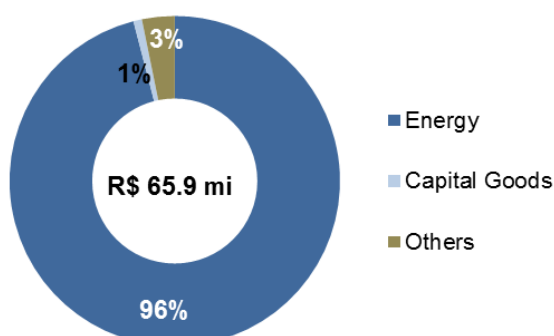
Services



By Region



By Industrial Sector



The difficulty in obtaining greater availability of resources for implementation in investments and acquisition of inputs significantly limited the potential for utilization of the plant's capacity and services provision, which generated longer delivery Backlog, with negative impacts on the generation of the Group Net Revenue.

As a result, our backlog of firm orders on June 30 amounted to R\$ 0.5 billion. The conversion of this backlog is concentrated in the long term (over 1 year) and it depends of the realization of investments in Services Segment. This amount represents the balance provided in signed contracts, even without warranty of consumption, discounting the amounts already billed.

Costs on Goods Sold – COGS

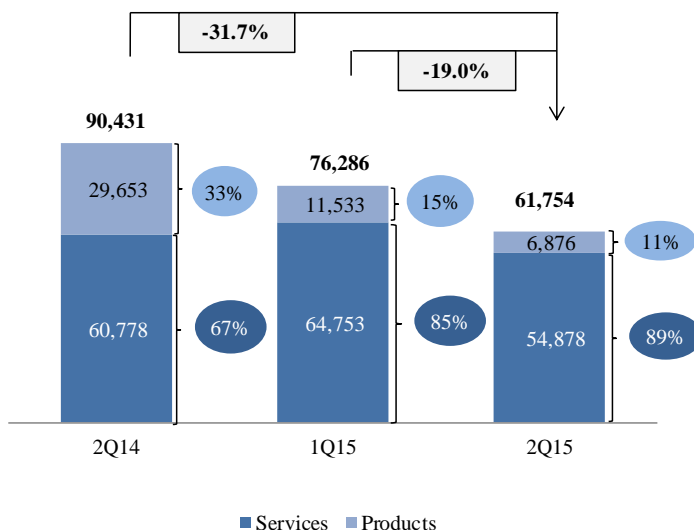
COGS (R\$ thd)	2Q14	2Q15	Chg. %	1Q15	2Q15	Chg. %	1S14	1S15	Chg. %
Products	29,653	6,876	-76.8%	11,533	6,876	-40.4%	58,926	18,409	-68.8%
Services	60,778	54,878	-9.7%	64,753	54,878	-15.3%	119,287	119,631	0.3%
Total	90,431	61,754	-31.7%	76,286	61,754	-19.0%	178,213	138,040	-22.5%

The Consolidated Costs on Goods Sold (COGS) presented reduction in the three comparative periods: 31.7% in the 2Q15 compared to the 2Q14 (R\$ 61.7 million in the 2Q15 versus R\$ 90.4 million in the 2Q14), 19.0% in the 2Q15 compared to the 1Q15 (R\$ 61.7 million in the 2Q15 versus R\$ 76.3 million in the 1Q15) and 22.5% in the first semester of the year compared to the same period in 2014 (R\$ 138.0 million in the 1S15 versus R\$ 178.2 million in the 1S14).

The reduction in the Consolidated COGS in total amounts and in percentage terms remained in line with the reduction of Consolidated Net Revenue in the three comparative periods. In the Products Segment, the COGS reduction was higher than the Net Revenue reduction especially due to the decrease in personnel costs recorded in the 2Q15.

In the Services Segment, the COGS reduction was lower than the Net Revenue reduction especially due to the increase on import costs in the system of temporary admission, impacted by the valuation of 16.8% of U.S. dollar against Brazilian Real in the 1S15 vs. 1S14 (in the amount of R\$ 3.0 million), and by the impact of dismissal costs (in the amount of R\$ 4.7 million in the 1S15 versus R\$ 1.4 million in the 1S14).

COGS (R\$ thd)



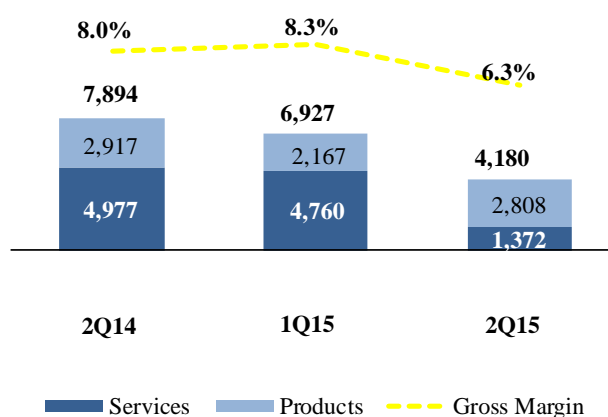
Gross Profit and Gross Margin

Gross Profit (R\$ thd)	2Q14	2Q15	Chg. %	1Q15	2Q15	Chg. %	1S14	1S15	Chg. %
Products	2,917	2,808	-3.7%	2,167	2,808	29.6%	8,128	4,975	-38.8%
Gross Margin - Products	9.0%	29.0%	20.0 p.p.	15.8%	29.0%	13.2 p.p.	12.1%	21.3%	9.2 p.p.
Services	4,977	1,372	-72.4%	4,760	1,372	-71.2%	13,268	6,132	-53.8%
Gross Margin - Services	7.6%	2.4%	-5.2 p.p.	6.8%	2.4%	-4.4 p.p.	10.0%	4.9%	-5.1 p.p.
Total	7,894	4,180	-47.0%	6,927	4,180	-39.7%	21,396	11,107	-48.1%
Gross Margin - Total	8.0%	6.3%	-1.7 p.p.	8.3%	6.3%	-2.0 p.p.	10.7%	7.4%	-3.3 p.p.

Due to reduction in Consolidated Net Revenue by cash restrictions and dismissals recorded in the first semester of 2015, the Total Gross Profit presented a reduction in the 2Q15 both compared to the 2Q14 and with the 1Q15 (47.0% and 39.7% respectively), and reduction of 48.1% comparing the first semester of 2015 with the same period of the previous year. In the Products Segment, in the 2Q15 compared to the 1Q15, however, there was an increase in the Gross Profit in the amount of R\$ 0.6 million (29.6%) primarily due to the Oil&Gas Valves performance.

The Gross Margin of the Products Segment increased 20.0 percentage points in the 2Q15 compared to the 2Q14 and 13.2 percentage points compared to the 1Q15 primarily due to the costs reduction process in the Industrial Valves and Oil&Gas Valves divisions. Due to this performance, the Gross Margin of Products Segment in the first semester of the year increased 9.2 percentage points, from 12.1% in the 1S14 to 21.3% in the 1S15.

Gross Profit (R\$ thd) and Gross Margin (%)



The Gross Margin of the Services Segment, on the other hand, reduced 5.2 percentage points in the 2Q15 compared to the 2Q14, and 4.4 percentage points when compared to the 1Q15, especially due to the impact of dismissals in the personnel costs in the amount of R\$ 4.1 million, largely occurred in the Oilfield Services Brazil division in the 2Q15, as well as by the revenue reductions, especially in the Oilfield Services Brazil and Tubular Services & Coating divisions, so that the Gross Margin of Services Segment reduced 5.1 percentage points in the 1S15 compared to the 1S14, from 10.0% in the 1S14 to 4.9% in the 1S15.

Expenses

Expenses (R\$ thd)	2Q14	2Q15	Chg. %	1Q15	2Q15	Chg. %	1S14	1S15	Chg. %
Total Sales Expenses	8,115	3,161	-61.0%	4,458	3,161	-29.1%	13,720	7,619	-44.5%
Total Administrative Expenses	15,052	11,668	-22.5%	12,746	11,668	-8.5%	29,105	24,414	-16.1%
Products	9,579	5,099	-46.8%	6,711	5,099	-24.0%	17,456	11,810	-32.3%
Total Sales Expenses - Products	4,808	1,491	-69.0%	2,864	1,491	-47.9%	8,267	4,355	-47.3%
Total Administrative Expenses - Products	4,771	3,608	-24.4%	3,847	3,608	-6.2%	9,189	7,455	-18.9%
Services	13,588	9,730	-28.4%	10,493	9,730	-7.3%	25,369	20,223	-20.3%
Total Sales Expenses - Services	3,307	1,670	-49.5%	1,594	1,670	4.8%	5,453	3,264	-40.1%
Total Administrative Expenses - Services	10,281	8,060	-21.6%	8,899	8,060	-9.4%	19,916	16,959	-14.8%
Total Sales and Administratives	23,167	14,829	-36.0%	17,204	14,829	-13.8%	42,825	32,033	-25.2%
Management Compensation	1,469	2,848	93.9%	1,293	2,848	120.3%	2,990	4,141	38.5%
Total Sales, Administratives and Management Compensation	24,636	17,677	-28.2%	18,497	17,677	-4.4%	45,815	36,174	-21.0%

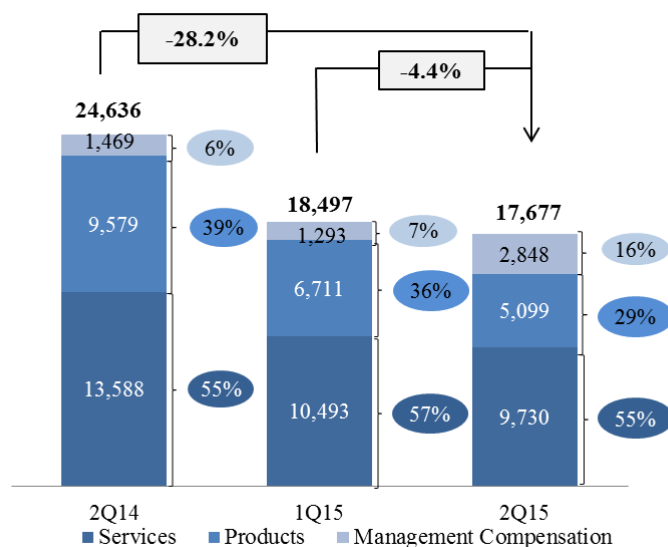
The Consolidated Sales and Administrative Expenses and the Management Salary presented reduction in the three comparative periods: 28.2% in the 2Q15 compared to the 2Q14 (R\$ 17.7 million in the 2Q15 versus R\$ 24.6 million in the 2Q14); 4.4% in the 2Q15 compared to the 1Q15 (R\$ 17.7 million in the 2Q15 versus R\$ 18.5 million in the 1Q15) and 21.0% compared to the first semester of 2015 that reached R\$ 36.2 million versus R\$ 45.8 million in the 1S14.

The Sales Expenses decreased 61.0% in the 2Q15 compared to the 2Q14, from R\$ 8.1 million in the 2Q14 to R\$ 3.2 million in the 2Q15 especially due to the reduction of variable commercial expenses such as freight and commissions due to lower Net Revenue in the period, as well as due to reduction of fines with customers, primarily in the Services Segment in the 2Q15 in the amount of R\$ 2.3 million.

Compared to the 1Q15, the Sales Expenses in the Products Segment decreased 47.9% in the 2Q15 (from R\$ 2.9 million in the 1Q15 to R\$ 1.5 million in the 2Q15) especially due to decrease in commissions expenses and fines with customers in the amount of R\$ 1.2 million. In the Services Segment, the Sales Expenses increased 4.8% in the 2Q15 compared to the 1Q15 primarily due to the increase in fines with customers recorded in the period, in the amount of R\$ 0.5 million. Thereby, in the first semester of the year, the Sales Expenses reduced 44.5%, from R\$ 13.7 million in the 1S14 to R\$ 7.6 million in the 1S15.

The Administrative Expenses decreased 22.5% in the 2Q15 compared to the 2Q14 and 8.5% to the 1Q15, from R\$ 15.1 million in the 2Q14 and from R\$ 12.7 million in the 1Q15 to R\$ 11.7 million in the 2Q15, having as main reduction factors the decrease in payroll expenses and consulting and advisory services as part of Company's restructuring process. Thus, in the first semester of the year, the Administrative Expenses reduced in the amount of R\$ 5.0 million, it means, 16.1%, from R\$ 29.1 million in the 1S14 to R\$ 24.4 million in the 1S15.

Operating Expenses (R\$ thd)



Other Operating (Revenues) and Expenses

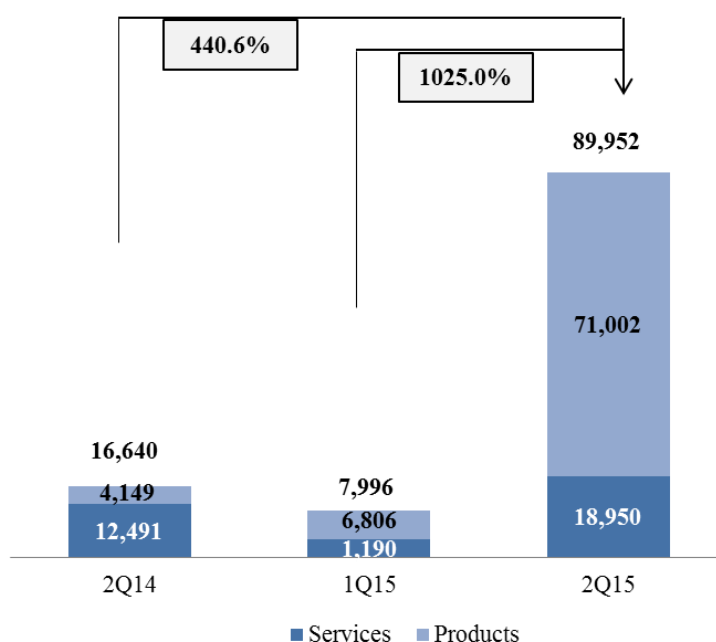
Other Expenses (Income) (R\$ thd)	2Q14	2Q15	Chg. %	1Q15	2Q15	Chg. %	1S14	1S15	Chg. %
Products	4,149	71,002	1611.3%	6,806	71,002	943.2%	3,697	77,808	2004.6%
Services	12,491	18,950	51.7%	1,190	18,950	1492.4%	73,508	20,140	-72.6%
Total	16,640	89,952	440.6%	7,996	89,952	1025.0%	77,205	97,948	26.9%

The Other Operating Expenses increased from R\$ 16.6 million in the 2Q14 to R\$ 89.9 million in the 2Q15 especially due to the record of R\$ 60.0 million of loss by the non-recoverability of goodwill of Cordoaria São Leopoldo unit, as well as the increase of R\$ 20.5 million in provision for loss of lawsuit, R\$ 1.4 million in provision for losses on inventory obsolescence and R\$ 8.0 million in cost of idle production, reduced by non-occurrence in the 2Q15 of expenses for contractual fines (R\$ 10.6 million in the 2Q14) and losses on disposal of fixed assets (R\$ 2.9 million in the 2Q14).

Comparing the 2Q15 with the 1Q15, the Other Operating Expenses increased R\$ 82.0 million that are primarily related to the record of R\$ 60.0 million of loss by non-recoverability of goodwill in the 2Q15, the increase in provision for loss of lawsuit in the amount of R\$ 17.4 million, provision for losses on inventory obsolescence of R\$ 2.1 million and cost of idle production in the amount of R\$ 2.4 million.

In the first semester of 2015, the Other Operating Expenses presented an increase of 26.9% and are especially related to the following factors: (i) loss by the non-recoverability of goodwill of R\$ 60.0 million; (ii) provision for loss of lawsuit of R\$ 19.3 million; (iii) provision for losses on inventory obsolescence of R\$ 2.1 million; and (iv) cost of idle production of R\$ 17.1 million.

Other Operating Expenses (R\$ thd)



Financial Result

Financial Result (R\$ thd)	2Q14	2Q15	Chg. %	1Q15	2Q15	Chg. %	1S14	1S15	Chg. %
Interest Income	179	207	15.6%	199	207	4.0%	371	406	9.4%
Monetary Variation	282	62	-78.0%	172	62	-64.0%	600	234	-61.0%
Interest on Receivables	294	564	91.8%	304	564	85.5%	592	868	46.6%
Others	256	459	79.3%	103	459	345.6%	1,146	562	-51.0%
Financial Revenue*	1,011	1,292	27.8%	778	1,292	66.1%	2,709	2,070	-23.6%
Interest Expense	-97,205	-9,265	-90.5%	-6,797	-9,265	36.3%	-141,102	-16,062	-88.6%
Embedded Derivatives - Debentures	-5,321	-	n/a	-	-	n/a	- 8,624	-	n/a
Provision for Interest on Suppliers	-	-944	n/a	-567	-944	66.5%	-	-1,511	n/a
Expenses Securities Brokerage (Shares and Bonus)	-853	-	n/a	-	-	n/a	- 853	-	n/a
Banking Expenses, Taxes and Others	-3,623	-2,132	-41.2%	-3,356	-2,132	-36.5%	-8,600	-5,488	-36.2%
Financial Expense*	-107,002	-12,341	-88.5%	-10,720	-12,341	15.1%	-159,179	-23,061	-85.5%
Net Financial Result*	-105,991	-11,049	-89.6%	-9,942	-11,049	11.1%	-156,470	-20,991	-86.6%
Exchange Variance Revenue	18,839	173,318	820.0%	151,904	173,318	14.1%	66,551	325,222	388.7%
Exchange Variance Expense	-341	-177,531	51961.9%	-179,194	-177,531	-0.9%	-23,957	-356,725	1389.0%
Net Exchange Variance	18,498	-4,213	n/a	-27,290	-4,213	-84.6%	42,594	-31,503	n/a
Net Financial Result - Total	-87,493	-15,262	-82.6%	-37,232	-15,262	-59.0%	-113,876	-52,494	-53.9%

* Excluding Exchange Variance

The Total Financial Income (excluding Exchange Variance) in the 2Q15 reached R\$ 1.3 million versus R\$ 1.0 million in the 2Q14 and R\$ 0.8 million in the 1Q15, an increase of 27.8% and 66.1%, respectively, primarily due to the increase of interest on receivables. In the first semester of 2015, there was a reduction of 23.6% of Total Financial Income (excluding Exchange Variance) compared to the 1S14, from R\$ 2.7 million in the 1S14 to R\$ 2.1 million in the 1S15.

The Total Financial Expense (excluding Exchange Variance) decreased 88.5% in the 2Q15 compared to the 2Q14 reaching R\$ 12.3 million versus R\$ 107.0 million in the 2Q14 primarily due to the reduction of expenses with interests on financial debts, bonds and debentures, as result of Company's debt decrease finalized in the third quarter 2014. However, compared to the 1Q15, the Total Financial Expense (excluding

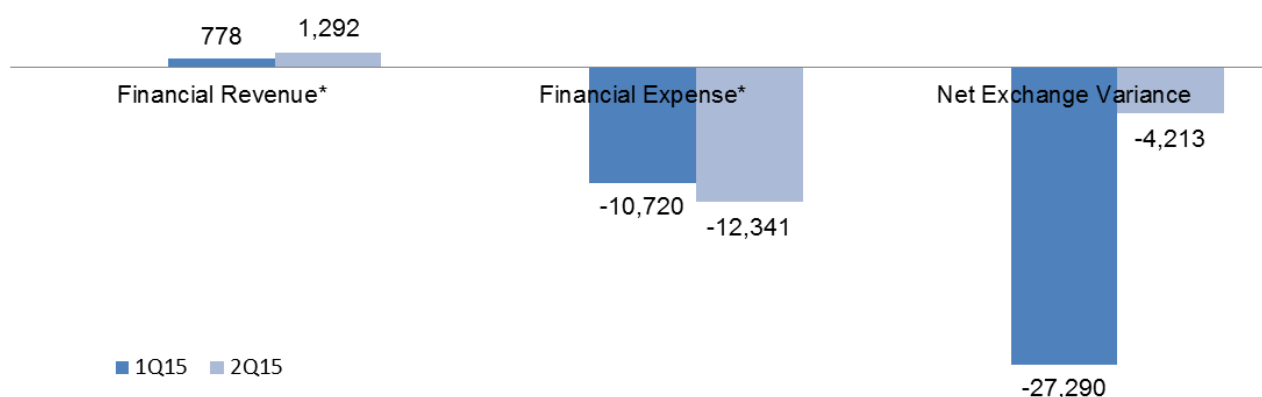
Exchange Variance) increased 15.1%, reaching R\$ 12.3 million in the 2Q15 versus R\$ 10.7 million in the 1Q15, especially as result of increase in expenses with interests on debentures and of provision of interest on late payment of securities suppliers.

In the first semester of 2015, the Total Financial Expense (excluding Exchange Variance) reduced 85.5%, reaching R\$ 23.1 million versus R\$ 159.2 million in the 1S14 primarily due to the reduction of expenses with interests on financial debts, bonds and debentures, as result of Company's debt decrease finalized in the third quarter 2014 and by non-occurrence of expenses with embedded derivative of debentures in the 1S15.

The Net Exchange Variance in the 2Q15 resulted in expense of R\$ 4.2 million versus expense of R\$ 27.3 million in the 1Q15 and an income of R\$ 18.5 million in the 2Q14 affected by devaluation of 3.3% in U.S. dollar against Brazilian Real in the 2Q15 versus a valuation of 20.8% in U.S. dollar in the 1Q15 and a devaluation of 2.7% in the 2Q14. In the first semester of 2015, the Net Exchange Variance resulted in expense of R\$ 31.5 million versus an income of R\$ 42.6 million in the 1S14 affected by valuation of 16.8% in U.S. dollar against Brazilian Real in the 1S15 versus a devaluation of 6.0% in U.S. dollar in the 1S14.

The Total Net Financial Result in the 2Q15 resulted in expense and decreased 82.6% when compared to the 2Q14 due to reduction in expenses with interests and embedded derivative of debentures, and reduced 59.0% when compared to the 1Q15 due to decrease in expense of Net Exchange Variance, totaling R\$ 15.3 million in the 2Q15 versus R\$ 87.5 million in the 2Q14 and R\$ 37.2 million in the 1Q15. Similarly, due to reduction in expenses with interests and embedded derivative of debentures, the Total Net Financial Result in the 1S15 resulted in expense of R\$ 52.5 million versus R\$ 113.9 million in expense in the 1S14, reduction of 53.9%.

Financial Result Breakdown (R\$ thd)



* Excluding Exchange Variance

Adjusted EBITDA from Continuing Operations¹

The Consolidated Adjusted EBITDA from Continuing Operations was negative in R\$ 1.5 million in the 2Q15, versus negative result of R\$ 4.8 million in the 2Q14 and negative of R\$ 4.1 million in the 1Q15. The EBITDA Margin in the 2Q15 was negative of 2.2% with positive variance of 2.7 and 2.8 percentage points compared to the presented in 2Q14 and in 1Q15, negatives of 4.9% and of 5.0%, respectively.

Adjusted EBITDA (R\$ thd)	2Q14	2Q15	Chg. R\$	Chg. %	1Q15	2Q15	Chg. R\$	Chg. %	1S14	1S15	Chg. R\$	Chg. %
Products	- 3,152	- 5,710	- 2,558	81.2%	- 7,869	- 5,710	2,158	-27.4%	- 3,787	- 13,579	-9,792	258.6%
Margin	-9.7%	-59.0%		-49.3 p.p.	-57.4%	-59.0%		-1.6 p.p.	-5.6%	-58.1%		-52.5 p.p.
Services	- 1,693	4,260	5,953	n/a	3,749	4,260	510	13.6%	4,282	8,009	3,727	87.0%
Margin	-2.6%	7.6%		10.2 p.p.	5.4%	7.6%		2.2 p.p.	3.2%	6.4%		3.2 p.p.
Total	- 4,845	- 1,451	3,394	-70.1%	- 4,119	- 1,451	2,669	-64.8%	495	- 5,570	- 6,065	n/a
Margin	-4.9%	-2.2%		2.7 p.p.	-5.0%	-2.2%		2.8 p.p.	0.2%	-3.7%		-3.9 p.p.
% Products	65%	394%			191%	394%			-765%	244%		
% Services	35%	-294%			-91%	-294%			865%	-144%		

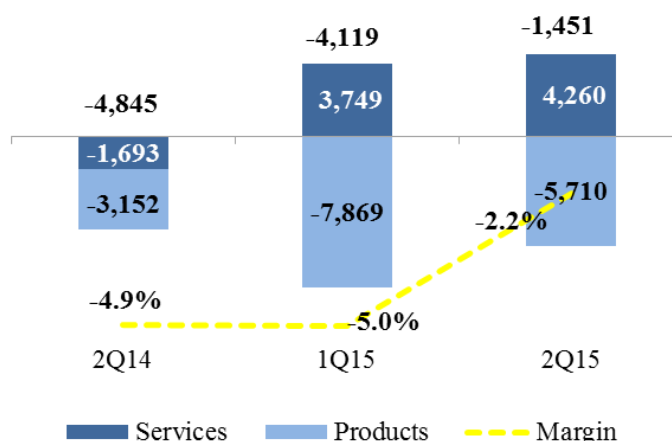
The decrease of loss of Consolidated Adjusted EBITDA in the 2Q15 was primarily consequence of reduction in sales and administrative expenses resulting from continuous improvements implemented by operational restructuring in the comparative periods 2Q15 versus 2Q14.

Adjusted Ebitda Reconciliation (R\$ thd)	1Q15	2Q15
Gross Profit	6,927	4,180
SG&A	-17,204	-14,829
Management Compensation	-1,293	-2,848
Depreciation and Amortization	12,392	12,581
Operational Revenues/Expenses	-7,996	-89,952
Ebitda from Continuing Operations	-7,174	-90,868
Provision for Variable Compensation	-21	175
Provision for Losses, Impairment and Net Profit/Loss on Disposal of Assets	934	80,457
Fines with Customers	1,352	408
Restructuring Process	789	8,378
Adjusted EBITDA from Continuing Operations	-4,119	-1,451

The Consolidated Adjusted EBITDA from Continuing Operations in the 1S15 compared to the 1S14 decreased from positive R\$ 0.5 million in the 1S14 to negative R\$ 5.6 million in the 1S15. The Consolidated Adjusted EBITDA Margin reduced 3.9 percentage points, from 0.2% in the 1S14 to -3.7% in the 1S15. This reduction was primarily result of costs of idle production that significantly burdening the first semester of 2015 (R\$ 17.1 million) compared to the 1S14 (R\$ 1.9 million).

¹ EBITDA from continuing operations is calculated as the net income (loss) before income tax and social contribution, financial income (expense), Equity Pick-up Result and depreciation and amortization. The Adjusted EBITDA from continuing operations reflects the EBITDA from continuing operations, adjusted to exclude the expenses with employees and management participation in the profits and results, provisions for inventory losses, net result on sold assets, provisions for lawsuits, provisions for fines with customers and expenses related to the Company's restructuring process. EBITDA is not a measure used in Brazilian accounting practices and does not represent cash flow for the periods under review. It should not be considered as an alternative for net income, as an indicator of operational performance or as an alternative for cash flow in the form of an indicator of liquidity. EBITDA does not have a standardized meaning and the Company's definition of EBITDA may not be comparable with the EBITDA or adjusted EBITDA of other companies. While in accordance with accounting practices used in Brazil EBITDA does not provide a measure of operational cash flow, management uses it to measure operational performance. In addition, the Company understands that certain investors and financial analysts use EBITDA as an indicator of the operational performance of a company and/or its cash flow. The EBITDA reconciliation as calculated by the Company can be found in Attachment II of this report.

Adjusted EBITDA (R\$ thd)



The cash constraints continue impacting Company's EBITDA, as well as extraordinary expenses due to Company's restructuring process. Below, a reconciliation of Adjusted EBITDA from continuing operations of 2Q15, by Segment:

	2Q15		
Adjusted Ebitda Reconciliation (R\$ thd)	Products	Services	Total
Gross Profit	2,808	1,372	4,180
SG&A	-5,099	-9,730	-14,829
Management Compensation	-312	-2,536	-2,848
Depreciation and Amortization	2,096	10,485	12,581
Operational Revenues/Expenses	-71,002	-18,950	-89,952
Ebitda from Continuing Operations	-71,509	-19,359	-90,868
Provision for Variable Compensation	0	175	175
Provision for Losses, Impairment and Net Profit/Loss on Disposal of Assets	63,323	17,133	80,457
Fines with Customers	-	21	428
Restructuring Process	2,496	5,882	8,378
Adjusted EBITDA from Continuing Operations	-5,710	4,260	-1,451

Non-recurring expenses that totaled R\$ 80.5 million refers to the record of loss by non-recoverability of goodwill in the amount of R\$ 60.0 million, provision for loss on lawsuit in the amount of R\$ 18.4 million and provision for losses on inventory obsolescence in the amount of R\$ 2.1 million.

Net Result

Net Result (R\$ thd)	2Q14	2Q15	Chg. %	1Q15	2Q15	Chg. %	1S14	1S15	Chg. %
Result Before Income Tax and Social Contribution	-129,789	-119,082	-8.2%	-56,798	-119,082	109.7%	-232,025	-175,880	-24.2%
Income Tax and Social Contribution - Current	-144	-612	325.0%	-612	-612	0.0%	-512	-1,224	139.1%
Income Tax and Social Contribution - Deferred	-1,752	601	n/a	689	601	-12.8%	-862	1,290	n/a
Result of Discontinued Operation	9,853	91	-99.1%	-22,054	91	n/a	16,572	-21,963	n/a
Net Result	-121,832	-119,002	-2.3%	-78,775	-119,002	51.1%	-216,827	-197,777	-8.8%
Net Result per 1000 Shares	-0.77	-0.76	-2.3%	-0.50	-0.76	51.6%	-1.38	-1.26	-8.4%

The Net Result in the 2Q15 was a loss of R\$ 119.0 million, compared to a loss of R\$ 121.8 million in the 2Q14 and loss of R\$ 78.8 million in the 1Q15. The main extraordinary events that contributed for that performance in the 2Q15 were: (i) R\$ 60.0 million of loss by non-recoverability of goodwill; (ii) R\$ 26.8 million of provision for loss on lawsuit and restructuring expenses; (iii) R\$ 9.7 million of costs of idle production; (iv) R\$ 2.1 million of provision for losses on inventory obsolescence and (v) R\$ 0.4 million of expenses with provision for fines with customers. Were it not for these extraordinary events, the accumulated result in the 2Q15 would be a loss of R\$ 20.0 million.

The 2Q14 was primarily impacted by recognition of interest and late charges on debentures, perpetual bonds and other financial debts in the amount of R\$ 97.2 million and contractual fines with customers in the amount of R\$ 10.6 million.

In the first semester of 2015, the Consolidated Net Result presented a reduction of 8.8% in the loss, from R\$ 216.8 million in the 1S14 to R\$ 197.8 million in the 1S15.

The result of 1S14 was mainly influenced by the recognition of R\$ 58.3 million of fines with customers and of R\$ 141.1 million of interest and late charges on debentures, perpetual bonds and other financial debts, while the result of 1S15 was especially impacted by the recognition of R\$ 60.0 million of loss by non-recoverability of goodwill, R\$ 22.0 million of expenses with the loss of investment in Jefferson's units, R\$ 19.3 million of expenses with litigation and R\$ 17.1 million of costs of idle production.

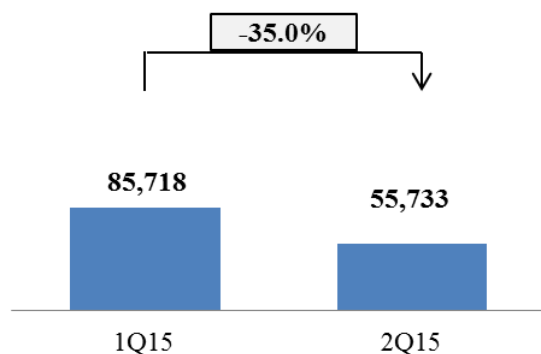
Working Capital

Working Capital (R\$ thd)	1Q15	2Q15	Chg. %	Chg. R\$
Accounts Receivable	119,012	110,755	-6.9%	-8,257
Inventories	66,795	62,317	-6.7%	-4,478
Accounts Payable	97,822	114,612	17.2%	16,790
Advances from Clients	2,267	2,727	20.3%	460
Employed Working Capital	85,718	55,733	-35.0%	-29,985
Employed Working Capital Variance	1,863	-29,985		
% Working Capital/Net Revenues*	23.4%	16.7%		

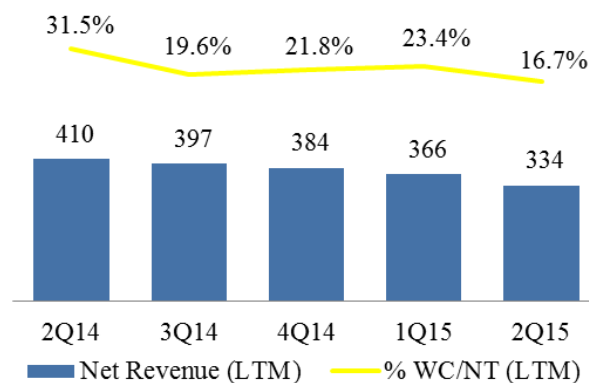
*LTM: last 12 months

The rate of Working Capital Needs upon accumulated Net Revenue (12 months) in the 2Q15 reached 16.7%, a reduction of 6.7 percentage points when compared to the rate of 1Q15.

Working Capital (R\$ thd)



Net Revenue vs. Working Capital (R\$ thd)

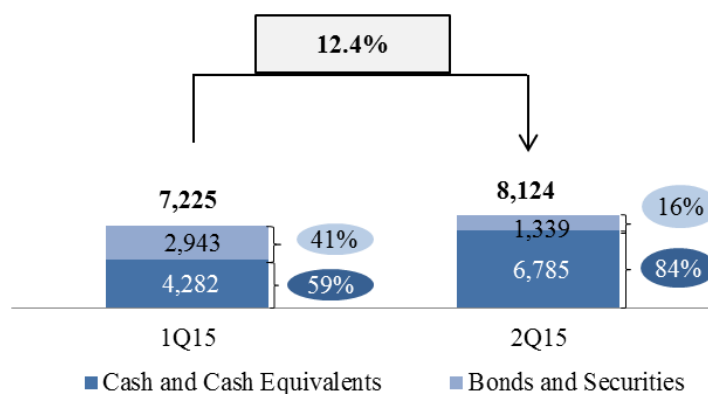


The decrease of R\$ 30.0 million in Employed Working Capital in the 2Q15 compared to the 1Q15 is primarily result of the increase in amounts payable in foreign currency that were impacted by the effect of exchange variance in the Oilfield Services Brazil division.

Cash and Cash Equivalents

The consolidated position in Company's Cash and Cash Equivalents in the 2Q15 reached R\$ 8.1 million, increase of R\$ 0.9 million, or 12.4%, compared to the 1Q15.

Cash and Cash Equivalents Balances (R\$ thd)



The difficulty in obtaining resources for investments and raw material acquisition limits of an important way the capability of operating cash flow of Lupatech S/A – In Judicial Recovery, reflecting in a lower capacity of industrial units and lower capacity of provide services, having as consequence the higher delivery of Backlog.

Debt

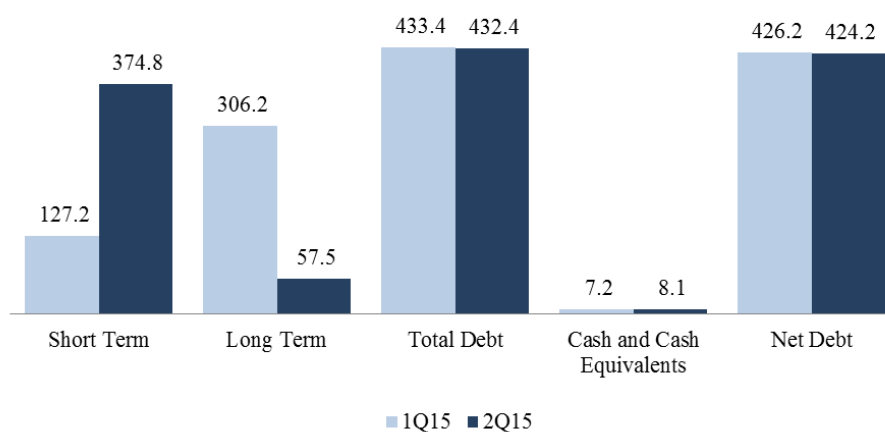
Company's Gross Debt ended the quarter in R\$ 432.4 million, 0.2% lower than reported in the 1Q15.

Debt (R\$ thd)	1Q15	2Q15	Chg. %	Chg. R\$
Short Term	127,219	374,834	194.6%	247,615
Financing Lines	127,219	148,682	16.9%	21,463
Debentures	-	74,439	n/a	74,439
Bonds	-	151,713	n/a	151,713
Long Term	306,226	57,539	-81.2%	- 248,687
Financing Lines	78,269	57,539	-26.5%	- 20,730
Debentures	72,254	-	n/a	- 72,254
Bonds	155,703	-	n/a	- 155,703
Total Debt	433,445	432,373	-0.2%	- 1,072
Cash and Cash Equivalents	7,225	8,124	12.4%	899
Net Debt	426,220	424,249	-0.5%	- 1,971

This reduction is primarily consequence of Exchange Variance on the Bonds due to devaluation of 3.3% in U.S. dollar against Brazilian Real in the 2Q15.

Combined Cash and Cash Equivalents, the Company's Net Debt ended the quarter in R\$ 424.2 million, a decrease of 0.5% against the amount in the 1Q15.

Debt Breakdown (R\$ million)



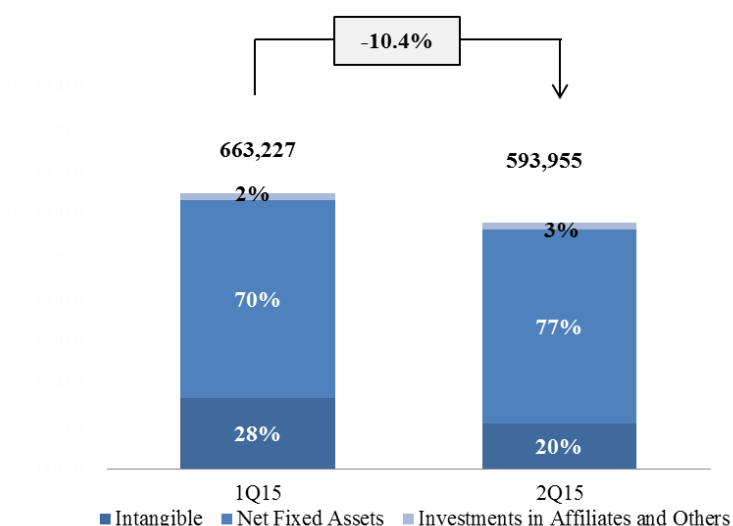
Investment Balances

Company's Investment Balances in the quarter totaled R\$ 593.9 million, a decrease of 10.4% compared to the R\$ 663.2 million presented in the 1Q15.

Investments (R\$ thd)	1Q15	2Q15	Chg. %	Chg. R\$
Investments in Affiliates and Others	15,960	15,960	0.0%	0
Net Fixed Assets	465,422	456,980	-1.8%	-8,442
Intangible	181,845	121,015	-33.5%	-60,830
Total	663,227	593,955	-10.4%	-69,272

The Intangible, with decrease of R\$ 60.8 million, is the main responsible for 87.8% of total Investments reduction, especially due to the recognition of R\$ 60.0 million of loss by non-recoverability of goodwill.

Investment Balances (R\$ thd)



Capex was R\$ 2.0 million in the 2Q15 invested, in principal, in the Services Segment units. Capex has been applied in investments needed to improve production efficiency and execute Company's Backlog, however the amount applied is still significantly lower than that required.

As approved by the Board of Directors meeting held on March 31, 2015 and ratified at the Extraordinary General Meeting on May 15, 2015, it was performed the reverse split of all the Company's common shares at the ratio of 500:1. The reverse stock split became effective from the trading day of June 18, 2015, after the lapse of 30 days for shareholders to adjust their shareholding positions in multiple lots of 500 shares through trading on BM&FBOVESPA, in order to remain integrating to the corporate structure of the Company with, at least, one share.

They were carried out successive auctions on the BM&FBOVESPA in order to dispose of all the leftovers formed by the set of fractional shares resulting from the reverse split, represented by 1,361 common shares. The total sale of lots took place on August 10 and the net proceeds from the sale of shares was credited proportionately to the holders of the fractions on August 11, 2015, as detailed in the Notice to Shareholders published by the Company on August 10, 2015.

The reverse stock split did not result in modification of the total amount of capital or rights conferred by the Company's common shares to their holders.

Attachment I – Consolidated Income Statement (R\$ thd)

	1Q15	2Q15	% Change
Net Sales of Goods and Services	83,213	65,934	-21%
Cost of Goods and Services Sold	(76,286)	(61,754)	-19%
Gross Profit	6,927	4,180	-40%
Operating Revenues/Expenses	(26,493)	(108,000)	308%
Sales	(4,458)	(3,161)	-29%
General and Administrative	(12,746)	(11,668)	-8%
Management Compensation	(1,293)	(2,848)	120%
Equity Pick-up	-	(371)	n/a
Other Operation Income (Expenses)	(7,996)	(89,952)	1025%
Net Financial Result	(37,232)	(15,262)	-59%
Financial Income	778	1,292	66%
Financial Expenses	(10,720)	(12,341)	15%
Net Exchange Variance	(27,290)	(4,213)	-85%
Earnings Before Income Tax and Social Contribution	(56,798)	(119,082)	110%
Income Tax and Social Contribution - Current	(612)	(612)	0%
Income Tax and Social Contribution - Deferred	689	601	-13%
Loss from Discontinued Operations	(22,054)	91	n/a
Net Loss for the Period	(78,775)	(119,002)	51%

Attachment II – Reconciliation of Adjusted EBITDA from Continuing Operations (R\$ thd)

	1Q15	2Q15	% Change
<u>Adjusted EBITDA from Continuing Operations</u>	(4,119)	(1,451)	-65%
Provision for Variable Remuneration	21	(175)	n/a
Restructuring Process	(789)	(8,378)	961%
Provision for Losses, Impairment and Net Result on Disposal of Assets	(934)	(80,457)	8512%
Fines with Customers	(1,352)	(408)	-70%
<u>EBITDA from Continuing Operations</u>	(7,174)	(90,868)	1167%
Depreciation and Amortization	(12,392)	(12,581)	2%
Equity Pick-up Result	-	(371)	n/a
Net Financial Result	(37,232)	(15,262)	-59%
Income Tax and Social Contribution - Current and Deferred	77	(11)	n/a
<u>Result from Discontinued Operations</u>	(22,054)	91	n/a
<u>Net Loss from Continuing and Discontinued Operations</u>	<u>(78,775)</u>	<u>(119,002)</u>	<u>51%</u>

Attachment III – Consolidated Balance Sheet (R\$ thd)

	1Q15	2Q15	% Change
Total Asset	1,025,222	938,013	-9%
Current Assets	256,388	244,418	-5%
Cash and Cash Equivalents	4,282	6,785	58%
Securities-restricted	2,943	1,339	-55%
Accounts Receivable	119,012	110,755	-7%
Inventories	66,795	62,317	-7%
Recoverable Taxes	27,170	27,369	1%
Other Accounts Receivable	6,119	9,368	53%
Anticipated Expenses	7,784	5,976	-23%
Advances to Suppliers	22,283	20,509	-8%
Non-Current Assets	768,834	693,595	-10%
Securities	4,500	5,596	24%
Judicial Deposits	25,204	22,123	-12%
Recoverable Taxes	46,635	42,842	-8%
Deferred Income Tax and Social Contribution	1,062	1,023	-4%
Other Accounts Receivable	28,206	28,056	-1%
Investments	15,960	15,960	0%
Fixed Assets	465,422	456,980	-2%
Intangible	181,845	121,015	-33%
Total Liabilities and Shareholders' Equity	1,025,222	938,013	-9%
Current Liabilities	370,280	647,065	75%
Accounts Payable	97,822	114,612	17%
Loans and Financings	127,219	148,682	17%
Debentures	-	74,439	n/a
Bonds	-	151,713	n/a
Salaries, Provisions and Social Contribution	30,932	35,127	14%
Commissions Payable	3,319	3,568	8%
Taxes Payable	55,297	58,805	6%
Advances from Clients	2,267	2,727	20%
Participations in the Result	-	340	n/a
Other Obligations	25,490	27,801	9%
Provision Contractual Fines	27,934	29,251	5%
Non-Current Liabilities	582,939	346,958	-40%
Loans and Financings	78,269	57,539	-26%
Debentures	72,254	-	n/a
Bonds	155,703	-	-100%
Taxes Payable	5,629	5,419	-4%
Deferred Income Tax and Social Contribution	33,179	32,578	-2%
Provision for Taxes, Labor and Civil Risks	109,223	126,742	16%
Other Obligations	7,570	7,222	-5%
Provision Contractual Fines	101,320	96,446	-5%
Provision for Negative Equity in Subsidiaries	19,792	21,012	6%
Shareholders' Equity	72,003	(56,010)	-178%
Capital Stock	1,853,684	1,853,684	0%
Capital Transaction Reserve	136,183	136,183	0%
Stock Options	13,549	13,549	0%
Equity Evaluation Adjustment	47,301	38,290	-19%
Accrued Losses	(1,978,714)	(2,097,716)	6%

Attachment IV – Consolidated Cash Flow (R\$ thd)

	1Q15	2Q15	% Change
Cash Flow from Operating Activities			
Net Result for the Period	(78,775)	(119,002)	51%
Adjustment:			
Depreciation of Fixed Assets	12,418	12,582	1%
Provision for losses by non-recoverability of assets	-	60,000	n/a
Equity Pick-Up Result	-	371	n/a
Result on Sale of Fixed Assets	(331)	(65)	-80%
Loss (Gain) on Disposal of Investments	21,879	(91)	n/a
Financial Charges and Exchange Variation on Financing and Debentures	33,584	12,707	-62%
Income Tax and Social Contribution - Deferred	(531)	689	n/a
Losses on Inventory Obsolescence	2	2,105	105150%
Provision of Contractual Fines	1,352	408	-70%
Allowance for Doubtful Accounts	733	852	16%
Changes in Assets & Liabilities			
(Increase) Decrease in Accounts Receivable	5,657	2,099	n/a
(Increase) Decrease in Inventories	3,532	2,175	-38%
(Increase) Decrease in Recoverable Taxes	(882)	1,772	n/a
(Increase) Decrease in Other Assets	(4,914)	8,952	n/a
(Increase) Decrease in Accounts Payable	1,574	10,346	557%
(Increase) Decrease in Taxes Payable	(372)	3,004	n/a
(Increase) Decrease in Others Accounts Payable	(25)	9,055	n/a
Net Cash Generated (Invested) in Operating Activities	(5,099)	7,959	n/a
Cash Flow from Investment Activities			
Securities - Restricted Account	27	715	2548%
Disposal of Discontinued Operations	11,922	-	n/a
Proceeds from Sales of Fixed Assets	1,703	68	-96%
Aquisition of Fixed Assets	(2,257)	(812)	-64%
Aquisition of Intangible	(635)	(573)	-10%
Net Cash Generated (Invested) in Investment Activities	10,760	(602)	n/a
Cash Flow from Financing Activities			
Loans and Financings Contracted	54,094	46,322	-14%
Loans and Financings Paid	(56,458)	(49,761)	-12%
Interests on Loans and Financings Paid	(2,598)	(1,414)	-46%
Net Cash Generated (Invested) in Financing Activities	(4,962)	(4,853)	-2%
Effects of Exchange Variation over Cash and Cash Equivalents of Subsidiaries Abroad	2	(1)	n/a
Net Increase (Decrease) in Cash and Cash Equivalents	701	2,503	257%
At the Beginning of the Period	3,581	4,282	20%
At the End of the Period	4,282	6,785	58%

About Lupatech S/A – In Judicial Recovery

Lupatech S/A - In Judicial Recovery is one of the main Brazilian suppliers of products and services with high value added with focus in the oil and gas sector. Our businesses are organized in two Segments: Products and Services. The Products Segment offers mainly to the oil and gas sector, anchoring ropes for production platforms, valves and equipment for well completion, and significant participation in company of compressors segment for natural vehicular gas. The Services Segment offers services as workover, well intervention, coating and inspection of pipes.

This release contains forward-looking statements subject to risks and uncertainties. Such forward-looking statements are based on the management's beliefs and assumptions and information currently available to the Company. Forward-looking statements include information on our intentions, beliefs or current expectations, as well as on those of the Company's Board of Directors and Officers. The reservations as to forward-looking statements and information also include information on possible or presumed operating results, as well as any statements preceded, followed or including words such as "believes", "may", "will", "expects", "intends", "plans", "estimates" or similar expressions. Forward-looking statements are not performance guarantees; they involve risks, uncertainties and assumptions because they refer to future events and, therefore, depend on circumstances which may or may not occur. Future results may differ materially from those expressed or suggested by forward-looking statements. Many of the factors which will determine these results and figures are beyond Lupatech S/A – In Judicial Recovery' control or prediction capacity.