



RESULTS

1Q17

Conference Call in Portuguese

May 11, 2017
10:00 a.m. (Brasília)
9:00 a.m. (US EST)
+55 (11) 2188-0155
Replay: +55 (11) 2188-0400
Code: Anima Educação

Conference Call in English

May 11, 2017
11:30 a.m. (Brasília)
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ănima

First steps of a long term journey

Every journey, no matter how challenging it may be, always starts very modestly. However, the first steps are already an important indicator because they outline the path to be followed. We at Anima do not believe in shortcuts, which is why we always try to ensure that each step represents a solid improvement, helping us overcome the challenges that arise over time. In 2016, we chose some priorities that, on one hand, reinforced our positioning and principles and, on the other, represented important drivers for a new sustainable cycle of value creation for our students, professors, employees and shareholders.

Enabling the quality choice: significant results in attracting out-of-pocket students

Among the main value drivers, we included student base growth, both organically and through acquisitions. The results of all these efforts began to show at this quarter. We resumed intake growth with the enrollment of 24 thousand new undergraduate students, which represents 17.8% more new undergraduate students than in the same period last year, or 7.8% up, excluding the acquisitions of Una Bom Despacho and Uberlândia (Instituto Politécnico which also became Una as of Apr'17), which started to be consolidated only as of the second semester of 2016. This progress reinforces our quality positioning, the reorganization of our commercial area and the revision of our pricing practices and access policies to increase our attractiveness: course by course, campus by campus.

It is worth noting that we achieved this growth despite significantly reducing our exposure to student financing programs. They accounted for 15.9% of the total intake (11.4% from FIES and 4.6% from private financing), approximately half the share observed in 2015 and 2016. The number of out-of-pocket new students, who do not depend on student financing, climbed +41%. As a result, we closed 1Q17 with solid growth in our consolidated net revenue (+11.6% vs. 1Q16), combining intake growth, also in the institutions acquired last year, with a healthy increase in our average tuition fee, despite the hike in scholarships and discounts in the period.

Gross margin growth and value creation through acquisitions

Financial Performance	1Q17							
	Consolidated	% YA	Core Education	% YA	Acquisitions Education ¹	% YA	Other Businesses ²	% YA
Net Revenue	255.2	11.6%	204.4	0.8%	44.7	112.9%	6.1	22.8%
Gross Profit (exclud. deprec/amort)	129.9	16.1%	107.9	3.8%	19.8	210.1%	2.2	44.9%
Gross Margin	50.9%	2.0 p.p.	52.8%	1.5 p.p.	44.3%	13.9 p.p.	35.8%	5.5 p.p.
Operating Result	92.3	15.1%	86.2	7.3%	10.8	533.8%	-4.6	156.1%
Operating Margin	36.2%	1.1 p.p.	42.1%	2.5 p.p.	24.1%	16.0 p.p.	-75.4%	-39.3 p.p.
Adjusted EBITDA	73.9	9.6%						
EBITDA Margin	29.0%	-0.5 p.p.						
Adjusted Net Income	50.4	-5.1%						
Net Margin	19.8%	-3.5 p.p.						

¹ Acquisitions includes Sociesc Feb-16, UNA Bom Despacho Jul-16, ACAD Sep-16 and Instituto Politécnico Oct-16

² Includes HSMACAD, GIT and Ebradi

Our margins increased thanks to several initiatives, especially i) implementation of an updated version of our academic model (which started in 2016); ii) optimization of our campuses' geographic coverage; iii) capture of synergies mapped in the integration of the recent acquisitions; and iv) continued centralization of processes that are common to all our units and which can be translated in scale gains. All this without losing our essence, our principles and our academic quality proposition.

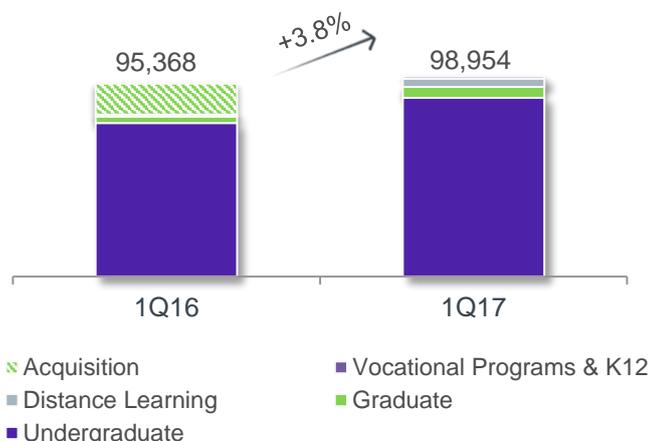
In the first quarter, we began seeing the positive effects of these actions more clearly. In the education segment, excluding acquisitions, we saw a consistent increase in both the gross (+1.5pp) and the operating margins (+2.5pp). The acquisitions contributed with R\$10.8 million to our operating result (versus R\$1.7 million in 1Q16), demonstrating our execution discipline in post-M&A processes. As a result, adjusted EBITDA totaled R\$73.9 million in 1Q17 (+9.6% vs. 1Q16), while the EBITDA margin stood at 29.0%. The slight 0.5pp year-on-year decline is driven by Pronatec (1Q16 was the last quarter with a positive contribution of R\$2.9 million from that program). Therefore, we remain optimistic about our ability to reverse the trend on EBITDA margins over the next quarters of the current year.

Looking ahead, we are fully aware that we have just begun this journey and that adjustments will always be necessary. However, these first results give us confidence to continue moving forward with increasingly firm steps, as we are on the right track. The development of a collective project of high-quality education requires resilience and persistence, but these are characteristics that define us as a team. We will thus continue moving forward, every day, in our venture to Transform the Country through Education.

OPERATIONAL PERFORMANCE

EDUCATION

In the first quarter of 2017, we had 99.0 thousand students, an increase of 3.8% over 1Q16, already including the consolidation of the recent acquisitions in 2016. Excluding the new acquisitions (Una Bom Despacho and Instituto Politécnico), our student base totaled 91,5 thousand students, a 4.0% year-on-year decline, mainly due to a reduction of 2.0 thousand undergraduate students and 1.2 thousand vocational programs and K12 students.



Student Base (Excl. Acquisitions) ¹	1Q16	2Q16	3Q16	4Q16	1Q17	% 1Q17/1Q16	% 1Q17/4Q16
Undergraduate ²	83,027	79,196	76,950	74,109	81,011	-2.4%	9.3%
Graduate	5,315	5,698	5,954	5,508	5,321	0.1%	-3.4%
Distance Learning	4,316	4,443	4,241	3,949	4,164	-3.5%	5.4%
Vocational Programs & K12	2,710	2,580	1,732	878	1,046	-61.4%	19.1%
Total	95,368	91,917	88,877	84,444	91,542	-4.0%	8.4%

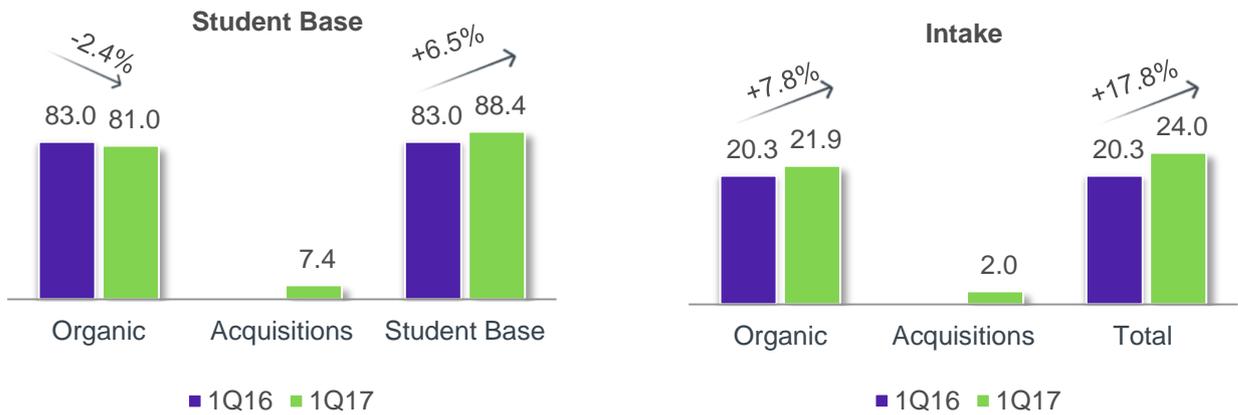
Student Base	1Q16	2Q16	3Q16	4Q16	1Q17	% 1Q17/1Q16	% 1Q17/4Q16
Undergraduate ²	83,027	79,196	81,303	80,507	88,423	6.5%	9.8%
Graduate	5,315	5,698	5,954	5,508	5,321	0.1%	-3.4%
Distance Learning	4,316	4,443	4,241	3,949	4,164	-3.5%	5.4%
Vocational Programs & K12	2,710	2,580	1,732	878	1,046	-61.4%	19.1%
Total	95,368	91,917	93,230	90,842	98,954	3.8%	8.9%

¹ Excludes acquisitions of Una Bom Despacho (Jul-16) and Instituto Politécnico (Oct-16)

² Includes blended programs

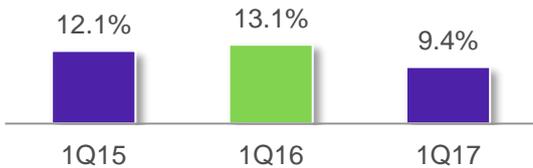
Undergraduate Student Base²

Our undergraduate student base totaled 88.4 thousand students in 1Q17, 6.5% up on 1Q16, including the consolidation of the recent acquisitions. Excluding the acquisitions, our student base would total 81.0 thousand students, a 2.4% year-on-year decline.



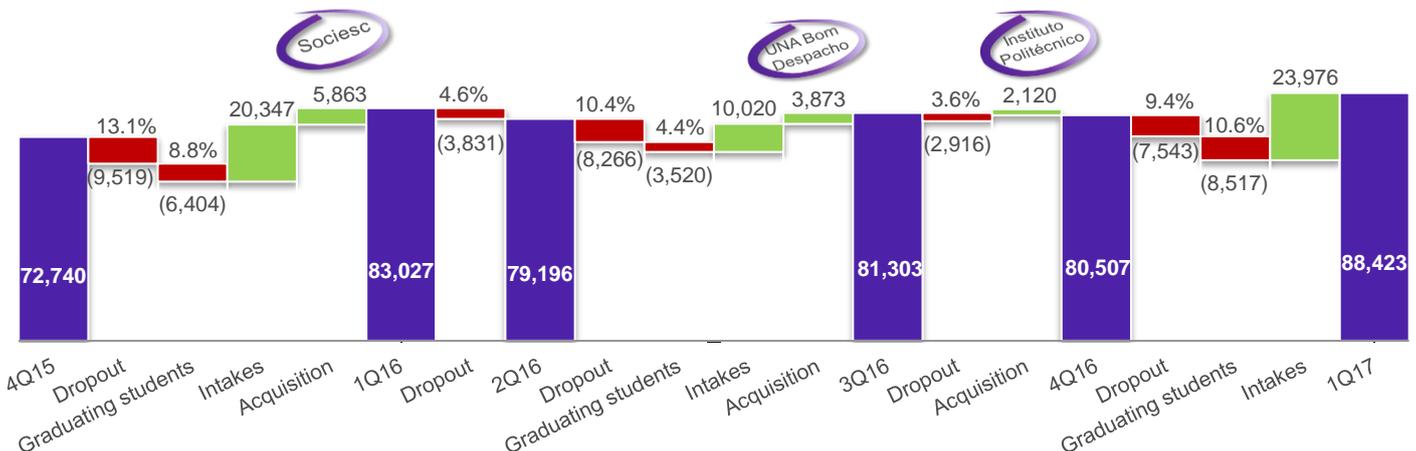
We enrolled 24.0 thousand new students, 17.8% more than in 2016-1. Excluding Una Bom Despacho and Inst. Politécnico, which were not being consolidated in the same period last year and contributed with 2.0 thousand new students, we grew 7.8%.

1Q Dropout rate



In 1Q17, 7.5 thousand students dropped out, corresponding to 9.4% of the base. This represents a 3.7pp year-on-year improvement, mainly thanks to the efforts and results of our Students' Relations Area.

Student Flow - Undergraduate Programs





Graduate Student Base - The number of students enrolled in our graduate programs came to 5.3 thousand in 1Q17, in line with the same period last year.

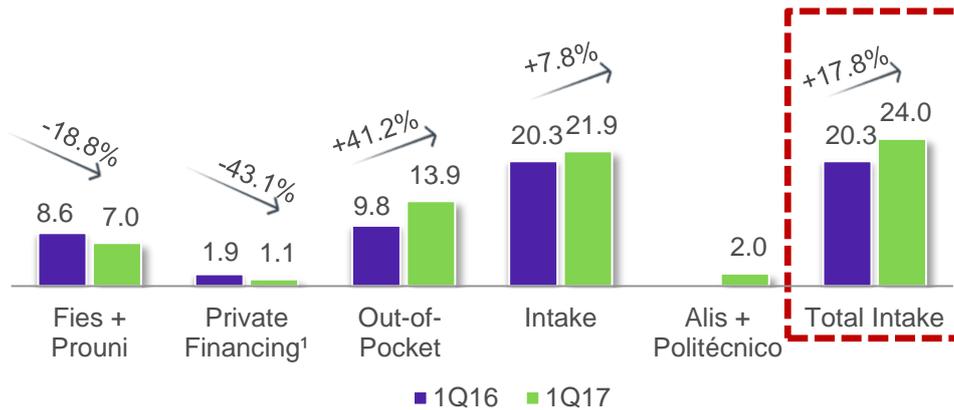
K12 and Vocational Education Student Base - We closed the quarter with 1.0 thousand K12 and vocational education students, including Escola Técnica Tupy (ETT), Colégio Tupy (COT) and Florianópolis International School, in addition to the 84 remaining Pronatec students, who will finish their courses at the beginning of 2017. The reduction observed throughout 2016 was solely due to the end of Pronatec.

Distance-Learning Student Base - We closed 1Q17 with 4.2 thousand distance-learning students in undergraduate, graduate and vocational programs.

Student Financing

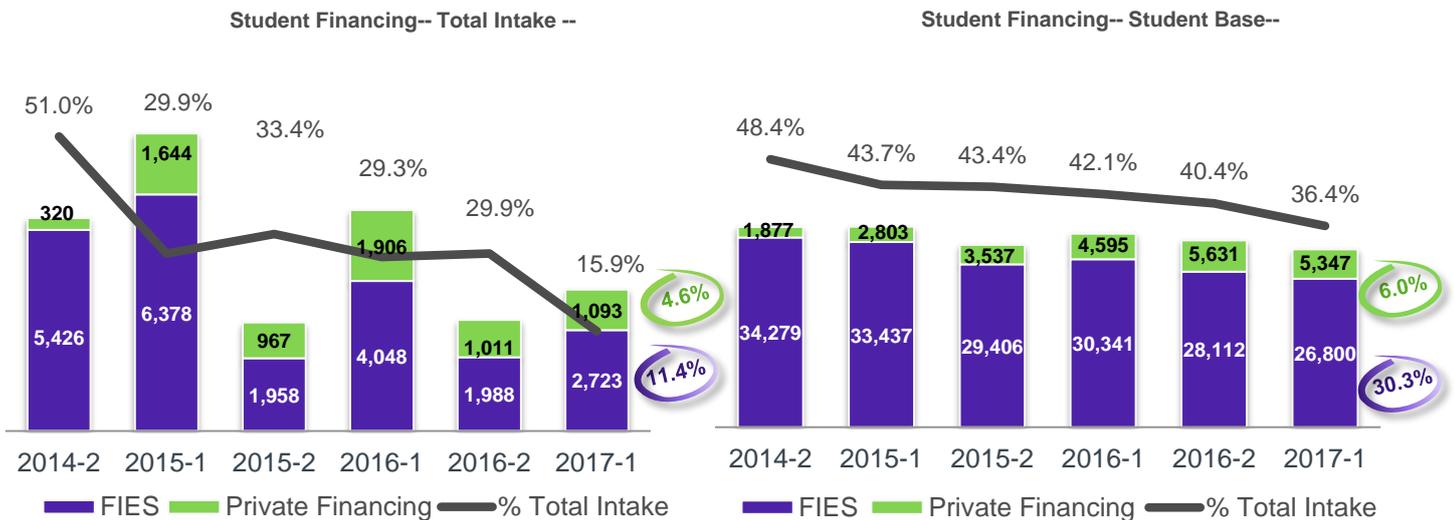
In the last intake process, there was a significant reduction in the share of students who use some kind of student financing both among new students and the student base in general. Students who rely on financing accounted for only 15.9% of the total intake (vs. 29.3% in 2016-1) and 36.4% of the base (vs. 42.1% in 2016-1).

We started the year with 2.7 thousand (-32.7% vs. 2016-1) new students with FIES (the federal government financing program) contracts, representing 11.4% of the total intake at the moment. As a result, we began the quarter with 26.8 thousand FIES students, or 30.3% of the total student base. It is important to note that this number may change as the period for the renewal of FIES contracts for the first semester ends on May 31st, 2017.



¹ PraValer + Ampliar

We continue promoting different types of private financing. Nowadays, in addition to the traditional *PraValer* products, in which the receivables' credit risk is fully transferred to Ideal Invest, we have also been testing 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. At the same time, we have been testing our fully proprietary financing model, Ampliar, on a small scale. In 1Q17, 4.6% of the total intake had one of these private financing products, equivalent to 1.1 thousand new students (-42.7% vs. 2016-1), of which 0.3 thousand were using our own balance sheet. We currently have 5.3 thousand students with private financing (6.0% of the undergraduate base), only 0.5 thousand of whom with financing products that use our own balance sheet.



* With São Judas as of 2014-2, Sociesc as of 2016-1 and UNA Bom Despacho and Instituto Politécnico as of 2016-2.

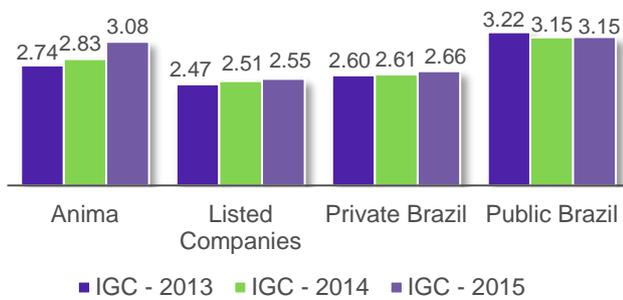
We continue seeking student financing alternatives that increase access to our education institutions, while always balancing our short-term goals with responsible use of working capital and risk management.

Academic Quality

As disclosed in 4Q16, our academic indicators disclosed by the Ministry of Education (MEC) confirm Anima's superior quality positioning, as most of its programs and institutions obtained a grade of 4 (scale of 1 to 5), reinforcing the effectiveness of our academic model and our commitment to constantly improve the quality of the education we provide our students.

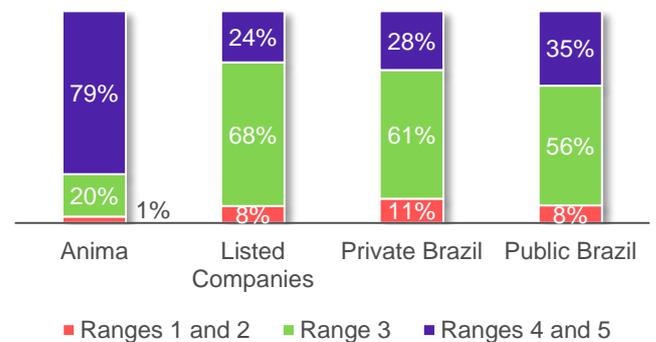
As the MEC evaluation cycles are annual, there is no new information after what was reported in 4Q16. More information on the latest quality indicators is available in our 4Q16 Earnings Release and below you can find a summary of the main academic indicators.

Weighted IGC¹

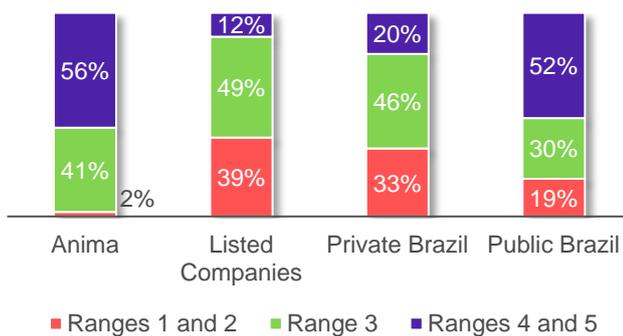


¹IGC weighted by the number of students.

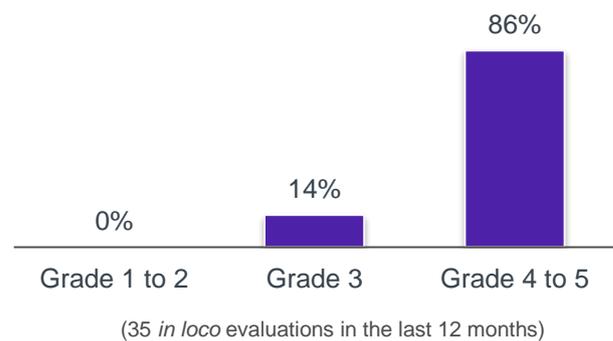
CPC 2015



Enade 2015



Anima's Course Concept (CC)



* Anima's figures do not include the new acquisitions (Sociesc - February 2016; Bom Despacho - July 2016; Polit cnica - October 2016).

FINANCIAL PERFORMANCE

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

- i) **Education** – which includes, in addition to on-campus post-secondary education (undergraduate and graduate), distance learning, K12 and vocational programs.
- ii) **Other Businesses** – which includes HSM, our management niche brand, and Sociesc's Management and Technology Innovation (GIT) division. As of this quarter, we are also including Escola Brasileira de Direito (EBRADI - Brazilian Law School).

The results include important reclassifications between lines of the income statement, already reflected in the 3Q16 results. Firstly, we began including in our financial statements the effects of Executive Decree 741, which transferred expenses with FIES financial agents to education institutions. This represents 2% of all tuition fees transferred by the government for all FIES contracts as of the second semester of 2016. This amount was included in the Discounts, Deductions & Scholarships line of our income statement. Given their similar nature, we also reclassified as Deductions all the amounts related to FGEDUC and *PraValer* contributions, which used to be classified as Other Operating Expenses. For comparison purposes, all the tables and analyses in this report consider this reclassification retrospectively to 2016. The amounts and impacts on the main lines are shown in the table below:

R\$ (million)	Education						
	1Q16	% Net Revenue	Reclass. ¹	1Q16 Adj.	% Net Revenue	1Q17	% Net Revenue
Discounts, Deductions & Scholarships	(94.8)	-41.3%	(5.6)	(100.4)	-44.9%	(136.0)	-54.6%
Net Revenue	229.4	100.0%	(5.6)	223.8	100.0%	249.1	100.0%
Gross Profit (exclud. deprec. /amort.)	116.0	50.6%	(5.6)	110.4	49.3%	127.8	51.3%
General & Administrative Expenses	(23.9)	-10.4%	5.6	(18.3)	-8.2%	(20.9)	-8.4%
- Others	(8.0)	-3.5%	5.6	(2.4)	-1.1%	(3.6)	-1.5%
Operating Result	82.0	35.8%	0.0	82.0	36.7%	96.9	38.9%

R\$ (million)	Consolidated						
	1Q16	% Net Revenue	Reclass. ¹	1Q16 Adj.	% Net Revenue	1Q17	% Net Revenue
Discounts, Deductions & Scholarships	(95.1)	-40.6%	(5.6)	(100.7)	-44.0%	(136.0)	-53.3%
Net Revenue	234.4	100.0%	(5.6)	228.7	100.0%	255.2	100.0%
Gross Profit (exclud. deprec. /amort.)	117.5	50.1%	(5.6)	111.9	48.9%	129.9	50.9%
General & Administrative Expenses	(27.0)	-11.5%	5.6	(21.4)	-9.4%	(27.1)	-10.6%
- Others	(8.3)	-3.5%	5.6	(2.7)	-1.2%	(4.2)	-1.6%
Operating Result	80.2	34.2%	0.0	80.2	35.1%	92.3	36.2%

¹ Reclassification referring to 1Q16. Accounting change from 3Q16.

1Q17 Results

R\$ (million)	1Q17					
	Consolidated	% Net Revenue	Education	% Net Revenue	Others	% Net Revenue
Gross Revenue	396.8	155.5%	390.1	156.6%	6.7	110.4%
Discounts, Deductions & Scholarships	(136.0)	-53.3%	(136.0)	-54.6%	(0.0)	-0.1%
Taxes	(5.6)	-2.2%	(5.0)	-2.0%	(0.6)	-10.3%
Net Revenue	255.2	100.0%	249.1	100.0%	6.1	100.0%
Cash Cost of Services	(125.3)	-49.1%	(121.4)	-48.7%	(3.9)	-64.2%
- Personnel	(90.5)	-35.5%	(89.6)	-36.0%	(0.9)	-14.6%
- Services from Third Parties	(7.6)	-3.0%	(5.9)	-2.4%	(1.7)	-28.0%
- COGS	(0.5)	-0.2%	0.0	0.0%	(0.5)	-7.7%
- Rental & Utilities	(20.6)	-8.1%	(20.3)	-8.1%	(0.3)	-5.5%
- Others	(6.1)	-2.4%	(5.6)	-2.3%	(0.5)	-8.5%
Gross Profit (exclud. deprec. /amort.)	129.9	50.9%	127.8	51.3%	2.2	35.8%
Sales Expenses	(15.6)	-6.1%	(14.8)	-5.9%	(0.8)	-13.1%
- Provision for Doubtful Accounts (PDA)	(8.9)	-3.5%	(8.5)	-3.4%	(0.4)	-6.5%
- Marketing	(6.7)	-2.6%	(6.3)	-2.5%	(0.4)	-6.6%
General & Administrative Expenses	(27.1)	-10.6%	(20.9)	-8.4%	(6.2)	-101.4%
- Personnel	(18.2)	-7.1%	(13.7)	-5.5%	(4.5)	-74.7%
- Third Party Services	(3.7)	-1.4%	(2.9)	-1.2%	(0.7)	-12.0%
- Rental & Utilities	(1.0)	-0.4%	(0.7)	-0.3%	(0.3)	-5.3%
- Others	(4.2)	-1.6%	(3.6)	-1.5%	(0.6)	-9.4%
Other Operating Revenues (Expenses)	1.0	0.4%	0.8	0.3%	0.2	3.1%
- Provisions	(0.8)	-0.3%	(0.7)	-0.3%	(0.0)	-0.4%
- Taxes	(0.5)	-0.2%	(0.5)	-0.2%	(0.1)	-1.0%
- Other Operating Revenues	2.3	0.9%	2.0	0.8%	0.3	4.5%
Late Payment Fees	4.1	1.6%	4.1	1.6%	0.0	0.0%
Operating Result	92.3	36.2%	96.9	38.9%	(4.6)	-75.4%
- Corporate Expenses	(18.4)	-7.2%				
Adjusted EBITDA	73.9	29.0%				
(-) Late Payment Fees	(4.1)	-1.6%				
(-) Non-Recurring Items ¹	(0.6)	-0.2%				
EBITDA	69.3	27.1%				
Depreciation & Amortization	(10.9)	-4.3%				
EBIT	58.4	22.9%				
Net Financial Result	(8.8)	-3.5%				
EBT	49.6	19.4%				
Income Tax and Social Contribution	0.3	0.1%				
Net Income Before Non-Controlling Interest	49.9	19.5%				
Non-Controlling Interest	0.0	0.0%				
Net Income	49.9	19.5%				
(-) Non-Recurring Items ²	0.6	0.2%				
Adjusted Net Income	50.4	19.8%				

¹ Non-Recurring Items impacting EBITDA

² Non-Recurring Items impacting Net Income

FINANCIAL PERFORMANCE – EDUCATION

R\$ (million)	Education				
	1Q17	% Net Revenue	1Q16	% Net Revenue	% YA
Gross Revenue	390.1	156.6%	328.6	146.9%	18.7%
Discounts, Deductions & Scholarships	(136.0)	-54.6%	(100.4)	-44.9%	35.4%
Taxes	(5.0)	-2.0%	(4.4)	-2.0%	13.1%
Net Revenue	249.1	100.0%	223.8	100.0%	11.3%
Cash Cost of Services	(121.4)	-48.7%	(113.4)	-50.7%	7.0%
- Personnel	(89.6)	-36.0%	(85.6)	-38.3%	4.7%
- Services from Third Parties	(5.9)	-2.4%	(3.3)	-1.5%	76.7%
- COGS	0.0	0.0%	(0.0)	0.0%	-100.0%
- Rental & Utilities	(20.3)	-8.1%	(19.5)	-8.7%	4.0%
- Others	(5.6)	-2.3%	(5.0)	-2.2%	12.7%
Gross Profit (exclud. deprec. /amort.)	127.8	51.3%	110.4	49.3%	15.7%
Sales Expenses	(14.8)	-5.9%	(12.6)	-5.7%	17.0%
- Provision for Doubtful Accounts (PDA)	(8.5)	-3.4%	(7.0)	-3.1%	21.2%
- Marketing	(6.3)	-2.5%	(5.7)	-2.5%	11.9%
General & Administrative Expenses	(20.9)	-8.4%	(18.3)	-8.2%	14.4%
- Personnel	(13.7)	-5.5%	(12.8)	-5.7%	6.9%
- Third Party Services	(2.9)	-1.2%	(2.2)	-1.0%	30.3%
- Rental & Utilities	(0.7)	-0.3%	(0.9)	-0.4%	-20.5%
- Others	(3.6)	-1.5%	(2.4)	-1.1%	52.2%
Other Operating Revenues (Expenses)	0.8	0.3%	(2.0)	-0.9%	-140.2%
- Provisions	(0.7)	-0.3%	(3.3)	-1.5%	-77.6%
- Taxes	(0.5)	-0.2%	(0.3)	-0.1%	94.8%
- Other Operating Revenues	2.0	0.8%	1.5	0.7%	33.8%
Late Payment Fees	4.1	1.6%	4.6	2.0%	-10.8%
Operating Result	96.9	38.9%	82.0	36.7%	18.2%

Net Revenue

Net revenue totaled R\$249.1 million in 1Q17, R\$25.3 million, or 11.3%, higher than in 1Q16. Excluding the acquisitions, net revenue moved up 0.8%, reversing the trend observed last year. This is due to the annual tuition fees increase (inflation adjustment), in addition to an improvement in our program mix with the expansion of the healthcare portfolio. These effects were partially offset by the decline in the undergraduate (-4.1% versus 2016) and Pronatec student bases (-R\$3.1 million). We also saw an increase in our average discount, chiefly due to the transfer of 2% expenses with FIES financial agents from the government to education institutions and higher early enrollment discounts in the 2017-1 intake cycle.

Average Ticket

R\$ (million)	Education		
	1Q17	1Q16	% YA
Average Gross Ticket ¹	R\$ 1,413	R\$ 1,253	+12.8%
Average Net Ticket ¹	R\$ 884	R\$ 832	+6.2%
Average Net Ticket with new acquisitions ¹	R\$ 848	-	-

¹ Accumulated Revenue ÷ Average Number of Students

The net ticket averaged R\$884 in 1Q17, 6.2% up on the same period last year, in line with our plans. We have adjusted our gross list prices by 9%, given our estimates for 2017 inflation at the time we had to make our pricing decision and the expected impacts on discounts given our new commercial strategy. We are also seeing this quarter's improvements in our program mix given the expansion of the healthcare portfolio, partially offset by higher discounts. Including the acquisitions, our weighted average net ticket came to R\$848.

Total Costs and Gross Profit

R\$ (million)	1Q17					
	Education	% YA	Education Ex. Acquisitions ¹	% YA	Acquisitions ¹	% YA
Net Revenue	249.1	11.3%	204.4	0.8%	44.7	112.9%
Cash Cost of Services	(121.4)	7.0%	(96.5)	-2.3%	(24.9)	70.4%
Gross Profit (exclud. deprec. /amort.)	127.8	15.7%	107.9	3.8%	19.8	210.1%
% Gross Margin	51.3%	2.0 pp	52.8%	1.5 pp	44.3%	13.9 pp

¹ Acquisitions includes Sociesc Feb-16, UNA Bom Despacho Jul-16 and Instituto Politécnico Oct-16

We closed 1Q17 with gross profit of R\$127.8 million and a gross margin of 51.3%, 2.0pp higher than in 1Q16.

Excluding the acquisitions, gross profit came to R\$107.9 million in the quarter, with a margin of 52.8% (+1.5pp vs. 1Q16). The improvement was directly related to our margin recovery efforts. We saw a 4.6pp improvement driven by academic (average number of students per classroom) and infrastructure efficiency (capacity utilization in our campuses) gains, partially offset by the increase in the average discount (-2.7pp of gross margin) and the transfer of 2% expenses with FIES financial agents from the government to education institutions (-0.4pp of the gross margin). In 1Q16 there as also one last positive contribution from Pronatec of R\$2.9 million.

Operating Result

We closed 1Q17 with an operating result of R\$96.9 million, 18.2% up on 1Q16. As a result, the operating margin came to 38.9% of net revenue (+2.3pp vs. 1Q16). In addition to the 2.0pp gross margin increase, we recorded a 0.3pp gain in selling, general and administrative expenses, as shown below:

Selling Expenses

Selling expenses totaled R\$14.8 million (+17.0% vs. 1Q16, influenced by the acquisitions), or 5.9% of net revenue. While marketing expenses were virtually flat as a percentage of net revenue, our provision for doubtful accounts (PDA) worsened by a slight 0.3pp compared with the previous year.

General and Administrative Expenses

General and administrative expenses totaled R\$20.9 million in 1Q17 (+14.4% vs. 1Q16, driven by the acquisitions), or 8.4% of net revenue (+0.2pp vs. 1Q16).

Other Operating Revenues (Expenses)

Other operating revenues (expenses), including Late Payment Fees, came to a positive R\$4.9 million in 1Q17, or 1.9% of net revenue. The 0.8pp year-on-year improvement was mainly due to a reduction in the provision for risk.

FINANCIAL PERFORMANCE – Other Businesses

R\$ (million)	Others				
	1Q17	% Net Revenue	1Q16	% Net Revenue	% YA
Gross Revenue	6.7	110.4%	5.6	113.4%	19.5%
Discounts, Deductions & Scholarships	(0.0)	-0.1%	(0.2)	-4.9%	-96.7%
Taxes	(0.6)	-10.3%	(0.4)	-8.5%	48.8%
Net Revenue	6.1	100.0%	5.0	100.0%	22.8%
Cash Cost of Services	(3.9)	-64.2%	(3.5)	-69.6%	13.2%
- Personnel	(0.9)	-14.6%	(0.8)	-15.2%	-
- Services from Third Parties	(1.7)	-28.0%	(1.5)	-30.4%	13.2%
- COGS	(0.5)	-7.7%	(0.5)	-10.8%	-12.5%
- Rental & Utilities	(0.3)	-5.5%	(0.3)	-5.8%	16.5%
- Others	(0.5)	-8.5%	(0.4)	-7.6%	37.4%
Gross Profit (exclud. deprec. /amort.)	2.2	35.8%	1.5	30.4%	44.9%
Sales Expenses	(0.8)	-13.1%	(0.2)	-4.1%	293.0%
- Provision for Doubtful Accounts (PDA)	(0.4)	-6.5%	0.0	0.3%	-2507.1%
- Marketing	(0.4)	-6.6%	(0.2)	-4.4%	83.4%
General & Administrative Expenses	(6.2)	-101.4%	(3.1)	-63.1%	97.4%
- Personnel	(4.5)	-74.7%	(2.4)	-48.1%	90.6%
- Third Party Services	(0.7)	-12.0%	(0.2)	-3.9%	276.4%
- Rental & Utilities	(0.3)	-5.3%	(0.3)	-5.6%	15.3%
- Others	(0.6)	-9.4%	(0.3)	-5.5%	112.4%
Other Operating Revenues (Expenses)	0.2	3.1%	0.0	0.6%	530.2%
- Provisions	(0.0)	-0.4%	0.0	0.0%	0.0%
- Taxes	(0.1)	-1.0%	(0.1)	-1.3%	-10.7%
- Other Operating Revenues	0.3	4.5%	0.1	2.0%	186.1%
Late Payment Fees	0.0	0.0%	0.0	0.0%	0.0%
Operating Result	(4.6)	-75.4%	(1.8)	-36.2%	156.1%

As previously mentioned, as of this quarter we began consolidating HSM, Sociesc's Management and Technological Innovation (GIT) and EBRADI – Escola Brasileira de Direito in other businesses.

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. HSM Executive Education is made up of three business units: Events, Business School and Publishing. In order to improve the results and expand the scope of Executive Education activities (HSM's Business School), we took over the operations of Academia da Estratégia – ACAD in September 2016.

GIT provides consulting and business solutions for companies in the engineering field, in addition to a laboratory structure to support the development of technological solutions (foundry, tooling and others).

EBRADI is a new Anima brand launched at the end of last year in order 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.

The results in the first quarter of 2017 reflect the different stages of each business consolidated in this segment. Although the first quarter is not relevant for HSM, as there are no events in its calendar and in-company programs are only beginning, it is worth mentioning that its restructuring process and ACAD's integration are progressing as expected. Meanwhile, GIT recorded an improvement compared with the same period last year, resuming growth and recovering profitability. Finally, EBRADI is still at a preoperational stage, incurring expenses, but without actually recognizing revenue.

As a result, net revenue from the Other Businesses segment totaled R\$6.1 million, 22.8% more than in 1Q16, while gross profit came to R\$2.2 million, with a 35.8% gross margin (+5.5pp vs. 1Q16). We closed the first quarter with a negative operating result of R\$4.6 million (-R\$2.8 million vs. 1Q16), mainly due to the integration of ACAD, as synergies are still being captured, and expenditures at EBRADI.

CONSOLIDATED PERFORMANCE

R\$ (million)	Consolidated Ânima				
	1Q17	% Net Revenue	1Q16	% Net Revenue	% YA
Gross Revenue	396.8	155.5%	334.2	146.1%	18.7%
Discounts, Deductions & Scholarships	(136.0)	-53.3%	(100.7)	-44.0%	35.1%
Taxes	(5.6)	-2.2%	(4.8)	-2.1%	16.2%
Net Revenue	255.2	100.0%	228.7	100.0%	11.6%
Cash Cost of Services	(125.3)	-49.1%	(116.9)	-51.1%	7.2%
- Personnel	(90.5)	-35.5%	(86.4)	-37.8%	4.8%
- Services from Third Parties	(7.6)	-3.0%	(4.8)	-2.1%	56.9%
- COGS	(0.5)	-0.2%	(0.5)	-0.2%	-12.5%
- Rental & Utilities	(20.6)	-8.1%	(19.8)	-8.6%	4.1%
- Others	(6.1)	-2.4%	(5.4)	-2.3%	14.4%
Gross Profit (exclud. deprec. /amort.)	129.9	50.9%	111.9	48.9%	16.1%
Sales Expenses	(15.6)	-6.1%	(12.8)	-5.6%	21.4%
- Provision for Doubtful Accounts (PDA)	(8.9)	-3.5%	(7.0)	-3.0%	27.1%
- Marketing	(6.7)	-2.6%	(5.9)	-2.6%	14.5%
General & Administrative Expenses	(27.1)	-10.6%	(21.4)	-9.4%	26.5%
- Personnel	(18.2)	-7.1%	(15.2)	-6.6%	20.1%
- Third Party Services	(3.7)	-1.4%	(2.4)	-1.1%	49.9%
- Rental & Utilities	(1.0)	-0.4%	(1.2)	-0.5%	-11.9%
- Others	(4.2)	-1.6%	(2.7)	-1.2%	58.3%
Other Operating Revenues (Expenses)	1.0	0.4%	(2.0)	-0.9%	-150.6%
- Provisions	(0.8)	-0.3%	(3.3)	-1.4%	-76.8%
- Taxes	(0.5)	-0.2%	(0.3)	-0.1%	72.8%
- Other Operating Revenues	2.3	0.9%	1.6	0.7%	42.9%
Late Payment Fees	4.1	1.6%	4.6	2.0%	-10.8%
Operating Result	92.3	36.2%	80.2	35.1%	15.1%
- Corporate Expenses	(18.4)	-7.2%	(12.8)	-5.6%	43.9%
Adjusted EBITDA	73.9	29.0%	67.4	29.5%	9.6%
(-) Late Payment Fees	(4.1)	-1.6%	(4.6)	-2.0%	-10.8%
(-) Non-Recurring Items ¹	(0.6)	-0.2%	(0.4)	-0.2%	0.0%
EBITDA	69.3	27.1%	62.5	27.3%	10.9%
Depreciation & Amortization	(10.9)	-4.3%	(8.5)	-3.7%	27.8%
EBIT	58.4	22.9%	54.0	23.6%	8.2%
Net Financial Result	(8.8)	-3.5%	(1.2)	-0.5%	661.0%
EBT	49.6	19.4%	52.8	23.1%	-6.1%
Income Tax and Social Contribution	0.3	0.1%	(0.1)	0.0%	-732.4%
Net Income Before Non-Controlling Interest	49.9	19.5%	52.8	23.1%	-5.4%
Non-Controlling Interest	0.0	0.0%	0.0	0.0%	
Net Income	49.9	19.5%	52.8	23.1%	-5.5%
(-) Non-Recurring Items ²	0.6	0.2%	0.4	0.2%	0.0%
Adjusted Net Income	50.4	19.8%	53.1	23.2%	-5.1%

¹ Non-Recurring Items impacting EBITDA

² Non-Recurring Items impacting Net Income

Corporate Expenses

In 1Q17, corporate expenses totaled R\$18.4 million, representing 7.2% of net revenue, in line with the figures for the second half of 2016. It is worth noting that last year and at the beginning of this year we focused our efforts on centralizing certain areas, increasing the scope of services shared between the units. Most of the time, this entails the transfer of personnel and budgets from our business units to corporate cost centers, always with gains in scale. We have also reinforced some structures in line with our strategic priorities, including the creation of the corporate commercial area and the quality and performance management area.

Adjusted EBITDA

Adjusted EBITDA totaled R\$73.9 million in 1Q17 (+9.6% vs. 1Q16), with a margin of 29.0%. Although this represents a slight 0.5pp year-on-year decline, we remain optimistic about our ability to reverse this trend over the next quarters this year.

Non-Recurring Items

R\$ (million)	EBITDA
	1Q17
Restructuring Expenses	1.4
Account Receivables Adjustments - FIES	(0.9)
Total Non Recurring Items	0.6

Restructuring Expenses. This quarter, non-recurring restructuring expenses totaled R\$1.4 million. This amount includes i) R\$1.0 million from the increase in severance pay of professors and administrative staff resulting from the reduction in our student base; and ii) R\$0.4 million from expenses with the integration of the new acquisitions.

Adjustment of FIES accounts receivable. As reported in the 4Q15 earnings release, in February 2016, we entered into an agreement with the government establishing that the outstanding FIES tuition fees related to 2015 will be paid in the next three years adjusted for inflation (IPCA). As a result, we adjusted our FIES accounts receivable and gross revenue by R\$7.8 million, reflecting the spread between the SELIC interest rate and inflation (IPCA). This adjustment, which had a negative impact on the 2015 result, has had a positive effect as of 2016. This quarter, we excluded the positive impact of this adjustment, which represented net revenue of R\$0.9 million, also non cash.

Income Tax and Social Contribution

We continue benefiting from Prouni, which guarantees income tax and social contribution exemption for most of our business. In 1Q17, income tax and social contribution credits totaled R\$0.3 million.

Financial Result

R\$ (million)	Consolidated Ânima	
	1Q17	1Q16
(+) Financial Revenue	12.2	16.7
Late payment fees	4.1	4.6
Interest on financial investments	5.0	5.2
Inflation adjustment - PN23 FIES acc. rec.	2.2	6.8
Other financial revenues	1.0	0.2
(-) Financial Expense	(21.3)	(17.9)
Financial debt interest expense	(13.4)	(12.9)
Tax debt interest expenses	(0.2)	(0.1)
PraValer interest expenses	(3.2)	(2.4)
Accounts payable interest expenses (acquisitions)	(3.1)	(1.1)
Other financial expenses	(1.4)	(1.5)
Financial Result	(9.0)	(1.2)

In 1Q17, the net financial result came to a negative R\$9.0 million against a negative R\$1.2 million in the same period of 2016. Financial revenue came to R\$12.2 million, R\$4.5 million less than in 1Q16, mainly due to lower inflation adjustments of the FIES accounts receivable related to the PN23 agreement (R\$2.2 million in 1Q17 vs. R\$6.8 million in 1Q16).

The financial expense stood at R\$21.3 million, R\$3.4 million higher, mainly as a result of inflation and present value adjustments related to accounts-payable from the acquisitions made in 2016.

Adjusted Net Income

Adjusted net income totaled R\$50.4 million in 1Q17 (-5.1% vs. 1Q16), with a margin of 19.8% (-3.5pp vs. 1Q16).

Cash and Net Debt

R\$ (million)	Consolidated Anima		
	MAR 17	MAR 16	DEC 16
(+) Cash and Cash Equivalents	184.4	150.1	181.5
Cash	28.4	24.5	39.6
Financial Investments	156.1	125.6	141.9
(-) Loans and Financing ¹	388.1	380.5	400.3
Short Term	137.0	143.0	137.2
Long Term	251.0	237.5	263.1
(=) Net (Debt) Cash ²	(203.6)	(230.4)	(218.8)
(-) Other Short and Long Term Obligations	79.7	32.7	78.7
(=) Net (Debt) Cash ³	(283.3)	(263.1)	(297.5)

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 1Q17, cash and cash equivalents totaled R\$184.4 million and loans and financing came to R\$388.1 million, while other short and long-term obligations represented by acquisitions and tax installments amounted to R\$79.7 million. As a result, we closed 1Q17 with net debt of R\$283.3 million, representing leverage of 1.8x (net debt ÷ LTM adjusted EBITDA).

Accounts Receivable and Days Sales Outstanding (DSO)

We ended 1Q17 with net accounts receivable of R\$321.0 million. For management and DSO calculation purposes, we are adjusting accounts receivable by R\$3.3 million, comprising the R\$7.8 million adjustment recorded in 4Q15 less the R\$4.5 million write-offs since then.

As a result, adjusted accounts receivable totaled R\$324.4 million, a decline of R\$69.3 million compared with 1Q16, when we had not yet received the first installment related to the PN23 agreement.

	1Q17	4Q16	3Q16	2Q16	1Q16	
	Total	Total	Total	Total	Total	Δ 1Q17 / 1Q16
Net Accounts Receivable	321.0	285.6	304.0	381.9	386.8	(65.7)
Adjusted Accounts Receivable FIES	(3.3)	(4.2)	(5.1)	(5.9)	(6.9)	3.5
Adjusted Net Accounts Receivable	324.4	289.8	309.0	387.8	393.6	(69.3)
to mature	265.7	227.7	258.5	330.5	338.9	(73.1)
until 180 days	45.1	45.5	37.7	43.5	42.1	3.0
between 180 and 360 days	9.1	12.4	8.7	9.7	9.3	(0.3)
between 361 and 720 days	4.5	4.2	4.0	4.2	3.3	1.1
more than 721 days	0.0	0.0	0.0	0.0	0.0	0.0

Thus, we closed 1Q17 with DSO (Days of Sales Outstanding) of 114 days, representing a 38-day decline from the same period last year. Breaking down our accounts receivable, we recorded a DSO of 240 days for FIES receivables, an annual reduction of 76 days. For non-FIES receivables, our DSO stood at 55 days in 1Q17, practically in line with the same period last year. In the other businesses line, we closed the quarter with a DSO of 149 days.

	1Q17	4Q16 *	3Q16 *	2Q16 *	1Q16 *	
Total	Total	Total	Total	Total	Total	Δ 1Q17 / 1Q16
Net Accounts Receivable	321.0	285.6	304.0	381.9	386.8	(65.7)
Adjusted Accounts Receivable FIES	(3.3)	(4.2)	(5.1)	(5.9)	(6.9)	3.5
Adjusted Net Accounts Receivable	324.4	289.8	309.0	387.8	393.6	(69.3)
Net Revenue (accumulative)	255.2	956.8	699.2	468.9	228.7	26.5
DSO	114	107	118	148	152	(38)

	1Q17	4Q16 *	3Q16 *	2Q16 *	1Q16 *	
FIES	Total	Total	Total	Total	Total	Δ 1Q17 / 1Q16
Net Accounts Receivable	207.1	191.7	210.4	285.4	287.0	(79.9)
Adjusted Accounts Receivable FIES	(3.3)	(4.2)	(5.1)	(5.9)	(6.9)	3.5
Adjusted Net Accounts Receivable	210.5	195.9	215.5	291.3	293.9	(83.4)
Net Revenue (accumulative)	79.0	336.4	254.9	172.8	83.9	(4.9)
DSO	240	208	227	303	316	-76

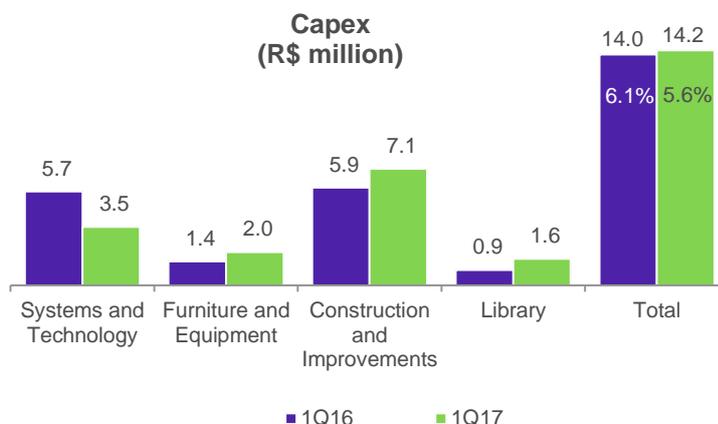
	1Q17	4Q16 *	3Q16 *	2Q16 *	1Q16 *	
Non FIES	Total	Total	Total	Total	Total	Δ 1Q17 / 1Q16
Net Accounts Receivable	103.9	83.7	85.0	84.5	86.6	17.3
Net Revenue (accumulative)	170.2	567.5	419.3	277.6	135.3	34.9
DSO	55	52	53	55	56	-1

	1Q17	4Q16 *	3Q16 *	2Q16 *	1Q16 *	
Others	Total	Total	Total	Total	Total	Δ 1Q17 / 1Q16
Net Accounts Receivable	10.0	10.2	8.6	12.0	13.1	(3.2)
Net Revenue (accumulative)	6.0	53.0	25.0	18.5	9.5	(3.5)
DSO	149	61	83	102	92	57

* Weighted DSO, considering acquisitions of 2016

Investments (CAPEX)

In 1Q17, CAPEX totaled R\$14.2 million, or 5.6% of net revenue, a small 0.5pp gain compared with the 6.1% reported in 1Q16. This figure includes investments in our campuses and amounts allocated to the development of education systems and technology.



Cash Flow

	1Q17	1Q16
Net Income	49.9	52.8
Non-Controlling Interest	0.0	0.0
Net Income before Non-Controlling Interest	49.9	52.8
Depreciation & Amortization	10.9	8.5
Interest expenses/revenues	5.6	2.6
Provisions for labor, tax and civil risks	0.2	2.3
Other non-cash adjustments	(0.7)	1.5
Operating Cash Flow	65.9	67.6
Δ Accounts receivable/PDA	(33.0)	(76.7)
Δ Other assets/liabilities	0.8	(0.5)
Working Capital Variance	(32.3)	(77.2)
Free Cash Flow before CAPEX	33.6	(9.5)
CAPEX - Fixed and Intangible	(14.2)	(14.0)
Free Cash Flow	19.4	(23.5)
Financing/Investments activities	(17.5)	(7.9)
Shares held in treasury	(0.1)	(8.4)
Acquisitions	(2.0)	5.3
Dividends	0.0	0.0
Capital Increase LCB - Anima	3.1	0.0
Net Cash Flow from Financing Activities	(16.5)	(11.0)
Net Increase (Reduction) of Cash and Cash Equivalents	2.9	(34.5)
Cash at the begging of the period	181.5	184.5
Cash at the end of the period	184.4	150.1

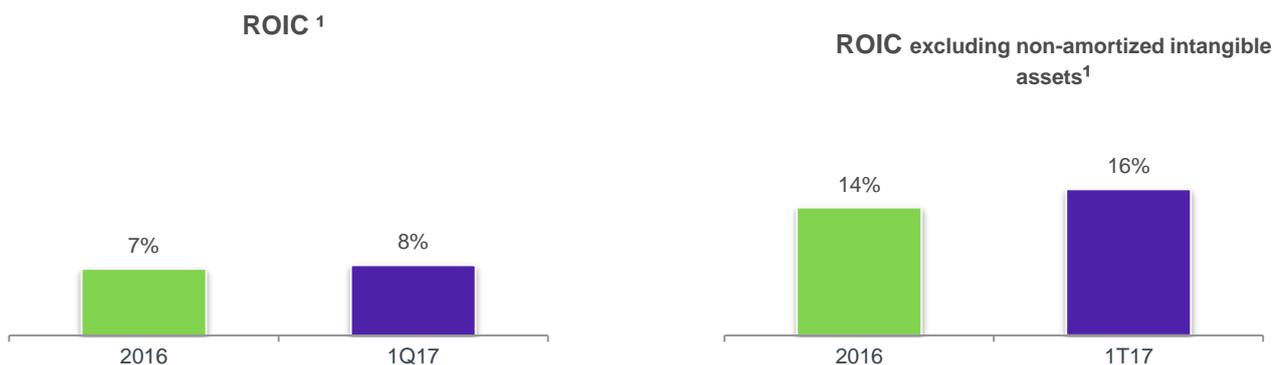
Operating cash flow before working capital and CAPEX came to R\$65.9 million. The change in accounts receivable resulted in a cash consumption of R\$33.0 million, mainly due to FIES contracts. The renewal process is still in progress (until May, 31st), so we expect to convert those receivables in cash in 2Q17 and 3Q17. As a result, our working capital was a negative R\$32.3 million, which, together with CAPEX of R\$14.2 million, resulted in a free cash flow of R\$19.4 million in the period.

Financing activities absorbed R\$17.5 million in 1Q17, mainly due to the payment of bank loans and interest. On the other hand, we borrowed R\$5.4 million from the Study and Projects Financing Agency – FINEP. We also executed the share buyback program, which totaled R\$0.1 million in the quarter, while acquisitions' accounts-payable (Sociesc and Instituto Politécnico) absorbed R\$2.0 million. Finally, it is worth noting the R\$3.1 million contribution due to the capital increase done by our French partners in the joint venture that formed Le Cordon Bleu-Anima (LCB Anima).

As a result, we closed 1Q17 with cash and financial investments of R\$184.4 million, i.e. a slight cash increase of R\$2.9 million in relation to the position at the beginning of the year.

Return on Invested Capital (ROIC)

We monitor our financial performance through our return on invested capital (ROIC), among other metrics. At the end of 1Q17, we had a ROIC for the last twelve months of 8%. Although the improvement is still modest compared with our ambitions, we are celebrating the fact that we can see an inflection point in our return rate after a few quarters of decline. We can see the same effect when we analyze our ROIC excluding non-amortized intangible assets, which climbed from 14% in 2016 to 16% in the last twelve months ended 1Q17.



¹ ROIC = LTM EBIT* (1- effective tax rate) ÷ avg. invested capital.
 Invested Capital = net working capital + long-term FIES accounts receivable + net fixed assets
 2016 EBIT adjusted for the impairment of HSM.

APPENDIX 1 – Reconciliation of the 1Q17 Income Statement

Consolidated Anima R\$ (million)	1Q17						IFRS Income Statement
	Release Income Statement	Depreciation & Amortization	Corporate Expenses	Late Payment Fees	Non- Recurring Items	HSM Reclass.	
Gross Revenue	396.8				0.9		397.7
Discounts, Deductions & Scholarships	(136.0)						(136.0)
Taxes	(5.6)						(5.6)
Net Revenue	255.2				0.9		256.1
Cash Cost of Services	(125.3)	(6.0)	0.0	0.0	(0.9)	0.2	(131.9)
- Personnel	(90.5)				(0.9)		(91.4)
- Services from Third Parties	(7.6)					0.2	(7.3)
- COGS	(0.5)						(0.5)
- Rental & Utilities	(20.6)						(20.6)
- Others	(6.1)	(6.0)					(12.2)
Gross Profit (exclud. deprec. /amort.)	129.9	(6.0)	0.0	0.0	0.0	0.2	124.1
Sales Expenses	(15.6)		(0.5)		0.0	0.0	(16.1)
- Provision for Doubtful Accounts (PDA)	(8.9)		0.0				(8.9)
- Marketing	(6.7)		(0.5)				(7.2)
General & Administrative Expenses	(27.1)	(4.8)	(18.1)	0.0	(0.3)	0.0	(50.3)
- Personnel	(18.2)		(13.4)		(0.3)		(31.9)
- Third Party Services	(3.7)		(2.4)				(6.0)
- Rental & Utilities	(1.0)		(0.3)				(1.4)
- Others	(4.2)	(4.8)	(1.9)				(11.0)
Other Operating Revenues (Expenses)	1.0	0.0	(0.1)	0.0	0.0	0.0	0.8
- Provisions	(0.8)		0.1				(0.7)
- Taxes	(0.5)		(0.3)				(0.8)
- Other Operating Revenues	2.3		0.1				2.4
Late Payment Fees	4.1			(4.1)			0.0
Operating Result	92.3	(10.9)	(18.7)	(4.1)	(0.3)	0.2	58.6
- Corporate Expenses	(18.4)		18.7		(0.3)		(0.0)
Adjusted EBITDA	73.9	(10.9)	0.0	(4.1)	(0.6)	0.2	58.6
(-) Late Payment Fees	(4.1)			4.1			0.0
(-) Non-Recurring Items ¹	(0.6)				0.6		0.0
EBITDA	69.3	(10.9)	0.0	0.0	0.0	0.2	58.6
Depreciation & Amortization	(10.9)	10.9					0.0
EBIT	58.4	0.0	0.0	0.0	0.0	0.2	58.6
Net Financial Result	(8.8)					(0.2)	(9.0)
EBT	49.6	0.0	0.0	0.0	0.0	0.0	49.6
Income Tax and Social Contribution	0.3						0.3
Net Income	49.9	0.0	0.0	0.0	0.0	0.0	49.9
(-) Non-Recurring Items ²	0.6				(0.6)		0.0
Adjusted Net Income	50.4	0.0	0.0	0.0	(0.6)	0.0	49.9

¹ Non-Recurring Items impacting EBITDA

² Non-Recurring Items impacting Net Income

APPENDIX 2 – Income Statement – IFRS

	1Q17	1Q16
Net Revenue	256.1	223.8
COST OF SERVICES	(131.9)	(121.9)
Gross (Loss) Profit	124.1	101.9
OPERATING (EXPENSES) / INCOME	(65.5)	(52.8)
Commercial	(16.1)	(13.2)
General and administrative	(50.3)	(37.4)
Equity income	-	-
Other operating (expenses) revenues	0.8	(2.2)
Income before Financial Result	58.6	49.0
Financial interest income	25.6	22.8
Financial interest expenses	(34.7)	(24.0)
Net (Loss) Income before Taxes	49.6	47.9
Income tax and social contribution, current and deferred	0.3	(0.1)
Net Income or Loss before Non-Controlling Interest	49.9	52.8
Non-Controlling Interest	0.0	-
Net Income or Loss for the Period	49.9	52.8

APPENDIX 3 – Balance Sheet - IFRS

Assets	MAR 17	MAR 16	DEC 16	Liabilities	MAR 17	MAR 16	DEC 16
Current Assets	462.4	443.9	434.0	Current Liabilities	270.3	259.2	268.3
Cash and cash equivalents	28.4	24.5	39.6	Supplier	21.2	19.1	23.7
Cash & financial investments	156.1	125.6	141.9	Loans	117.0	138.2	124.1
Accounts receivable	229.6	258.4	195.7	Personnel	52.7	49.9	58.4
Prepaid expenses	22.7	13.3	37.4	Taxes payable	11.7	8.5	14.8
Recoverable taxes	11.9	8.8	11.2	Advances from clients	28.5	22.6	19.2
Derivatives	-	3.2	-	Tax debt installments	0.6	0.2	0.6
Other current assets	13.7	10.2	8.3	Accounts payables	13.1	3.3	9.1
				Dividends payables	5.0	15.3	5.0
				Derivatives	20.0	1.6	13.1
				Other current liabilities	0.4	0.6	0.5
Non-Current Assets	954.9	894.5	953.8	Non-Current Liabilities	458.3	392.8	483.9
Accounts receivable	91.4	128.4	89.9	Loans	243.1	233.1	253.5
Prepaid expenses	10.8	4.4	12.4	Accounts payables	61.7	25.9	64.6
Judicial deposits	37.3	31.2	36.3	Tax debt installments	4.3	3.3	4.5
Credit with related parties	0.1	0.0	0.1	Deferred income tax and social contribution	52.7	25.3	52.2
Recoverable taxes	4.7	6.4	6.0	Provisions for risks	87.7	100.2	98.5
Derivatives	-	-	-	Derivatives	8.0	4.5	9.6
Other non-current assets	16.4	14.8	16.4	Other non-current liabilities	1.0	0.5	1.1
Fixed	224.9	211.1	223.5				
Intangible	569.1	498.2	569.1	Shareholder Equity	688.6	686.5	635.7
				Capital Stock	496.4	496.4	496.4
				Capital reserve	6.5	1.2	6.5
				Earnings reserve	212.3	217.2	212.3
				Shares in treasury	(10.1)	(11.6)	(10.0)
				Asset valuation adjustment	(69.6)	(69.6)	(69.6)
				Retained earnings	49.9	52.8	0.0
Total Assets	1,417.2	1,338.5	1,387.9	Total Liabilities and Shareholder Equity	1,417.2	1,338.5	1,387.9

APPENDIX 4 – Cash Flow – IFRS

	1Q17	1Q16
Net Income for the period	49.9	52.8
Adjustments for		
Provision for doubtful accounts	8.9	7.0
Legal deposits update	(0.5)	(0.8)
Depreciation and amortization	10.9	8.5
Decrease in residual value of fixed and intangible assets	0.0	1.4
Third party loans update	(0.4)	
Interest on loans, financing and tax installments	10.4	12.9
Constitution, reversal and update of provision for labor, tax and civil risks	0.7	3.1
Present value adjustments to accounts payable	3.1	1.1
FIES revenues regarding present value adjustments and monetary restatement	(2.4)	(6.4)
Share repurchase program bonuses	0.0	-
Deferred income tax and social contribution	(0.3)	0.1
Losses with investments	-	0.0
	80.2	79.6
Change in operating assets and liabilities		
(Increase) decrease in accounts receivable	(41.9)	(83.6)
Decrease in other prepaid expenses	16.3	6.5
Increase in legal deposits	(2.8)	(2.2)
Decrease in taxes and recoverable contributions	0.5	1.3
Decrease in other assets	(5.0)	(0.3)
Decrease in suppliers	(2.2)	(2.5)
Decrease in tax, social security and labor obligations	(8.8)	(2.4)
Increase in advances from clients	9.3	0.6
Decrease in tax installments and other contributions	(0.2)	(0.1)
(Decrease) in provision for labor, tax and civil risks	(6.4)	(1.1)
(Decrease) Increase in other liabilities	(0.1)	(0.2)
Cash from operations	(41.4)	(84.0)
Interest paid	(10.9)	(6.3)
Income tax and social contribution paid	0.0	(0.3)
	28.0	(10.9)
Net cash flow from operating activities		
Cash Flow from Investment Activities		
Subsidiary capital increase	3.1	-
Acquisitions net of cash and equivalents	-	5.3
Decrease (Increase) in financial assets	(8.7)	38.5
Income from financial assets	(5.4)	(5.0)
Fixed asset purchase	(10.8)	(9.2)
Intangible asset purchase	(3.4)	(4.8)
	(25.2)	24.8
Net cash flow (applied) from investment activities		
Cash Flow from Financial Activities		
Funding	5.4	3.5
Amortizations	(14.1)	(10.0)
Gains (Losses) with Derivatives	(3.2)	-
Accounts payable amortization on controlling acquisitions	(2.0)	-
Shares held in treasury	(0.1)	(8.4)
	(14.0)	(14.9)
Net cash (applied to) flow from financing activities		
Cash (Applied) Flow for the Period	(11.2)	(1.0)
Change in Cash and Cash Equivalents		
Cash and cash equivalents at the beginning of the period	39.6	25.5
Cash and cash equivalents at the end of the period	28.4	24.5
Increase (Decrease) of Cash and Cash Equivalents	(11.2)	(1.0)