

3Q17

RESULTS

Portuguese Conference Call

November 14, 2017
10:00 a.m. (Brasília)
7:00 a.m. (US EST)
+55 (11) 2188-0155
Replay: +55 (11) 2188-0400
Code: Ânima Educação

English Conference Call

November 14, 2017
11:30 a.m. (Brasília)
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ânima

MESSAGE FROM MANAGEMENT

Resume growth, with lower dropout rates and stable average ticket

Throughout this year we have talked at length about the importance of focusing on our choices and certain priorities, as well as improving our execution in order to boost results. These priorities include resuming organic growth, which has been a key element of our plan. After a period of internal adjustments, we have started to see the first results of our efforts. We ended the last intake cycle with 13.5 thousand new students, 35% above the same period last year, or +31% excluding Una Uberlândia, which has been consolidated since October 2016. We are very pleased about this intake cycle not only because of growth itself, but also because of its quality. We grew in virtually all our brands and units, underlining the success of structural efforts from the commercial area. The launch of new programs (including blended programs) and the opening of new academic units also contributed to this improvement.

All the growth recorded during this quarter came from students without financial aid, which confirms our thesis that Education is an investment for life and that there are students willing to pay for higher quality education, despite of limited access to both public (FIES) and private student financing options in Brazil. We met our intake targets without jeopardizing our pricing, sustaining our quality positioning. Although we are still seeing higher discounts in our financial results, our net average ticket stood at R\$841/month in 3Q17, 5% higher than in 3Q16 and virtually in line with 1Q17. Finally, it is important to point out that this growth is taking place during a still incipient phase of economic recovery in the country, in which an inflation under control and decreasing interest rates indicate the worst is already behind us.

Retaining and engaging existing students is just as important as acquiring new students. We are very pleased with the results of our retention area, since we ended the last semester cycle with a 2.3pp decline in our dropout rates (versus 1S16). Therefore, we are beginning the second semester of 2017 with 95.1 thousand students (+2.1% versus 3Q16). Thanks to these advances, we ended the quarter with Net Revenue of R\$251.8 million, which represents a year-on-year growth of 9.3% in the quarter and 9.7% year-to-date.

We also continue making progress in the pursuit of efficiency and margin recovery. We ended 3Q17 with a gross margin of 42.7%, a 4.1pp growth compared to the same period last year. The development of the “Convergence Curriculum” in all our units has helped us continue increasing faculty productivity. Additionally, during this semester we began implementing Anima’s Learning Ecosystem (E2A) - “Competency-Based Curriculum”. In this first stage, it is only available to freshmen in the communications and management areas, but we expect to extend it to the other areas in 2018. We believe that the development of our academic model is a long-term journey in the relentless pursuit of quality. Technology and innovation should be at the service of the learning process and any resulting productivity gains are a mere natural and welcome consequence, but not an end in themselves. The new curriculum serves this purpose.

Financial Performance	Consolidated								
	1S17	1S16	% YA	3Q17	3Q16	% YA	9M17	9M16	% YA
Net Revenue	515.2	468.9	9.9%	251.8	230.3	9.3%	767.0	699.2	9.7%
Gross Profit (exclud. deprec/amort)	232.7	200.9	15.8%	107.6	88.9	20.9%	340.2	289.8	17.4%
<i>Gross Margin</i>	<i>45.2%</i>	<i>42.8%</i>	<i>2.3pp</i>	<i>42.7%</i>	<i>38.6%</i>	<i>4.1pp</i>	<i>44.4%</i>	<i>41.4%</i>	<i>2.9pp</i>
Adjusted EBITDA	110.2	99.8	10.5%	40.4	35.7	13.2%	150.6	135.5	11.2%
<i>EBITDA Margin</i>	<i>21.4%</i>	<i>21.3%</i>	<i>0.1pp</i>	<i>16.0%</i>	<i>15.5%</i>	<i>0.5pp</i>	<i>19.6%</i>	<i>19.4%</i>	<i>0.3pp</i>
Adjusted Net Income	61.3	60.4	1.5%	17.6	13.6	29.1%	78.9	74.0	6.5%
<i>Net Margin</i>	<i>11.9%</i>	<i>12.9%</i>	<i>-1.0pp</i>	<i>7.0%</i>	<i>5.9%</i>	<i>1.1pp</i>	<i>10.3%</i>	<i>10.6%</i>	<i>-0.3pp</i>

The integration of the units acquired last year also have also contributed significantly to our results. The new units added R\$133.7 million in Net Revenue and R\$21.9 million in Operating Result year-to-date, which represent a 12.2pp year-on-year margin improvement. We still have a long way to go before these operations record the same margin levels observed in our more mature units, but we are confident we are on the right track.

Education	Excl Acquisitions ¹			Acquisitions ¹		
	9M17	9M16	% YA	9M17	9M16	% YA
Net Revenue	605.9	593.0	2.2%	133.7	86.9	53.9%
Gross Profit (exclud. deprec/amort)	281.3	263.8	6.6%	47.9	21.2	126.0%
<i>Gross Margin</i>	<i>46.4%</i>	<i>44.5%</i>	<i>1.9pp</i>	<i>35.8%</i>	<i>24.4%</i>	<i>11.4pp</i>
Operating Result	207.4	183.6	13.0%	21.9	3.7	17911.0%
<i>Operating Margin</i>	<i>34.2%</i>	<i>31.0%</i>	<i>3.3pp</i>	<i>16.4%</i>	<i>4.2%</i>	<i>12.2pp</i>

¹ Acquisitions include Sociesc Feb-16, Una Bom Despacho Jul-16 and Una Uberlândia Oct-16

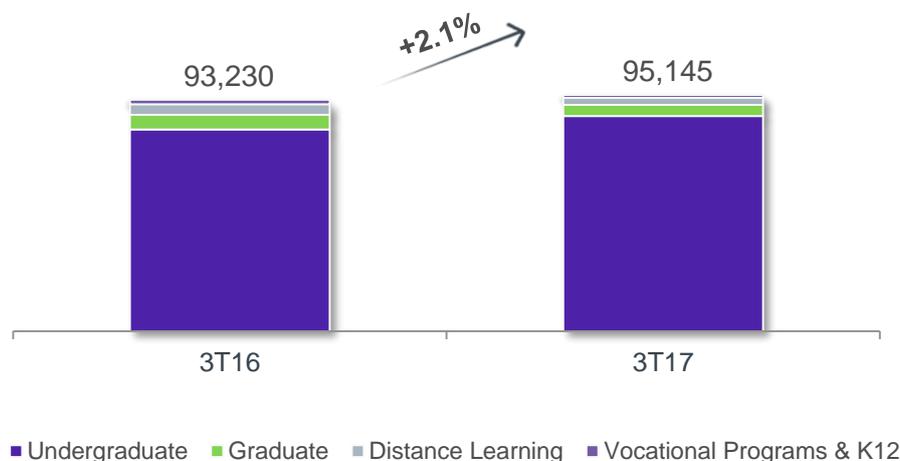
We closed 9M17 with an Adjusted EBITDA of R\$150.6 million and 19.6% of margin (+0.3pp vs. 9M16). Clear operational improvements are being translated into gradual EBITDA margin gains. The rollout of the new curriculum, the continuous achievement of synergies from acquisitions and the reversal of the operational deleveraging cycle should accelerate this process from now on. As expected, the third quarter was marked by strong Free Cash Flow generation (R\$111.7 million), explained both by the positive operating cash flow in the period and working capital reduction, largely related to the FIES receivables. As a result, our Net Debt reduced to 1.3x our adjusted EBITDA (vs. 1.9x in June 2017).

At Anima, we believe in high-quality education! The one that makes a positive change in our students' lives and drive them to achieve their life goals. This gives us strength to overcome challenges without losing sight of our purpose and DNA. We believe that quality is built over time, and requires diligence and resilience, so as we increasingly focus on execution we will be able to continue recording improvements in all our performance metrics. That way we are accomplishing our mission of Transforming the Country Through Education.

OPERATIONAL PERFORMANCE

EDUCATION

In the third quarter of 2017, we had 95.1 thousand students, an increase of 2.1% over 3Q16, already including the consolidation of the recent acquisitions in 2016. Excluding the impact of Una Uberlândia (acquired in October 2016), our student base totaled 92.8 thousand students, a 0.5% year-on-year decline, mainly due to a reduction of 1.5 thousand graduate students, 0.8 thousand Pronatec students and 1.5 thousand distance-learning students.



Student Base	3Q16	4Q16	1Q17	2Q17	3Q17	% 3Q17/3Q16	% 3Q17/2Q17
Undergraduate ¹	81,303	80,507	88,423	84,517	86,742	6.7%	2.6%
Graduate	5,954	5,508	5,321	5,596	4,491	-24.6%	-19.7%
Distance Learning	4,241	3,949	4,164	3,651	2,789	-34.2%	-23.6%
Vocational Programs & K12	1,732	878	1,046	1,341	1,123	-35.2%	-16.3%
Total	93,230	90,842	98,954	95,105	95,145	2.1%	0.0%

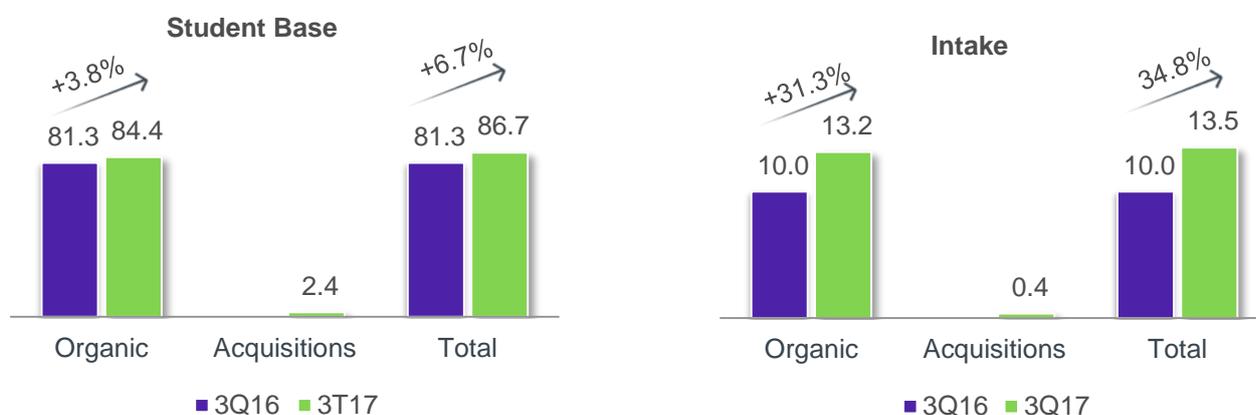
Student Base (Excl. Acquisition) ²	3Q16	4Q16	1Q17	2Q17	3Q17	% 3Q17/3Q16	% 3Q17/2Q17
Undergraduate ¹	81,303	78,387	85,838	82,014	84,357	3.8%	2.9%
Graduate	5,954	5,508	5,321	5,596	4,491	-24.6%	-19.7%
Distance Learning	4,241	3,949	4,164	3,651	2,789	-34.2%	-23.6%
Vocational Programs & K12	1,732	878	1,046	1,341	1,123	-35.2%	-16.3%
Total	93,230	88,722	96,369	92,602	92,760	-0.5%	0.2%

¹ Includes blended programs

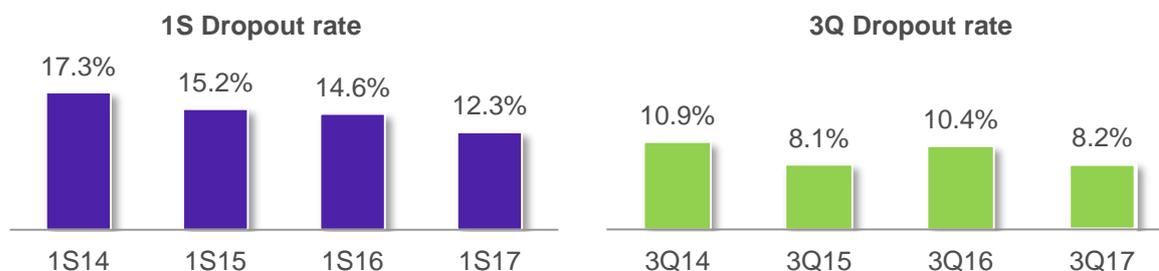
² Excludes acquisition of Una Uberlândia (Oct-16)

Undergraduate Student Base

Our undergraduate student base totaled 86.7 thousand students in 3Q17, a 6.7% growth compared to 3Q16, including the consolidation of the recent acquisitions. Excluding Una Uberlândia, our student base totaled 84.4 thousand students, a 3.8% expansion year on year.

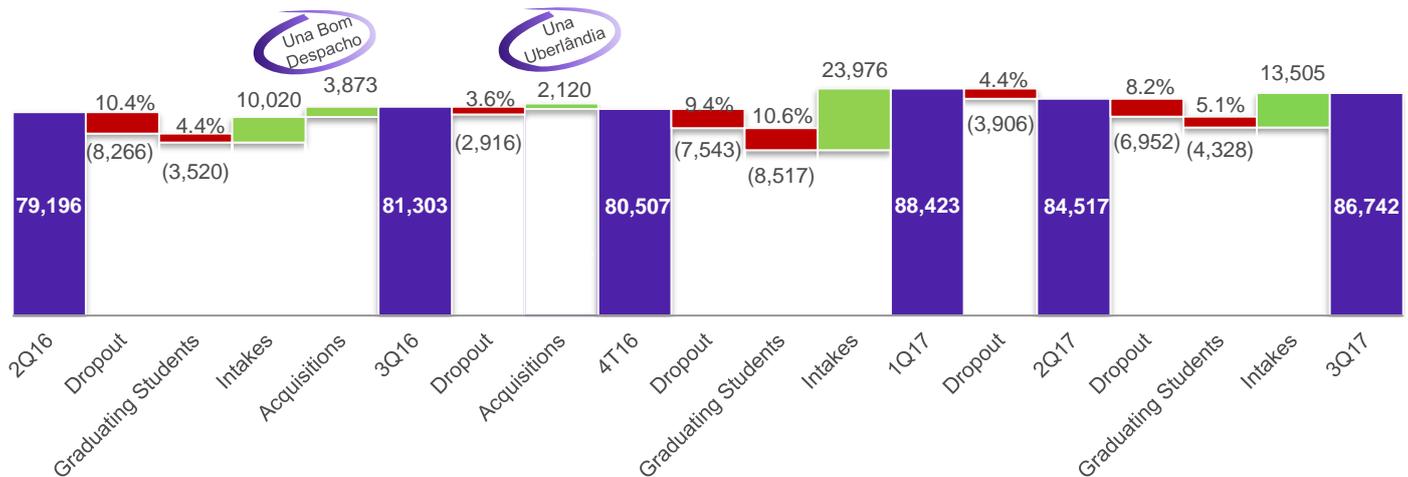


We enrolled 13.5 thousand new students, 34.8% above the number reported in 3Q16. Excluding 0.4 thousand new students from Una Uberlândia, enrollments grew by 31.3%. The results reflected our internal efforts, as well as important changes to our commercial strategy, which is now based on a more focused and assertive approach. The numbers also confirm the thesis that investing in quality pays off. We can see a growing number of students willing to invest in their education, who come to our education institutions to change their lives, despite the still challenging political and economic environment and limited access to student financing (FIES).

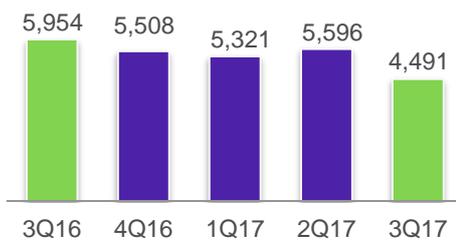


At the turn of the semester, 7.0 thousand students dropped out. This represented a reduction of 12.3% of our student base in 1S17, a 2.3pp improvement over 1S16, mainly due to the efforts and results of the Student Service Executive Area.

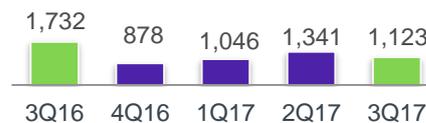
Student Flow - Undergraduate Programs



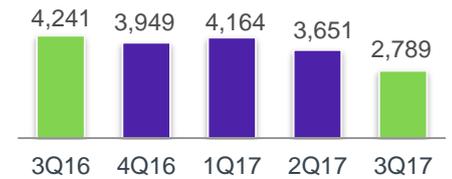
Graduate Programs



K12 & Vocational



Distance Learning



Graduate Student Base - The number of students enrolled in our graduate programs came to 4.5 thousand in 3Q17, a 24.6% year-on-year reduction.

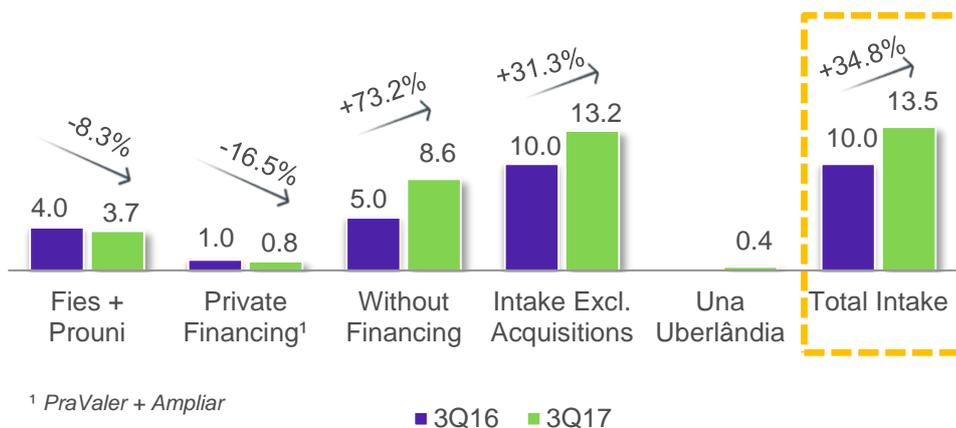
K12 and Vocational Student Base - We ended the quarter with 1.1 thousand K12 and Vocational education students, including Florianópolis International School, Colégio Tupy (COT) and Escola Técnica Tupy (ETT). The reduction observed throughout 2016 was solely due to the end of Pronatec.

Distance-Learning Student Base – We ended 3Q17 with 2.8 thousand distance-learning students in the undergraduate, graduate and vocational programs, 34.2% down year-on-year. It is worth noting that, since the beginning of this year, we have been prioritizing blended programs, which are being consolidated into the undergraduate student base for management purposes. We have thus stopped enrolling new students in distance-learning undergraduate programs.

Student Financing

As observed in the first semester of 2017, the growth in the last intake cycle is referred to students without financial aid, with a 73% year-on-year increase in these number of students. We once

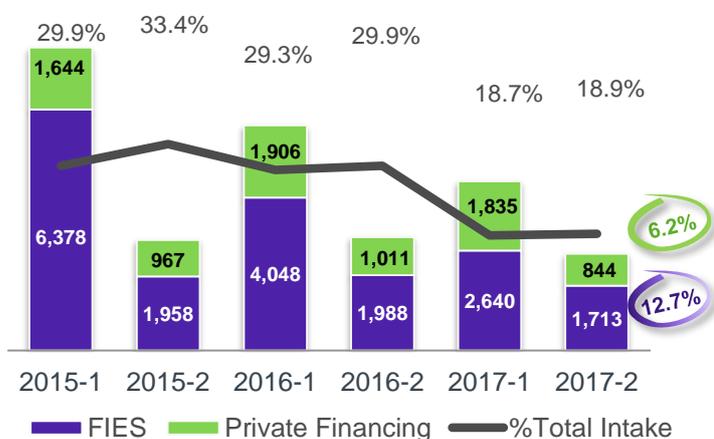
again saw a reduction in the number of new students with public (Prouni and FIES) and private (PraValer + Ampliar) financing.



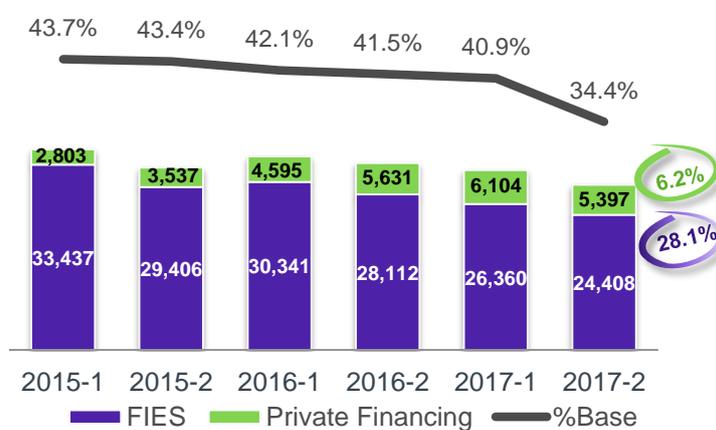
As regards to FIES, we ended the quarter with 1.7 thousand new contracts (-13.8% vs. 3Q16), accounting for 12.7% of the total intake. This includes both new contracts made available by the government this semester and students who transferred from other institutions. As a result, we ended 3Q17 with 24.4 thousand FIES students, or 28.1% of the base.

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. During this quarter, all these private financing products together totaled 0.8 thousand new students, corresponding to 6.2% of the total intake, 84 of whom using our own balance sheet. We currently have 5.4 thousand students with private financing (6.2% of the undergraduate base), only 0.6 thousand of whom use our own balance sheet. It is worth noting that the process to issue new contracts and the renewal of contracts from the previous semester continues through 4Q17.

Student Financing*-- Total Intake --



Student Financing*-- Student Base--



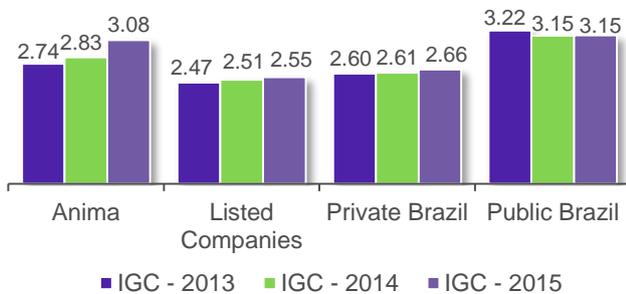
* With Sociesc as of 2016-1 and UNA Bom Despacho and Una Uberlândia as of 2016-2.

Academic Quality

As disclosed in 4Q16, our academic indicators disclosed by the Ministry of Education (MEC) confirm Ânima's superior quality positioning, as most of its programs and institutions obtained a grade of 4 (scale of 1 to 5). Ânima has the highest quality standards in the Brazilian post-secondary education market, outperforming even the country's public institutions, reinforcing the effectiveness of our academic model and our commitment to constantly improve the quality of the education we provide our students.

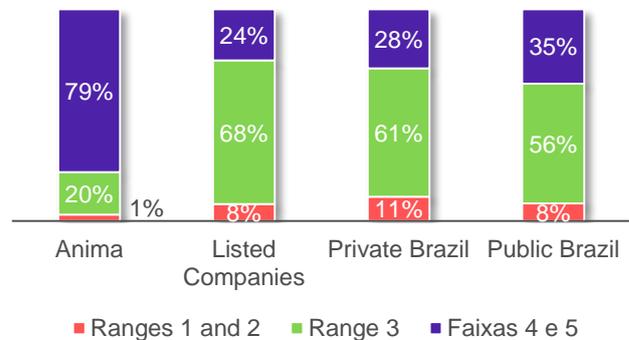
Please see below a summary of the main academic* indicators:

Weighted IGC¹

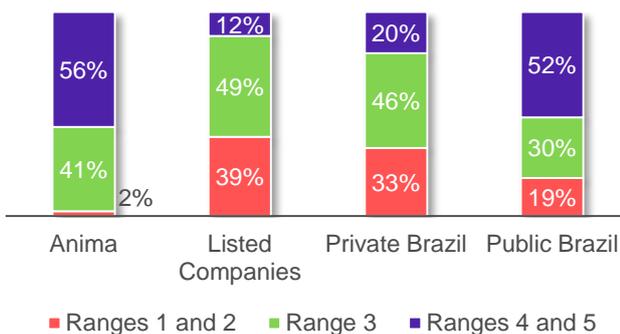


¹ IGC weighted by the number of students.

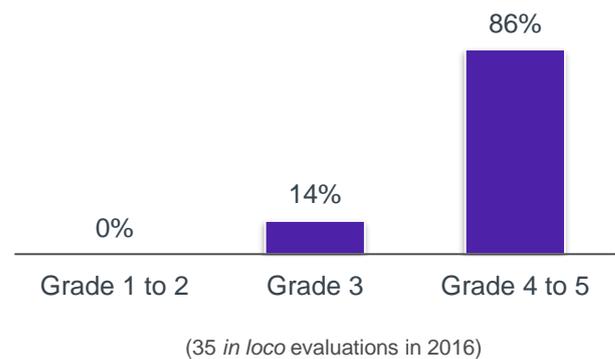
CPC 2015



Enade 2015



Anima's Course Concept (CC)



* Excluding 2016 acquisitions

FINANCIAL PERFORMANCE

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

- i) **Education** – which includes, in addition to post-secondary education (undergraduate and graduate), K12 and vocational programs.
- ii) **Other Businesses** – which includes HSM, Sociesc's Management and Technology Innovation (GIT) area and Escola Brasileira de Direito (EBRADI - Brazilian Law School).

3Q17 RESULTS

R\$ (million)	3Q17					
	Consolidated	% Net Revenue	Education	% Net Revenue	Others	% Net Revenue
Gross Revenue	407.4	161.8%	394.9	164.5%	12.4	105.9%
Discounts, Deductions & Scholarships	(149.1)	-59.2%	(148.7)	-61.9%	(0.4)	-3.1%
Taxes	(6.4)	-2.6%	(6.1)	-2.5%	(0.3)	-2.8%
Net Revenue	251.8	100.0%	240.1	100.0%	11.7	100.0%
Cash Cost of Services	(144.3)	-57.3%	(138.3)	-57.6%	(5.9)	-50.7%
- Personnel	(102.3)	-40.6%	(101.5)	-42.3%	(0.8)	-6.6%
- Services from Third Parties	(10.2)	-4.0%	(7.2)	-3.0%	(3.0)	-25.2%
- COGS	(0.4)	-0.2%	0.0	0.0%	(0.4)	-3.7%
- Rental & Utilities	(21.5)	-8.5%	(21.0)	-8.8%	(0.5)	-4.0%
- Others	(9.9)	-3.9%	(8.6)	-3.6%	(1.3)	-11.2%
Gross Profit (exclud. deprec. /amort.)	107.6	42.7%	101.8	42.4%	5.8	49.3%
Sales Expenses	(18.2)	-7.2%	(16.1)	-6.7%	(2.1)	-18.2%
- Provision for Doubtful Accounts (PDA)	(9.0)	-3.6%	(8.2)	-3.4%	(0.8)	-7.0%
- Marketing	(9.2)	-3.6%	(7.8)	-3.3%	(1.3)	-11.2%
General & Administrative Expenses	(26.0)	-10.3%	(19.7)	-8.2%	(6.2)	-53.1%
- Personnel	(18.0)	-7.1%	(12.8)	-5.3%	(5.1)	-43.9%
- Third Party Services	(1.7)	-0.7%	(1.4)	-0.6%	(0.3)	-2.5%
- Rental & Utilities	(1.0)	-0.4%	(0.8)	-0.3%	(0.3)	-2.2%
- Others	(5.3)	-2.1%	(4.8)	-2.0%	(0.5)	-4.5%
Other Operating Revenues (Expenses)	(2.0)	-0.8%	(1.9)	-0.8%	(0.1)	-1.3%
- Provisions	(3.4)	-1.4%	(3.4)	-1.4%	(0.0)	0.0%
- Taxes	(0.3)	-0.1%	(0.2)	-0.1%	(0.1)	-0.6%
- Other Operating Revenues	1.6	0.7%	1.7	0.7%	(0.1)	-0.7%
Late Payment Fees	3.7	1.5%	3.7	1.6%	0.0	0.0%
Operating Result	65.1	25.9%	67.9	28.3%	(2.7)	-23.3%
- Corporate Expenses	(24.7)	-9.8%				
Adjusted EBITDA	40.4	16.0%				
(-) Late Payment Fees	(3.7)	-1.5%				
(-) Non-Recurring Items - EBITDA	(7.4)	-2.9%				
EBITDA	29.3	11.6%				
Depreciation & Amortization	(13.3)	-5.3%				
Equity Equivalence	(0.2)	-0.1%				
EBIT	15.8	6.3%				
Net Financial Result	(6.9)	-2.7%				
EBT	8.9	3.5%				
Income Tax and Social Contribution	1.3	0.5%				
Net Income	10.2	4.0%				
(-) Non-Recurring Items - EBITDA	7.4	2.9%				
(-) Non-Recurring Items - Net Income	0.0	0.0%				
Adjusted Net Income	17.6	7.0%				

9M17 RESULTS

R\$ (million)	9M17					
	Consolidated	% Net Revenue	Education	% Net Revenue	Others	% Net Revenue
Gross Revenue	1,212.6	158.1%	1,182.8	159.9%	29.8	108.8%
Discounts, Deductions & Scholarships	(425.0)	-55.4%	(424.4)	-57.4%	(0.6)	-2.3%
Taxes	(20.5)	-2.7%	(18.7)	-2.5%	(1.8)	-6.4%
Net Revenue	767.0	100.0%	739.7	100.0%	27.4	100.0%
Cash Cost of Services	(426.8)	-55.6%	(410.5)	-55.5%	(16.3)	-59.6%
- Personnel	(307.6)	-40.1%	(305.0)	-41.2%	(2.6)	-9.5%
- Services from Third Parties	(26.7)	-3.5%	(19.8)	-2.7%	(6.8)	-25.0%
- COGS	(2.3)	-0.3%	0.0	0.0%	(2.3)	-8.4%
- Rental & Utilities	(64.0)	-8.3%	(62.7)	-8.5%	(1.3)	-4.7%
- Others	(26.3)	-3.4%	(23.0)	-3.1%	(3.3)	-12.0%
Gross Profit (exclud. deprec. /amort.)	340.2	44.4%	329.2	44.5%	11.1	40.4%
Sales Expenses	(53.3)	-6.9%	(48.2)	-6.5%	(5.1)	-18.5%
- Provision for Doubtful Accounts (PDA)	(31.1)	-4.1%	(29.5)	-4.0%	(1.6)	-5.8%
- Marketing	(22.2)	-2.9%	(18.7)	-2.5%	(3.5)	-12.7%
General & Administrative Expenses	(81.0)	-10.6%	(62.2)	-8.4%	(18.8)	-68.5%
- Personnel	(54.9)	-7.2%	(40.3)	-5.4%	(14.7)	-53.6%
- Third Party Services	(8.3)	-1.1%	(6.8)	-0.9%	(1.5)	-5.5%
- Rental & Utilities	(3.1)	-0.4%	(2.3)	-0.3%	(0.8)	-3.1%
- Others	(14.7)	-1.9%	(12.9)	-1.7%	(1.8)	-6.4%
Other Operating Revenues (Expenses)	1.5	0.2%	1.0	0.1%	0.5	1.7%
- Provisions	(3.6)	-0.5%	(3.6)	-0.5%	(0.0)	-0.1%
- Taxes	(1.5)	-0.2%	(1.2)	-0.2%	(0.3)	-1.0%
- Other Operating Revenues	6.6	0.9%	5.8	0.8%	0.8	2.9%
Late Payment Fees	9.5	1.2%	9.5	1.3%	0.0	0.0%
Operating Result	217.0	28.3%	229.3	31.0%	(12.3)	-44.9%
- Corporate Expenses	(66.4)	-8.7%				
Adjusted EBITDA	150.6	19.6%				
(-) Late Payment Fees	(9.5)	-1.2%				
(-) Non-Recurring Items - EBITDA	(15.9)	-2.1%				
EBITDA	125.2	16.3%				
Depreciation & Amortization	(37.8)	-4.9%				
Equity Equivalence	(0.2)	0.0%				
EBIT	87.2	11.4%				
Net Financial Result	(30.0)	-3.9%				
EBT	57.2	7.5%				
Income Tax and Social Contribution	17.2	2.2%				
Net Income	74.4	9.7%				
(-) Non-Recurring Items - EBITDA	15.9	2.1%				
(-) Non-Recurring Items - Net Income	(11.5)	-1.5%				
Adjusted Net Income	78.9	10.3%				

FINANCIAL PERFORMANCE – Education

R\$ (million)	Education									
	3Q17	% Net Revenue	3Q16	% Net Revenue	% YA	9M17	% Net Revenue	9M16	% Net Revenue	% YA
Gross Revenue	394.9	164.5%	337.5	150.8%	17.0%	1,182.8	159.9%	1,010.1	148.6%	17.1%
Discounts, Deductions & Scholarships	(148.7)	-61.9%	(109.2)	-48.8%	36.3%	(424.4)	-57.4%	(316.5)	-46.6%	34.1%
Taxes	(6.1)	-2.5%	(4.6)	-2.0%	33.5%	(18.7)	-2.5%	(13.8)	-2.0%	36.0%
Net Revenue	240.1	100.0%	223.8	100.0%	7.3%	739.7	100.0%	679.9	100.0%	8.8%
Cash Cost of Services	(138.3)	-57.6%	(136.4)	-61.0%	1.4%	(410.5)	-55.5%	(394.9)	-58.1%	4.0%
- Personnel	(101.5)	-42.3%	(101.6)	-45.4%	-0.1%	(304.9)	-41.2%	(295.3)	-43.4%	3.2%
- Services from Third Parties	(7.2)	-3.0%	(7.1)	-3.2%	1.6%	(19.8)	-2.7%	(20.7)	-3.0%	-4.3%
- COGS	0.0	0.0%	0.0	0.0%	0.0%	0.0	0.0%	0.0	0.0%	-100.0%
- Rental & Utilities	(21.0)	-8.8%	(20.1)	-9.0%	4.3%	(62.7)	-8.5%	(58.5)	-8.6%	7.2%
- Others	(8.6)	-3.6%	(7.6)	-3.4%	13.2%	(23.0)	-3.1%	(20.4)	-3.0%	12.8%
Gross Profit (exclud. deprec. /amort.)	101.8	42.4%	87.4	39.0%	16.5%	329.2	44.5%	285.0	41.9%	15.5%
Sales Expenses	(16.1)	-6.7%	(14.1)	-6.3%	14.0%	(48.2)	-6.5%	(44.7)	-6.6%	7.9%
- Provision for Doubtful Accounts (PDA)	(8.2)	-3.4%	(8.2)	-3.7%	0.4%	(29.5)	-4.0%	(27.5)	-4.0%	7.3%
- Marketing	(7.8)	-3.3%	(5.9)	-2.6%	32.7%	(18.7)	-2.5%	(17.2)	-2.5%	9.0%
General & Administrative Expenses	(19.7)	-8.2%	(21.8)	-9.7%	-9.4%	(62.2)	-8.4%	(58.8)	-8.6%	5.8%
- Personnel	(12.8)	-5.3%	(14.3)	-6.4%	-10.6%	(40.3)	-5.4%	(39.3)	-5.8%	2.4%
- Third Party Services	(1.4)	-0.6%	(2.6)	-1.2%	-46.1%	(6.8)	-0.9%	(7.3)	-1.1%	-7.3%
- Rental & Utilities	(0.8)	-0.3%	(1.3)	-0.6%	-42.2%	(2.3)	-0.3%	(3.3)	-0.5%	-31.2%
- Others	(4.8)	-2.0%	(3.5)	-1.6%	33.9%	(12.9)	-1.7%	(8.8)	-1.3%	45.9%
Other Operating Revenues (Expenses)	(1.9)	-0.8%	(0.3)	-0.1%	460.3%	1.0	0.1%	(3.8)	-0.6%	-127.5%
- Provisions	(3.4)	-1.4%	(2.5)	-1.1%	39.0%	(3.6)	-0.5%	(8.9)	-1.3%	-59.3%
- Taxes	(0.2)	-0.1%	(0.5)	-0.2%	-64.2%	(1.2)	-0.2%	(1.5)	-0.2%	-18.6%
- Other Operating Revenues	1.7	0.7%	2.6	1.2%	-34.5%	5.8	0.8%	6.5	1.0%	-10.1%
Late Payment Fees	3.7	1.6%	3.5	1.6%	6.5%	9.5	1.3%	9.5	1.4%	0.2%
Operating Result	67.9	28.3%	54.7	24.4%	24.2%	229.3	31.0%	187.2	27.5%	22.5%

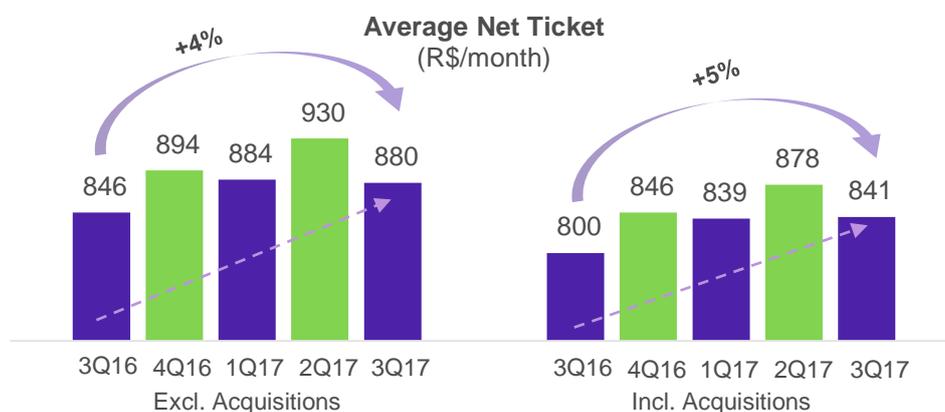
R\$ (million)	3Q17					
	Education	% YA	Education Ex. Acquisitions ¹	% YA	Acquisitions ¹	% YA
Net Revenue	240.1	7.3%	196.1	4.1%	44.0	24.3%
Cash Cost of Services	(138.3)	1.4%	(107.8)	-1.7%	(30.5)	14.1%
Gross Profit (exclud. deprec. /amort.)	101.8	16.5%	88.3	12.2%	13.5	56.0%
% Gross Margin	42.4%	3.4pp	45.0%	3.2pp	30.6%	6.2pp
Operating Result	67.9	24.2%	62.5	14.8%	5.4	2275.0%
% Operating Margin	28.3%	3.8pp	31.9%	3.0pp	12.2%	11.6pp

R\$ (million)	9M17					
	Education	% YA	Education Ex. Acquisitions ¹	% YA	Acquisitions ¹	% YA
Net Revenue	739.7	8.8%	605.9	2.2%	133.7	53.9%
Cash Cost of Services	(410.5)	4.0%	(324.6)	-1.4%	(85.9)	30.7%
Gross Profit (exclud. deprec. /amort.)	329.2	15.5%	281.3	6.6%	47.9	126.0%
% Gross Margin	44.5%	2.6pp	46.4%	1.9pp	35.8%	11.4pp
Operating Result	229.3	22.5%	207.4	13.0%	21.9	500.0%
% Operating Margin	31.0%	3.5pp	34.2%	3.3pp	16.4%	12.2pp

¹ Acquisitions include Sociesc Feb-16, UNA Bom Despacho Jul-16 and Una Uberlândia Oct-16

Net Revenue

Net revenue totaled R\$240.1 million in 3Q17, R\$16.3 million or 7.3% higher than in 3Q16, influenced by the new acquisitions (+3.2%), a slight increase in our organic student base (+0.1%) and higher average net ticket (+4.0%).



We continue to see a healthy growth in our net ticket, which averaged R\$880/month in 3Q17 (or R\$841/month including the acquisitions), around 4.0% higher than in 3Q16 and virtually in line with 1Q17. In addition to the average annual increase in tuition fees, we continued to see an improvement in our program mix (+3.1%), partially offset by higher discounts (-8.1%).

In the first nine months of 2017, net revenue came to R\$739.7 million, 8.8% up on 9M16.

Total Costs and Gross Profit

We ended 3Q17 with gross profit of R\$101.8 million and a gross margin of 42.4%, 3.4pp higher than in 3Q16.

Excluding the acquisitions, gross profit came to R\$88.3 million in the quarter, with a margin of 45.0% (+3.2pp vs. 3Q16). This improvement was directly related to our margin recovery efforts. We saw a 7.2pp improvement driven by an increase in academic efficiency (average number of students per classroom and convergence curriculum) and infrastructure (capacity utilization in our campuses), partially offset by the increase in the average discount (-4.0pp of gross margin).

Operating Result

We ended 3Q17 with an Operating Result of R\$67.9 million, 24.2% higher than in 3Q16, with an operating margin of 28.3% (+3.8pp vs. 3Q16). Excluding the acquisitions, our Operating Result came to R\$62.5 million, a 14.8% growth versus 3Q16, with an operating margin of 31.9% (+3.0pp vs. 3Q16).

In the first nine months of 2017, our operating result reached R\$229.3 million, 22.5% above 9M16.

Selling Expenses

Selling Expenses totaled R\$16.1 million in 3Q17 (+14.0% vs. 3Q16, influenced by the acquisitions), or 6.7% of Net Revenue (+0.4pp vs. 3Q16). While the provision for doubtful accounts remained virtually in line as a percentage of net revenue (-0.3pp), we saw an increase in marketing expenses (+0.7pp).

General and Administrative Expenses

General and Administrative Expenses totaled R\$19.7 million (-9.4% vs. 3Q16), or 8.2% of Net Revenue (-1.5pp vs. 3Q16). We saw an improvement in the personnel, third-party services and rental lines (-1.1pp, -0.6pp and -0.3pp respectively), mainly due to our expense reduction efforts, the integration of the acquired units and the centralization of certain areas under corporate expenses, partially offset by an increase in other expenses (+0.4pp).

Other Operating Revenues (Expenses)

Other Operating Revenues (expenses), including fines and interest on tuition fees, came to a positive R\$1.9 million in 3Q17, or 0.8% of net revenue. The 0.7pp year-on-year decline as a percentage of net revenue was mainly due to an increase in provisions for risk and a reduction in other operating revenues.

FINANCIAL PERFORMANCE – Other Businesses

R\$ (million)	Others									
	3Q17	% Net Revenue	3Q16	% Net Revenue	% YA	9M17	% Net Revenue	9M16	% Net Revenue	% YA
Gross Revenue	12.4	105.9%	7.1	108.3%	75.7%	29.8	108.8%	21.3	110.2%	39.6%
Discounts, Deductions & Scholarships	(0.4)	-3.1%	(0.0)	-0.2%	2723.7%	(0.6)	-2.3%	(0.6)	-3.1%	7.6%
Taxes	(0.3)	-2.8%	(0.5)	-8.1%	-37.1%	(1.8)	-6.4%	(1.4)	-7.1%	27.6%
Net Revenue	11.7	100.0%	6.5	100.0%	79.7%	27.4	100.0%	19.3	100.0%	41.5%
Cash Cost of Services	(5.9)	-50.7%	(4.9)	-75.7%	20.3%	(16.3)	-59.6%	(14.6)	-75.2%	12.1%
- Personnel	(0.8)	-6.6%	(1.3)	-19.5%	-39.2%	(2.6)	-9.5%	(3.1)	-16.0%	-16.4%
- Services from Third Parties	(3.0)	-25.2%	(1.6)	-24.2%	87.0%	(6.8)	-25.0%	(5.8)	-29.9%	18.3%
- COGS	(0.4)	-3.7%	(0.5)	-7.4%	-10.4%	(2.3)	-8.4%	(2.0)	-10.2%	16.6%
- Rental & Utilities	(0.5)	-4.0%	(0.5)	-7.8%	-6.7%	(1.3)	-4.7%	(1.5)	-7.7%	-13.9%
- Others	(1.3)	-11.2%	(1.1)	-16.8%	19.3%	(3.3)	-12.0%	(2.2)	-11.4%	49.4%
Gross Profit (exclud. deprec. /amort.)	5.8	49.3%	1.6	24.3%	264.5%	11.1	40.4%	4.8	24.8%	130.6%
Sales Expenses	(2.1)	-18.2%	(1.3)	-19.5%	68.3%	(5.1)	-18.5%	(2.4)	-12.5%	108.8%
- Provision for Doubtful Accounts (PDA)	(0.8)	-7.0%	(0.5)	-7.8%	62.5%	(1.6)	-5.8%	(0.8)	-4.1%	100.3%
- Marketing	(1.3)	-11.2%	(0.8)	-11.7%	72.1%	(3.5)	-12.7%	(1.6)	-8.4%	113.0%
General & Administrative Expenses	(6.2)	-53.1%	(3.8)	-57.8%	65.0%	(18.8)	-68.5%	(10.4)	-53.9%	80.0%
- Personnel	(5.1)	-43.9%	(2.9)	-45.0%	75.4%	(14.7)	-53.6%	(7.9)	-40.8%	85.6%
- Third Party Services	(0.3)	-2.5%	(0.2)	-3.7%	21.7%	(1.5)	-5.5%	(0.7)	-3.4%	123.9%
- Rental & Utilities	(0.3)	-2.2%	(0.3)	-4.1%	-3.2%	(0.8)	-3.1%	(0.8)	-4.1%	7.9%
- Others	(0.5)	-4.5%	(0.3)	-5.1%	59.6%	(1.8)	-6.4%	(1.1)	-5.5%	64.3%
Other Operating Revenues (Expenses)	(0.1)	-1.3%	0.0	0.5%	-548.9%	0.5	1.7%	(0.1)	-0.3%	-800.9%
- Provisions	(0.0)	0.0%	(0.0)	0.0%	-2.4%	(0.0)	-0.1%	(0.0)	0.0%	4110.1%
- Taxes	(0.1)	-0.6%	(0.1)	-1.0%	-3.7%	(0.3)	-1.0%	(0.3)	-1.6%	-11.5%
- Other Operating Revenues	(0.1)	-0.7%	0.1	1.6%	-180.6%	0.8	2.9%	0.2	1.3%	217.6%
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	(2.7)	-23.3%	(3.4)	-52.5%	-20.3%	(12.3)	-44.9%	(8.1)	-41.9%	51.4%

The other businesses area is composed of HSM, Sociesc's Management and Technological Innovation (GIT) 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. 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 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.

In 9M17, we reached Net Revenue of R\$27.4 million, a 41.5% growth versus 9M16. This growth derives mainly from the acceleration of sales of HSM *in-company* courses, GIT and EBRADI (which did not exist in 9M16). Our efforts to improve product portfolio have resulted in gross margin gains, so we ended the period with a Gross Profit of R\$11.1 million, or a 40.4% margin (+15.6pp vs. 9M16). Lastly, the Operating Result in 9M17 stood at negative R\$12.3 million (-3,0pp vs 9M16). Despite the worsening versus the same period of last year, we started to see an improvement in 3Q17 (vs. 3Q16) in both HSM and GIT. EBRADI will still represent an investment in this first year of operations, but we are in line with the business plan in terms of net revenue, and slightly better in terms of its operating result.

CONSOLIDATED PERFORMANCE

R\$ (million)	Consolidated Anima									
	3Q17	% Net Revenue	3Q16	% Net Revenue	% YA	9M17	% Net Revenue	9M16	% Net Revenue	% YA
Gross Revenue	407.4	161.8%	344.6	149.6%	18.2%	1,212.6	158.1%	1,031.5	147.5%	17.6%
Discounts, Deductions & Scholarships	(149.1)	-59.2%	(109.2)	-47.4%	36.6%	(425.0)	-55.4%	(317.1)	-45.3%	34.0%
Taxes	(6.4)	-2.6%	(5.1)	-2.2%	26.2%	(20.5)	-2.7%	(15.2)	-2.2%	35.2%
Net Revenue	251.8	100.0%	230.3	100.0%	9.3%	767.0	100.0%	699.2	100.0%	9.7%
Cash Cost of Services	(144.3)	-57.3%	(141.4)	-61.4%	2.1%	(426.8)	-55.6%	(409.4)	-58.6%	4.3%
- Personnel	(102.3)	-40.6%	(102.9)	-44.7%	-0.6%	(307.6)	-40.1%	(298.4)	-42.7%	3.1%
- Services from Third Parties	(10.2)	-4.0%	(8.7)	-3.8%	17.2%	(26.7)	-3.5%	(26.5)	-3.8%	0.7%
- COGS	(0.4)	-0.2%	(0.5)	-0.2%	-10.4%	(2.3)	-0.3%	(2.0)	-0.3%	17.1%
- Rental & Utilities	(21.5)	-8.5%	(20.6)	-9.0%	4.1%	(64.0)	-8.3%	(60.0)	-8.6%	6.7%
- Others	(9.9)	-3.9%	(8.7)	-3.8%	14.0%	(26.3)	-3.4%	(22.6)	-3.2%	16.4%
Gross Profit (exclud. deprec. /amort.)	107.6	42.7%	88.9	38.6%	20.9%	340.2	44.4%	289.8	41.4%	17.4%
Sales Expenses	(18.2)	-7.2%	(15.4)	-6.7%	18.5%	(53.3)	-6.9%	(47.1)	-6.7%	13.1%
- Provision for Doubtful Accounts (PDA)	(9.0)	-3.6%	(8.7)	-3.8%	4.0%	(31.1)	-4.1%	(28.3)	-4.0%	9.9%
- Marketing	(9.2)	-3.6%	(6.7)	-2.9%	37.3%	(22.2)	-2.9%	(18.8)	-2.7%	18.0%
General & Administrative Expenses	(26.0)	-10.3%	(25.6)	-11.1%	1.6%	(81.0)	-10.6%	(69.2)	-9.9%	17.0%
- Personnel	(18.0)	-7.1%	(17.3)	-7.5%	4.1%	(54.9)	-7.2%	(47.2)	-6.8%	16.3%
- Third Party Services	(1.7)	-0.7%	(2.8)	-1.2%	-40.2%	(8.3)	-1.1%	(8.0)	-1.1%	3.7%
- Rental & Utilities	(1.0)	-0.4%	(1.6)	-0.7%	-35.6%	(3.1)	-0.4%	(4.1)	-0.6%	-23.6%
- Others	(5.3)	-2.1%	(3.9)	-1.7%	36.1%	(14.7)	-1.9%	(9.9)	-1.4%	47.9%
Other Operating Revenues (Expenses)	(2.0)	-0.8%	(0.3)	-0.1%	572.4%	1.5	0.2%	(3.9)	-0.6%	-139.1%
- Provisions	(3.4)	-1.4%	(2.5)	-1.1%	39.0%	(3.6)	-0.5%	(8.9)	-1.3%	-58.9%
- Taxes	(0.3)	-0.1%	(0.6)	-0.3%	-57.2%	(1.5)	-0.2%	(1.8)	-0.3%	-17.4%
- Other Operating Revenues	1.6	0.7%	2.7	1.2%	-39.9%	6.6	0.9%	6.7	1.0%	-1.8%
Late Payment Fees	3.7	1.5%	3.5	1.5%	6.5%	9.5	1.2%	9.5	1.4%	0.2%
Operating Result	65.1	25.9%	51.2	22.2%	27.1%	217.0	28.3%	179.1	25.6%	21.2%
- Corporate Expenses	(24.7)	-9.8%	(15.6)	-6.8%	59.1%	(66.4)	-8.7%	(43.6)	-6.2%	52.1%
Adjusted EBITDA	40.4	16.0%	35.7	15.5%	13.2%	150.6	19.6%	135.5	19.4%	11.2%
(-) Late Payment Fees	(3.7)	-1.5%	(3.5)	-1.5%	6.5%	(9.5)	-1.2%	(9.5)	-1.4%	0.2%
(-) Non-Recurring Items - EBITDA	(7.4)	-2.9%	(8.0)	-3.5%	0.0%	(15.9)	-2.1%	(16.7)	-2.4%	0.0%
EBITDA	29.3	11.6%	24.1	10.5%	21.3%	125.2	16.3%	109.2	15.6%	14.6%
Depreciation & Amortization	(13.3)	-5.3%	(10.2)	-4.4%	30.4%	(37.8)	-4.9%	(28.9)	-4.1%	30.8%
Equity Equivalence	(0.2)	-0.1%	0.0	0.0%	0.0%	(0.2)	0.0%	0.0	0.0%	0.0%
EBIT	15.8	6.3%	13.9	6.1%	13.3%	87.2	11.4%	80.3	11.5%	8.6%
Net Financial Result	(6.9)	-2.7%	(8.6)	-3.7%	-20.1%	(30.0)	-3.9%	(23.6)	-3.4%	27.0%
EBT	8.9	3.5%	5.3	2.3%	67.2%	57.2	7.5%	56.7	8.1%	0.9%
Income Tax and Social Contribution	1.3	0.5%	0.2	0.1%	438.7%	17.2	2.2%	0.6	0.1%	3012.9%
Net Income	10.2	4.0%	5.6	2.4%	83.1%	74.4	9.7%	57.3	8.2%	29.9%
(-) Non-Recurring Items - EBITDA	7.4	2.9%	8.0	3.5%	0.0%	15.9	2.1%	16.7	2.4%	0.0%
(-) Non-Recurring Items - Net Income	0.0	0.0%	0.0	0.0%	0.0%	(11.5)	-1.5%	0.0	0.0%	0.0%
Adjusted Net Income	17.6	7.0%	13.6	5.9%	29.1%	78.9	10.3%	74.0	10.6%	6.5%

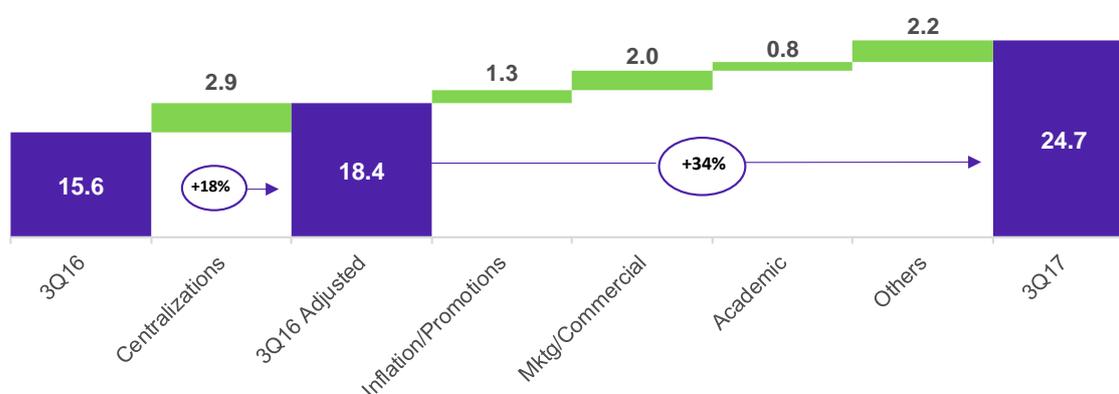
¹ Non-Recurring Items impacting EBITDA

² Non-Recurring Items impacting Net Income

Corporate Expenses

Corporate expenses totaled R\$24.7 million in 3Q17, or 9.8% of net revenue, a 3.0pp increase versus 3Q16. It is worth noting that last year we started a process to centralize certain activities, increasing the scope of our corporate departments and shared service center. This implies on the transferring of personnel and budgets from our business units to corporate cost centers, always aiming at gains of scale. These transfers accounted for R\$2.9 million of total corporate expenses in 3Q17, an 18% growth, as shown below.

Corporate Expenses



Considering this adjusted basis, we saw a 34% increase directly related to priority areas. The investment in a commercial area and the reinforcement of the student service area are already showing results in terms of both number of new students and student retention rates. We also reinforced the corporate academic area with dedicated staff and technology services. In 9M17, corporate expenses came to R\$66.4 million, or 8.7% of net revenue, a 2.5pp increase versus 9M16.

Adjusted EBITDA

Adjusted EBITDA totaled R\$40.4 million in 3Q17 (+13.2% vs. 3Q16), with a margin of 16.0%, a 0.5pp year-on-year increase. In 9M17, Adjusted EBITDA came to R\$150.6 million, with margin of 19.6%, 0.3pp above 9M16.

Non-Recurring Items

R\$ (million)	EBITDA				Net Income	
	3Q17	3Q16	9M17	9M16	9M17	9M16
Restructuring Expenses	(8.0)	(8.9)	(14.5)	(14.9)	(14.5)	(14.9)
Account Receivables Adjustments - FIES	0.6	0.9	2.4	2.7	2.4	2.7
Provision for inventory losses	0.0	0.0	(1.2)	(4.6)	(1.2)	(4.6)
2017 Refis Program (Executive Decree 766 - 1,687)	0.0	0.0	(2.5)	0.0	9.0	0.0
Total Non Recurring Items	(7.4)	(8.0)	(15.9)	(16.7)	4.4	(16.7)

¹ For further information, please go to the 2Q17 Earnings Release

Restructuring Expenses Non-recurring restructuring expenses totaled R\$8.0 million in 3Q17, due to the severance pay of professors and administrative staff following the restructuring process and 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 would be paid in the next three years adjusted for inflation (IPCA). As a result, in 2015, 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 since 2016. In this quarter, we excluded the positive impact of this adjustment, in the amount of R\$0.6 million (R\$2.4 million in 9M17).

Financial Result

R\$ (million)	Consolidated Anima				1S17	1S16
	3Q17	3Q16	9M17	9M16		
(+) Financial Revenue	9.7	16.5	30.2	43.2	20.5	26.7
Late payment fees	3.7	3.5	9.5	9.5	5.8	6.0
Interest on financial investments	3.8	7.6	12.6	17.6	8.8	10.0
Inflation adjustment - PN23 FIES acc. rec.	1.1	4.3	5.0	14.3	3.9	9.9
Other financial revenues	1.1	1.0	3.1	1.8	2.0	0.8
(-) Financial Expense	(16.7)	(25.1)	(60.5)	(66.8)	(43.9)	(41.7)
Financial debt interest expense ¹	(9.8)	(17.2)	(34.3)	(46.1)	(24.5)	(28.9)
Tax debt interest expenses	(0.2)	(0.2)	(3.7)	(0.4)	(3.4)	(0.2)
PraValer interest expenses	(4.1)	(4.2)	(12.9)	(9.2)	(8.8)	(5.1)
Accounts payable interest expenses (acquisitions)	(1.4)	(2.5)	(6.1)	(6.1)	(4.7)	(3.6)
Other financial expenses	(1.1)	(1.0)	(3.6)	(5.0)	(2.5)	(3.9)
Financial Result	(7.0)	(8.6)	(30.4)	(23.6)	(23.4)	(15.0)

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

In 3Q17, the net Financial Result came to a negative R\$7.0 million, versus a negative R\$8.6 million in the same period of 2016. Financial revenue totaled R\$9.7 million, R\$6.8 million below 3Q16, mainly due to lower income from financial investments and from the inflation adjustment of the FIES accounts receivable balance related to the PN23 agreement (R\$1.1 million in 3Q17 vs. R\$4.3 million in 3Q16).

On the other hand, the financial expense stood at R\$16.7 million, R\$8.4 million below 3Q16, mostly due to the reduction in loan interest expenses as a result of the settlement of a bank debt, which reduced the debt balance, and the decline in the CDI interest rate in the period.

In 9M17, the net Financial Result came to a negative R\$30.4 million, versus a negative R\$23.6 million in the same period of 2016.

Income Tax and Social Contribution

We continue benefiting from Prouni, which guarantees income tax and social contribution exemption for most of our business. In 3Q17, income tax and social contribution credits totaled R\$1.3 million.

We closed 9M17 with income tax credits of R\$17.2 million, R\$14.6 million of which refers to the Refis 2017 program in 2Q17, classified as non-recurring.

Adjusted Net Income

Adjusted Net Income totaled R\$17.6 million in 3Q17 (+29.1% vs. 3Q16), with a margin of 7.0% (+1.1pp vs. 3Q16). In 9M17, adjusted Net Income totaled R\$78.9 million (+6.5% vs. 9M16), with a margin of 10.3% (-0.3pp vs. 9M16).

Cash and Net Debt

R\$ (million)	Consolidated Anima		
	SEP 17	JUN 17	SEP 16
(+) Cash and Cash Equivalents	146.9	139.5	215.0
Cash	37.5	30.8	23.4
Financial Investments	109.4	108.6	191.5
(-) Loans and Financing ¹	295.5	379.0	400.8
Short Term	59.2	139.5	109.7
Long Term	236.3	239.5	291.1
(=) Net (Debt) Cash ²	(148.6)	(239.5)	(185.9)
(-) Other Short and Long Term Obligations	76.8	79.3	58.9
(=) Net (Debt) Cash ³	(225.4)	(318.8)	(244.8)

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 2017, cash and cash equivalents totaled R\$146.9 million. It is worth noting that we received the second installment related to PN23, totaling R\$48.5 million, in accordance with the schedule. Loans and financing fell R\$83.5 million from June 2017, mainly due to the amortization of bank loans.

Other short and long-term obligations represented by acquisitions and tax installments amounted to R\$76.8 million. As a result, we ended 9M17 with net debt of R\$225.4 million, representing leverage (net debt ÷ LTM adjusted EBITDA) of 1.3x.

Accounts Receivable and Days Sales Outstanding (DSO)

We ended 9M17 with net Accounts Receivable of R\$278.5 million. For management and DSO calculation purposes, we are adjusting Accounts Receivable by R\$1.8 million, comprising the R\$7.8 million adjustment recorded in 4Q15 minus the R\$6.0 million write-offs since then.

As a result, Adjusted Accounts Receivable totaled R\$280.3 million, a decline of R\$40.9 million compared to 3Q16. It is worth noting that during 3Q17 we converted FIES receivables totaling R\$75.0 million into cash, already including the second installment of the PN23.

	9M17	1S17	1Q17	2016*	9M16*	Δ 9M17 / 9M16
Net Accounts Receivable	278.5	344.5	321.0	285.6	304.0	(25.5)
Adjusted Accounts Receivable FIES	(1.8)	(2.5)	(3.3)	(4.2)	(5.1)	3.2
Adjusted Net Accounts Receivable	280.3	346.9	324.4	289.8	309.0	(40.9)
to mature	221.1	282.5	265.7	227.7	258.5	(48.0)
until 180 days	46.9	51.2	45.1	45.5	37.7	7.8
between 180 and 360 days	8.0	8.5	9.1	12.4	8.7	(1.2)
between 361 and 720 days	4.4	4.7	4.5	4.2	4.0	0.5
more than 721 days	0.0	0.0	0.0	0.0	0.0	0.0

We ended 9M17 with DSO (Days of Sales Outstanding) of 99 days, representing a 19-day decline from the same period last year. Breaking down our Accounts Receivable, we recorded a DSO of 182 days for FIES receivables, a reduction of 46 days versus 9M16. For non-FIES receivables, our DSO stood at 59 days in 9M17, a year-on-year increase of 6 days. In the other businesses line, we closed the period with a DSO of 123 days.

Total	9M17	1H17	1Q17	2016*	9M16*	Δ 9M17 / 9M16
Net Accounts Receivable	278.5	344.5	321.0	285.6	304.0	(25.5)
Adjusted Accounts Receivable FIES	(1.8)	(2.5)	(3.3)	(4.2)	(5.1)	3.2
Adjusted Net Accounts Receivable	280.3	346.9	324.4	289.8	309.0	(28.7)
Net Revenue (accumulative)	767.0	515.2	255.2	956.8	699.2	67.8
DSO	99	121	114	107	118	(19)

FIES	9M17	1S17	1Q17	2016*	9M16*	Δ 9M17 / 9M16
Net Accounts Receivable	157.0	231.4	207.1	191.7	210.4	(53.4)
Adjusted Accounts Receivable FIES	(1.8)	(2.5)	(3.3)	(4.2)	(5.1)	3.2
Adjusted Net Accounts Receivable	158.9	233.9	210.5	195.9	215.5	(56.6)
Net Revenue (accumulative)	236.1	165.5	79.0	336.4	254.9	(18.8)
DSO	182	254	240	208	227	(46)

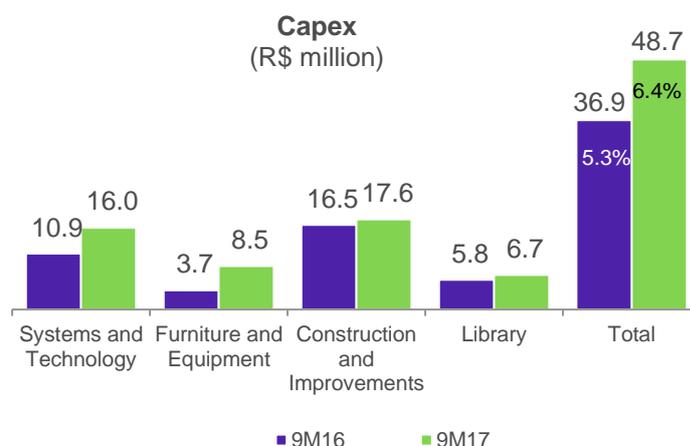
Non FIES	9M17	1S17	1Q17	2016*	9M16*	Δ 9M17 / 9M16
Net Accounts Receivable	109.0	103.6	103.9	83.7	85.0	24.0
Net Revenue (accumulative)	503.4	333.9	170.2	567.5	419.3	84.1
DSO	59	56	55	52	53	6

Others	9M17	1S17	1Q17	2016*	9M16*	Δ 9M17 / 9M16
Net Accounts Receivable	12.5	9.5	10.0	10.2	8.6	3.9
Net Revenue (accumulative)	27.5	15.8	6.0	53.0	25.0	2.5
DSO	123	108	149	61	83	39

*Weighted average DSO considering acquisitions in the last 12 months

Investments (CAPEX)

In 9M17, CAPEX totaled R\$48.7 million, or 6.4% of net revenue, a 1.1pp increase compared with the 5.3% reported in 9M16. This figure includes investments in our academic units (expansion and maintenance), new academic labs and development of our educational systems and technological platforms.



Cash Flow

	3Q17	3Q16	9M17	9M16
Net Income	10.1	5.6	74.3	57.3
Depreciation & Amortization	13.3	10.2	37.8	28.9
Interest expenses/revenues	5.0	15.7	24.9	37.7
Provisions for labor, tax and civil risks	2.8	1.6	4.6	7.2
Other non-cash adjustments	9.2	1.4	(6.3)	7.5
Contract Cancelation Whitney - Account Impact	0.0	0.0	0.0	0.0
Operating Cash Flow	40.4	34.4	135.3	138.5
Δ Accounts receivable/PDA	67.1	86.7	12.2	17.6
Δ Other assets/liabilities	21.3	5.0	29.4	(8.8)
Working Capital Variance	88.4	91.7	41.7	8.7
Free Cash Flow before CAPEX	128.9	126.1	177.0	147.2
CAPEX - Fixed and Intangible	(17.2)	(10.2)	(48.7)	(36.9)
Free Cash Flow	111.7	115.9	128.2	110.3
Financing/Investments activities	(99.1)	(88.6)	(139.9)	(27.6)
Shares held in treasury	(0.6)	0.0	(4.3)	(27.5)
Acquisitions	(4.6)	(14.2)	(10.6)	(9.8)
Dividends	(0.0)	0.0	(5.0)	(15.2)
Capital Increase LCB - Anima	0.0	0.0	(3.1)	0.0
Net Cash Flow from Financing Activities	(104.2)	(102.7)	(162.8)	(80.1)
Net Increase (Reduction) of Cash and Cash Equivalents	7.5	13.1	(34.6)	30.2
Cash at the beginning of the period	139.5	201.8	181.5	184.5
Cash at the end of the period	146.9	215.0	146.9	215.0

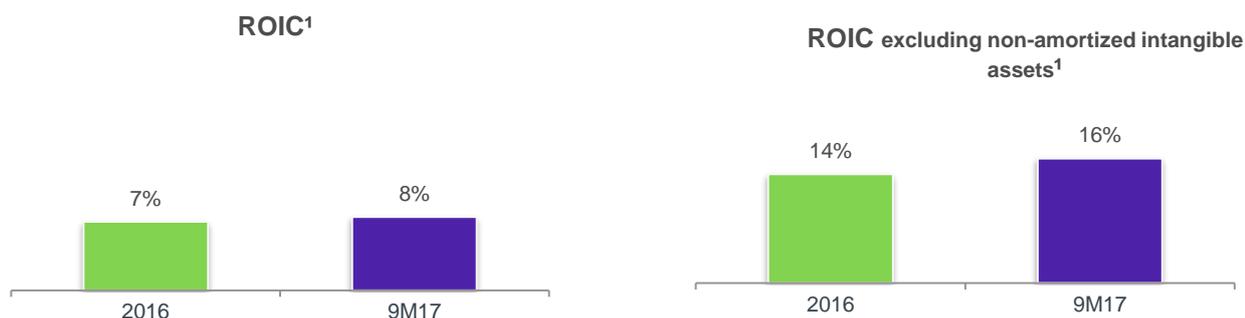
Operating Cash Flow before working capital and CAPEX came to R\$40.4 million. Our working capital was a positive R\$88.4 million, mainly due to the FIES receivables, while CAPEX came to R\$17.2 million. As a result, we ended the quarter with Free Cash Flow of R\$111.7 million.

Financing activities absorbed R\$99.1 million in 3Q17, mainly due to the settlement of a bank loan totaling R\$65.0 million, in addition to the payment of loans and bank interest. We continued executing the share buyback program, which totaled R\$0.6 million during the quarter. Accounts payable related to acquisitions (Sociesc, Una Uberlândia and Una Bom Despacho) absorbed R\$4.6 million.

As a result, we ended 3Q17 with cash and cash equivalents of R\$146.9 million, which represents positive cash flow of R\$7.5 million in relation to the position at the beginning of the period.

Return on Invested Capital (ROIC)

We monitor our financial performance through our return on invested capital (ROIC), among other metrics. At the end of 3Q17, we had a ROIC for the last twelve months of 8%. Although the improvement is still modest compared with our ambitions, we continue improving after an inflection point in our return rate in the first quarter. 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 on September 30, 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
 2016 EBIT adjusted for the impairment of HSM.

APPENDIX 1 – Reconciliation of the 3Q17 Income Statement

Ânima Consolidated R\$ (million)	3Q17							
	Release Income Statement	Depreciation & Amortization	Equity Equivalence	Corporate Expenses	Late Payment Fees	Non- Recurring Items	HSM Reclass.	IFRS Income Statement
Gross Revenue	407.4							407.4
Discounts, Deductions & Scholarships	(149.1)					0.6		(148.5)
Taxes	(6.4)							(6.4)
Net Revenue	251.8					0.6		252.4
Cash Cost of Services	(144.3)	(6.9)	0.0	0.0	0.0	(6.5)	0.1	(157.6)
- Personnel	(102.3)					(6.5)		(108.8)
- Services from Third Parties	(10.2)						0.1	(10.1)
- COGS	(0.4)							(0.4)
- Rental & Utilities	(21.5)							(21.5)
- Others	(9.9)	(6.9)						(16.8)
Gross Profit (exclud. deprec. /amort.)	107.6	(6.9)	0.0	0.0	0.0	(5.9)	0.1	94.8
Sales Expenses	(18.2)	0.0	0.0	(0.7)	0.0	0.0	0.0	(18.9)
- Provision for Doubtful Accounts (PDA)	(9.0)			(0.0)				(9.0)
- Marketing	(9.2)			(0.7)				(9.9)
General & Administrative Expenses	(26.0)	(6.4)	(0.2)	(25.2)	0.0	(0.6)	0.0	(58.3)
- Personnel	(18.0)			(18.6)		(0.4)		(37.0)
- Third Party Services	(1.7)			(2.7)				(4.4)
- Rental & Utilities	(1.0)			(0.4)				(1.4)
- Others	(5.3)	(6.4)	(0.2)	(3.5)		(0.1)		(15.6)
Other Operating Revenues (Expenses)	(2.0)	0.0	0.0	0.2	0.0	0.0	0.0	(1.8)
- Provisions	(3.4)			0.0		0.0		(3.4)
- Taxes	(0.3)			0.1				(0.2)
- Other Operating Revenues	1.6			0.1				1.8
Late Payment Fees	3.7				(3.7)			0.0
Operating Result	65.1	(13.3)	(0.2)	(25.7)	(3.7)	(6.5)	0.1	15.8
- Corporate Expenses	(24.7)			25.7		(0.9)		(0.0)
Adjusted EBITDA	40.4	(13.3)	(0.2)	0.0	(3.7)	(7.4)	0.1	15.8
(-) Late Payment Fees	(3.7)				3.7			0.0
(-) Non-Recurring Items - EBITDA	(7.4)					7.4		0.0
EBITDA	29.3	(13.3)	(0.2)	0.0	0.0	(0.0)	0.1	15.8
Depreciation & Amortization	(13.3)	13.3						0.0
Equity Equivalence	(0.2)	0.0	0.2					0.0
EBIT	15.8	0.0		0.0	0.0	(0.0)	0.1	15.8
Net Financial Result	(6.9)						(0.1)	(7.0)
EBT	8.9	0.0		0.0	0.0	(0.0)	0.0	8.9
Income Tax and Social Contribution	1.3							1.3
Net Income	10.2	0.0	0.0	0.0	0.0	(0.0)	0.0	10.1
Before Non-Controlling Interest								
Non-Controlling Interest	0.0							0.0
Net Income	10.2	0.0	0.0	0.0	0.0	(0.0)	0.0	10.1
(-) Non-Recurring Items - EBITDA	7.4					(7.4)		0.0
(-) Non-Recurring Items - Net Income	0.0					0.0		0.0
Adjusted Net Income	17.6	0.0	0.0	0.0	0.0	(7.5)	0.0	10.1

¹ Non-Recurring Items impacting EBITDA

² Non-Recurring Items impacting Net Income

APPENDIX 2 – Reconciliation of the 9M17 Income Statement

Consolidated Anima R\$ (million)	9M17							IFRS Income Statement
	Release Income Statement	Depreciation & Amortization	Equity Equivalence	Corporate Expenses	Late Payment Fees	Non- Recurring Items	HSM Reclas.	
Gross Revenue	1,212.6							1,212.6
Discounts, Deductions & Scholarships	(425.0)					2.4		(422.7)
Taxes	(20.5)							(20.5)
Net Revenue	767.0					2.4		769.4
Cash Cost of Services	(426.8)	(19.7)	0.0	0.0	0.0	(11.2)	0.4	(457.4)
- Personnel	(307.6)					(11.2)		(318.8)
- Services from Third Parties	(26.7)						0.4	(26.3)
- COGS	(2.3)							(2.3)
- Rental & Utilities	(64.0)							(64.0)
- Others	(26.3)	(19.7)						(46.0)
Gross Profit (exclud. deprec. /amort.)	340.2	(19.7)	0.0	0.0	0.0	(8.8)	0.4	312.0
Sales Expenses	(53.3)	0.0	0.0	(1.7)	0.0	0.0	0.0	(55.0)
- Provision for Doubtful Accounts (PDA)	(31.1)			(0.0)				(31.1)
- Marketing	(22.2)			(1.7)				(23.9)
General & Administrative Expenses	(81.0)	(18.0)	(0.2)	(65.8)	0.0	(3.5)	0.0	(168.5)
- Personnel	(54.9)			(48.2)		(2.1)		(105.2)
- Third Party Services	(8.3)			(7.3)		(0.1)		(15.6)
- Rental & Utilities	(3.1)			(1.0)				(4.1)
- Others	(14.7)	(18.0)	(0.2)	(9.3)		(1.3)		(43.5)
Other Operating Revenues (Expenses)	1.5	0.0	0.0	(0.1)	0.0	(2.5)	0.0	(1.1)
- Provisions	(3.6)			0.0		(2.5)		(6.2)
- Taxes	(1.5)			(0.3)				(1.7)
- Other Operating Revenues	6.6			0.2				6.8
Late Payment Fees	9.5					(9.5)		0.0
Operating Result	217.0	(37.8)	(0.2)	(67.6)	(9.5)	(14.8)	0.4	87.5
- Corporate Expenses	(66.4)			67.6		(1.2)		(0.0)
Adjusted EBITDA	150.6	(37.8)	(0.2)	0.0	(9.5)	(16.0)	0.4	87.5
(-) Late Payment Fees	(9.5)				9.5			0.0
(-) Non-Recurring Items - EBITDA	(15.9)					15.9		0.0
EBITDA	125.2	(37.8)	(0.2)	0.0	0.0	(0.1)	0.4	87.5
Depreciation & Amortization	(37.8)	37.8						0.0
Equity Equivalence	(0.2)		0.2					0.0
EBIT	87.2	0.0	0.0	0.0	0.0	(0.1)	0.4	87.5
Net Financial Result	(30.0)						(0.4)	(30.4)
EBT	57.2	0.0	0.0	0.0	0.0	(0.1)	0.0	57.1
Income Tax and Social Contribution	17.2							17.2
Net Income Before Non-Controlling Interest	74.4	0.0	0.0	0.0	0.0	(0.1)	0.0	74.3
Non-Controlling Interest	0.0							0.0
Net Income	74.4	0.0	0.0	0.0	0.0	(0.1)	0.0	74.3
(-) Non-Recurring Items - EBITDA	15.9					(15.9)		0.0
(-) Non-Recurring Items - Net Income	(11.5)					11.5		0.0
Adjusted Net Income	78.9	0.0	0.0	0.0	0.0	(4.5)	0.0	74.3

¹ Non-Recurring Items impacting EBITDA

² Non-Recurring Items impacting Net Income

APPENDIX 3 – Income Statement – IFRS

	3Q17	3Q16	9M17	9M16
Net Revenue	252.4	231.2	769.4	702.0
COST OF SERVICES	(157.6)	(153.3)	(457.4)	(434.9)
Gross (Loss) Profit	94.8	77.8	312.0	267.1
OPERATING (EXPENSES) / INCOME	(79.1)	(63.9)	(224.6)	(186.7)
Commercial	(18.9)	(16.1)	(55.0)	(48.7)
General and administrative	(58.2)	(47.2)	(168.3)	(133.3)
Equity income	(0.2)	-	(0.2)	-
Other operating (expenses) revenues	(1.8)	(0.5)	(1.1)	(4.7)
Income before Financial Result	15.8	13.9	87.5	80.3
Financial interest income	18.1	40.8	55.4	108.5
Financial interest expenses	(25.1)	(49.4)	(85.8)	(132.1)
Net (Loss) Income before Taxes	8.8	5.3	57.1	56.7
Income tax and social contribution, current and deferred	1.3	0.2	17.2	0.6
Net Income or Loss for the Period	10.1	5.6	74.3	57.3

APPENDIX 4 – Balance Sheet - IFRS

Assets	SEP 17	SEP 16	JUN 17
Current Assets	474.9	476.6	442.6
Cash and cash equivalents	37.5	23.4	30.8
Cash & financial investments	109.4	191.5	108.6
Accounts receivable	278.4	215.2	251.8
Prepaid expenses	22.9	24.8	28.2
Recoverable taxes	12.7	9.7	12.1
Derivatives	-	-	-
Other current assets	13.9	12.1	11.1
Non-Current Assets	890.4	947.0	980.6
Accounts receivable	0.1	88.8	92.7
Prepaid expenses	7.0	12.2	11.5
Judicial deposits	39.0	34.1	38.5
Credit with related parties	0.2	0.1	0.2
Recoverable taxes	13.8	6.8	14.3
Derivatives	-	-	-
Other non-current assets	19.1	15.9	18.5
Investments	2.9	-	3.1
Fixed	236.6	216.8	230.8
Intangible	571.7	572.3	571.0
Total Assets	1,365.3	1,423.6	1,423.1

Liabilities	SEP 17	SEP 16	JUN 17
Current Liabilities	218.3	252.7	283.2
Supplier	24.8	22.5	23.1
Loans	52.3	97.3	121.8
Personnel	78.2	75.1	74.6
Taxes payable	12.7	9.5	13.5
Advances from clients	30.6	29.2	20.6
Tax debt installments	0.6	0.3	0.6
Accounts payables	10.9	5.8	10.8
Dividends payables	0.0	0.0	0.0
Derivatives	6.9	12.4	17.7
Other current liabilities	1.1	0.6	0.4
Non-Current Liabilities	441.2	494.4	443.7
Loans	231.3	281.1	234.7
Accounts payables	61.2	49.2	63.7
Tax debt installments	4.0	3.7	4.2
Deferred income tax and social contribution	54.9	53.2	53.7
Provisions for risks	81.1	96.8	81.5
Derivatives	4.9	10.0	4.8
Other non-current liabilities	3.7	0.4	1.1
Shareholder Equity	705.8	676.6	696.3
Capital Stock	496.4	496.4	496.4
Capital reserve	6.6	5.9	6.6
Earnings reserve	212.3	217.2	212.3
Shares in treasury	(14.2)	(30.6)	(13.6)
Asset valuation adjustment	(69.6)	(69.6)	(69.6)
Retained earnings	74.3	57.3	64.2
Minority shareholders interest	-	-	-
Total Liabilities and Shareholder Equity	1,365.3	1,423.6	1,423.1

APPENDIX 5 – Cash Flow – IFRS

	3Q17	3Q16	9M17	9M16
Net Income for the period	10.1	5.6	74.3	57.3
Adjustments:				
Allowance for doubtful accounts	9.0	8.7	31.1	28.3
Reversal (restatement) of escrow deposits	(0.5)	(0.7)	(1.6)	(1.2)
Depreciation and amortization	13.3	10.2	37.8	28.9
Decrease in residual value of fixed and intangible assets	0.1	1.6	0.1	3.3
Equity income	0.2	-	0.2	-
Third party loans update	(0.5)	-	(1.3)	-
Losses from Loans with related parties	-	-	-	-
PUT option premium adjustment	-	-	-	-
Interest on loans, financing and tax installments	4.7	17.2	23.9	46.2
Constitution, reversal and update of provision for labor, tax and civil risks	3.4	2.3	6.2	8.4
Present value adjustments to accounts payable	1.4	2.5	6.1	6.1
FIES revenues regarding present value adjustments and monetary restatement	(1.1)	(4.0)	(5.1)	(14.7)
Share repurchase program bonuses	0.0	0.0	0.1	4.6
Shares granted to employees (Dádiva)	-	-	-	-
Alienation of treasury shares	-	-	-	-
Interest on loans with related parties	-	-	-	-
Deferred income tax and social contribution	(1.3)	(0.2)	(17.2)	(0.6)
Losses with investments	-	-	-	0.0
Losses with provision for impairment	-	-	-	-
Losses from the sale of fixed and intangible assets	-	-	-	-
Interest on tax expenses	-	-	-	-
Gain on acquisition of investment / installment	-	-	-	-
Inventory and net assets write-off	-	-	1.2	-
fair value of derivatives	10.7	-	10.7	-
	49.5	43.1	166.4	166.7
Change in operating assets and liabilities				
Decrease (increase) in trade receivables	58.0	78.0	(18.8)	(10.7)
Decrease (increase) in sundry advances	9.7	2.6	19.9	(12.5)
Decrease (increase) in escrow deposits	(0.1)	(2.2)	(4.6)	(6.8)
Decrease (increase) in recoverable taxes and contributions	0.0	(0.4)	(0.6)	0.3
Decrease (increase) in other assets	(3.0)	(1.7)	(7.4)	(2.6)
Increase (decrease) in trade payables	1.7	(0.3)	1.1	(0.1)
Increase (decrease) in payroll and related taxes	2.9	4.2	18.7	20.3
Increase (decrease) in advances from clients	10.0	4.5	11.5	5.6
Increase (decrease) of taxes and contributions paid in installments	(0.4)	0.3	(0.7)	0.1
Increase (decrease) in accounts payable	-	-	-	-
Increase (decrease) of provision for tax, civil and labor risks	(3.2)	(1.9)	(12.5)	(12.6)
Increase (decrease) in other liabilities	3.3	0.0	3.3	(0.3)
Cash from operations	79.0	83.3	9.9	(19.2)
Interest paid	(19.3)	(16.0)	(30.7)	(31.7)
Income tax and social contribution paid	(0.0)	(0.0)	(0.0)	(0.3)
Net cash flow from operating activities	109.1	110.4	145.6	115.6
Cash Flow from Investment Activities				
Loans with related parties	-	-	(0.0)	-
Concessions	-	-	-	-
Receipts	-	-	-	-
Subsidiary capital increase	-	-	(3.1)	-
Acquisitions net of cash and equivalents	-	(13.3)	-	(8.1)
(Redemption) investment of financial investments	2.4	(4.2)	45.1	(14.3)
Yields from financial investments	(3.2)	(8.1)	(12.6)	(18.0)
Acquisition of property and equipment	(13.2)	(8.4)	(36.9)	(27.7)
Acquisition of intangible assets	(4.0)	(1.8)	(11.9)	(9.2)
Net cash flow (applied) from investment activities	(17.9)	(35.8)	(19.3)	(77.2)
Cash Flow from Financial Activities				
Loans with related parties				
Funding	-	-	-	-
Amortizations	-	-	-	-
Loans and financing				
Funding	-	-	5.4	143.0
Amortizations	(57.2)	(73.7)	(86.3)	(140.7)
Gains (Losses) with Derivatives	(22.1)	-	(27.6)	-
Accounts payable amortization on controlling acquisitions	(4.6)	-	(10.6)	-
IPO costs	-	-	-	-
Acquisition of non-controlling interest	-	-	-	-
Capital increase	-	-	-	-
Shares held in treasury	(0.6)	-	(4.3)	(27.5)
Dividends paid	(0.0)	-	(5.0)	(15.2)
Net cash (applied to) flow from financing activities	(84.4)	(73.7)	(128.3)	(40.4)
Cash (Applied) Flow for the Period	6.7	0.9	(2.0)	(2.1)
Change in Cash and Cash Equivalents				
Cash and cash equivalents at the beginning of the period	30.8	22.5	39.6	25.5
Cash and cash equivalents at the end of the period	37.5	23.4	37.5	23.4
Increase (Decrease) of Cash and Cash Equivalents	6.7	0.9	(2.0)	(2.1)