

3Q18

RESULTS

Conference Call in English

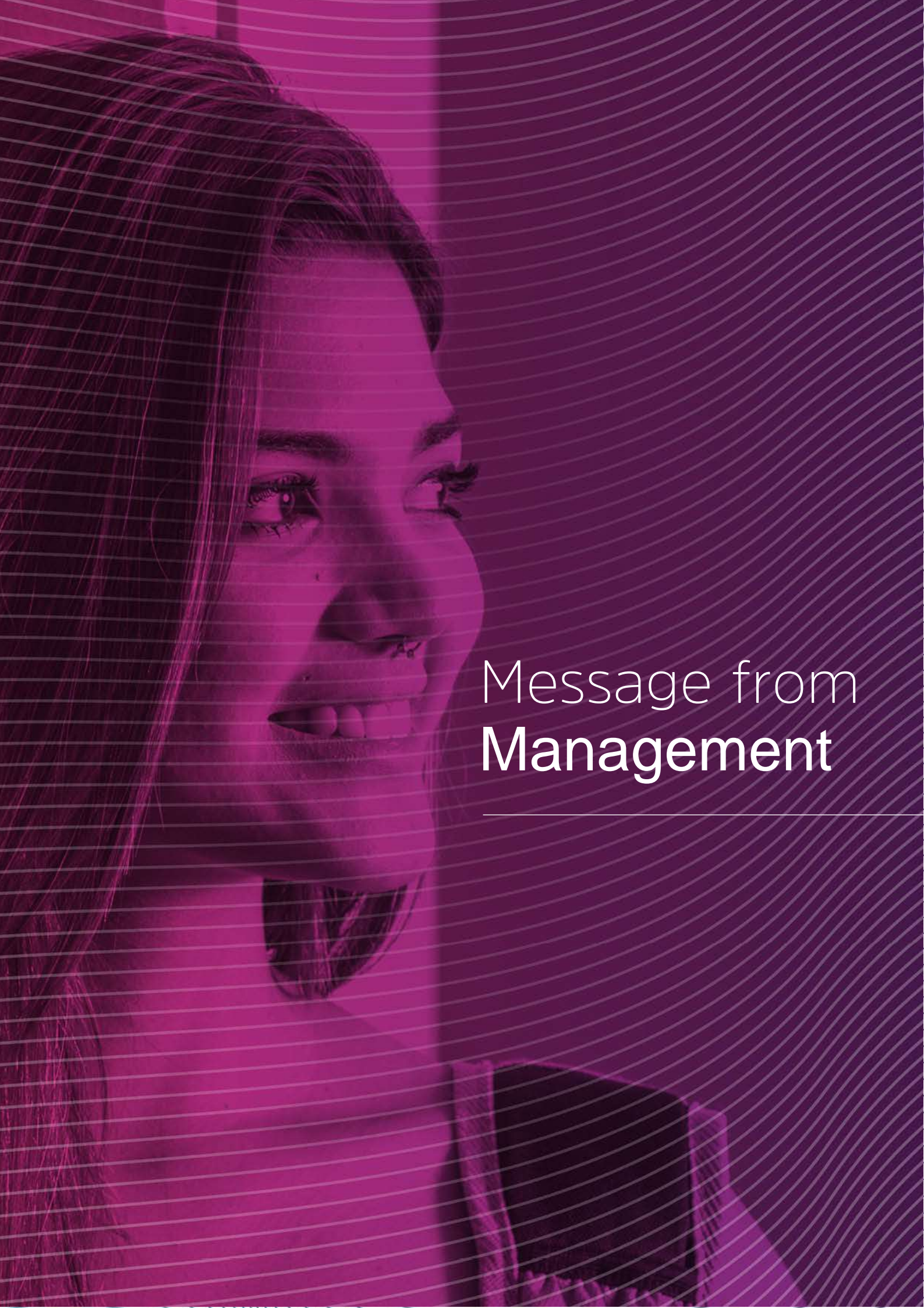
November 12, 2018
09:00 a.m. (NY)
12:00 a.m. (Brasília time)
+1 (646) 843-6054
Webcast: [click here.](#)
Code: Ânima
Replay: +55 (11) 2188-0400

Conference Call in Portuguese

November 12, 2018
08:00 a.m. (NY)
11:00 a.m. (Brasília time)
+55 (11) 2188-0155
Webcast: [click here.](#)
Code: Ânima
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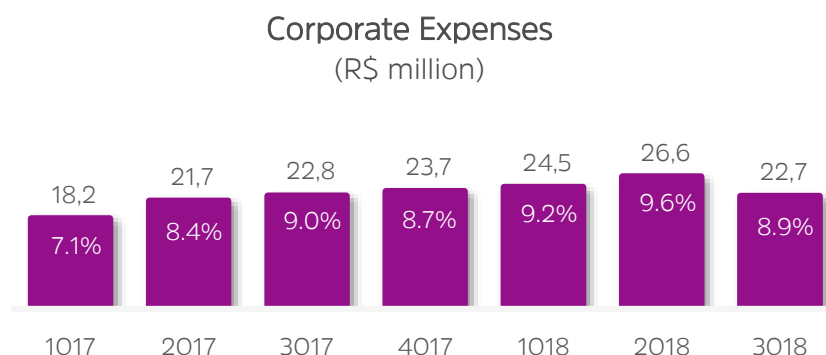
Message from **Management**

MESSAGE FROM MANAGEMENT

We ended the third quarter of 2018 with important achievements that show better result prospects and reflect our commitment to the consistent recovery of our margins in all levels.

We completed one more successful intake cycle, the fourth consecutive cycle of growth, up 13.7% *versus* 3Q17 (which had already presented a year-on-year growth of 35.0%), both in mature campuses and in all 14 new units. This, combined with the 3.0 thousand students from the acquisitions, allowed us to begin 2S18 with 102.3 thousand students. It is important to point out that, despite the still challenging macroeconomic environment, our student base growth came almost exclusively from students without financing. However, we cannot disregard the fact that competition is becoming increasingly tougher, which has pressuring our average ticket, especially among freshmen. We believe that the development and use of consumption propensity models will add even more intelligence to our intake and pricing process.

As announced in 2Q18, we have implemented a strong expense reduction plan that will result in annualized savings of R\$35 million in our general and administrative expenses in the brand and corporate levels. Renegotiations and changes in health insurance and private pension plans, together with lower personnel expenses in the consolidated payroll, are the main components of this plan. This effect can already be observed in the reversal of the upward trend of our corporate expenses, in which we verify the effect of the project to make our organizational structure lighter, more agile and simplified. We will continue the effort to gain efficiency by reducing its representativeness in relation to the consolidated net revenue of our brands.



We have presented a consistent performance in the new academic units (14 opened in the last 2 years, 7 of which in 2018), which continue to consolidate helped by another positive cycle of growth and evolution of its financial

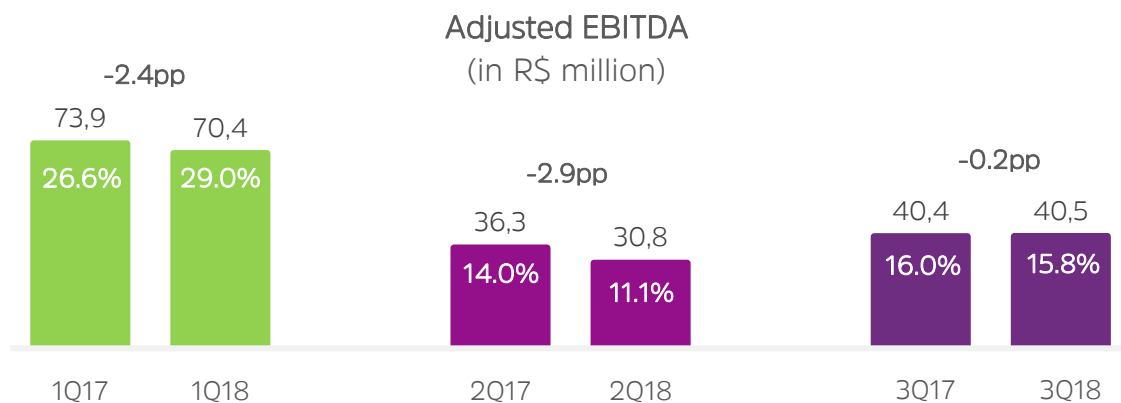
performance. In 3Q18, the operating margin of the new units combined already surpassed its breakeven point (R\$1.6 million or 9.7%), which represents a performance superior to that foreseen in the business plans. By 2019, we plan to open 7 new units, which have already begun their intake processes, thus continuing our organic expansion plan, internally denominated Q2A, an important vector of our growth in the medium term.

Once again, we have received the recognition of the quality of our academic model with the publication, in October, by INEP/MEC, of indicators related to ENADE and IDD. They have confirmed our superior academic results to the other public and private institutions and have made explicit the greater added value of our academic practices in the teaching process.

In the Other Businesses segment (HSM and EBRADI), net revenue grew 19.3% year-to-date compared to the same period last year. This growth is seen both in HSM, with the consolidation of the HSM Academy, its corporate education unit, and the area of events, with the SingularityU Summit; as well as in EBRADI, given the growth in sales of online courses, mainly postgraduate studies in the area of Law. These shares represented a margin recovery in 3Q18 of R\$1.3 million vs. 3Q17 and point to a higher growth of the results of these units in 2019.

We remain dedicated to improving our corporate governance in order to better prepare the Company to compete in a complex and uncertain environment. In October, we announced yet another important step: we elected two new independent Board members, with backgrounds in governance and technology & digital transformation, which we consider crucial issues for building Ânima's future. In the same context, we have eliminated the overlapping of roles so that simultaneous positions among members of the Executive Board and Board of Directors do not occur.

We believe that all these actions will put us on track to recover our margins. Our adjusted EBITDA reached R\$40.5 million in 3Q18 (+0.2% vs. 3Q17), with a margin of 15.8%, in line with the same quarter last year (-0.2pp). Given the decline recorded in 1H18, we see the beginning of 2H18 as the start of margin recovery trend.



Despite an increasingly challenging competitive scenario, looking closely at the recent performance of our operations, it is clear we are once again following an upward trend. Still dissatisfied and driven to constantly challenge ourselves, we remain confident that the designed strategies and outlined path are sufficiently consistent and solid to guide us in this journey back towards previously achieved margins. With purpose, dedication, discipline and simplified management, we remain confident towards our mission to *Transform the Country through Education!*



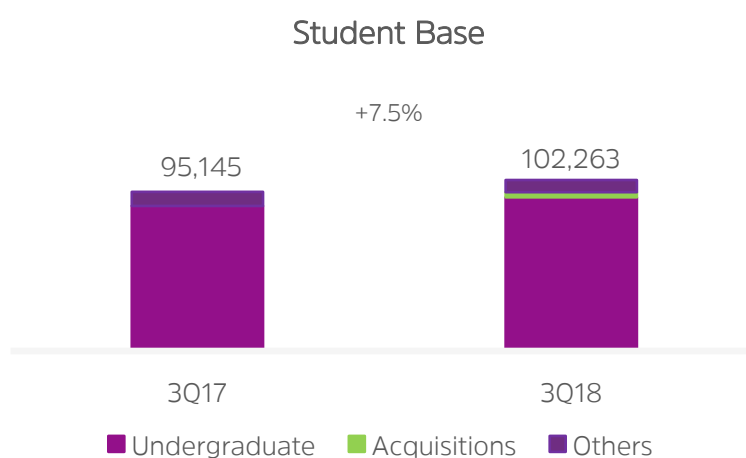
Operating Performance

Education

OPERATING PERFORMANCE

EDUCATION

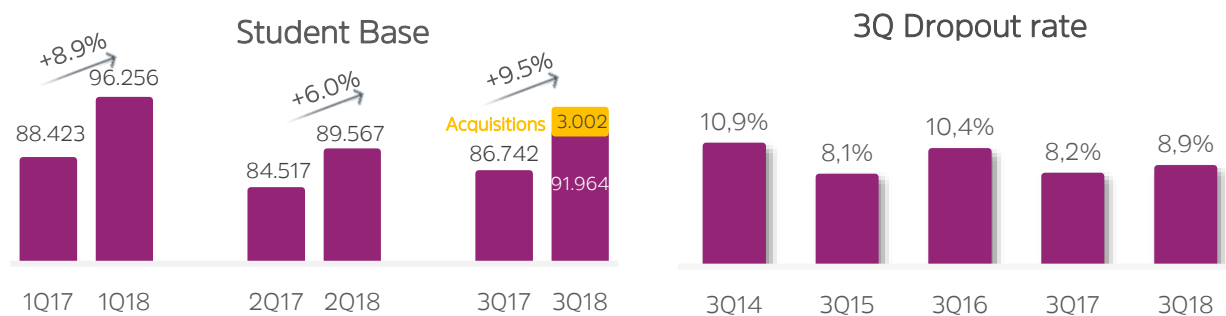
We ended 3Q18 with 102.3 thousand students, a 7.5% growth vs. 3Q17 (+4.3% excluding the acquisitions). As a positive highlight, the undergraduate student base continued to grow, up 9.5% over the same period last year with the addition of 8.2 thousand students (+6.0% and +5.2 thousand students, excluding the acquisitions). As expected, consolidated growth was impacted by a decline in distance learning students, in line with our strategic decision to stop enrolling students in this segment, as well as a partial decline in vocational and K-12 programs.



Student Base	3Q17	4Q17	1Q18	2Q18	3Q18	% 3Q18/ 3Q17
Undergraduate ¹	86,742	83,045	96,256	89,567	91,964	6.0%
Graduate	4,491	4,557	4,715	5,478	5,227	16.4%
Distance Learning	2,789	2,752	1,750	1,797	1,135	-59.3%
Vocational Programs & K12	1,123	894	1,018	1,055	935	-16.7%
Total	95,145	91,248	103,739	97,897	99,261	4.3%
CESUC + Jangada					3,002	
Total with Acquisitions	95,145	91,248	103,739	97,897	102,263	7.5%

¹ Includes blended programs

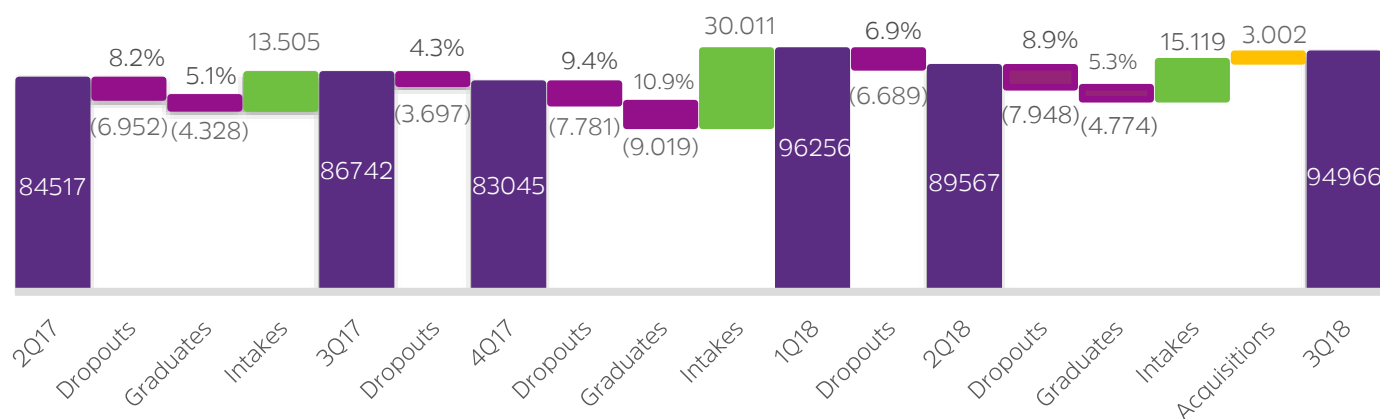
Student Base: Undergraduate courses

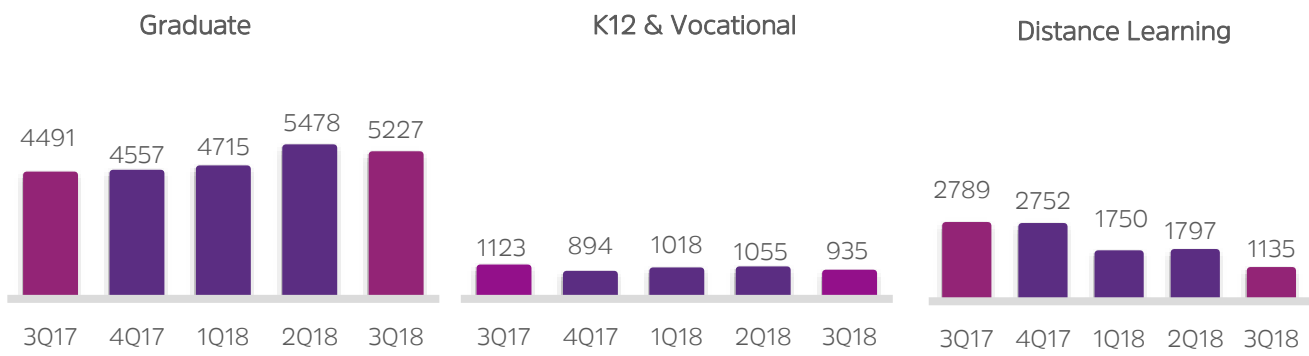


* Dropout rates of the acquisitions (CESUC and Jangada) will be considered as of 4Q18.

In 3Q18, 7.9 thousand undergraduate students dropped out, corresponding to 8.9% of the student base in the beginning of the period. The dropout rate was influenced by the higher share of freshmen in the base, a direct consequence of the intake growth reported in 1S and 2S 2018.

Student Flow – Undergraduate Programs





Graduate Student Base – The number of students enrolled in our graduate programs came to 5.2 thousand at the end of 3Q18, a 16.4% year-on-year increase.

K12 and Vocational Student Base – We ended the quarter with 0.9 thousand K12 and vocational education students (-16.7% vs. 3Q17), including Florianópolis and Blumenau International Schools, Colégio Tupy (COT) and Escola Técnica Tupy (ETT).

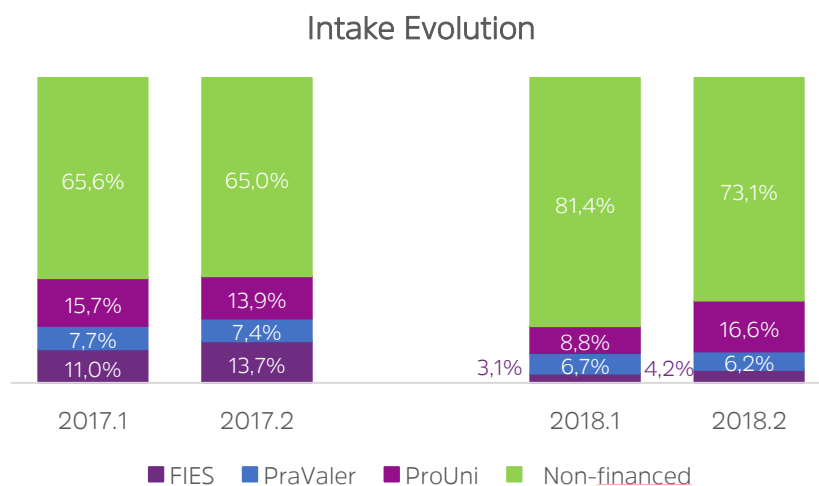
Distance-Learning Student Base – We ended 3Q18 with 1.1 thousand distance-learning students in undergraduate, graduate and vocational programs, down 59.3% year on year, due to our strategic decision to stop enrolling students in this segment.

A young man with a beard and short hair is shown in profile, smiling as he looks at a smartphone held in his hands. The entire image is overlaid with a warm orange color and a fine grid of white lines. The background is blurred, showing what appears to be a building and some foliage.

Student Financing

Student Financing

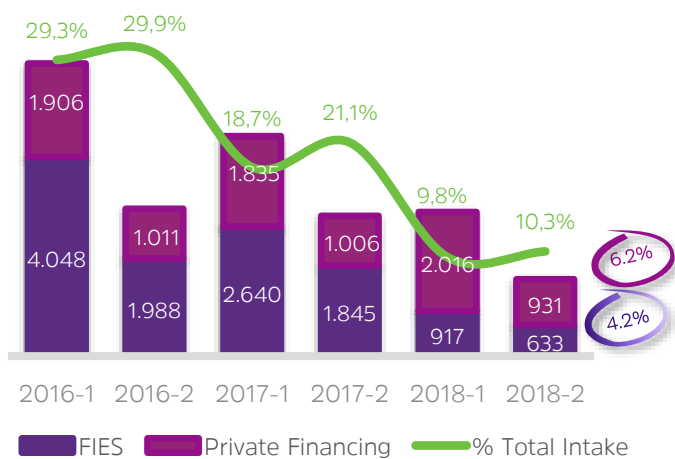
It is worth noting that our intakes has consistently been composed of mostly non-funded students, with 81.4% and 73.1% of students enrolled in the 1H and 2H 2018, respectively.



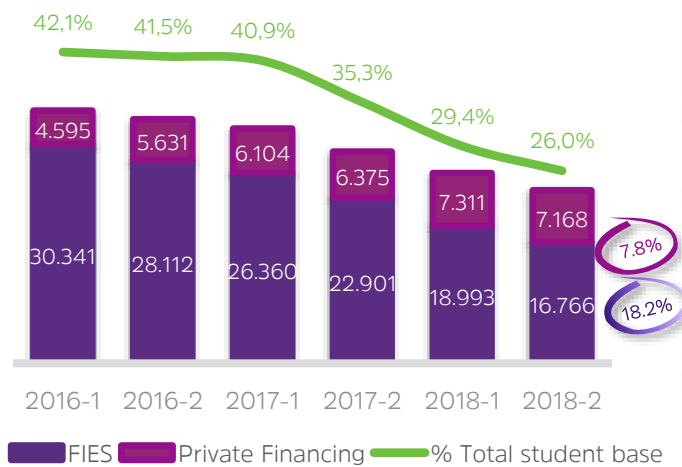
We ended the last intake cycle with 0.6 thousand new FIES contracts (-63.0% vs. 3Q17), accounting for 4.2% of the total intake. This includes both new contracts made available by the government this semester and students who transferred from other institutions. As a result, we closed the quarter with around 16.8 thousand FIES students, or 18.2% of the base, excluding the acquisitions.

In addition to the traditional *PraValer* products, in which the receivables' credit risk is fully transferred to Ideal Invest, we also offer a type of financing in which students go through *PraValer's* entire credit scoring process, but we decide to approve an additional number of students and, therefore, maintain the credit risk in our balance sheet. This quarter, these private financing products together reached 0.9 thousand new students in the last intake cycle (+10.3% vs. 2017-2), corresponding to 6.2% of the total intake, 351 of whom using our own balance sheet. We closed 3Q18 with 7.2 thousand students with private financing (7.8% of the undergraduate base), excluding the acquisitions, only 2.1 thousand of whom using our own balance sheet.

Student Financing
-- Total Intake --



Student Financing
-- Student Base--

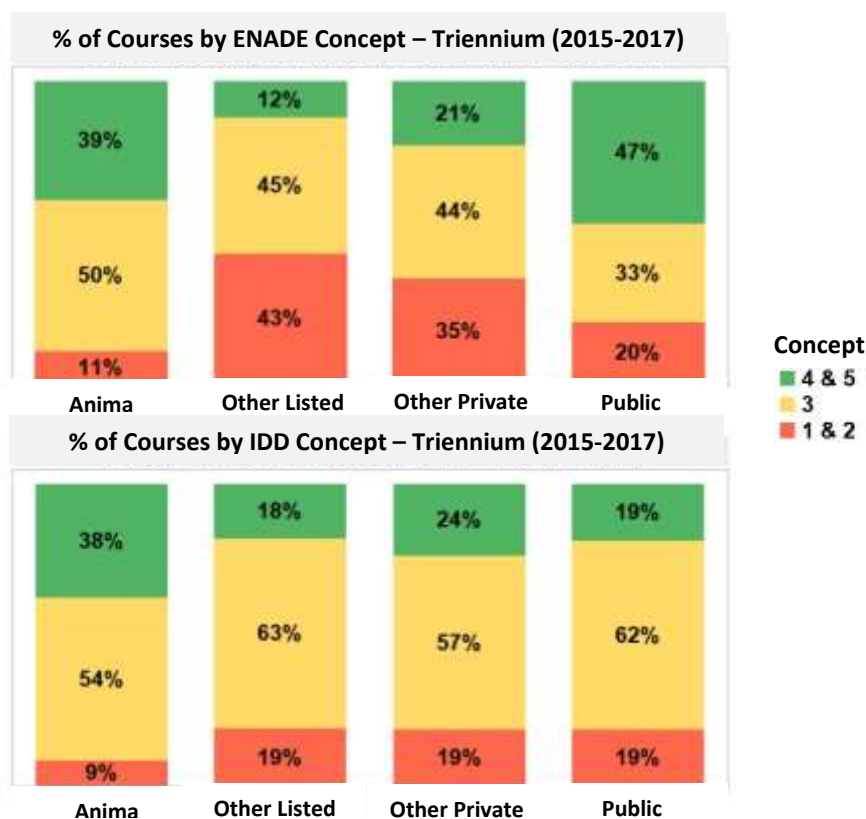




Academic
Quality

Academic Quality

The results published by the INEP/MEC in October once again confirm our superior academic results when compared to listed and unlisted private companies, as well as those of public institutions.



At ENADE, which evaluates the performance of final-year students through a standardized test, we have the lowest percentage of courses with grades 1 and 2. We also had the highest share of programs with the highest grades (4 and 5) among private (listed and unlisted) institutions. Public institutions, which receive students with the best grades in ENEM, which evaluates the performance of high school graduates, replicate this difference to the superior performance in ENADE.

However, when we look at IDD, which measures the real value added by post-secondary education, we note the higher impact of our academic practices in our teaching process, even when compared to public institutions. In fact, our post-secondary institutions have the highest percentage of programs with the highest grades (4 and 5) and the lowest percentage of programs with the lowest grades (1 and 2).

As the evaluation cycles of the other academic indicators (CC, CPC and IGC) are published by the MEC at year-end, we only have these respective indicators for 2017. For further information, please see our 4Q17 Earnings Release.



Financial Performance

The Company's financial results are divided into two segments:

- i) **Education** – Post-secondary education (undergraduate and graduate), K12 and vocational programs, including Florianópolis and Blumenau International Schools, Colégio Tupy (COT) and Escola Técnica Tupy (ETT).
- ii) **Other Businesses**– HSM and Escola Brasileira de Direito (EBRADI).

FINANCIAL PERFORMANCE

3Q18 Results

R\$ (million)	3Q18					
	Consolidated	% Net Revenue	Education	% Net Revenue	Others	% Net Revenue
Gross Revenue	452.0	176.4%	441.7	178.6%	10.2	115.9%
Discounts, Deductions & Scholarships	(187.9)	-73.3%	(187.0)	-75.6%	(0.9)	-10.6%
Taxes	(7.8)	-3.1%	(7.4)	-3.0%	(0.5)	-5.3%
Net Revenue	256.2	100.0%	247.4	100.0%	8.8	100.0%
Cash Cost of Services	(150.9)	-58.9%	(148.4)	-60.0%	(2.5)	-28.4%
- Personnel	(104.0)	-40.6%	(103.5)	-41.8%	(0.6)	-6.3%
- Services from Third Parties	(13.3)	-5.2%	(11.7)	-4.7%	(1.7)	-18.9%
- COGS	(0.0)	0.0%	0.0	0.0%	(0.0)	-0.5%
- Rental & Utilities	(25.4)	-9.9%	(25.4)	-10.3%	(0.1)	-1.0%
- Others	(8.1)	-3.2%	(7.9)	-3.2%	(0.1)	-1.7%
Gross Profit (exclud. deprec. /amort.)	105.3	41.1%	99.0	40.0%	6.3	71.6%
Sales Expenses	(17.7)	-6.9%	(16.1)	-6.5%	(1.6)	-18.1%
- Provision for Doubtful Accounts (PDA)	(7.7)	-3.0%	(6.9)	-2.8%	(0.8)	-9.4%
- Marketing	(10.0)	-3.9%	(9.2)	-3.7%	(0.8)	-8.7%
General & Administrative Expenses	(28.5)	-11.1%	(22.6)	-9.1%	(5.9)	-66.7%
- Personnel	(18.6)	-7.3%	(14.1)	-5.7%	(4.4)	-50.4%
- Third Party Services	(2.9)	-1.1%	(2.7)	-1.1%	(0.2)	-2.8%
- Rental & Utilities	(1.1)	-0.4%	(0.9)	-0.4%	(0.2)	-2.8%
- Others	(5.8)	-2.3%	(4.9)	-2.0%	(0.9)	-10.6%
Other Operating Revenues (Expenses)	0.5	0.2%	0.7	0.3%	(0.1)	-1.6%
- Provisions	(1.6)	-0.6%	(1.6)	-0.6%	0.0	0.0%
- Taxes	(0.5)	-0.2%	(0.3)	-0.1%	(0.2)	-1.9%
- Other Operating Revenues	2.6	1.0%	2.6	1.0%	0.0	0.4%
Late Payment Fees	3.6	1.4%	3.6	1.4%	0.0	0.0%
Operating Result	63.2	24.7%	64.5	26.1%	(1.3)	-14.7%
- Corporate Expenses	(22.7)	-8.9%				
Adjusted EBITDA	40.5	15.8%				
(-) Late Payment Fees	(3.6)	-1.4%				
(-) Non-Recurring Items - EBITDA	(31.6)	-12.3%				
EBITDA	5.3	2.1%				
Depreciation & Amortization	(13.5)	-5.3%				
Equity Equivalence	(0.4)	-0.2%				
EBIT	(8.6)	-3.4%				
Net Financial Result	(6.3)	-2.4%				
EBT	(14.9)	-5.8%				
Income Tax and Social Contribution	(1.8)	-0.7%				
Net Income Before Non-Controlling Interest	(16.7)	-6.5%				
Non-Controlling Interest	0.0	0.0%				
Net Income	(16.7)	-6.5%				
(-) Non-Recurring Items - EBITDA	31.6	12.3%				
(-) Non-Recurring Items - Net Income	0.0	0.0%				
Adjusted Net Income	15.0	5.8%				

9M18 Results

R\$ (million)	9M18					
	Consolidated	% Net Revenue	Education	% Net Revenue	Others	% Net Revenue
Gross Revenue	1,364.2	170.9%	1,327.7	173.4%	36.5	111.6%
Discounts, Deductions & Scholarships	(541.3)	-67.8%	(539.2)	-70.4%	(2.1)	-6.4%
Taxes	(24.6)	-3.1%	(22.9)	-3.0%	(1.7)	-5.2%
Net Revenue	798.3	100.0%	765.6	100.0%	32.7	100.0%
Cash Cost of Services	(446.9)	-56.0%	(434.0)	-56.7%	(12.9)	-39.5%
- Personnel	(312.0)	-39.1%	(311.1)	-40.6%	(0.9)	-2.8%
- Services from Third Parties	(32.5)	-4.1%	(26.1)	-3.4%	(6.4)	-19.7%
- COGS	(0.9)	-0.1%	0.0	0.0%	(0.9)	-2.8%
- Rental & Utilities	(73.1)	-9.2%	(71.9)	-9.4%	(1.3)	-3.8%
- Others	(28.3)	-3.5%	(24.9)	-3.3%	(3.4)	-10.4%
Gross Profit (exclud. deprec. /amort.)	351.3	44.0%	331.6	43.3%	19.8	60.5%
Sales Expenses	(61.0)	-7.6%	(56.6)	-7.4%	(4.4)	-13.4%
- Provision for Doubtful Accounts (PDA)	(29.4)	-3.7%	(27.9)	-3.6%	(1.5)	-4.6%
- Marketing	(31.5)	-4.0%	(28.7)	-3.7%	(2.9)	-8.8%
General & Administrative Expenses	(87.8)	-11.0%	(69.8)	-9.1%	(18.0)	-55.1%
- Personnel	(61.1)	-7.7%	(46.2)	-6.0%	(14.9)	-45.7%
- Third Party Services	(7.8)	-1.0%	(7.1)	-0.9%	(0.7)	-2.1%
- Rental & Utilities	(3.0)	-0.4%	(2.2)	-0.3%	(0.8)	-2.4%
- Others	(16.0)	-2.0%	(14.4)	-1.9%	(1.6)	-4.9%
Other Operating Revenues (Expenses)	3.5	0.4%	4.1	0.5%	(0.6)	-1.7%
- Provisions	(1.8)	-0.2%	(1.8)	-0.2%	(0.0)	0.0%
- Taxes	(2.0)	-0.3%	(1.0)	-0.1%	(1.0)	-3.1%
- Other Operating Revenues	7.3	0.9%	6.9	0.9%	0.4	1.4%
Late Payment Fees	9.5	1.2%	9.5	1.2%	0.0	0.0%
Operating Result	215.5	27.0%	218.6	28.6%	(3.161)	-9.7%
- Corporate Expenses	(73.8)	-9.3%				
Adjusted EBITDA	141.6	17.7%				
(-) Late Payment Fees	(9.5)	-1.2%				
(-) Non-Recurring Items - EBITDA	(43.0)	-5.4%				
EBITDA	89.2	11.2%				
Depreciation & Amortization	(40.2)	-5.0%				
Equity Equivalence	(1.3)	-0.2%				
EBIT	47.7	6.0%				
Net Financial Result	(21.9)	-2.7%				
EBT	25.7	3.2%				
Income Tax and Social Contribution	(5.4)	-0.7%				
Net Income Before Non-Controlling Interest	20.3	2.5%				
Non-Controlling Interest	0.0	0.0%				
Net Income	20.3	2.5%				
(-) Non-Recurring Items - EBITDA	43.0	5.4%				
(-) Non-Recurring Items - Net Income	0.0	0.0%				
Adjusted Net Income	63.3	7.9%				

FINANCIAL PERFORMANCE – Education

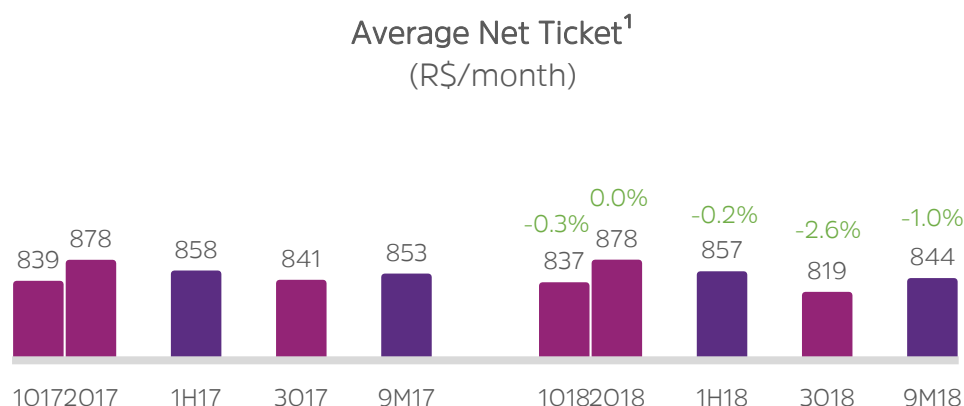
R\$ (million)	Education									
	3Q18	% Net Revenue	3Q17	% Net Revenue	% YA	9M18	% Net Revenue	9M17	% Net Revenue	% YA
Gross Revenue	441.7	178.6%	394.9	164.5%	11.9%	1,327.7	173.4%	1,182.8	159.9%	12.2%
Discounts, Deductions & Scholarships	(187.0)	-75.6%	(148.7)	-61.9%	25.7%	(539.2)	-70.4%	(424.4)	-57.4%	27.0%
Taxes	(7.4)	-3.0%	(6.1)	-2.5%	21.0%	(22.9)	-3.0%	(18.7)	-2.5%	22.4%
Net Revenue	247.4	100.0%	240.1	100.0%	3.0%	765.6	100.0%	739.7	100.0%	3.5%
Cash Cost of Services	(148.4)	-60.0%	(138.3)	-57.6%	7.3%	(434.0)	-56.7%	(410.5)	-55.5%	5.7%
- Personnel	(103.5)	-41.8%	(101.5)	-42.3%	1.9%	(311.1)	-40.6%	(305.0)	-41.2%	2.0%
- Services from Third Parties	(11.7)	-4.7%	(7.2)	-3.0%	62.0%	(26.1)	-3.4%	(19.8)	-2.7%	31.5%
- COGS	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
- Rental & Utilities	(25.4)	-10.3%	(21.0)	-8.8%	20.7%	(71.9)	-9.4%	(62.7)	-8.5%	14.6%
- Others	(7.9)	-3.2%	(8.6)	-3.6%	-7.5%	(24.9)	-3.3%	(23.0)	-3.1%	8.5%
Gross Profit (exclud. deprec. /amort.)	99.0	40.0%	101.8	42.4%	-2.8%	331.6	43.3%	329.2	44.5%	0.7%
Sales Expenses	(16.1)	-6.5%	(16.3)	-6.8%	-1.0%	(56.6)	-7.4%	(48.6)	-6.6%	16.4%
- Provision for Doubtful Accounts (PDA)	(6.9)	-2.8%	(8.2)	-3.4%	-15.9%	(27.9)	-3.6%	(29.5)	-4.0%	-5.3%
- Marketing	(9.2)	-3.7%	(8.1)	-3.4%	14.2%	(28.7)	-3.7%	(19.2)	-2.6%	49.8%
General & Administrative Expenses	(22.6)	-9.1%	(21.4)	-8.9%	5.5%	(69.8)	-9.1%	(65.4)	-8.8%	6.8%
- Personnel	(14.1)	-5.7%	(14.5)	-6.0%	-2.4%	(46.2)	-6.0%	(43.5)	-5.9%	6.3%
- Third Party Services	(2.7)	-1.1%	(1.4)	-0.6%	90.6%	(7.1)	-0.9%	(6.8)	-0.9%	4.6%
- Rental & Utilities	(0.9)	-0.4%	(0.8)	-0.3%	15.7%	(2.2)	-0.3%	(2.3)	-0.3%	-3.7%
- Others	(4.9)	-2.0%	(4.8)	-2.0%	3.1%	(14.4)	-1.9%	(12.9)	-1.7%	11.4%
Other Operating Revenues (Expenses)	0.7	0.3%	(1.9)	-0.8%	-136.6%	4.1	0.5%	1.0	0.1%	286.5%
- Provisions	(1.6)	-0.6%	(3.4)	-1.4%	-53.7%	(1.8)	-0.2%	(3.6)	-0.5%	-49.6%
- Taxes	(0.3)	-0.1%	(0.2)	-0.1%	58.6%	(1.0)	-0.1%	(1.2)	-0.2%	-15.7%
- Other Operating Revenues	2.6	1.0%	1.7	0.7%	47.8%	6.9	0.9%	5.8	0.8%	17.7%
Late Payment Fees	3.6	1.4%	3.7	1.6%	-4.8%	9.5	1.2%	9.5	1.3%	-0.5%
Operating Result	64.5	26.1%	66.0	27.5%	-2.2%	218.6	28.6%	225.7	30.5%	-3.1%

Net Revenue

Considering that the months of August and September include the acquisitions of CESUC and Jangada, we ended 3Q18 with net revenue of R\$247.4 million, +3.0% vs. 3Q17 (+1.6% excluding the acquisitions). In 9M18, net revenue came to R\$765.6 million, +3.5% vs. 9M17 (+3.0% excluding the acquisitions).

Looking specifically to our net ticket, excluding the acquisitions, we ended 3Q18 with an average of R\$819/month, -2.6% vs. the same period last year, influenced by higher scholarships, discounts and taxes (-8.8%) concentrated in the first tuition fees, partially offset by the average increase in tuition fees (+5.5%), student base growth (+4.3%) and a better program mix in both undergraduate and graduate programs (+0.7%). In 9M18, our net ticket averaged R\$844/month, down 1.0% year on year, also driven by increased discounts, scholarships, deductions and taxes (-8.5%) and partially offset by the average increase in tuition fees (+5.5%), but with lower student base growth (+4.0%) and higher mix gains (+2.0%). Including the acquisitions announced in July this year, whose average ticket is lower than those of our brands, our net ticket averaged R\$806/month in 3Q18 and R\$823/month in 9M18.

Given the current competitive dynamics, we understand that the slight reduction observed in the average ticket combined with the growth of our student base keeps us in a healthy trend of net revenue growth.



¹ Excluding the acquisitions announced in July 2018 (CESUC and Jangada).

Total Costs and Gross Profit

Gross profit came to R\$99.0 million, or 40.0% of net revenue (-2.4pp vs. 3Q17). Despite faculty and academic support productivity gains (+0.5pp personnel costs) and a reduction in other costs (+0.4pp), we saw an increase in third-party services (-1.7pp) and rental and utilities (-1.5pp), mainly as a result of the new units launched at the beginning of the year, and the negative effects related to higher discounts, scholarships and taxes.

We ended 9M18 with gross profit of R\$331.6 million, equivalent to 43.3% of net revenue, 1.2pp less than in 9M17.

Managerial Reclassification

As disclosed in 2Q18, we have reclassified certain expenses from corporate expenses to selling and personnel expenses in the Education segment. Most of these expenses are related to the student enrollment process and used to be recorded under corporate expenses because they were centrally managed. To ensure a consistent comparison with prior periods, the table below shows this classification applied retrospectively:

Reclassification (in R\$ million)	9M18	1H18	3Q18	9M17	1H17	3Q17
Total Reclassification	8.2	6.1	2.2	3.6	1.7	1.9
Marketing Expenses	0.9	0.7	0.2	0.4	0.2	0.2
Personnel Expenses	7.3	5.4	1.9	3.2	1.5	1.7

Selling Expenses

After the above-mentioned reclassification, selling expenses totaled R\$16.1 million in 3Q18, a 0.3pp improvement over 3Q17. Our provisions for doubtful accounts improved 0.6pp, partially offset by an increase in market expenses (-0.4pp), due to the opening of new units.

In 9M18, selling expenses came to R\$56.6 million (-0.8pp vs. 9M17), due to higher marketing expenses as a percentage of net revenue (-1.2pp vs. 9M17), mainly driven by expenses related to the opening of new units, while our provisions for doubtful accounts improved +0.3pp during the period.

General and Administrative Expenses

General and administrative expenses, after the reclassification, reached R\$22.6 million (+5.5% vs. 3Q17), or 9.1% of net revenue, an increase of 0.2pp vs. 3Q17. As announced in 2Q18, we have implemented a strong expense reduction plan that will result in annualized savings of R\$35 million in our general and administrative expenses in the brand and corporate levels. Renegotiations and changes in health insurance and private pension plans, together with lower personnel expenses in the consolidated payroll, are the main components of this plan. We worked to reduce all the existing redundancies in our organizational structure in order to make it lighter, simpler and more agile. We saw an improvement in personnel expenses (+0.3pp) albeit an increase in third-party service expenses (-0.5pp), mainly due to synergies captured as a result of the integration of the acquired units and the centralization of corporate expenses.

If we exclude the non-recurring items for the period, and compare the administrative personnel expenses, both in the brands and in the corporate level, between June 2018 (when we started the Census Project), and October 2018 (after the payroll date), we observed annualized savings of R\$33.0 million. This represents 95% of the total G&A reduction plan, which will be fully implemented by the end of the 4th quarter of 2018. The effect of the Census Project on consolidated G&A

over the next 12 months will be of R\$29.2 million, given the G&A growth in new campuses, which reached R\$3.8 million (annual basis) in 3Q18.

R\$ (million)	Jun'18	Oct'18	Effect of the Census Project
Total Adm + Support Payroll (month)	20.8	18.3	2.6
Economy reached with Census (year)			30.7
Health and Pension plans (year)			2.3
Total Economy (year)			33.0

Other Operating Revenues (Expenses)

Other operating revenues (expenses), including fines and interest on tuition fees, reached positive R\$4.2 million in 3Q18, or 1.7% of net revenue (+0.9pp vs. 3Q17). In 9M18, other operating revenues (expenses), including fines and interest, totaled a positive R\$13.5 million, or 1.8% of net revenue (+0.3pp vs. 9M17).

Operating Result

As we mentioned at the end of last year, in order to monitor the evolution of operating margins in the Education segment, we divided the units into three major blocks based on their respective stage of maturity. It is worth noting that we are including the results of the acquisitions made in July 2018 (CESUC and Faculdade Jangada) in the Acquisitions block as of this quarter.

R\$ (million)	Base ¹			Acquisitions ²			Organic Exp. ³			Education		
	Excl. New Units			Excl. New Units								
	3Q18	3Q17	% YA	3Q18	3Q17	% YA	3Q18	3Q17	% YA	3Q18	3Q17	% YA
Net Revenue	187.6	194.9	-3.8%	43.5	41.3	5.4%	16.3	3.9	320.1%	247.4	240.1	3.0%
Gross Profit	81.4	89.0	-8.5%	12.6	12.6	-0.4%	5.0	0.2	2564.9%	99.0	101.8	-2.8%
<i>Gross Margin</i>	43.4%	45.6%	-2.2pp	28.9%	30.6%	-1.7pp	30.7%	4.8%	25.8pp	40.0%	42.4%	-2.4pp
Operating Result	59.1	61.2	-3.4%	3.8	5.2	-27.2%	1.6	(0.5)	-446.4%	64.5	66.0	-2.2%
<i>Operating Margin</i>	31.5%	31.4%	0.1pp	8.7%	12.6%	-3.9pp	9.7%	-11.8%	21.5pp	26.1%	27.5%	-1.4pp

R\$ (million)	Base ¹			Acquisitions ²			Organic Exp. ³			Education		
	Excl. New Units			Excl. New Units								
	9M18	9M17	% YA	9M18	9M17	% YA	9M18	9M17	% YA	9M18	9M17	% YA
Net Revenue	590.9	602.0	-1.8%	128.1	129.3	-0.9%	46.6	8.4	456.5%	765.6	739.7	3.5%
Gross Profit	273.0	282.4	-3.3%	42.3	46.8	-9.5%	16.2	0.0	40979.2%	331.6	329.2	0.7%
<i>Gross Margin</i>	46.2%	46.9%	-0.7pp	33.0%	36.2%	-3.2pp	34.8%	0.5%	34.3pp	43.3%	44.5%	-1.2pp
Operating Result	198.8	205.9	-3.5%	16.3	21.3	-23.5%	3.5	(1.6)	-317.7%	218.6	225.7	-3.1%
<i>Operating Margin</i>	33.6%	34.2%	-0.6pp	12.7%	16.5%	-3.8pp	7.5%	-19.2%	26.7pp	28.6%	30.5%	-2.0pp

¹ Considers Una, UniBH and São Judas (including the Unimonte campus, but excluding acquisitions and new units opened as of 2016)

² Considers acquisitions made throughout 2016 (UniSociesc Feb'16, Una Bom Despacho Jul'16 and Una Uberlândia Oct'16) and the acquisitions made in Jul'18 (CESUC and Faculdade Jangada)

³ Considers organic expansion: Units of Sete Lagoas (Jul'16), Catalão (Oct'16), Divinópolis (Feb'17), Pouso Alegre (Mar'17), Nova Serrana (Apr'17), São Bento do Sul (Jan'17), Itajaí (Jul'17), Itabira (Jan'18), Jataí (Jan'18), Jabaquara (Jan'18), Santo Amaro (Jan'18), Paulista (Jan'18), Palácio Avenida (Jan'18), Jaraguá do Sul (Jan'18)

Comparing 3Q18 to 3Q17, we grew the operating margin of our **Base** operation, which includes our mature units operating under the Una, UniBH and São Judas brands (including the Unimonte Campus), by +0.1pp. However, we are still facing the challenge of resuming growth in net revenue in this block (-3.8% vs. 3Q17). This challenge is stronger in the Belo Horizonte metropolitan area, where tougher competition affects both student base and discounts. In 9M18, the operating result of these units totaled R\$198.8 million, with a margin of 33.6% (-0.6pp vs. 9M17). It is important to mention that our mature campuses will generate most efficiency gains over the following years, with the maturation of the new academic model, implemented for freshmen as of this year.

Regarding the **Acquisitions** made in 2016 (UniSociesc, Una Bom Despacho and Una Uberlândia) and in July 2018 (CESUC and Faculdade Jangada), we continue with the challenge of increasing the margins of these units to those observed in our Base operation. If we exclude the impact of the decision to end Distance Learning intakes, the 1.7 percentage point reduction observed in gross margin in the 3rd quarter of 2018 would result in a 0.6 percentage point increase. This indicates the resumption of previous margins, explained mainly by the measures implemented towards teacher payroll at UniSociesc, which had not yet produced effects in July but are already bringing in results in this new academic semester.

R\$ (million)	Acquisitions Exc. DL *		
	Excl. New Units		
	3Q18	3Q17	% YA
Net Revenue	42.9	39.4	8.8%
Gross Profit	13.0	11.7	10.9%
<i>Gross Margin</i>	<i>30.4%</i>	<i>29.8%</i>	<i>0.6pp</i>
Operating Result	4.0	4.5	-11.2%
<i>Operating Margin</i>	<i>9.3%</i>	<i>11.4%</i>	<i>-2.1pp</i>

* Considers acquisitions made throughout 2016 (UniSociesc Feb'16, Una Bom Despacho Jul'16 and Una Uberlândia Oct'16) and the acquisitions made in Jul'18 (CESUC and Faculdade Jangada) and excludes the result of the DL segment

The **Organic Expansion** block, which includes both the seven units opened between July 2016 and July 2017 (which are still in the maturation stage) and the seven new units inaugurated at the beginning of this year, recorded a positive operating result of R\$1.6 million, or 9.7% of net revenue (+21.5pp vs. 3Q17). Also in the first nine months of the year, the Organic Expansion block operation showed a positive year-on-year trend, with an operating result of R\$3.5 million and a margin of 7.5%

(+26.7pp vs. 9M17). We have positive prospects for this block since these units are performing above the original business plan and, together, have already started the process of building operating margin. It is important to note that the maturation time of an academic unit is of approximately 5 years.

FINANCIAL PERFORMANCE – Other Businesses

R\$ (million)	Others									
	3Q18	% Net Revenue	3Q17	% Net Revenue	% YA	9M18	% Net Revenue	9M17	% Net Revenue	% YA
Gross Revenue	10.2	115.9%	12.4	105.9%	-17.8%	36.5	111.6%	29.8	108.8%	22.5%
Discounts, Deductions & Scholarships	(0.9)	-10.6%	(0.4)	-3.1%	160.4%	(2.1)	-6.4%	(0.6)	-2.3%	227.4%
Taxes	(0.5)	-5.3%	(0.3)	-2.8%	40.7%	(1.7)	-5.2%	(1.8)	-6.4%	-3.3%
Net Revenue	8.8	100.0%	11.7	100.0%	-24.9%	32.7	100.0%	27.4	100.0%	19.3%
Cash Cost of Services	(2.5)	-28.4%	(5.9)	-50.7%	-57.9%	(12.9)	-39.5%	(16.3)	-59.6%	-21.0%
- Personnel	(0.6)	-6.3%	(0.8)	-6.6%	-28.0%	(0.9)	-2.8%	(2.6)	-9.5%	-65.3%
- Services from Third Parties	(1.7)	-18.9%	(3.0)	-25.2%	-43.6%	(6.4)	-19.7%	(6.8)	-25.0%	-5.9%
- COGS	(0.0)	-0.5%	(0.4)	-3.7%	-89.9%	(0.9)	-2.8%	(2.3)	-8.4%	-60.7%
- Rental & Utilities	(0.1)	-1.0%	(0.5)	-4.0%	-82.1%	(1.3)	-3.8%	(1.3)	-4.7%	-2.2%
- Others	(0.1)	-1.7%	(1.3)	-11.2%	-88.7%	(3.4)	-10.4%	(3.3)	-12.0%	2.8%
Gross Profit (exclud. deprec. /amort.)	6.3	71.6%	5.8	49.3%	9.0%	19.8	60.5%	11.1	40.4%	78.8%
Sales Expenses	(1.6)	-18.1%	(2.1)	-18.2%	-25.4%	(4.4)	-13.4%	(5.1)	-18.5%	-13.7%
- Provision for Doubtful Accounts (PDA)	(0.8)	-9.4%	(0.8)	-7.0%	0.5%	(1.5)	-4.6%	(1.6)	-5.8%	-5.2%
- Marketing	(0.8)	-8.7%	(1.3)	-11.2%	-41.5%	(2.9)	-8.8%	(3.5)	-12.7%	-17.5%
General & Administrative Expenses	(5.9)	-66.7%	(6.2)	-53.1%	-5.8%	(18.0)	-55.1%	(18.8)	-68.5%	-4.1%
- Personnel	(4.4)	-50.4%	(5.1)	-43.9%	-13.8%	(14.9)	-45.7%	(14.7)	-53.6%	1.8%
- Third Party Services	(0.2)	-2.8%	(0.3)	-2.5%	-16.0%	(0.7)	-2.1%	(1.5)	-5.5%	-53.6%
- Rental & Utilities	(0.2)	-2.8%	(0.3)	-2.2%	-3.9%	(0.8)	-2.4%	(0.8)	-3.1%	-8.3%
- Others	(0.9)	-10.6%	(0.5)	-4.5%	77.0%	(1.6)	-4.9%	(1.8)	-6.4%	-8.8%
Other Operating Revenues (Expenses)	(0.1)	-1.6%	(0.1)	-1.3%	-8.3%	(0.6)	-1.7%	0.5	1.7%	-221.2%
- Provisions	0.0	0.0%	(0.0)	0.0%	-100.0%	(0.0)	0.0%	(0.0)	-0.1%	-67.2%
- Taxes	(0.2)	-1.9%	(0.1)	-0.6%	155.0%	(1.0)	-3.1%	(0.3)	-1.0%	264.6%
- Other Operating Revenues	0.0	0.4%	(0.1)	-0.7%	-137.8%	0.4	1.4%	0.8	2.9%	-42.5%
Late Payment Fees	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
Operating Result	(1.3)	-14.7%	(2.7)	-23.3%	-52.5%	(3.2)	-9.7%	(12.3)	-44.9%	-74.3%

The Other Businesses area is composed of HSM and EBRADI – Escola Brasileira de Direito. HSM is an integrated educational solution platform that promotes the continuing education and professional development of executives and managers from all over Brazil through customized products that foster learning, the exchange of experience and networking. EBRADI is an Ânima brand launched at the end of 2016 to offer online legal education and training to students from all over the country. Its portfolio includes preparatory courses for the Brazilian Bar exam, as well as graduate and extension programs.

As we mentioned in our 1Q18 Earnings Release, in January, we decided to simplify the operations of UniSociesc's Innovation and Management area (GIT) by discontinuing the tooling and laboratory analysis sectors and reducing their respective management structures. The remaining activities (consulting and foundry) will be fully conducted by Instituto Ânima and therefore will no longer be

consolidated in our results. We are eliminating all the effects related to this business unit, including net revenue of R\$7.3 million and a negative operating result of R\$6.1 million, from the 9M18 managerial results presented in this report.

Year-to-date net revenue from Other Businesses totaled R\$32.7 million, up 19.3% year on year. We saw growth both at EBRADI, thanks to higher sales of online Law courses, and at HSM, due to the consolidation of the HSM Academy, HSM's corporate education arm, and the SingularityU Brasil Summit in 1H18. Gross profit came to R\$19.8 million (+40.4% vs. 9M17), with a margin of 60.5% (+20.1pp vs. 9M17). Our operating result was still negative by R\$3.2 million in 9M18, but it was R\$9.1 million better than in 9M17. It is worth mentioning that the Other Businesses segment, especially HSM, continued to present significant seasonality in sales, with the fourth quarter accounting for the lion's share of sales due to HSM Expo.

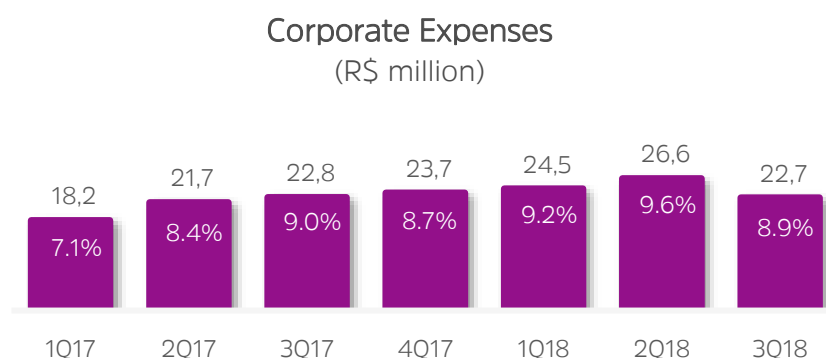
CONSOLIDATED PERFORMANCE

R\$ (million)	Consolidated Ânima									
	3Q18	% Net Revenue	3Q17	% Net Revenue	% YA	9M18	% Net Revenue	9M17	% Net Revenue	% YA
Gross Revenue	452.0	176.4%	407.4	161.8%	10.9%	1,364.2	170.9%	1,212.6	158.1%	12.5%
Discounts, Deductions & Scholarships	(187.9)	-73.3%	(149.1)	-59.2%	26.0%	(541.3)	-67.8%	(425.0)	-55.4%	27.3%
Taxes	(7.8)	-3.1%	(6.4)	-2.6%	22.1%	(24.6)	-3.1%	(20.5)	-2.7%	20.2%
Net Revenue	256.2	100.0%	251.8	100.0%	1.7%	798.3	100.0%	767.0	100.0%	4.1%
Cash Cost of Services	(150.9)	-58.9%	(144.3)	-57.3%	4.6%	(446.9)	-56.0%	(426.8)	-55.6%	4.7%
- Personnel	(104.0)	-40.6%	(102.3)	-40.6%	1.7%	(312.0)	-39.1%	(307.6)	-40.1%	1.4%
- Services from Third Parties	(13.3)	-5.2%	(10.2)	-4.0%	31.3%	(32.5)	-4.1%	(26.7)	-3.5%	21.9%
- COGS	(0.0)	0.0%	(0.4)	-0.2%	-89.9%	(0.9)	-0.1%	(2.3)	-0.3%	-60.7%
- Rental & Utilities	(25.4)	-9.9%	(21.5)	-8.5%	18.4%	(73.1)	-9.2%	(64.0)	-8.3%	14.3%
- Others	(8.1)	-3.2%	(9.9)	-3.9%	-18.2%	(28.3)	-3.5%	(26.3)	-3.4%	7.8%
Gross Profit (exclud. deprec. /amort.)	105.3	41.1%	107.6	42.7%	-2.1%	351.3	44.0%	340.2	44.4%	3.3%
Sales Expenses	(17.7)	-6.9%	(18.4)	-7.3%	-3.8%	(61.0)	-7.6%	(53.7)	-7.0%	13.6%
- Provision for Doubtful Accounts (PDA)	(7.7)	-3.0%	(9.0)	-3.6%	-14.4%	(29.4)	-3.7%	(31.1)	-4.1%	-5.3%
- Marketing	(10.0)	-3.9%	(9.4)	-3.7%	6.4%	(31.5)	-4.0%	(22.6)	-2.9%	39.4%
General & Administrative Expenses	(28.5)	-11.1%	(27.6)	-11.0%	3.0%	(87.8)	-11.0%	(84.2)	-11.0%	4.4%
- Personnel	(18.6)	-7.3%	(19.6)	-7.8%	-5.4%	(61.1)	-7.7%	(58.1)	-7.6%	5.2%
- Third Party Services	(2.9)	-1.1%	(1.7)	-0.7%	71.9%	(7.8)	-1.0%	(8.3)	-1.1%	-5.9%
- Rental & Utilities	(1.1)	-0.4%	(1.0)	-0.4%	10.8%	(3.0)	-0.4%	(3.1)	-0.4%	-5.0%
- Others	(5.8)	-2.3%	(5.3)	-2.1%	10.5%	(16.0)	-2.0%	(14.7)	-1.9%	9.0%
Other Operating Revenues (Expenses)	0.5	0.2%	(2.0)	-0.8%	-127.1%	3.5	0.4%	1.5	0.2%	129.4%
- Provisions	(1.6)	-0.6%	(3.4)	-1.4%	-53.7%	(1.8)	-0.2%	(3.6)	-0.5%	-49.8%
- Taxes	(0.5)	-0.2%	(0.3)	-0.1%	83.6%	(2.0)	-0.3%	(1.5)	-0.2%	37.5%
- Other Operating Revenues	2.6	1.0%	1.6	0.7%	57.1%	7.3	0.9%	6.6	0.9%	10.6%
Late Payment Fees	3.6	1.4%	3.7	1.5%	-4.8%	9.5	1.2%	9.5	1.2%	-0.5%
Operating Result	63.2	24.7%	63.2	25.1%	0.0%	215.5	27.0%	213.4	27.8%	1.0%
- Corporate Expenses	(22.7)	-8.9%	(22.8)	-9.1%	-0.4%	(73.8)	-9.3%	(62.8)	-8.2%	17.7%
Adjusted EBITDA	40.5	15.8%	40.4	16.0%	0.2%	141.6	17.7%	150.6	19.6%	-6.0%
(-) Late Payment Fees	(3.6)	-1.4%	(3.7)	-1.5%	-4.8%	(9.5)	-1.2%	(9.5)	-1.2%	-0.5%
(-) Non-Recurring Items - EBITDA	(31.6)	-12.3%	(7.4)	-2.9%	0.0%	(43.0)	-5.4%	(15.9)	-2.1%	0.0%
EBITDA	5.3	2.1%	29.3	11.6%	-82.0%	89.2	11.2%	125.2	16.3%	-28.8%
Depreciation & Amortization	(13.5)	-5.3%	(13.3)	-5.3%	1.5%	(40.2)	-5.0%	(37.8)	-4.9%	6.5%
Equity Equivalence	(0.4)	-0.2%	(0.2)	-0.1%	98.5%	(1.3)	-0.2%	(0.2)	0.0%	548.0%
EBIT	(8.6)	-3.4%	15.8	6.3%	-154.5%	47.7	6.0%	87.2	11.4%	-45.3%
Net Financial Result	(6.3)	-2.4%	(6.9)	-2.7%	-8.9%	(21.9)	-2.7%	(30.0)	-3.9%	-26.9%
EBT	(14.9)	-5.8%	8.9	3.5%	-267.2%	25.7	3.2%	57.2	7.5%	-55.0%
Income Tax and Social Contribution	(1.8)	-0.7%	1.3	0.5%	-238.6%	(5.4)	-0.7%	17.2	2.2%	-131.6%
Net Income before Non-Controlling Interest	(16.7)	-6.5%	10.2	4.0%	-263.6%	20.3	2.5%	74.4	9.7%	-72.7%
Non-Controlling Interest	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	0.0%
Net Income	(16.7)	-6.5%	10.2	4.0%	-263.6%	20.3	2.5%	74.4	9.7%	-72.7%
(-) Non-Recurring Items - EBITDA	31.6	12.3%	7.4	2.9%	0.0%	43.0	5.4%	15.9	2.1%	0.0%
(-) Non-Recurring Items - Net Income	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	(11.5)	-1.5%	0.0%
Adjusted Net Income	15.0	5.8%	17.6	7.0%	-14.8%	63.3	7.9%	78.9	10.3%	-19.8%

Corporate Expenses

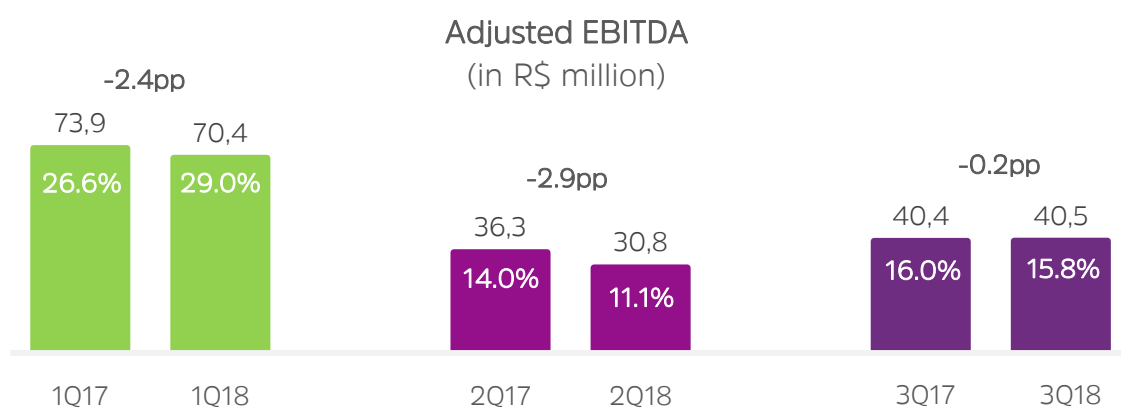
Corporate expenses after the reclassifications presented herein totaled R\$22.7 million in 3Q18, or 8.9% of net revenue, a 0.2pp improvement over 3Q17. As we had anticipated, our corporate expenses gradually increased over the last year, mainly as a result of the centralization initiatives carried out in the period.

However, as anticipated in 2Q18, we have eliminated redundancies between the corporate structures and the units. This was made possible by the centralization and standardization process previously executed. The effect of the expense reduction plan can already be seen in the reversal of the upward trend of our corporate expenses, with a reduction of R\$3.9 million, or +0.7pp, in our corporate structures over 2Q18. We will continue with our efforts to increase efficiency by reducing corporate expenses as a share of our consolidated net revenue.



Adjusted EBITDA

Adjusted EBITDA stood at R\$40.5 million in 3Q18 (+0.2% vs. 3Q17), with a margin of 15.8% (-0.2pp vs. 3Q17). Compared to the performance recorded in previous quarters (1Q and 2Q 2018), we can see a reversal in the trend of operating pressure towards margin recovery.



Non-Recurring Items

R\$ (million)	EBITDA	
	3Q18	9M18
Restructuring Expenses	(24.6)	(34.2)
GIT	(3.2)	(6.1)
Adjustment Accounts Receivable FIES	0.0	1.2
Provision	(3.8)	(3.8)
Total Non Recurring Items	(31.6)	(43.0)

Restructuring Expenses. Severance packages consumed R\$34.2 million in 9M18, R\$24.6 million of which in 3Q18. In 1H18, severance expenses were related to the decision to outsource cleaning services in our campuses and the reorganization of managerial and executive officer positions. During this quarter, however, severance expenses were related to the Census Project, carried out in 3Q18 to eliminate the existing redundancies between the corporate structures and the units through the centralization and standardization process implemented earlier. The acquisitions made in July 2018, CESUC and Jangada, recorded R\$0.4 million in severance expenses in 3Q18 (August and September).

GIT. As reported in 1Q18, we decided to simplify GIT's activities at the beginning of the year by discontinuing the tooling and laboratory analysis sectors and transferring the remaining activities (foundry and consulting) to Instituto Ânima. As a result, GIT results are no longer consolidated into our results and we reduced its respective management structures. The previously existing contracts of these areas and severance expenses generated revenue of R\$7.3 million in 9M18 and a negative operating result of R\$6.1 million, which we excluded from our 9M18 managerial results. In 3Q18, GIT recorded net revenue of R\$1.4 million and a negative operating result of R\$3.2 million, also excluded from the managerial result.

Provision. During this quarter, we recorded a provision of R\$3.8 million related to a lawsuit involving the cancellation of a property purchase agreement entered into with a third party in 2003, at the time Una was acquired.

Financial Result

R\$ (million)	Consolidated Ânima					
	3Q18	3Q17	9M18	9M17	1H18	1H17
(+) Financial Revenue	9.5	9.7	23.2	30.2	13.8	20.5
Late payment fees	3.6	3.7	9.5	9.5	5.9	5.8
Interest on financial investments	3.3	3.8	6.1	12.6	2.8	8.8
Inflation adjustment - PN23 FIES acc. rec.	1.3	1.1	4.1	5.0	2.7	3.9
Other financial revenues	1.2	1.1	3.6	3.1	2.4	2.0
(-) Financial Expense	(15.7)	(16.7)	(44.7)	(60.5)	(29.0)	(43.9)
Financial debt interest expense ¹	(6.8)	(9.8)	(18.6)	(34.3)	(11.8)	(24.5)
Tax debt interest expenses	(0.1)	(0.2)	(0.3)	(3.7)	(0.1)	(3.4)
PraValer interest expenses	(3.0)	(4.1)	(12.5)	(12.9)	(9.5)	(8.8)
Accounts payable interest expenses (acquisitions)	(3.3)	(1.4)	(8.1)	(6.1)	(4.8)	(4.7)
Other financial expenses	(2.6)	(1.1)	(5.3)	(3.6)	(2.8)	(2.5)
Financial Result	(6.3)	(7.0)	(21.5)	(30.4)	(15.2)	(23.4)

¹Includes gains and losses on derivatives related to foreign currency loan swap contracts

In 3Q18, the net financial result came to a negative R\$6.3 million, versus a negative R\$7.0 million in the same period of 2017. Financial revenue totaled R\$9.5 million, in line with 3Q17 (-R\$0.2 million), while the financial expense came to R\$15.7 million, an improvement of R\$1.0 million over 3Q17, mostly due to a reduction in loan interest expenses after amortizations and the decline in the SELIC interest rate in the period.

Income Tax and Social Contribution

Income tax and social contribution came to a negative R\$1.8 million in 3Q18 and a negative R\$5.4 million in 9M18. This disbursement was mostly due to deferred income tax and social contribution arising from the corporate restructuring in 4Q17.

Adjusted Net Income

Adjusted net income totaled R\$15.0 million in 3Q18, or 5.8% of net revenue (-1.1pp vs. 3Q17). Excluding managerial adjustments, the Company recorded a net loss of R\$16.7 million, mainly due to the non-recurring expenses mentioned above.

In 9M18, adjusted net income totaled R\$63.3 million, or 7.9% of net revenue (-2.4 pp vs. 9M17). Excluding managerial adjustments, net income totaled R\$20.3 million in 9M18, or 2.5% of net revenue.

Cash and Net Debt

R\$ (million)	Consolidated Ânima		
	SEP 18	JUN 18	SEP 17
(+) Cash and Cash Equivalents	246.2	293.5	146.9
Cash	23.3	246.6	37.5
Financial Investments	222.9	46.9	109.4
(-) Loans and Financing ¹	405.4	415.2	295.5
Short Term	79.1	66.3	59.2
Long Term	326.3	348.9	236.3
(=) Net (Debt) Cash ²	(159.2)	(121.7)	(148.6)
(-) Other Short and Long Term Obligations	97.9	76.2	76.8
(=) Net (Debt) Cash ³	(257.1)	(197.8)	(225.4)

¹ Net of swap adjustment

² Considering financial debt (bank loans) only.

³ Including obligations related to tax debt and acquisitions payables.

At the end of September 2018, cash and cash equivalents totaled R\$246.2 million. We have reduced the balance of loans and financing by R\$9.7 million since the end of 1H18, mainly due the amortization of credit operations. We stress that the debt maturity profile is diluted over the next five years, with no significant concentration in any single year.

Other short- and long-term obligations, mainly represented by accounts payable related to the acquisitions, amounted to R\$97.9 million. In 9M18, we fully implemented a share buyback plan approved in May 2018, totaling R\$31.9 million, and began the second share buyback plan approved in September 2018, reaching a total disbursement of of R\$32.2 million (R\$20.1 million of which in 3Q18). As a

result, we ended the quarter with net debt of R\$257.1 million, representing leverage (net debt ÷ LTM adjusted EBITDA) of 1.6x.

Although leverage is at a comfortable level, we will continue to monitor it in order to ensure that it is appropriate for our growth strategy at all times, without a substantial increase in the Company's risk.

Accounts Receivable and Days of Sales Outstanding (DSO)

We ended 9M18 with net accounts receivable of R\$201.3 million, excluding our latest acquisitions (CESUC and Jangada). As we received the last FIES installment related to PN23 in June, we have not made managerial adjustments to the calculation of days of sales outstanding and accounts receivable since 2Q18.

	9M18		1H18	1Q18	2017	9M17	Δ 9M18 / 9M17
	Excl. Acquisitions	Acquisitions	Total	Total	Total	Total	
Net Accounts Receivable	201.3	2.3	197.7	290.7	247.0	278.5	(77.2)
Adjusted Accounts Receivable FIES	0.0	0.0	0.0	(0.6)	(1.2)	(1.8)	1.8
Adjusted Net Accounts Receivable	201.3	2.3	197.7	291.3	248.3	280.3	(79.1)
to mature	125.8	1.8	110.3	225.7	179.0	221.1	(95.3)
until 180 days	57.6	0.2	67.8	47.9	54.1	46.9	10.7
between 180 and 360 days	12.8	0.2	14.4	12.5	10.8	8.0	4.8
between 361 and 720 days	5.1	0.1	5.3	5.2	4.4	4.4	0.7
more than 721 days	0.0	0.0	0.0	0.0	0.0	0.0	0.0

We closed the quarter with DSO (Days of Sales Outstanding) of 68 days, representing a 31-day decline from the same period last year. Breaking down our accounts receivable, we recorded a DSO of 53 days for FIES receivables (ended in June), a reduction of 129 days from 9M17. For non-FIES receivables, our DSO stood at 71 days in the quarter, a year-on-year increase of 12 days. This was mostly caused by the lower provision for doubtful accounts of *PraValer* students who use the credit risk in our balance sheet, as we adjusted our PDA to the same criteria applied by PraValer to Ânima's student portfolio. In the Other Businesses line, we closed the quarter with a DSO of 85 days, a 38-day decline from 9M17.

Total	9M18		1H18	1Q18	2017	9M17	Δ 9M18 / 9M17
	Excl. Acquisitions	Acquisitions	Total	Total	Total	Total	
Net Accounts Receivable	201.3	2.3	197.7	290.7	247.0	278.5	(77.2)
Adjusted Accounts Receivable FIES	0.0	0.0	0.0	(0.6)	(1.2)	(1.8)	1.8
Adjusted Net Accounts Receivable	201.3	2.3	197.7	291.3	248.3	280.3	(79.1)
Net Revenue (accumulative)	803.4	3.4	548.0	265.1	1,042.7	767.0	36.4
DSO	68	60	65	99	86	99	(31)

FIES	9M18		1H18	1Q18	2017	9M17	Δ 9M18 / 9M17
	Excl. Acquisitions	Acquisitions	Total	Total	Total	Total	
Net Accounts Receivable	36.0	0.5	39.4	145.5	124.4	157.0	(121.0)
Adjusted Accounts Receivable FIES	0.0	0.0	0.0	(0.6)	(1.2)	(1.8)	1.8
Adjusted Net Accounts Receivable	36.0	0.5	39.4	146.1	125.7	158.9	(122.9)
Net Revenue (accumulative)	183.1	0.3	124.9	64.5	304.3	236.1	(53.1)
DSO	53	127	57	204	149	182	(129)

Non FIES	9M18		1H18	1Q18	2017	9M17	Δ 9M18 / 9M17
	Excl. Acquisitions	Acquisitions	Total	Total	Total	Total	
Net Accounts Receivable	152.7	1.8	141.4	135.1	106.3	109.0	43.7
Net Revenue (accumulative)	580.3	3.1	393.3	195.8	677.4	503.4	76.9
DSO	71	53	65	63	57	59	12

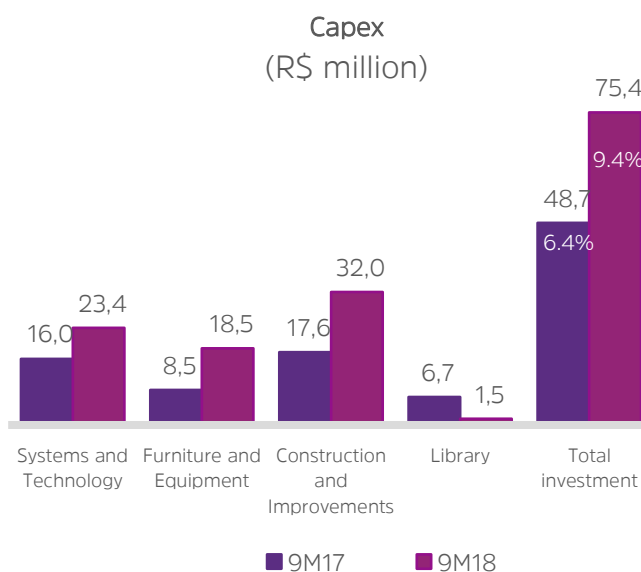
Others	9M18		1H18	1Q18	2017	9M17	Δ 9M18 / 9M17
	Excl. Acquisitions	Acquisitions	Total	Total	Total	Total	
Net Accounts Receivable	12.5		16.9	12.5	16.3	12.5	0.1
Net Revenue (accumulative)	40.0		29.8	4.7	61.0	27.5	12.5
DSO	85		102	154	96	123	(38)

*Weighted average DSO considering acquisitions in the last 12 months

Investments (CAPEX)

In 9M18, CAPEX totaled R\$75.4 million, or 9.4% of net revenue, 3.1pp more than the 6.4% reported in 9M17. As expected, this growth was mainly due to organic expansion through the opening and expansion of our new academic units. We also continue investing in the development of our educational systems and technological platform.

A regulatory flexibilization, which allowed an increased use of virtual libraries, explain the lower investments in physical libraries, offset by an increase in operating costs related to the subscription and licensing of virtual libraries.



Cash Flow

	3Q18	3Q17	9M18	9M17
Net Income	(16.7)	10.1	20.3	74.3
Depreciation & Amortization	13.5	13.3	40.2	37.8
Interest expenses/revenues	9.2	5.0	21.1	24.9
Provisions for labor, tax and civil risks	5.1	2.8	5.4	4.6
Other non-cash adjustments	2.9	9.2	7.8	(6.3)
Operating Cash Flow	14.0	40.4	94.9	135.3
Δ Accounts receivable/PDA	(3.7)	67.1	48.4	12.2
Δ Other assets/liabilities	26.3	21.3	46.5	29.4
Working Capital Variance	22.6	88.4	94.9	41.7
Free Cash Flow before CAPEX	36.7	128.9	189.8	177.0
CAPEX - Fixed and Intangible	(26.1)	(17.2)	(75.4)	(48.7)
Free Cash Flow	10.5	111.7	114.3	128.2
Financing/Investments activities	(19.2)	(99.1)	90.5	(139.9)
Shares held in treasury	(20.1)	(0.6)	(32.3)	(4.3)
Acquisitions	(18.5)	(4.6)	(22.1)	(10.6)
Dividends	0.0	(0.0)	(20.2)	(5.0)
Capital Increase LCB - Ânima	0.0	0.0	0.0	(3.1)
Net Cash Flow from Financing Activities	(57.8)	(104.2)	16.0	(162.8)
Net Increase (Reduction) of Cash and Cash Equivalents	(47.3)	7.5	130.3	(34.6)
Cash at the begging of the period	293.5	139.5	115.9	181.5
Cash at the end of the period	246.2	146.9	246.2	146.9

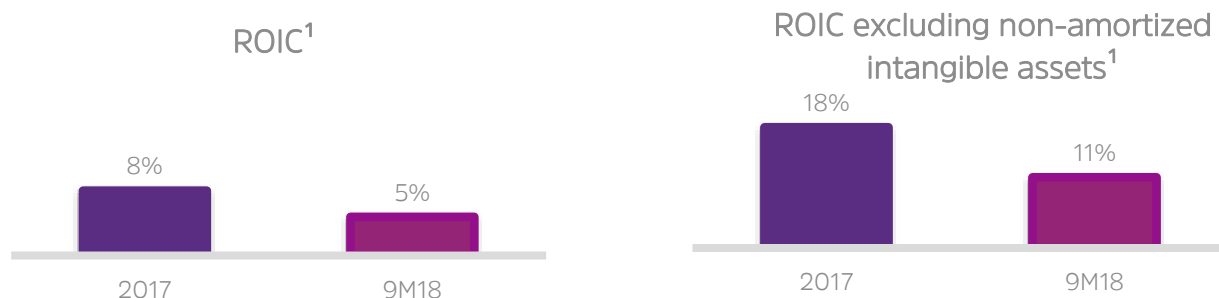
Operating cash flow before working capital and CAPEX came to R\$14.0 million in 3Q18. In addition to operating cash flow in the period, we saw a working capital gain of R\$22.6 million. After CAPEX of R\$26.1 million, including the acquisitions, free cash flow amounted to R\$10.5 million.

Financing activities generated R\$19.2 million in cash in 3Q18. In the period, we repurchased shares, pursuant to the share buyback plans approved in May and September 2018 at R\$20.1 million. Payments related to the 2016 acquisitions (UniSociesc, Una Uberlândia and Una Bom Despacho) and to the two acquisitions announced in July 2018 (CESUC and Jangada) absorbed R\$18.5 million this quarter.

As a result, we closed 3Q18 with cash and financial investments of R\$246.2 million.

Return on Invested Capital (ROIC)

Among other financial performance metrics, we continue to track our return on invested capital (ROIC). At the end of 3Q18, analyzing the last 12 months, we presented a return of 5%, -3.7pp *versus* 2017. When analyzing our return excluding non-amortized intangible assets, we reached 11% in 9M18, -6.9pp versus 2017, as we continue to dedicate ourselves to advance this metric. If we exclude non-recurring expenses that have an impact on EBITDA, due to the centralization process carried out during 2017 and early 2018, in addition to the Census Project carried out this quarter, this metric would have remained stable versus 2017.



¹ ROIC = LTM EBIT* (1- effective tax rate) ÷ avg. invested capital.

Invested Capital = net working capital + long-term FIES accounts receivable + net fixed assets

APPENDIX 1 – Reconciliation of the 3Q18 Income Statement

Anima Consolidated R\$ (million)	3Q18							IFRS Income Statement
	Release Income Statement	Depreciation & Amortization	Equiv. Patrimonial	Corporate Expenses	Late Payment Fees	Non- Recurring Items	HSM Reclass.	
Gross Revenue	452.0			0.0		2.2		454.1
Discounts, Deductions & Scholarships	(187.9)					(0.0)		(187.9)
Taxes	(7.8)			0.0		(0.7)		(8.6)
Net Revenue	256.2			(0.0)		1.4		257.6
Cash Cost of Services	(150.9)	(9.0)	0.0	0.0	0.0	(12.6)	0.0	(172.5)
- Personnel	(104.0)					(11.0)		(115.0)
- Services from Third Parties	(13.3)					(0.2)	0.0	(13.5)
- COGS	(0.0)					(0.9)		(0.9)
- Rental & Utilities	(25.4)			0.0		(0.4)		(25.8)
- Others	(8.1)	(9.0)		0.0		(0.3)		(17.3)
Gross Profit (exclud. deprec. /amort.)	105.3	(9.0)	0.0	0.0	0.0	(11.2)	0.0	85.1
Sales Expenses	(17.7)	0.0	0.0	(0.6)	0.0	(0.9)	0.0	(19.2)
- Provision for Doubtful Accounts (PDA)	(7.7)			(0.0)		(0.8)		(8.6)
- Marketing	(10.0)			(0.6)		(0.1)		(10.6)
General & Administrative Expenses	(28.5)	(4.5)	(0.4)	(33.6)	0.0	(4.3)	0.0	(71.2)
- Personnel	(18.6)			(27.4)		(3.7)		(49.6)
- Third Party Services	(2.9)			(2.6)		(0.0)		(5.5)
- Rental & Utilities	(1.1)			(0.6)		0.0		(1.8)
- Others	(5.8)	(4.5)	(0.4)	(3.0)		(0.6)		(14.3)
Other Operating Revenues (Expenses)	0.5	0.0	0.0	(0.0)	0.0	(3.8)	0.0	(3.3)
- Provisions	(1.6)			0.1		(3.8)		(5.4)
- Taxes	(0.5)			(0.5)		(0.0)		(0.9)
- Other Operating Revenues	2.6			0.4		0.0		3.0
Late Payment Fees	3.6				(3.6)			0.0
Operating Result	63.2	(13.5)	(0.4)	(34.2)	(3.6)	(20.2)	0.0	(8.6)
- Corporate Expenses	(22.7)			34.2		(11.4)		0.0
Adjusted EBITDA	40.5	(13.5)	(0.4)	0.0	(3.6)	(31.6)	0.0	(8.6)
(-) Late Payment Fees	(3.6)				3.6			0.0
(-) Non-Recurring Items - EBITDA	(31.6)					31.6		0.0
EBITDA	5.3	(13.5)	(0.4)	0.0	0.0	0.0	0.0	(8.6)
Depreciation & Amortization	(13.5)	13.5						0.0
Equity Equivalence	(0.4)		0.4					0.0
EBIT	(8.6)	0.0	0.0	0.0	0.0	0.0	0.0	(8.6)
Net Financial Result	(6.3)						0.0	(6.3)
EBT	(14.9)	0.0	0.0	0.0	0.0	0.0	0.0	(14.9)
Income Tax and Social Contribution	(1.8)							(1.8)
Net Income before Non-Controlling Interest	(16.7)	0.0	0.0	0.0	0.0	0.0	(37.0)	(16.7)
Non-Controlling Interest	0.0							0.0
Net Income	(16.7)	0.0	0.0	0.0	0.0	0.0	0.0	(16.7)
(-) Non-Recurring Items - EBITDA	31.6					(31.6)		0.0
(-) Non-Recurring Items - Net Income	0.0					0.0		0.0
Adjusted Net Income	15.0	0.0	0.0	0.0	0.0	(31.6)	0.0	(16.7)

APPENDIX 2 – Reconciliation of the 9M18 Income Statement

Consolidated Anima R\$ (million)	9M18							IFRS Income Statement
	Release Income Statement	Depreciation & Amortization	Equiv. Patrimonial	Corporate Expenses	Late Payment Fees	Non- Recurring Items	HSM Reclass.	
Gross Revenue	1,364.2			0.0		10.7		1,374.9
Discounts, Deductions & Scholarships	(541.3)			0.0		0.2		(541.0)
Taxes	(24.6)			0.0		(2.4)		(27.0)
Net Revenue	798.3			0.0		8.6		806.8
Cash Cost of Services	(446.9)	(25.1)	0.0	0.0	0.0	(25.8)	(0.4)	(498.2)
- Personnel	(312.0)			0.0		(18.0)		(330.1)
- Services from Third Parties	(32.5)			0.0		(1.3)	(0.4)	(34.2)
- COGS	(0.9)			0.0		(4.8)		(5.7)
- Rental & Utilities	(73.1)			0.0		(0.7)		(73.9)
- Others	(28.3)	(25.1)		0.0		(0.9)		(54.3)
Gross Profit (exclud. deprec. /amort.)	351.3	(25.1)	0.0	0.0	0.0	(17.2)	(0.4)	308.6
Sales Expenses	(61.0)	0.0	0.0	(1.7)	0.0	(1.2)	0.0	(63.9)
- Provision for Doubtful Accounts (PDA)	(29.4)			(0.0)		(1.1)		(30.5)
- Marketing	(31.5)			(1.7)		(0.1)		(33.3)
General & Administrative Expenses	(87.8)	(15.1)	(1.3)	(87.2)	0.0	(5.8)	0.0	(197.3)
- Personnel	(61.1)			(66.7)		(4.9)		(132.8)
- Third Party Services	(7.8)			(7.4)		(0.0)		(15.1)
- Rental & Utilities	(3.0)			(1.8)		(0.0)		(4.7)
- Others	(16.0)	(15.1)	(1.3)	(11.4)		(0.9)		(44.7)
Other Operating Revenues (Expenses)	3.5	0.0	0.0	0.1	0.0	(3.8)	0.0	(0.2)
- Provisions	(1.8)			0.2		(3.9)		(5.5)
- Taxes	(2.0)			(0.9)		(0.0)		(2.9)
- Other Operating Revenues	7.3			0.8		0.0		8.2
Late Payment Fees	9.5				(9.5)			0.0
Operating Result	215.5	(40.2)	(1.3)	(88.8)	(9.5)	(28.0)	(0.4)	47.3
- Corporate Expenses	(73.8)			88.8		(14.9)		0.0
Adjusted EBITDA	141.6	(40.2)	(1.3)	(0.0)	(9.5)	(43.0)	(0.4)	47.3
(-) Late Payment Fees	(9.5)				9.5			0.0
(-) Non-Recurring Items - EBITDA	(43.0)					43.0		0.0
EBITDA	89.2	(40.2)	(1.3)	(0.0)	0.0	0.0	(0.4)	47.3
Depreciation & Amortization	(40.2)	40.2						0.0
Equity Equivalence	(1.3)		1.3					0.0
EBIT	47.7	0.0	0.0	(0.0)	0.0	0.0	(0.4)	47.3
Net Financial Result	(21.9)						0.4	(21.5)
EBT	25.7	0.0	0.0	(0.0)	0.0	0.0	0.0	25.7
Income Tax and Social Contribution	(5.4)							(5.4)
Net Income Before Non-Controlling Interest	20.3	0.0	0.0	(0.0)	0.0	0.0	0.0	20.3
Non-Controlling Interest	0.0							0.0
Net Income	20.3	0.0	0.0	(0.0)	0.0	0.0	0.0	20.3
(-) Non-Recurring Items - EBITDA	43.0					(43.0)		0.0
(-) Non-Recurring Items - Net Income	0.0					0.0		0.0
Adjusted Net Income	63.3	0.0	0.0	(0.0)	0.0	(43.0)	0.0	20.3

APPENDIX 3 – Income Statement – IFRS

	3Q18	3Q17	9M18	9M17
Net Revenue	257.6	252.4	806.8	769.4
COST OF SERVICES	(172.5)	(157.6)	(498.2)	(457.4)
Gross (Loss) Profit	85.1	94.8	308.6	312.0
OPERATING (EXPENSES) / INCOME	(93.7)	(79.1)	(261.4)	(224.6)
Commercial	(19.2)	(18.9)	(63.9)	(55.0)
General and administrative	(70.8)	(58.2)	(196.0)	(168.3)
Equity income	(0.4)	(0.2)	(1.3)	(0.2)
Other operating (expenses) revenues	(3.3)	(1.8)	(0.2)	(1.1)
Income before Financial Result	(8.6)	15.8	47.3	(87.5)
Financial interest income	15.1	18.1	36.6	55.4
Financial interest expenses	(21.4)	(25.1)	(58.1)	(85.8)
Net (Loss) Income before Taxes	(14.9)	8.8	25.7	57.1
Income tax and social contribution, current and deferred	(1.8)	1.3	(5.4)	17.2
Net Income or Loss for the Period	(16.7)	10.1	20.3	74.3

APPENDIX 4 – Balance Sheet – IFRS

Assets	SEP 18	SEP 17	JUN 18	Liabilities	SEP 18	SEP 17	JUN 18
Current Assets	499.0	474.9	542.0	Current Liabilities	265.5	218.3	221.8
Cash and cash equivalents	23.3	37.5	246.6	Supplier	28.2	24.8	28.3
Cash & financial investments	222.9	109.4	46.9	Loans	75.8	52.3	63.1
Accounts receivable	203.6	278.4	197.6	Personnel	95.6	78.2	81.3
Prepaid expenses	21.1	22.9	27.5	Taxes payable	13.2	12.7	15.7
Recoverable taxes	10.3	12.7	9.8	Advances from clients	35.7	30.6	22.5
Derivatives	3.3	-	2.5	Tax debt installments	-	0.6	-
Other current assets	14.5	13.9	11.1	Accounts payables	15.9	10.9	9.3
				Dividends payables	0.0	0.0	0.0
				Derivatives	-	6.9	0.7
				Other current liabilities	1.0	1.1	1.1
Non-Current Assets	999.0	890.4	949.6	Non-Current Liabilities	548.0	441.2	548.5
Accounts receivable	-	0.1	0.1	Loans	323.9	231.3	344.9
Prepaid expenses	8.5	7.0	9.7	Accounts payables	79.3	61.2	64.3
Judicial deposits	45.9	39.0	43.6	Debit with related parties	0.0	-	0.0
		-	-	Client advances	-	-	-
Credit with related parties	0.5	0.2	0.2	Tax debt installments	2.7	4.0	2.6
Recoverable taxes	12.8	13.8	14.0	Deferred income tax and social contribution	43.7	54.9	42.0
Deferred income tax and social contribution	1.6	-	1.6	Provisions for risks	95.5	81.1	90.5
Derivatives	2.4	-	2.6	Derivatives	-	4.9	1.4
Other non-current assets	35.6	19.1	35.3	Other non-current liabilities	2.8	3.7	2.9
Investments	1.4	2.9	1.8				
Fixed	282.7	236.6	269.5				
Intangible	607.6	571.7	571.2				
				Shareholder Equity	684.5	705.8	721.3
				Capital Stock	496.4	496.4	496.4
				Capital reserve	6.6	6.6	6.6
				Earnings reserve	246.4	212.3	277.2
				Shares in treasury	(15.6)	(14.2)	(26.3)
				0	-	-	-
				Asset valuation adjustment	(69.6)	(69.6)	(69.6)
				Retained earnings	20.3	74.3	37.0
				Minority shareholders interest	-	-	-
				Obligations for investment purchase	-	-	-
Total Assets	1,498.0	1,365.3	1,491.6	Total Liabilities and Shareholder Equity	1,498.0	1,365.3	1,491.6

APPENDIX 5 – Cash Flow – IFRS

	3Q18	3Q17	9M18	9M17
Net Income for the period	(16.7)	10.1	20.3	74.3
Adjustments:				
Allowance for doubtful accounts	8.6	9.0	30.5	31.1
Reversal (restatement) of escrow deposits	(0.2)	(0.5)	(0.1)	(1.6)
Depreciation and amortization	13.5	13.3	40.2	37.8
Decrease in residual value of fixed and intangible assets	0.1	0.1	0.2	0.1
Equity income	0.4	0.2	1.3	0.2
Third party loans update	(0.1)	(0.5)	(1.6)	(1.3)
Interest on loans, financing, debentures and tax installments	6.2	4.7	16.2	23.9
Constitution, reversal and update of provision for labor, tax and civil risks	5.4	3.4	5.5	6.2
Present value adjustments to accounts payable	3.3	1.4	8.1	6.1
FIES revenues regarding present value adjustments and monetary restatement	(0.3)	(1.1)	(3.1)	(5.1)
Share repurchase program bonuses	-	0.0	(0.0)	0.1
Deferred income tax and social contribution	1.8	(1.3)	5.4	(17.2)
Losses with investments	-	-	-	-
Inventory and net assets write-off	-	-	-	1.2
fairvalueofderivatives	0.7	10.7	2.5	10.7
	22.6	49.5	125.4	166.4
Change in operating assets and liabilities				
Decrease (increase) in trade receivables	(12.3)	58.0	17.9	(18.8)
Decrease (increase) in sundry advances	7.6	9.7	14.1	19.9
Decrease (increase) in escrow deposits	(2.3)	(0.1)	0.2	(4.6)
Decrease (increase) in recoverable taxes and contributions	0.8	0.0	2.1	(0.6)
Decrease (increase) in other assets	(3.6)	(3.0)	(9.6)	(7.4)
Increase (decrease) in trade payables	1.0	1.7	(4.9)	1.1
Increase (decrease) in payroll and related taxes	12.5	2.9	33.4	18.7
Increase (decrease) in advances from clients	12.5	10.0	17.5	11.5
Increase (decrease) of taxes and contributions paid in installments	(0.2)	(0.4)	(0.8)	(0.7)
Increase (decrease) of provision for tax, civil and labor risks	(2.1)	(3.2)	(5.6)	(12.5)
Increase (decrease) in other liabilities	(0.2)	3.3	(0.8)	3.3
Cash from operations	13.8	79.0	63.7	9.9
Interest paid	(7.4)	(19.3)	(17.7)	(30.7)
Income tax and social contribution paid	-	(0.0)	-	(0.0)
Net cash flow from operating activities	29.1	109.1	171.4	145.6
Cash Flow from Investment Activities				
Loans with related parties				
Concessions	(0.4)	-	(0.4)	(0.0)
Subsidiary capital increase	-	-	-	(3.1)
Acquisitions net of cash and equivalents	(12.7)	-	(12.7)	-
(Redemption) investment of financial investments	(61.1)	2.4	(134.7)	45.1
Yields from financial investments	(3.7)	(3.2)	(6.2)	(12.6)
Acquisition of property and equipment	(19.5)	(13.2)	(58.6)	(36.9)
Acquisition of intangible assets	(6.6)	(4.0)	(16.8)	(11.9)
Net cash flow (applied) from Investment activities	(104.0)	(17.9)	(229.3)	(19.3)
Cash Flow from Financial Activities				
Loans and financing	-			
Funding	-	-	149.1	5.4
Amortizations	(11.6)	(57.2)	(37.9)	(86.3)
Gains (Losses) with Derivatives	0.3	(22.1)	(2.0)	(27.6)
Accounts payable amortization on controlling acquisitions	(5.8)	(4.6)	(9.4)	(10.6)
Shares held in treasury	(20.1)	(0.6)	(32.3)	(4.3)
Dividends paid	-	(0.0)	(20.2)	(5.0)
Net cash (applied to) flow from financing activities	(37.2)	(84.4)	47.3	(128.3)
Cash (Applied) Flow for the Period	(112.1)	6.7	(10.6)	(2.0)
Change in Cash and Cash Equivalents				
Cash at the begging of the period	135.4	30.8	33.9	39.6
Cash at the end of the period	23.3	37.5	23.3	37.5
Increase (Decrease) of Cash and Cash Equivalents	(112.1)	6.7	(10.6)	(2.0)