Report on review of Quarterly Information - ITR

To the Board of Directors and Stockholders
Fleury S.A.
São Paulo - SP

Introduction
We have reviewed the accompanying interim financial information, individual and consolidated, of Fleury S.A. ("The Company"), comprised in the Quarterly Information Form - ITR for the quarter ended June 30, 2016, comprising the balance sheet as of June 30, 2016 and the respective statements of income and comprehensive income for the three and six month period ended at that date and changes in equity and cash flows for the six month period ended at that date, including the footnotes.

Management is responsible for the preparation of the individual interim financial information in accordance with the Technical Pronouncement CPC 21(R1) - Interim Financial Information, and the consolidated interim financial information in accordance with CPC 21(R1) and the international standard IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board - IASB, such as for the presentation of these information in accordance with the standards issued by the Brazilian Securities Commission - CVM, applicable to the preparation of Quarterly Information - ITR. Our responsibility is to express a conclusion on these interim financial information based on our review.

Review scope
We conducted our review in accordance with the Brazilian and International standards on reviews of interim information (NBC TR 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim information consists of making inquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the audit standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the parent company interim financial information
Based on our review, nothing has come to our attention that causes us to believe that the individual interim financial information included in the Quarterly Information - ITR referred to above has not been prepared, in all material respects, in accordance with CPC 21(R1) applicable to the preparation of Quarterly Information - ITR, and presented in accordance with the standards issued by the Brazilian Securities Commission - CVM.

Conclusion on the consolidated interim financial information
Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information included in the Quarterly Information - ITR referred to above has not been prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34 applicable to the preparation of Quarterly Information - ITR, and presented in accordance with the standards issued by the Brazilian Securities Commission - CVM.

Others matters

Interim information of the value added
We have also reviewed the individual and consolidated statements of value added (DVA), related to the six month period ended June 30, 2016, prepared under the responsibility of the Company's management, which presentation in the interim information is required in accordance with standards issued by the Brazilian Securities Commission - CVM applicable to the preparation of Quarterly Information - ITR, and is considered as a supplementary information under IFRS, which do not require the presentation of DVA. These statements were subject to the same review procedures described above, and based on our review, nothing has come to our attention that causes us to believe that it has not been prepared, in all material respects, in accordance with the individual and consolidated interim financial information taken as a whole.

Comparative information
The comparative information related to balance sheet, individual and consolidated, as at December 31, 2015, were audited by other independent auditors, who issued an unqualified audit report on March 3, 2016 and related to information, individual and consolidated, statements of income and comprehensive income for the three and six month period ended as at June 30, 2015 and the changes in shareholders' equity and cash flows for the six month period then ended as at June 30, 2015, were reviewed by other independent auditors, who issued an unqualified review report as at July 30, 2015. The comparative information related to Statements of value added (DVA), individual e consolidated, for the six month period then ended as at June 30, 2015 were submitted to the subject to the same review procedures by that auditor and, based in its review, that auditor issued that nothing had come to his attention that causes him to believe that the DVA had not been prepared, in all material respects, in accordance with the individual and consolidated interim financial information taken as a whole.

São Paulo, July 27, 2016

KPMG Auditores Independentes
CRC 2SP014428/O-6
(Original report in Portuguese signed by)
Marcos Antonio Boscolo
Contador CRC 1SP198789/O-0

Earnings Release
2Q16



GrupoFleury

Fleury ON (Bovespa FLRY3) (Bloomberg FLRY3 BZ; Thomson FLRY3-BR)

Debentures: BRFLRYDBS007, BRFLRYDBS015 e BRFLRYDBS023

On June 30th 2016

Shares Outstanding
156,293,356 shares

Shares Outs Diluted
158,488,690 shares

Share price
R$ 27.50 /US$ 8.57

Market cap
R$ 4,298 MM / US$ 1,399 MM

Cash and Cash Equivalents
R$ 754 MM / US$ 235 MM

Investor Relations
Phone +55 11 5014-7413
ri@grupofleury.com.br
www.fleury.com.br/ir

Conference Call
July 29th 2016

Portuguese with simultaneous translation into English
11:00 (10:00 EDT)

Phones
Participants from Brazil
+ 55 11 2188-0155

Participants from abroad:
+ 55 11 2188-0155
+1 646-843-6054

Replay:
+55 11 2188-0400

Code: Fleury
Webcast:
www.fleury.com.br/ir

São Paulo, July 28th 2016 – Grupo Fleury (BM&FBOVESPA: FLRY3) announces today its 2nd quarter (2Q16) results.

All figures are compared to the same period of 2015, unless otherwise stated.

Management comments:

Grupo Fleury continues to observe a consistent demand for its services in the second quarter of 2016, resulting in the achievement of record highs in the lines of gross and net revenues, EBITDA, net income and operating cash flow. In all segments, the Company has been maximizing the capture of the demand, with actions such as the opening of new agendas for imaging tests and the best use of the installed capacity of clinical analysis, which has ensured greater asset efficiency, demonstrated by the 19.1% and 14.9% increases in gross revenue per unit and gross revenue per m2, respectively.

Grupo Fleury's gross revenue increased 8.5% (9.8% excluding the effect of the Patient Service Centers' sale due to CADE agreement[1]), reaching R$ 577.1 MM, mainly due to performance of regional brands excluding Rio de Janeiro (17.2%) and operations in hospitals (9.8%). Net income, in turn, expanded 9.5% (R$ 525.1 MM), resulting from the continued evolution of cancellation index, which registered 2.8% this quarter, an 80 bps decrease.

The control and efficiency gains in processes of costs and expenses continued to provide improvements in relation to net revenue, mainly in the reduction of 213 bps in total costs (71.2% versus 73.3%). Efficient management of these accounts, together with the qualified revenue growth, resulted in an R$ 122.0 MM EBITDA, with a 23.2% margin in the quarter - an increase of 273 bps.

As a result of this operating performance, net income expanded 40.2% (R$ 46.1 MM) and operating cash flow reached R$ 162.5 million or 133% of EBITDA for the quarter, also reflecting the continuous improvement of management in accounts receivable.

The return, measured by ROIC without goodwill, reached 27.1% in LTM – a 911 bps expansion. In addition, the customer satisfaction rates continue to expand. Grupo Fleury's Net Promoter Score (NPS), which measures the level of recommendation after the use of services, raised 338 bps, reaching 74.9%, compared to 71.5% in 2Q15. Among the highlights that contributed to this improvement are the operations of Northeast and Rio Grande do Sul.

In order to continue generating sustainable results, the Company remain investing in projects that will boost the capture of existing demand and optimize profitability in the coming quarters. Among them are: i) the creation of the expansion area, responsible for implementing the opening up of new PSCs; ii) review of contracts and processes with suppliers (procurement project); and iii) the redesign of service processes in the Patient Service Centers (PSCs) in order to improve operational performance and quality of customer experience (lean project). Thus, the Company believes that further strengthens its competitive ability to continue delivering consistent results and creating value for all stakeholders even in a macroeconomic scenario that still shows to be challenging.

1. Effect of the PSCs' sale due to CADE agreement: effect of the sale of five PSCs in Rio de Janeiro on 4Q15 (material fact of November 11th 2015) in compliance with the agreement signed with CADE in 2014.

Financial highlights 2Q16:

- Gross revenue of R$ 577.1 MM, an 8.5% growth (+9.8% excluding the effect of the Patient Service Centers' sale due to CADE agreement).
- Patient Service Centers: gross revenue of R$ 481.2 MM, an 8.1% growth or 9.6% excluding the effect of the Patient Service Centers' (PSCs) sale due to CADE agreement (+9.0% in Same Store Sales).
  - Fleury brand grows 7.9%.
  - Regional brands excluding RJ grow 17.2%.
  - RJ expands 0.8% or 7.7% excluding the effect of the PSCs' sale due to CADE agreement.
- Diagnostic Operations in Hospitals: gross revenue of R$ 86.9 MM, a 9.8% expansion (+10.7% in *Same Hospital Sales*).
- Gross Income reaches R$ 151.3 MM (+18.2%) with a 28.8% (+213 bps).
- EBITDA of R$ 122.0 MM (+24.1%), a 23.2% margin (+273 bps).
- Net income of R$ 46.1 MM (+40.2%) and "Net Cash Income"[1] of R$ 57.8 MM (+24.7%).
- Operating cash flow of R$ 162.5 MM (+42,0%).

Quarterly financial indicators

R$ MM	2Q16	2Q15	Δ
Gross Revenue	577.1	531.8	8.5%
Net Revenue	525.1	479.6	9.5%
Gross Profit	151.3	128.0	18.2%
EBITDA	122.0	98.4	24.1%
Net Income	46.1	32.9	40.2%
Net Cash Income[1]	57.8	46.4	24.7%
Operating Cash	162.5	114.4	42.0%
Gross Margin %	28.8%	26.7%	213 bps
EBITDA Margin %	23.2%	20.5%	273 bps
Effective Tax Rate	-35.1%	-37.4%	225 bps
Net Income Margin	8.8%	6.9%	192 bps
Net Cash Income / Net Revenue	11.0%	9.7%	134 bps
Operating Cash / Net Revenue	30.9%	23.9%	707 bps
EV/EBITDA (LTM)	10.5	9.9	5.9%
P/E (LTM)	20.5	19.5	5.0%
ROE (LTM)	9.1%	5.5%	354 bps
ROIC (LTM)	9.6%	6.8%	283 bps
Adjusted ROIC (LTM)	27.1%	18.0%	911 bps

1. "Net Cash Income": excludes the impact of deferred income tax

R$ MM	Excluding non-recurring[2]			Reported		
	2016 6M	2015 6M	Δ	2016 6M	2015 6M	Δ
Gross Revenue	1,135.7	1,028.4	10.4%	1,135.7	1,028.4	10.4%
Net Revenue	1,033.1	926.4	11.5%	1,033.1	926.4	11.5%
Gross Profit	304.3	252.9	20.3%	304.3	252.9	20.3%
EBITDA	243.7	195.1	24.9%	243.7	171.1	42.5%
Net Income	90.8	64.6	40.4%	90.8	46.3	96.0%
Net Cash Income[1]	122.0	87.4	39.6%	122.0	69.1	76.6%
Operating Cash	236.4	120.7	95.9%	236.4	120.7	95.9%
Gross Margin %	29.5%	27.3%	216 bps	29.5%	27.3%	216 bps
EBITDA Margin %	23.6%	21.1%	253 bps	23.6%	18.5%	513 bps
Effective Tax Rate	-36.8%	-39.6%	282 bps	-36.8%	-39.6%	282 bps
Net Income Margin	8.8%	7.0%	181 bps	8.8%	5.0%	379 bps
Net Cash Income / Net Revenue	11.8%	9.4%	238 bps	11.8%	7.5%	436 bps
Operating Cash / Net Revenue	22.9%	13.0%	986 bps	22.9%	13.0%	986 bps
EV/EBITDA (LTM)	10.5	9.9	5864 bps	10.5	9.9	5.9%
P/E (LTM)	20.5	19.5	9854 bps	20.5	19.5	5.0%
ROE (LTM)	9.1%	5.5%	354 bps	9.1%	5.5%	354 bps
ROIC (LTM)	9.6%	6.8%	283 bps	9.6%	6.8%	283 bps
Adjusted ROIC (LTM)	27.1%	18.0%	911 bps	27.1%	18.0%	911 bps

1. "Net Cash Income": excludes the impact of deferred income tax.

2. Non-recurring item: 1Q15 results were impacted by the joining of the Company to the Installment Incentive Program of São Paulo City Hall to settle debts related to Health's Solid Waste Tax (TRSS). The agreement covered the debts from 2003 to 2013 and recognized the 2014 year liabilities, totaling R$ 27.2MM, already considered the discounts of 75% fine and 85% interest set out in that program. The impact on EBITDA was R$ (24.1MM) and in net income was R$ (18.3)MM.

General highlights:

- In May, the a+ brand completed five years. With national coverage and positioned in the high-intermediate and intermediate segments, a+ was created to consolidate the different brands of acquisitions made by Grupo Fleury in recent years and has shown substantial growth, contributing to the evolution of the Company's results.
- In July, the Company announced a dividend distribution of R$ 31.8 million. The distribution will be based on the shareholding structure of August 2nd and will be available to shareholders on August 15th.
- In July, Grupo Fleury approved at the Extraordinary General Meeting the new Stock Option Plan. A total of 3,907,334 shares may be granted, corresponding to 2.5% of the Company's capital. This plan replaces the previous one, which last grant was in 2014.
- In May, Fleury brand participated in the XXXVII Congress of the State of São Paulo Society of Cardiology (SOCESP in Portuguese). Over the three-day event, the brand's stand received 1,940 congressmen, the greatest public participation since the first Congress in 2014. In addition, the symposium "The Heart Athlete - Relevant Aspects of Cardiac Evaluation in the Present", promoted by Fleury, brought together around 600 cardiologists from all over Brazil.
- In April, Grupo Fleury's stand in the 46th São Paulo Day of Radiology (JPR 2016 in Portuguese) brought together about 1,900 visitors in the four-day event. Also in April, Grupo Fleury and the Union of Hospitals, Clinics and Laboratories of the State of São Paulo (SINDHOSP in Portuguese) promoted the 9th edition of the seminar that discusses health in the country, in search of the real sustainability of the activities and business. With about 100 participants, the event had the theme "Private health insurance: the system is in crisis" and discussed issues such as the Law 13,003 and standardization proposed by the project Supplementary Health Information Exchange (TISS in Portuguese).
- In the quarter, we completed the collective labor negotiation with the unions of São Paulo and Rio de Janeiro. In São Paulo, it was agreed a readjustment of 8.0% in two phases: 4.0% in May and the rest in November. In Rio de Janeiro, the increase was 7.0%, also divided into two stages: 4.0% in June and the rest in November
- In the quarter, Grupo Fleury and its brands won awards that attest to the quality of its services and customer relationship:

- ✓ Fleury brand is the most valuable in the medical diagnostic sector, according to the ranking of most valuable brands in Brazil produced by BrandZ and Millward Brown. According to the methodology, the brand has a value of R$ 97 MM and is in 44th position in the overall ranking.
- ✓ Grupo Fleury has been the leader in the Services category of Valor Innovation Brazil 2016, a ranking promoted by Valor Econômico, the main Brazilian financial newspaper. In the evaluation of the research, the Company stood out with OncotypeDX genetic testing, focused on research of breast, colon and prostate cancers, offered in Brazil in partnership with the US company Genomic Health. Other recognized positive factor was the launch of the Advanced Diagnostic Center for Women, which offers multidisciplinary services for the realization of all female exams.
- ✓ Fleury brand was elected for the 15th time, and the 7th consecutive one, the best in diagnostic medicine sector by Consumidor Moderno Award, promoted by Consumidor Moderno magazine, which recognizes the quality of its relationship with customers.
- ✓ Grupo Fleury won the Transparency Award 2016 in the category "Companies with net revenue up to R$ 5 bn" promoted by ANEFAC (National Association of Executives in Finance, Administration and Accounting), Fipecafi and Serasa Experian. The annual survey rewards companies with the most transparent financial statements in Brazil based on published financial statements.
- ✓ Weinmann brand was the most remembered by Porto Alegre consumers in the category of clinical analysis laboratories, according to Top of Mind survey conducted by Amanhã magazine in partnership with Segmento Pesquisas. This is the 6th time that the brand is recognized by the research, and the fourth consecutive time.

Economic scenario and sector

Macroeconomics

- The Focus survey, released by the Brazilian Central Bank on July 22nd, points out that GDP will decrease 3.27% in 2016. According to the same survey, the inflation rate should reach 7.21% in the year.
- The Broad Consumer Price Index, which anticipates the expectation for the inflation rate, is 4.62% in the first 6M16. In the last 12 months, the rate is 8.98%.
- On July 20, the Central Bank Monetary Policy Committee (Copom) announced the maintenance of the basic interest rate (Selic) at 14.25% per annum for the eighth consecutive meeting.

Employment

Data released by the General Register of Employed and Unemployed show that Brazil closed 531.8 thousand formal jobs in the 6M16. In the last 12 months, the value is negative in 1.8 million jobs.

Sector

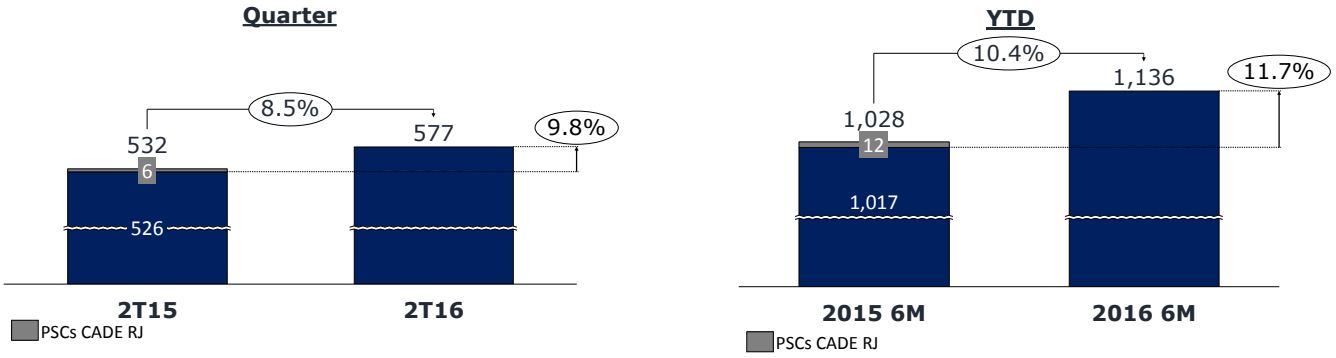
- In June, the National Health Agency (ANS in Portuguese) authorized adjustment of up to 13.75% in individual and family plans of health insurance between May 2016 and April 2017. The increase, applied to health plans contracted from January 1999 or adapted to Law No. 9,656/98, is expected to reach about 8.3 MM beneficiaries, representing 17% of total health care plans users in Brazil, according to data from April 2016.
- In May, ANS launched the Situation Room, an online tool for data search. Through an interactive panel, users can access faster data updated monthly on the national health sector and operators. Click here to access the Situation Room (Portuguese only).
- According to ANS data, about 788,000 people lost their health insurance in the first five months of the year.

Financial Performance

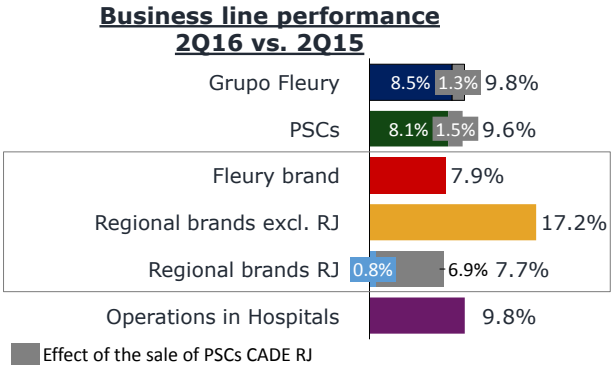
Gross revenue

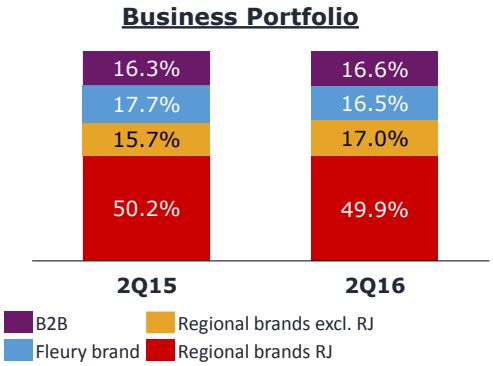
Gross revenue reaches R$ 577.1 MM in the quarter, an 8.5% growth over 2Q15 (9.8% excluding the effect of PSCs' sale due to CADE agreement), highlighting the regional brands excl. RJ, which rose 17.2%.

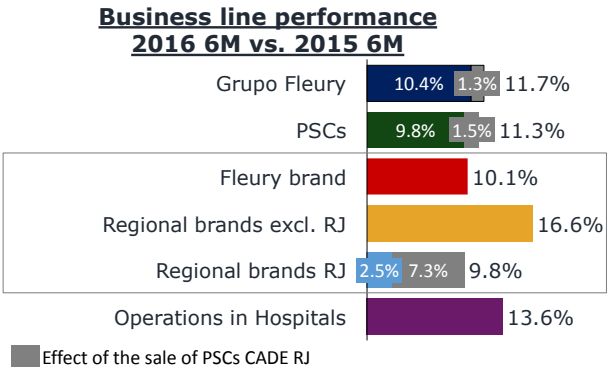
Gross revenue (R$ MM)

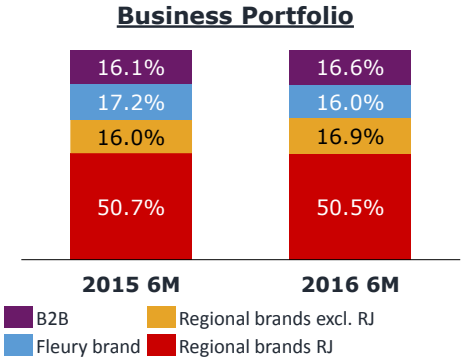


In 4Q15, the sale of five PSCs in Rio de Janeiro, called Cruzeiro do Sul, was completed (Effect of the PSCs' sale due to CADE agreement) as material fact released on November 5th 2015, fulfilling the performance agreement term signed with CADE in 2014. Due to this sale, the quarter revenue was impacted by the non-occurrence of revenue from these PSCs in November and December. For a better understanding of the growth of our operations, we show below the PSCs' growth excluding this effect.









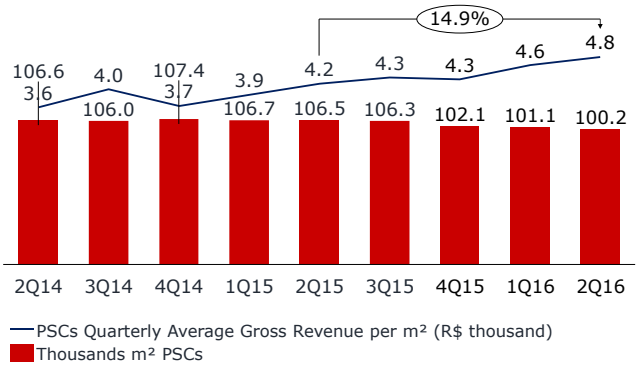
Patient Service Centers (PSCs) and PSCs Assets Efficiency

PSCs' revenue reached R$ 481.2 MM in 2Q16.

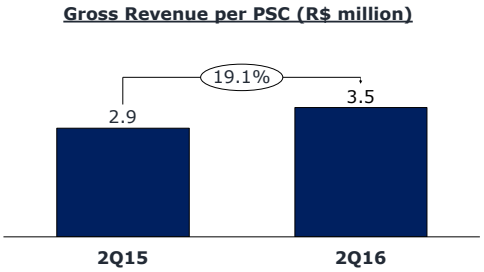
The asset efficiency measured by gross revenue per square meter grew by 14.9% in 2Q16 compared to the same period in 2015, while the efficiency of gross revenue by PSC expanded 19.1% to R$ 3.5 MM per PSC in the quarter.

In the quarter, we launched in Rio de Janeiro the Felippe Mattoso Botafogo PSC to replace Labs a+ Botafogo unit. Also in 2Q16, it was carried out the consolidation of two Labs a+ units in Penha neighborhood, in order to increase asset utilization with potential profitability improvement. With this consolidation, they were reduced 825m² of service area. We currently have 35 Labs a+ PSCs and 7 Felippe Mattoso PSCs in Rio de Janeiro.

Gross Revenue per m² per quarter



Gross Revenue per PSC (R$ million)



Gross revenue per test from Grupo Fleury's PSCs increased by 2.7%, reflecting the mix of tests registered in the quarter (impacted by the clinical analysis growth in Rio de Janeiro brands) and the price increases.

Diagnostics Operations in Hospitals expanded 12.2% in the average price, explained by the enrichment of the tests and price increases.

The lab to lab segment expanded 22.2% in the average price, due to the business repositioning with improvement in the mix of exams (ennobling) and price adjustments.

Average Gross Revenue per test (R$)

	2Q16	2Q16	Δ	2016 6M	2015 6M	Δ
Grupo Fleury	38.2	36.1	6.0%	37.8	35.5	6.4%
- Patient Service Centers	52.7	51.3	2.7%	52.6	50.0	5.2%
- Operations in Hospitals	15.2	13.6	12.2%	14.9	13.5	10.3%
- Lab to Lab	41.0	33.5	22.2%	38.4	31.7	21.4%

In the 2Q16, the PSCs grew 8.1% (9,6% excl. the effect of PSCs' sale due to CADE agreement), with a 9.0% increase in Same Store Sales (SSS).

In 2Q16, Fleury brand reported a 7.9% growth in gross revenue and 5.9% in SSS. We believe that the strong flow of news related to healthcare (H1N1, dengue and zika virus) covered by the media in 1Q16 influenced the demand to anticipate part of the 2Q16 volume of exams for the first months of the year.

In the last 12 months, the Fleury brand launched República do Líbano II PSC, which also holds the Advanced Diagnostic Center for Women, and expanded Jundiaí PSC, adding a total of 1,788m^2 in service area.

In the 2Q16, regional brands excluding Rio de Janeiro presented 17.2% growth in gross revenue and 18.1% in SSS, due to evolution in the average price (+10.2%) and better use of existing assets. Despite the seasonal effects of demand anticipation, mentioned above, the growth of regional brands, excluding Rio de Janeiro, continued to show strong growth as a result of convergent increase in offering of imaging tests with growing demand, especially in a+ SP.

Highlight to the increase in gross revenue of a+ SP (+ 23.0%) and brands in South region (+15.2%).

Rio de Janeiro's SSS increased by 10.0%, reflecting the improvement in asset efficiency in Labs a+ and Clínica Felippe Mattoso. Gross revenue grew 7.7% in the quarter, excluding the effect of the sale of the PSCs' sale due to CADE agreement.

The average price of brands of Rio de Janeiro decreased by 6.8%, mainly impacted by an increase in clinical tests in the mix of exams and its lower average prices.

Comparision 2Q16 vs. 2Q15

	2Q16 vs 2Q15			
	Fleury Brand	Regional Brands excl. RJ	Brands RJ	Total (PSCs)
Indicators PSCs				
- Gross Revenue	7.9%	17.2%	0.8%	8.1%
- Gross Revenue (excl. effect of the sale of PSCs CADE RJ)	7.9%	17.2%	7.7%	9.6%
- SSS	5.9%	18.1%	10.0%	9.0%
- Gross Revenue / Number of Tests	6.7%	10.2%	-6.8%	2.7%
- Gross Revenue / Sq. Meter	4.9%	22.2%	23.6%	14.9%
- Gross Revenue / PSC	7.9%	23.7%	24.7%	19.1%

B2B

1. Diagnostic Operations in Hospitals

Gross revenue of R$ 86.9 MM in 2Q16, a 9.8% increase due to the 12.2% growth in average price. In the concept of Same Hospital Sales (SHS), gross revenue growth was 10.7% in the period.

2. Reference laboratory (Lab-to-lab)

Gross revenue reaches R$ 7.9 MM in the quarter, a 19.3% growth.

3. Preventive Medicine

Health Promotion reaches R$ 1.2MM in gross revenue.

Revenue's Tax and Cancellations/Deductions

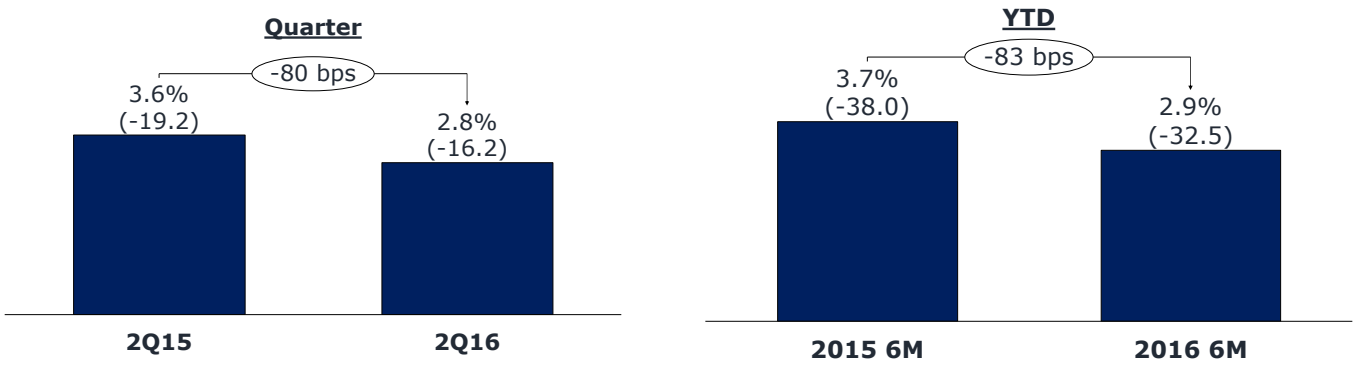
Revenue's taxes remained stable at 6.2%.

Allowances and deductions amount to 2.8% of gross revenue, R$ (16.2 MM), presenting an 80 bps reduction compared to 2Q15.

Provisions related to over 121 days past due cover 66.4% of the amount (69.7% in 2Q15). Accounts unpaid for more than 121 days represent 15.9% of total receivables (17.4% in 2Q15).

Provisions can be reverted if a payment related to receivables due to more than 121 days is identified.

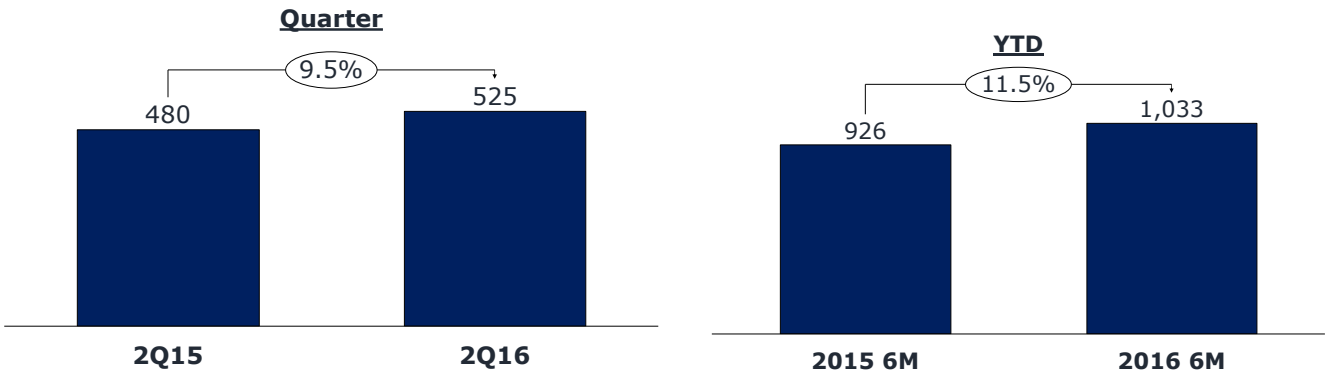
Cancellations and deductions/Gross revenue (%) and cancellations and deductions (R$ MM)



Net revenue

Net revenue of R$ 525.1 MM in the quarter, a 9.5% growth.

Net revenue (R$ MM)



As a result of growth in gross revenue and deductions in taxes and the reduction of cancellations, the composition of net revenues by business line is as follows:

Net revenue breakdown

	2Q16		2Q15		
	R$ MM	%	R$ MM	%	△
Patient Service Centers	435.2	82.9%	400.5	83.5%	8.7%
Operations in Hospitals	81.3	15.5%	71.9	15.0%	13.0%
Lab to Lab	7.5	1.4%	6.1	1.3%	23.1%
Preventive Medicine	1.1	0.2%	1.1	0.2%	4.1%
Total Net Revenue	**525.1**	**100%**	**479.6**	**100%**	**9.5%**

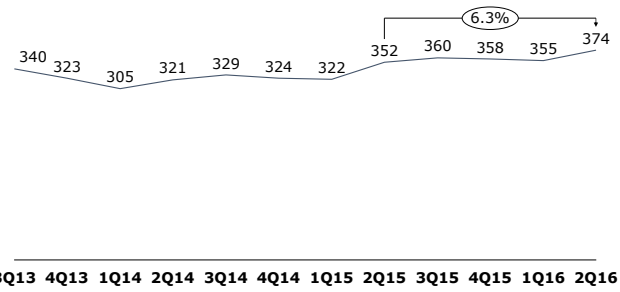
	2016 6M		2015 6M		
	R$ MM	%	R$ MM	%	△
Patient Service Centers	857.6	83.0%	774.7	83.6%	10.7%
Operations in Hospitals	159.4	15.4%	138.4	14.9%	15.2%
Lab to Lab	14.1	1.4%	11.7	1.3%	20.0%
Preventive Medicine	2.0	0.2%	1.6	0.2%	20.6%
Total Net Revenue	**1,033.1**	**100%**	**926.4**	**100%**	**11.5%**

Cost of Services

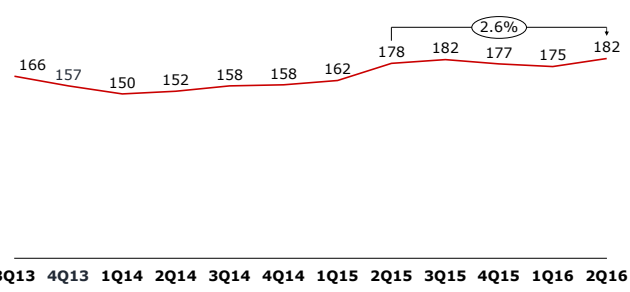
The cost of services in the 2Q16 amounted R$ 373.8 MM, representing 71.2% of net revenue, a 213 bps reduction over the same period in 2015.

Cost control and productivity improvements reflected in the dilution of fixed costs, mainly in the costs relating to 'Personnel and Medical Services'.

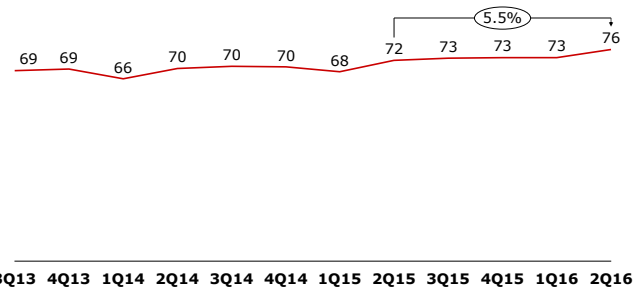
Cost of services (R$ MM)



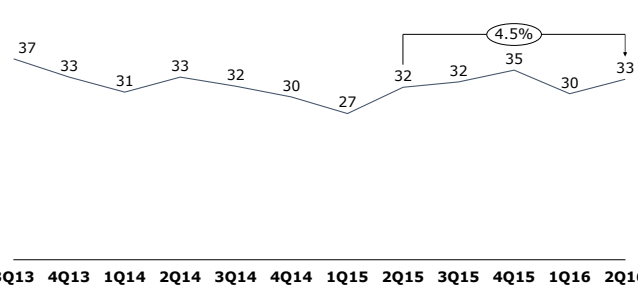
Personnel and Medical Services (R$ MM)



General Services, rentals and public. (R$ MM)



General (R$ MM)



Cost of Services

	2Q16		2Q15		2016 6M	2015 6M
	R$ MM	% Net Revenue	R$ MM	% Net Revenue	% Net Revenue	
Personnel and medical services	182.3	34.7%	177.7	37.1%	34.6%	36.7%
General services, rentals and utilities	76.4	14.6%	72.5	15.1%	14.5%	15.2%
Materials and outsourcing	54.0	10.3%	46.9	9.8%	10.0%	9.6%
General expenses	32.9	6.3%	31.5	6.6%	6.1%	6.3%
Depreciation and Amortization	28.1	5.4%	23.0	4.8%	5.3%	4.9%
Cost of Services	373.8	71.2%	351.6	73.3%	70.5%	72.7%

Below, the analysis of the main lines of costs in 2Q16 compared to 2Q15:

- **Personnel and Medical Services (+2.6%)** are the Company's main cost and represent 34.7% of net revenue in the quarter, a 233 bps reduction. Salaries and payroll taxes are the main dilution as result of efficiency gains in the operation and reduction of employees.
- **General Services, Rentals and Utilities (+5.5%)** represented 14.6% of net revenue, a 56 bps reduction. The efficiency gain in this account can be explained by the rental account that, after contract renegotiations and PSCs closure, presented a nominal evolution close to zero.
- **Materials and Outsourcing (+15.1%)** represented 10.3% of net revenue, a 50 bps increase. The increase in relation to net revenue is due to contract renegotiations with local suppliers.
- **General expenses (+4.5%)** represented 6.3% of net revenue, a 30 bps decrease compared to 2Q15. Main impacts are related to the reduction of the amounts paid for licenses software and redesign the call center's operation with cost reduction.
- **Depreciation and amortization (+22.2%)** amounted 5.4% of net revenue, a 56 bps increase compared to the previous period, due to the revision of depreciation period for medical equipment.

Gross profit

Gross profit grew 18.2%, amounting R$ 151.3 MM, with a 28.8% margin, 213 *bps* above the 2Q15 margin.

Operating expenses

Operating expenses amount to R$ 65.3 MM in 2Q16 (12.4% of net revenue vs. 12.6% in 2Q15).

	2Q16		2Q15		Excluding non-recurring		Reported	
	R$ MM	% Net Revenue	R$ MM	% Net Revenue	2016 6M % Net Revenue	2015 6M % Net Revenue	2015 6M % Net Revenue	2016 6M % Net Revenue
G&A (Excl. Depreciation and Amortization)	51.0	9.7%	46.1	9.6%	9.3%	9.7%	9.3%	9.7%
Depreciation and Amortization	8.2	1.6%	7.9	1.6%	1.6%	1.7%	1.6%	1.7%
Other Operating Income (Expenses), net	4.9	0.9%	5.1	1.1%	1.3%	1.1%	1.3%	3.7%
Provision for Contingency	1.5	0.3%	1.5	0.3%	0.6%	0.3%	0.6%	0.3%
Subsidiaries' share of profits	(0.3)	-0.1%	(0.0)	0.0%	-0.1%	0.0%	-0.1%	0.0%
Operating Expenses	65.3	12.4%	60.5	12.6%	12.7%	12.8%	12.7%	15.4%

- **General and administrative expenses, excluding depreciation and amortization (+10.7%)** represented 9.7% of net revenue, an 11 bps increase compared to 2Q15. The increase in this line is mainly related to the growth of consulting expenses due to projects for efficiency gains and to reduce costs/expenses, as well as marketing expenses with the "Fleury 90 years" campaign. We point out that expenditure on Personnel, the main line of General and Administrative Expenses, presented a nominal decrease of 5.1% in comparison to 2Q15.
- **Depreciation and amortization (+4.3%)** represented 1.6% of net revenue as well as on 2Q15.
- **Other income/(expenses)** accumulated R$ 4.9 MM and represented 0.9% of the net revenue vs. 1.1% on 2Q15.
- **Provision for contingencies** accumulated R$ 1.5 million, impacted by provisions related to labor and tax legal suits.

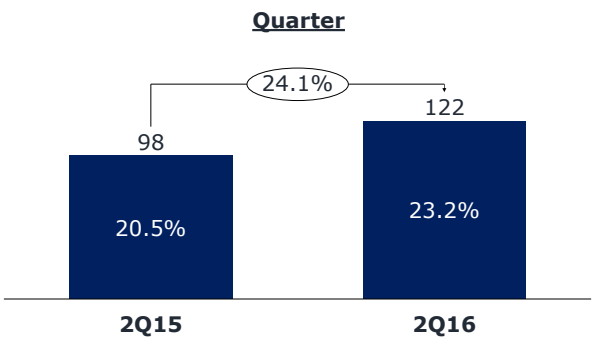
Consolidation by the the equity equivalence method: Grupo Papaiz, a dental diagnostic company in São Paulo, was acquired by Grupo Fleury and Odontoprev in the end of 2012. The figures have been reported by the equity equivalence method because the operation is characterized as a Joint Venture and Grupo Fleury holds a 51% stake of the business. Find below the performance in 2Q16:

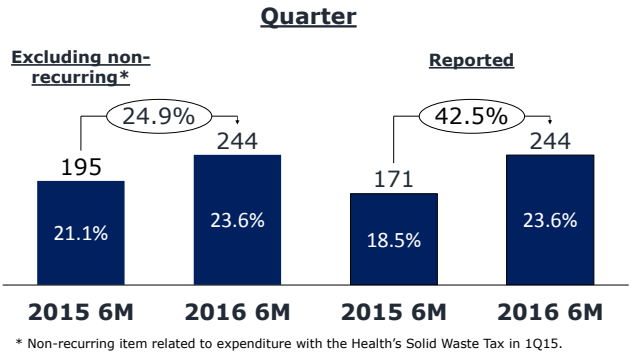
	2Q16		2016 6M	
	R$ thousand	% Net Revenues	R$ thousand	% Net Revenues
Net Revenue	8,371.3		12,359.4	
EBITDA	1,796.2	21.5%	2,571.0	20.8%
Net Income	1,124.8	13.4%	1,567.9	12.7%
Net Income attributed to Grupo Fleury (51%)	574.0		800.0	

EBITDA

EBITDA reaches R$ 122.0 MM, with a 23.2% margin, 273 bps higher than 2Q15.

EBITDA (R$ MM) and Margin (%)





* Non-recurring item related to expenditure with the Health's Solid Waste Tax in 1Q15.

	2Q16		2Q15			2016 6M	2015 6M	
	R$ MM	% Net Revenue	R$ MM	% Net Revenue	△	% Net Revenue		△
Net Income	46.1	8.8%	32.9	6.9%	192 bps	8.8%	5.0%	379 bps
Financial Result	15.0	2.9%	15.0	3.1%	-27 bps	2.8%	3.6%	-82 bps
Depreciation and Amortization	36.3	6.9%	30.9	6.4%	48 bps	6.9%	6.5%	38 bps
Income Tax and Social Contribution	24.9	4.7%	19.6	4.1%	66 bps	5.1%	3.3%	184 bps
Subsidiaries' share of profits	(0.3)	-0.1%	(0.0)	0.0%	-06 bps	-0.1%	0.0%	-06 bps
Reported EBITDA	122.0	23.2%	98.4	20.5%	273 bps	23.6%	18.5%	513 bps
Non-recurring	0.0	0.0%	0.0	0.0%	00 bps	0%	2.60%	-260 bps
EBITDA excluding non-recurring items	122.0	23.2%	98.4	20.5%	273 bps	23.6%	21.1%	253 bps

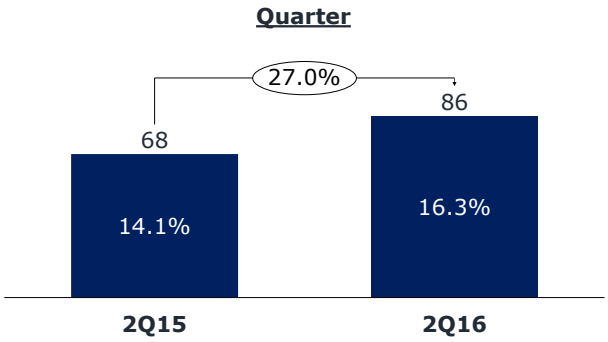
Segment analysis:

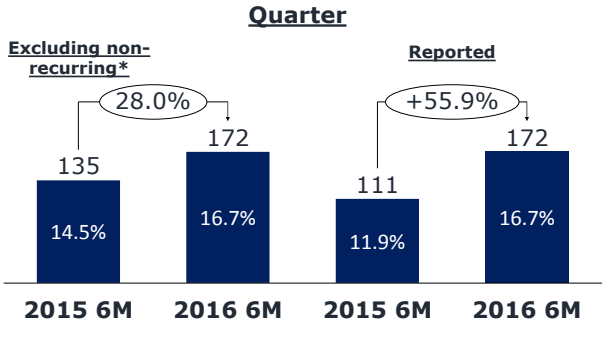
- In PSCs, EBITDA reaches R$ 104.6 MM in the quarter.
- B2B (Integrated Medicine) EBITDA amounts to R$ 17.4 MM in the quarter.

EBIT

It amount R$ 85.7 MM in the quarter, a 16.3% margin (14.1% in 2Q15).

EBIT (R$ MM) and Margin (%)





* Non-recurring item related to expenditure with the Health's Solid Waste Tax in 1Q15.

Financial result

Financial result reaches R$ (15.0) MM – same amount registered in 2Q15.

			Excl. non-recurring		Reported	
R$ million	2Q16	2Q15	2016 6M	2015 6M	2016 6M	2015 6M
Financial income (expenses), net	(15.0)	(15.0)	(29.2)	(30.6)	(29.2)	(33.8)
Financial income	25.3	19.8	48.0	36.6	48.0	36.6
Interest and inflation adjustment	2.1	3.6	4.6	6.1	4.6	6.1
Exchange rate change and hedge	0.3	0.1	0.3	0.2	0.3	0.2
Interest received	24.3	15.9	45.5	30.1	45.5	30.1
Other expenses	(1.3)	0.2	(2.4)	0.2	(2.4)	0.2
Financial expenses	(40.4)	(34.8)	(77.3)	(67.2)	(77.3)	(70.4)
Interest and inflation adjustment	(35.4)	(34.0)	(71.3)	(65.2)	(71.3)	(68.4)
Exchange rate change and hedge	(0.9)	(0.1)	(1.0)	(0.3)	(1.0)	(0.3)
Other expenses	(4.1)	(0.8)	(5.0)	(1.7)	(5.0)	(1.7)

Financing

In the quarter, the indicator net debt / EBITDA LTM reached 0.5x vs. 1.5x registered in the same period of 2015, a result of high cash generation in the period and the low cost of debt (98.2% of CDI).

R$ MM	2Q15	1Q16	2Q16	Next 12 months
Gross Debt (Loans and Financing)	1,038.6	983.7	988.7	196.7
Cash & Cash Equivalents	(544.3)	(651.4)	(753.9)	
Net Debt (Gross debt - Cash and Cash Equivalents)	**494.3**	**332.3**	**234.9**	
Net Debt / EBITDA LTM	1.5	0.8	0.5	
EBITDA LTM / Financial Result LTM	5.2	6.9	7.3	

The Company issued three series of debentures, amounting to R$ 950 million to be paid until February, 2020 as follows:

1st Issuance (First Series): R$ 150 MM; maturity in 2016; remuneration of CDI + 0.94% per year.

1st Issuance (Second Series): R$ 300 MM; maturity in 2018; remuneration of CDI + 1.20% per year.

2nd Issuance: R$ 500 MM; maturity in 2020; remuneration of CDI + 0.85% per year.

The amortization of the 1st issuance's principals occurred in the 4Q14 and 4Q15, corresponding to R$ 100 million. Additionally, it accumulated R$ 61.8 MM and R$ 155.2 MM related to amortization of interest on the 1st and 2nd series, respectively.

In August 2014, the Company signed a contract for a loan of R$ 155 MM with FINEP (Funding of Studies and Projects). Of this amount, R$ 101.7 MM was released in October 2014. The payment of the loan will be done in 97 months (24 months of grace period and 73 months for principal repayments), from the signing the contract, with an annual interest rate of 4%.

This loan is related to projects like: (i) expansion plan; (ii) technologies to increase productivity; (iii) development of the service process; (iv) education and staff development.

Income Tax and Social Contribution

The effective rate of income tax and social contribution was 35.1% (vs. 37.4% in 2Q15) totaling an R$ 24.9 MM tax (R$ 13.2 MM current).

(R$ MM)	2Q16	2Q15	2016 6M	2015 6M
Earnings Before Taxes (EBT)	71.0	52.5	143.6	76.7
Expected taxes (standard rate of 34%)	24.2	17.8	48.8	26.1
Non-deductible expenses	0.8	1.7	3.8	4.0
Subsidiaries' share of profits	(0.0)	0.0	0.2	0.3
Income tax and social contribution	24.9	19.6	52.9	30.4
% EBT	35.1%	37.4%	36.8%	39.6%
Current	13.2	6.1	21.6	7.6
Deferred	11.7	13.5	31.3	22.8

The Company has been taking benefit for tax purposes of the amortization of goodwill from acquisitions and tax losses. Below we inform the expectation for the amortization of goodwill for tax purposes.

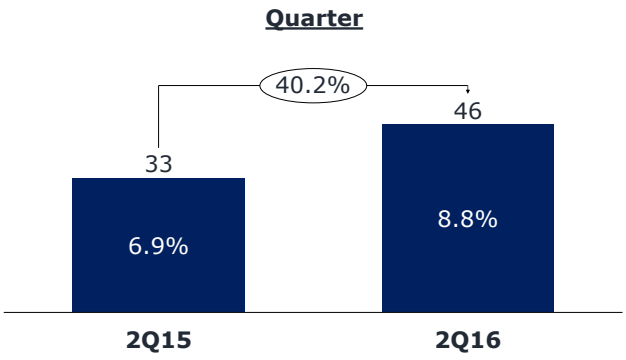
Expected Amortization of Goodwill	
Period	Balance R$ MM
Next 2016 6M	82
2017	159

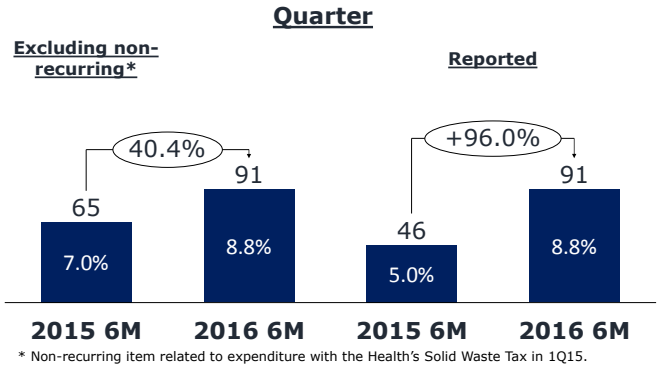
Net income

Net income expanded 40.6% in the comparison between quarters, reaching R$ 46.1 MM and an 8.8% margin (6.9% in 2Q15).

Excluding the impact of deferred taxes (net cash income), the result is R$ 57.8 MM with an 11.0% margin.

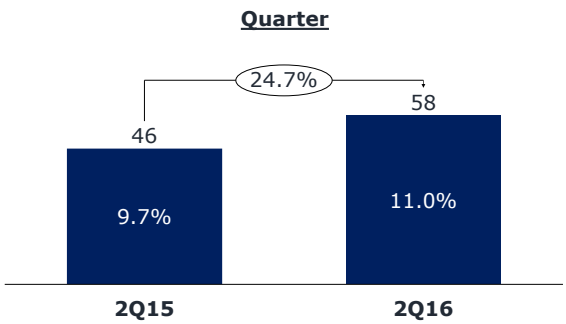
Net income (R$ MM) and Margin (%)

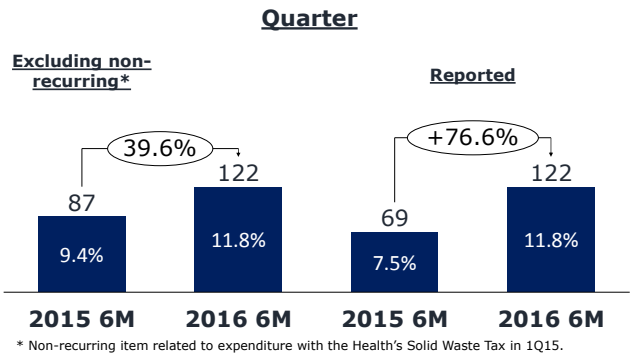




* Non-recurring item related to expenditure with the Health's Solid Waste Tax in 1Q15.

Net cash income (R$ MM) and Margin (%)





* Non-recurring item related to expenditure with the Health's Solid Waste Tax in 1Q15.

Cash flow

The operating cash flow was R$ 162.5 million in the quarter with a 42.0% growth compared to the same period last year.

In 2Q16, the change in working capital was impacted mainly by the reducing of the average collection period, which reached 68 days vs. 77 days in 2Q15. Other assets and liabilities in working capital were negatively impacted in 2Q15 by the effect of payment of the Health's Solid Waste.

R$ MM	2Q16	2Q15	Δ	2016 6M	2015 6M	Δ
Net Income	**46.1**	**32.9**	**40%**	**90.8**	**46.3**	**96.0%**
Items not affecting cash:						
Finance Income	15.0	15.0	0.0%	29.2	33.8	-13.5%
Depreciation and amortization	36.3	30.9	17.7%	71.4	60.5	18.0%
Income tax and social contribution	24.9	19.6	27.2%	52.9	30.4	73.9%
Provisions (Reversals)	24.6	27.5	-10.3%	52.8	46.2	14.1%
Others	4.4	2.4	86.1%	13.1	7.4	78.4%
Net Income before non-cash effects	**151.5**	**128.2**	**18.1%**	**310.2**	**224.6**	**38.1%**
Δ Working capital:						
Trade accounts receivables	1.3	6.0	-77.7%	(55.2)	(83.1)	33.6%
Suppliers	1.3	7.7	-83.0%	(7.0)	(11.3)	37.9%
Salaries / Charges	4.8	10.2	-52.8%	(12.7)	15.9	-179.6%
Others Assets and Liabilities	15.6	(29.0)	153.7%	20.3	(15.8)	228.3%
Other Operating Cash Flow:						
Financial Expenses paid	(1.2)	(1.0)	-19.2%	(2.2)	(1.8)	-21.4%
Income tax and social contribution paid with credits	(10.8)	(7.6)	-41.6%	(17.0)	(7.8)	-117.8%
Operating Cash Flow	**162.5**	**114.4**	**42.0%**	**236.4**	**120.7**	**95.9%**
Investment Activities:						
Others Investments Activities	(35.3)	(22.7)	-55.4%	(60.4)	(39.9)	-51.3%
Marketable Securities	0.0	0.0	0.0%	(0.4)	0.0	0.0%
Acquisitions	0.0	(0.1)	100.0%	(5.2)	(5.3)	1.7%
Financing Activities						
Others Financing Activities	(3.3)	(11.8)	71.5%	(19.8)	(29.9)	33.8%
Dividends and/or interest on own capital	(21.4)	(6.5)	-228.6%	(21.4)	(6.5)	-228.6%
Cash Flow	**102.4**	**73.4**	**39.6%**	**129.3**	**39.1**	**231.1%**
Conversion (Operating Cash Flow / EBITDA)	**133%**	**116%**	**1.678 bps**	**97%**	**71%**	**2.643 bps**

Account Receivables

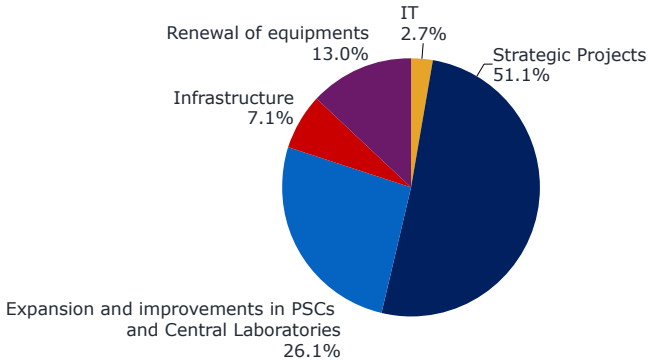
Comparing quarters, there is an improvement in the aging profile with current receivables accounting for 76.1% of the total compared to 67.1% in 2Q15. The amount over 121 days decreased from 17.4% to 15.9% in this quarter.

R$ MM	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16
Trade Receivables	497.0	495.0	440.4	524.6	497.9	482.5	442.7	481.9	470.8
- Current	259.2	281.4	258.3	315.2	334.1	352.2	323.6	362.1	358.4
- Up to 120 days past due	79.7	103.0	102.4	116.6	77.3	57.8	54.0	54.2	37.8
- 121 to 360 days past due	68.2	59.2	50.6	54.8	50.6	42.7	37.8	40.9	45.3
- Over 360 days past due	89.9	51.4	29.1	37.9	35.9	29.7	27.3	24.8	29.4
Sales Deductions Provisions	(103.9)	(73.3)	(50.2)	(60.7)	(60.3)	(49.6)	(45.1)	(43.7)	(49.5)
Total	393.1	421.7	390.2	463.9	437.6	432.8	397.5	438.3	421.3
Current / Trade Receivables	52.2%	56.9%	58.6%	60.1%	67.1%	73.0%	73.1%	75.1%	76.1%
Up to 120 days past due/ Trade Receivables	16.0%	20.8%	23.3%	22.2%	15.5%	12.0%	12.2%	11.3%	8.0%
Over 121 days past due / Trade Receivables	31.8%	22.3%	18.1%	17.7%	17.4%	15.0%	14.7%	13.6%	15.9%
Provisions / Over 121 days past due	65.7%	66.3%	63.0%	65.4%	69.7%	68.6%	69.3%	66.5%	66.4%

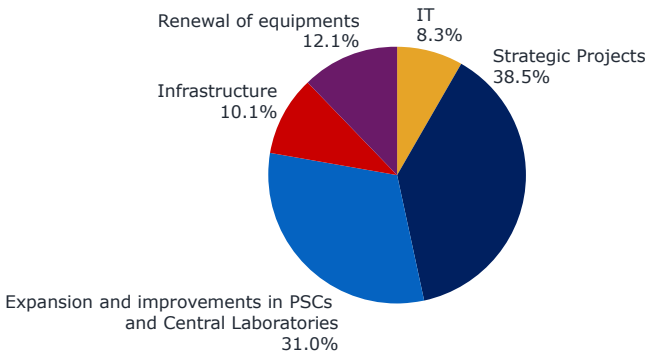
Investments

CAPEX (additions to fixed and intangible assets) totaled R$ 35.3 MM, mainly concentrated in (i) strategic projects and (ii) expansion and improvements in PSCs and central laboratories.

2Q16 (R$ 35.3 MM)



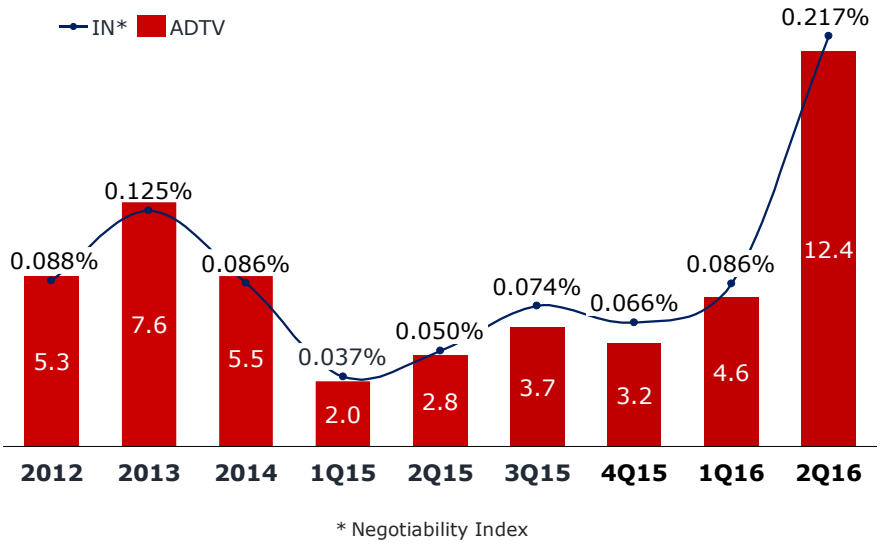
6M16 (R$ 60.4 MM)



Stock Market Performance

Fleury shares (BM&FBOVESPA: FLRY3) end up the 2Q16 at R$ 27.50, a 37.6% increase over 2Q16. Average Daily Trade Volume (ADTV) in period was R$ 12.4 MM, 4.4 times higher than the same period in 2015.

Average Daily Trade Volume (ADTV) – R$ MM



* Negotiability Index

Investor Relations
Phone: + 55 11 5014-7413 | **E-mail:** ri@grupofleury.com.br | **Website:** www.fleury.com.br/ir
Address: Avenida General Valdomiro de Lima, 508 - 04344-903 - São Paulo, SP – Brasil

Performance Indicators

Income Statment	Description	Unit	2Q14	3Q14	4Q14	1Q15*	2Q15	3Q15	4Q15	1Q16	2Q16
Gross Revenue	Gross Revenue	R$ MM	461.5	504.5	470.1	496.7	531.8	547.0	521.8	558.6	577.1
Net Revenue	Gross Revenue - Tax (ISS and PIS/COFINS) - Cancellations	R$ MM	408.5	452.3	422.5	446.9	479.6	495.5	473.0	507.9	525.1
COGS	Personnel and Medical Services + Materials and Outsourcing + General Services, Rent and Utilities + General Expenses + Depreciation and Amortization	R$ MM	-320.6	-329.4	-323.9	-322.0	-351.6	-360.3	-358.2	-355.0	-373.8
SG&A	Does not include Other Operating Expenses / Revenues neither Contingency Provisions	R$ MM	-46.6	-49.9	-60.6	-51.5	-53.9	-57.9	-58.9	-53.1	-59.2
EBIT	Earnings Before Interest and Taxes	R$ MM	41.3	68.6	39.8	67.1	67.5	70.6	54.4	86.6	85.7
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization	R$ MM	69.6	97.5	69.1	96.7	98.4	101.9	85.1	121.7	122.0
Net Finance Income	Interest Revenue - Interest Expenses	R$ MM	-15.7	-16.5	-14.4	-15.6	-15.0	-15.9	-13.4	-14.2	-15.0
Net Income	Net Income	R$ MM	16.3	31.0	12.4	31.8	32.9	35.2	25.9	44.7	46.1
Net Cash Income	Net Income - Deferred income tax		25.6	52.2	25.3	41.1	46.4	49.8	37.7	64.2	57.8
Cancellation Index	Cancellations / Gross Revenue	%	-5.1%	-4.0%	-3.8%	-3.8%	-3.6%	-3.2%	-3.1%	-2.9%	-2.8%
Gross Margin	Gross Profit / Net Revenue	%	21.5%	27.2%	23.3%	27.9%	26.7%	27.3%	24.3%	30.1%	28.8%
EBIT Margin	Earnings Before Interest and Tax / Net Revenue	%	10.1%	15.2%	9.4%	15.0%	14.1%	14.3%	11.5%	17.0%	16.3%
EBITDA Margin	Earnings Before Interest, Tax, Depreciation and Amortization / Net Revenue	%	17.0%	21.6%	16.3%	21.6%	20.5%	20.6%	18.0%	24.0%	23.2%
Effective Tax Rate	Current Tax / Earnings Before Tax	%	-36.4%	-40.6%	-51.0%	-44.6%	-37.4%	-35.8%	-36.8%	-38.5%	-35.1%
Net Margin	Net Profit / Net Revenue	%	4.0%	6.9%	2.9%	7.1%	6.9%	7.1%	5.5%	8.8%	8.8%
Net Cash Income Margin	(Net Income - Deferred income tax) / Net Revenue	%	6.3%	11.5%	6.0%	9.2%	9.7%	10.1%	8.0%	12.6%	11.0%
Market and Multiples											
Price	Closing price in the last day of the quarter	R$	16.8	14.2	16.3	16.0	18.3	16.3	16.0	21.6	27.5
P/E LTM (Price-to-Earnings Ratio)	Quarter Closing Price / Net Cash Income LTM	Multiple	28.9	20.5	19.5	17.3	17.4	15.6	14.3	17.0	20.5
P/B (Price-to-Book Ratio)	Quarter Closing Price / (Asset excl. Intangibles)	Multiple	1.6	1.3	1.6	1.5	1.6	1.4	1.5	1.9	2.4
EV / EBITDA LTM	(Market Capitalization + Short and Long Term Debt - Cash and Equivalents) / EBITDA LTM	Multiple	12.3	9.7	10.3	9.2	9.3	8.1	7.5	9.1	10.5
Financial Debt											
Cash & Equivalents	Cash & Equivalents	R$ MM	481.8	518.8	505.3	471.0	544.3	617.1	624.6	651.4	753.9
Gross Debt	Short and Long Term Debts (Borrowings and Debentures)	R$ MM	984.7	984.9	1,038.8	1,035.2	1,038.6	1,037.8	990.0	983.7	988.7
Net Debt	Gross Debt - Cash and Cash equivalents	R$ MM	502.9	466.2	533.5	564.2	494.3	420.7	365.4	332.3	234.9
Net Debt / EBITDA LTM	(Gross Debt - Cash and Cash equivalents) / EBITDA LTM	R$ MM	2.0	1.7	1.8	1.7	1.4	1.1	1.0	0.8	0.5
Profitability and Return											
ROIC without Goodwill (LTM)	NOPAT LTM (tax= 34%) / Capital Employed (Shareholders Equity + Net Debt - Goodwill)	%	11.8%	13.4%	15.3%	17.0%	20.0%	20.7%	22.9%	23.7%	27.1%

* 1Q15 results were adjusted by non-recurring item: joining of the Company to the Installment Incentive Program of São Paulo City Hall to settle debts related to Health's Solid Waste Tax (TRSS). The agreement covered the debts from 2003 to 2013 and recognized the 2014 year liabilities, totaling R$ 27.2MM, already considered the discounts of 75% fine and 85% interest set out in that program. Impact in EBTIDA was R$ (24.1MM) and in net profit it was R$ (18.3MM).

FLEURY S.A. CONSOLIDATED
BALANCE SHEETS AS AT JUNE 30, 2016 AND JUNE 30, 2015
(In thousands of Brazilian - R$)

	Consolidated	
Assets	**6/30/2016**	**3/31/2016**
Current Assets		
Cash and cash equivalents	753,887	651,448
Derivative financial Instruments	-	3
Marketable Securities	5,390	5,220
Trades receivables	421,282	438,256
Inventories	15,904	12,780
Taxes recoverable	60,501	71,276
Other assets	29,764	26,717
Total current assets	**1,286,728**	**1,205,700**
Non-current Assets		
Taxes recoverable	-	-
Judicial deposits	41,649	42,079
Receivables	13,941	31,052
Other assets	15,141	19,452
Total long-term assets	**70,731**	**92,583**
Fixed Assets		
Investments	8,208	7,860
Property and equipment	429,397	435,480
Intangible	1,515,226	1,510,440
Total non-current assets	**2,023,562**	**2,046,362**
Total Assets	**3,310,290**	**3,252,062**

	Consolidated	
Equity and Liabilities	**6/30/2016**	**3/31/2016**
Current Liabilities		
Debentures	179,828	173,893
Financing	16,882	12,997
Derivative Financial Instruments	397	25
Trade payables	106,906	102,298
Payroll and related taxes	85,870	73,709
Taxes and contributions payable	28,866	28,076
Payables - business acquisitions	316	306
Other payables	164	10,755
Total current liabilities	**419,229**	**402,059**
Non-current Liabilities		
Debentures	700,000	700,000
Financing	92,039	96,813
Deferred income tax and social contribution	272,237	260,534
Provision for tax, labor and civil risks	37,132	35,921
Taxes and contributions payable	44,991	47,558
Payables - business acquisitions	8,506	8,681
Total non-current liabilities	**1,154,905**	**1,149,507**
Equity		
Share capital	1,379,747	1,379,747
Capital reserve - stock options	5,986	5,670
Revaluation reserve	208	225
Legal reserve	43,213	43,213
Investment reserve	216,239	216,215
Period Profit	90,763	44,661
Additional dividend proposed	-	10,766
Total Equity	**1,736,156**	**1,700,497**
Total Liabilities and Equity	**3,310,290**	**3,252,063**

FLEURY S.A. CONSOLIDATED
NET INCOME STATEMENT FOR THE PERIODS ENDED JUNE 30, 2016 AND JUNE 30, 2015 (In thousands of Brazilian - R$)

	Consolidated		Consolidated	
	2Q16	2Q15	2016 6M	2015 6M
Service revenue	**525,123**	**479,552**	**1,033,068**	**926,448**
Cost of services	(373,806)	(351,557)	(728,813)	(673,587)
Gross Profit	**151,317**	**127,995**	**304,255**	**252,861**
Operating (expenses) income				
General and administrative expenses	(50,996)	(46,058)	(95,911)	(90,132)
Depreciation and Amortization	(8,193)	(7,852)	(16,388)	(15,292)
Other operating income (expenses), net	(4,885)	(5,091)	(13,629)	(34,067)
Provision for tax, labor and civil risks	(1,524)	(1,493)	(6,030)	(2,847)
Share of profits (losses) of subsidiaries/ investees	348	27	574	(32)
Operating profit before finance income (costs)	**86,067**	**67,528**	**172,871**	**110,491**
	-	-	-	-
Finance income	25,324	19,807	48,048	36,579
Finance costs	(40,359)	(34,840)	(77,274)	(70,357)
Finance costs, net	**(15,035)**	**(15,034)**	**(29,226)**	**(33,778)**
Profit before income tax and social contribution	**71,032**	**52,495**	**143,645**	**76,713**
Income tax and social contribution:				
Current	(13,229)	(6,135)	(21,596)	(7,616)
Deferred	(11,702)	(13,472)	(31,286)	(22,785)
Profit for the period	**46,101**	**32,887**	**90,763**	**46,311**
Earnings per share attributable to owners of the Company				
Basic earnings per share (weighted average)	**0.29**	**0.21**	**0.58**	**0.30**
Diluted earnings per share (weighted average)	**0.29**	**0.21**	**0.57**	**0.30**

FLEURY S.A. CONSOLIDATED
STATEMENTS OF CHANGES IN EQUITY (CONSOLIDATED) FOR THE PERIOD ENDED JUNE 30, 2016 (In thousands of Brazilian - R$)

	Capital		Capital Reserve	Revaluation reserve	Legal Reserve	Investment Reserve		Additional dividend proposed	Equity
	Capital	Share issue costs	Stock options			Investment Reserve	Period Net Profit		
Balances at 12/31/2015	**1,402,531**	**(22,784)**	**5,709**	**242**	**43,213**	**215,762**	**-**	**10,766**	**1,655,439**
Realization of revaluation reserve	-	-	-	(34)	-	34	-	-	-
Stock option plan	-	-	277	-	-	443	-	-	720
Profit for the period (R$ 0.58 per share)	-	-	-	-	-	-	90,763	-	90,763
Dividends	-	-	-	-	-	-	-	(10,766)	(10,766)
	-	-	-	-	-	-	-	-	-
Balances at 03/31/2016	**1,402,531**	**(22,784)**	**5,986**	**208**	**43,213**	**216,239**	**90,763**	**-**	**1,736,156**

FLEURY S.A. CONSOLIDATED
STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED JUNE 30, 2016 AND JUNE 30, 2015
(In thousands of Brazilian - R$)

	Consolidated		Consolidated	
	2Q16	2Q15	2016 6M	2015 6M
Profit for the period	**46,101**	**32,887**	**90,762**	**46,311**
Items not affecting cash:				
Income tax and social contribution	24,931	19,607	52,882	30,402
Finance income (costs)	15,036	15,033	29,226	33,777
Depreciation and amortization	36,326	30,867	71,446	60,538
Share of profits (losses) of subsidiaries/ investees	(348)	(27)	(574)	32
Earnings before interest, taxes, depreciation and amortization	**122,046**	**98,367**	**243,743**	**171,060**
Stock option plan	324	636	721	1,318
Recognition (reversal) of provision for tax, labor and civil risks	1,524	1,492	6,030	2,846
Allowance for doubtful debts and disallowances	15,625	20,274	31,418	35,627
Profit sharing	7,169	5,064	14,599	6,443
Others	4,774	2,405	13,698	7,325
Cash flows from operating activities before changes in assets and liabilities	**151,462**	**128,239**	**310,209**	**224,620**
Trade receivables	1,329	5,967	(55,206)	(83,130)
Inventories	(3,278)	(4,482)	230	(1,115)
Trade payables	1,310	7,713	(6,998)	(11,277)
Payroll and related taxes	4,793	10,154	(12,668)	15,905
Changes in other assets	23,807	10,954	28,353	(3,470)
Changes in other liabilities	(4,964)	(35,478)	(8,321)	(11,207)
Total changes in assets and liabilities	**22,996**	**(5,172)**	**(54,610)**	**(94,294)**
Finance costs paid	(1,209)	(1,014)	(2,202)	(1,814)
Income tax and social contribution paid	(10,798)	(7,624)	(16,950)	(7,784)
Net cash provided by operating activities	**162,451**	**114,429**	**236,447**	**120,728**
Purchase of property and equipment and IT systems	(35,300)	(22,710)	(60,408)	(39,938)
Marketable Securities	-	-	(357)	-
Payments of acquired businesses	-	(89)	(5,205)	(5,297)
Net cash (used in) investing activities	**(35,300)**	**(22,799)**	**(65,970)**	**(45,235)**
Amortization borrowings and debentures	(909)	(909)	(1,818)	(1,818)
Interest paid on borrowings	(1,113)	(1,163)	(2,227)	(2,312)
Interest paid on debentures	(25,439)	(25,611)	(60,976)	(55,905)
Interest received on financial investments	24,095	15,921	45,191	30,095
Dividends and/or interest on own capital	(21,362)	(6,500)	(21,362)	(6,500)
Dividends received Papaiz	17	-	17	-
Net cash (used in) financing activities	**(24,711)**	**(18,262)**	**(41,176)**	**(36,440)**
Increase (decrease) in cash and cash equivalents	**102,440**	**73,368**	**129,301**	**39,053**
Cash and cash equivalents				
At the beginning of the period	651,448	470,959	624,586	505,274
At the end of the period	753,887	544,326	753,887	544,326
Increase (decrease) in cash and cash equivalents	**102,440**	**73,368**	**129,301**	**39,053**

FLEURY S.A. CONSOLIDATED
STATEMENTS OF VALUE ADDED
FOR THE PERIODS ENDED JUNE 30, 2016 AND JUNE 30, 2015
(In thousands of Brazilian - R$)

	Consolidated	
	6/30/2016	6/30/2015
Revenues	**1,115,342**	**994,798**
Sales of goods and services	1,135,703	1,028,447
Allowance for doubtful debts and disallowances	(31,418)	(35,627)
Other revenues	11,057	1,978
Inputs purchased from third parties	**(414,184)**	**(371,116)**
Cost of sales and services	(309,189)	(280,286)
Materials, electric power, outsoursing services and other	(104,724)	(90,631)
Losses/Recovery of assets	(271)	(199)
Gross value added	**701,158**	**623,682**
Depreciation and amortization	(71,446)	(60,539)
Net value added	**629,712**	**563,143**
Value added received through transfer	**48,622**	**36,547**
Share of profits (losses) of subsidiaries/ investees	574	(32)
Finance income	48,048	36,579
Total value added	**678,334**	**599,690**
Distribution of value added	**(678,334)**	**(599,690)**
Personnel and payroll charges	(282,372)	(278,221)
Taxes and contributions	(127,455)	(97,899)
Interest, rentals and other operating expenses	(177,744)	(177,259)
Dividends and/or Interest on Equity	-	(6,500)
Retained earnings	(90,763)	(39,811)

FLEURY S.A. AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION
In thousands of Brazilian reais - R$)

Assets	Note	Parent Company 06/30/2016	Parent Company 12/31/2015	Consolidated 06/30/2016	Consolidated 12/31/2015
Current assets					
Cash and cash equivalents	4	750.115	624.110	753.887	624.586
Marketable securities		5.390	4.703	5.390	4.703
Trade receivables	6	418.354	391.184	421.282	397.521
Inventories	7	15.904	16.406	15.904	16.406
Taxes recoverable	8	59.551	74.005	60.501	74.913
Other assets		29.764	14.081	29.764	14.081
Total current assets		**1.279.078**	**1.124.489**	**1.286.728**	**1.132.210**
Non-current assets					
Taxes recoverable	8	-	14.758	-	14.758
Judicial deposits	9	41.646	42.236	41.649	42.238
Receivables	10	13.942	31.052	13.941	31.052
Other assets		15.141	19.205	15.141	19.205
Investments	11	28.160	28.542	8.208	7.634
Property and equipment	12	427.939	441.139	429.397	443.183
Intangible assets	13	1.502.148	1.500.334	1.515.226	1.513.717
Total non-current assets		**2.028.976**	**2.077.266**	**2.023.562**	**2.071.787**
Total assets		**3.308.054**	**3.201.755**	**3.310.290**	**3.203.997**

Liabilities and equity	Note	Parent Company 06/30/2016	Parent Company 12/31/2015	Consolidated 06/30/2016	Consolidated 12/31/2015
Current liabilities					
Financing	14	16.882	9.080	16.882	9.080
Debentures	15	179.828	179.343	179.828	179.343
Derivative financial instruments	5	397	-	397	-
Trade payables	16	105.993	103.682	106.906	104.517
Payroll and related taxes	17	85.870	83.890	85.870	83.890
Taxes and contributions payable	18	28.718	24.760	28.866	24.949
Payable - company acquisition	19	316	4.616	316	4.616
Other accounts payable		164	11.263	164	11.263
Total current liabilities		**418.168**	**416.634**	**419.229**	**417.658**
Non-current liabilities					
Financing	14	92.039	101.604	92.039	101.604
Debentures	15	700.000	700.000	700.000	700.000
Deferred income tax and social contribution, net	20	271.827	240.450	272.237	240.951
Provision for tax, labor and civil risks	21	37.132	33.759	37.132	33.759
Taxes and contributions payable	18	44.991	48.095	44.991	48.095
Payable - company acquisition	19	7.741	5.774	8.506	6.491
Total non-current liabilities		**1.153.730**	**1.129.682**	**1.154.905**	**1.130.900**
Equity					
Share capital	24a	1.379.747	1.379.747	1.379.747	1.379.747
Capital reserve - options granted recognized		5.986	5.709	5.986	5.709
Reappraisal reserve		208	242	208	242
Legal reserve		43.213	43.213	43.213	43.213
Investment reserve		216.239	215.762	216.239	215.762
Profit for the period		90.763	-	90.763	-
Additional dividends proposed	24b	-	10.766	-	10.766
Total equity		**1.736.156**	**1.655.439**	**1.736.156**	**1.655.439**
Total liabilities and equity		**3.308.054**	**3.201.755**	**3.310.290**	**3.203.997**

The notes are an integral part of the interim financial information.

FLEURY S.A. AND SUBSIDIARIES

STATEMENT OF INCOME
SIX-MONTH PERIODS ENDED JUNE 30
(In thousands of Brazilian reais - R$, except earnings per share)

	Note	Parent Company				Consolidated			
		04/01/2016 to 06/30/2016	01/01/2016 to 06/30/2016	04/01/2015 to 06/30/2015	01/01/2015 to 06/30/2015	04/01/2016 to 06/30/2016	01/01/2016 to 06/30/2016	04/01/2015 to 06/30/2015	01/01/2015 to 06/30/2015
Service revenue	26	**522.417**	**1.028.354**	**476.974**	**921.822**	**525.123**	**1.033.069**	**479.552**	**926.448**
Cost of services	27	(370.625)	(722.931)	(348.753)	(667.792)	(373.806)	(728.813)	(351.557)	(673.587)
Gross profit		**151.792**	**305.423**	**128.221**	**254.030**	**151.317**	**304.256**	**127.995**	**252.861**
Operating income (expenses)									
General and administrative	28	(59.189)	(112.299)	(53.911)	(105.425)	(59.189)	(112.299)	(53.911)	(105.425)
Other operating income (expenses), net	29	(4.886)	(13.416)	(5.089)	(34.058)	(4.885)	(13.631)	(5.090)	(34.067)
Provision for tax, labor and civil risks	21	(1.524)	(6.030)	(1.493)	(2.847)	(1.524)	(6.030)	(1.493)	(2.847)
Equity in the earnings (losses) of subsidiaries	11	76	(562)	(108)	(1.028)	348	575	27	(32)
Operating profit before financial result		**86.269**	**173.116**	**67.620**	**110.672**	**86.067**	**172.871**	**67.528**	**110.490**
Financial income	30	25.210	47.912	19.766	36.503	25.324	48.048	19.806	36.579
Financial expenses	30	(40.401)	(77.292)	(34.811)	(70.302)	(40.359)	(77.274)	(34.840)	(70.357)
Financial result		**(15.191)**	**(29.380)**	**(15.045)**	**(33.799)**	**(15.035)**	**(29.226)**	**(15.034)**	**(33.778)**
Earnings before income tax and social contribution		**71.078**	**143.736**	**52.575**	**76.873**	**71.032**	**143.645**	**52.494**	**76.712**
Income tax and social contribution									
Current	20	(13.229)	(21.596)	(6.135)	(7.616)	(13.229)	(21.596)	(6.135)	(7.616)
Deferred	20	(11.748)	(31.377)	(13.553)	(22.946)	(11.702)	(31.286)	(13.472)	(22.785)
Profit for the period		**46.101**	**90.763**	**32.887**	**46.311**	**46.101**	**90.763**	**32.887**	**46.311**
Earnings per share attributable to the Company's shareholders									
Basic earnings per share (weighted average)	31	0,29	0,58	0,21	0,30	0,29	0,58	0,21	0,30
Diluted earnings per share (weighted average)	31	0,29	0,57	0,21	0,29	0,29	0,57	0,21	0,29

The statement of comprehensive income is not presented, given that there is no other comprehensive income but profit for the period.

FLEURY S.A. AND SUBSIDIARIES

STATEMENT OF CHANGES IN EQUITY
SIX-MONTH PERIODS ENDED JUNE 30
(In thousands of Brazilian reais - R$)

		Share capital		Capital reserve			Investment reserve			
	Note	Share capital	Share issue expenses	Options granted recognized	Reappraisal reserve	Legal reserve	Investment reserve	Profit for the period	Additional dividends proposed	Equity
Balances on December 31, 2014		**1.402.531**	**(22.784)**	**5.809**	**621**	**37.846**	**148.941**	**-**	**-**	**1.572.964**
Realization of reappraisal reserve		-	-	-	(305)	-		305	-	-
Stock option plan	25	-	-	1.318	-	-	-		-	1.318
Profit for the period (R$0.30 per share)		-	-	-	-	-	-	46.311	-	46.311
Profit allocation:										
Dividends	24	-	-	-	-	-	-	(6.500)	-	(6.500)
Balances on June 30, 2015		**1.402.531**	**(22.784)**	**7.127**	**316**	**37.846**	**148.941**	**40.116**	**-**	**1.614.093**
Balances on December 31, 2015		**1.402.531**	**(22.784)**	**5.709**	**242**	**43.213**	**215.762**	**-**	**10.766**	**1.655.439**
Realization of reappraisal reserve	12	-	-	-	(34)	-	34	-	-	-
Stock option plan	25	-	-	277	-	-	443	-	-	720
Profit for the period (R$0.58 per share)		-	-	-	-	-	-	90.763	-	90.763
Profit allocation:										
Dividends	24	-	-	-	-	-	-	-	(10.766)	(10.766)
Balances on June 30, 2016		**1.402.531**	**(22.784)**	**5.986**	**208**	**43.213**	**216.239**	**90.763**	**-**	**1.736.156**

The notes are an integral part of the interim financial information.

FLEURY S.A. AND SUBSIDIARIES

STATEMENT OF CASH FLOWS
SIX-MONTH PERIODS ENDED JUNE 30
(In thousands of Brazilian reais - R$)

	Parent Company		Consolidated	
	06/30/2016	**06/30/2015**	**06/30/2016**	**06/30/2015**
Profit for the period	90.763	46.311	90.763	46.311
Items not affecting cash:				
Income tax and social contribution	52.973	30.562	52.882	30.401
Financial result	29.380	33.799	29.226	33.778
Depreciation and amortization	70.555	59.500	71.446	60.538
Equity in the earnings (losses) of subsidiaries	562	1.028	(574)	32
Earnings before interest, taxes, depreciation and amortization	**244.233**	**171.200**	**243.743**	**171.060**
Stock option plan	721	1.318	721	1.318
Constitution of provision for tax, labor and civil risks	6.030	2.846	6.030	2.846
Allowance for doubtful accounts and disallowances	31.417	35.627	31.419	35.627
Profit sharing	14.599	6.443	14.599	6.443
Other	13.482	8.536	13.695	8.545
Cash flow from operating activities before variations in assets and labilities	**310.482**	**225.970**	**310.207**	**225.839**
Trade receivables	(58.615)	(84.954)	(55.208)	(84.352)
Inventories	230	(1.115)	230	(1.115)
Trade payables	(7.075)	(11.320)	(6.998)	(11.277)
Payroll and related taxes	(12.668)	15.906	(12.668)	15.906
Variation in other assets	28.538	(3.436)	28.353	(3.467)
Variation in other liabilities	(8.270)	(11.266)	(8.320)	(11.205)
Total variation in assets and liabilities	**(57.860)**	**(96.185)**	**(54.611)**	**(95.510)**
Financial expenses paid	(2.196)	(1.799)	(2.201)	(1.814)
Income tax and social contribution paid with credits	(16.950)	(7.785)	(16.950)	(7.785)
Net cash from operating activities	**233.476**	**120.201**	**236.445**	**120.730**
Acquisition of property and equipment and intangible assets	(60.407)	(39.940)	(60.407)	(39.940)
Marketable securities	(357)	-	(357)	-
Capital increase in related parties	(180)	(1.940)	-	-
Payments related to companies acquired	(5.205)	(5.207)	(5.205)	(5.297)
Net cash used in investing activities	**(66.149)**	**(47.087)**	**(65.969)**	**(45.237)**
Settlement of financing and debentures	(1.818)	(1.818)	(1.818)	(1.818)
Interest paid in financing and debentures	(63.203)	(58.218)	(63.203)	(58.218)
Interest earned from financial investments	45.044	30.082	45.191	30.095
Dividends and/or interest on equity	(21.362)	(6.500)	(21.362)	(6.500)
Dividends received	17	-	17	-
Net cash used in financing activities	**(41.322)**	**(36.454)**	**(41.175)**	**(36.441)**
Increase in cash and cash equivalents	**126.005**	**36.660**	**129.301**	**39.052**
Cash and cash equivalents				
At the beginning of the period	624.110	505.228	624.586	505.274
At the end of the period	750.115	541.888	753.887	544.326
Increase in cash and cash equivalents	**126.005**	**36.660**	**129.301**	**39.052**
	-	-	-	-

The notes are an integral part of the interim financial information.

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FLEURY S.A. AND SUBSIDIARIES

STATEMENT OF VALUE ADDED
SIX-MONTH PERIODS ENDED JUNE 30
(In thousands of Brazilian reais - R$)

	Parent Company		Consolidated	
	06/30/2016	**06/30/2015**	**06/30/2016**	**06/30/2015**
Revenue	**1.110.343**	**989.895**	**1.115.342**	**994.798**
Goods and products sold and services rendered	1.130.705	1.023.544	1.135.703	1.028.447
Allowance for doubtful accounts and disallowances	(31.418)	(35.627)	(31.418)	(35.627)
Other revenue	11.056	1.978	11.057	1.978
Inputs acquired from third parties	**(409.193)**	**(366.361)**	**(414.184)**	**(371.116)**
Cost of goods and products sold and services rendered	(304.209)	(275.537)	(309.189)	(280.286)
Materials, electricity, outsourced services and others	(104.712)	(90.625)	(104.724)	(90.631)
Loss/recovery of asset values	(272)	(199)	(271)	(199)
Gross value added	**701.150**	**623.534**	**701.158**	**623.682**
Depreciation and amortization	(70.555)	(59.500)	(71.446)	(60.539)
Net value added	**630.595**	**564.034**	**629.712**	**563.143**
Value added received through transfer	**47.350**	**35.475**	**48.622**	**36.547**
Equity in the earnings (losses) of subsidiaries	(562)	(1.028)	574	(32)
Financial income	47.912	36.503	48.048	36.579
Total value added	**677.945**	**599.509**	**678.334**	**599.690**
Distribution of value added	**(677.945)**	**(599.509)**	**(678.334)**	**(599.690)**
Personnel and charges	(282.372)	(278.221)	(282.372)	(278.221)
Taxes, fees and contributions	(127.264)	(97.783)	(127.455)	(97.899)
Interest, rental and other operating expenses	(177.546)	(177.194)	(177.744)	(177.259)
Dividends and/or interest on equity	0	(6.500)	0	(6.500)
Retained earnings/Accumulated losses	(90.763)	(39.811)	(90.763)	(39.811)

The notes are an integral part of the interim financial information.

FLEURY S.A.

Notes to the parent company and consolidated interim financial information as of June 30, 2016
In thousands of reais, unless otherwise stated

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1. General information

1.1 – The Company

Fleury S.A. ("Fleury", "Parent Company" or "Company" and, jointly with its subsidiaries, "Grupo Fleury" or "Group") is a publicly-held company listed in the Novo Mercado special segment of the BM&FBOVESPA S.A. – Bolsa de Valores, Mercadorias e Futuros, under ticker "FLRY3". The Company is headquartered in the city of São Paulo and operates in the states of São Paulo, Rio de Janeiro, Rio Grande do Sul, Paraná, Bahia, Pernambuco and the Federal District.

The Company's purpose is to render medical services in the diagnostic, treatment and clinical analysis areas. The Company can also hold equity interests in other companies as a partner, shareholder or quotaholder, as well as create appropriate conditions for the good practice of the medical profession, and support research and studies that contribute to the scientific progress of medicine.

On June 30, 2016, the Company had 138 patient service centers and 17 operations in hospitals in Brazil's main economic centers, distributed across six brands: Fleury, Weinmann, Clínica Felippe Mattoso, a+, Labs a+ and Diagnoson a+.

2. Presentation and preparation of the interim financial information

2.1. Basis of presentation

a) Parent company and consolidated interim financial information

Fleury's parent company and consolidated interim financial information has been prepared in accordance with the Brazilian Accounting Pronouncement CPC 21 (R1) (Interim Financial Reporting) and the international standard IAS 34 – Interim Financial Reporting, issued by the International Accounting Standards Board – IASB, and presented in conformity with the standards issued by the Brazilian Securities and Exchange Commission, applicable to the preparation of the Interim Financial Information Form – ITR.

The accounting practices and policies (which include measurement, recognition, and asset and liability assessment principles), in addition to the main accounting judgments and sources of uncertainties on the estimates adopted when preparing this interim financial information are consistent with those adopted and disclosed in Note 2 of the annual financial statements referring to the year ended December 31, 2015, and, therefore, must be analyzed as a whole.

The interim financial information is presented in Brazilian reais (R$), which is the Company's functional currency and the Group's reporting currency.

Grupo Fleury's interim financial information was approved by the Board of Directors at a meeting held on July 27, 2016.

b) Basis of consolidation

The Company consolidates all the entities it controls, i.e., when it is exposed or has rights to variable returns from its investee and is able to manage important activities of the investee.

The Company's subsidiaries, as well as its direct and indirect interest, are broken down as follows:

		Interest held in the capital stock (%)		
Company	**Type**	**6/30/2016**	**12/31/2015**	**Description**
Papaiz Associados Diagnóstico por Imagem S/S Ltda.	Indirect	51%	51%	Dental care operations
Fleury Centro de Procedimentos Médicos Avançados ("Fleury CPMA")	Direct	100%	100%	It concentrates the diagnostic imaging activities in certain hospitals

2.2. New standards, amendments and interpretations of standards issued by IASB and the CPC

The following standards were issued by IASB, but are not yet effective for 2016. Although encouraged by IASB, early adoption is not allowed by the Brazilian Accounting Pronouncements Committee (CPC).

IFRS 9 - "Financial Instruments" addresses the classification, measurement and recognition of financial assets and liabilities. The complete version of IFRS 9 was published in July 2014 and will be effective as of January 1, 2018. It replaces the guidelines of IAS 39 concerning the classification and measurement of financial instruments. IFRS 9 maintains, but simplifies, the combined measurement model and establishes three main measurement categories for financial assets: amortized cost, fair value through other comprehensive income and fair value through profit or loss. It also introduces a new model for expected credit losses to replace the current model of incurred losses. IFRS 9 reduces hedge effectiveness requirements, as well as requires an economic relationship between the hedged item and the hedge instrument. It also requires that the hedge ratio equal the ratio used by Management for risk management purposes. The Company is evaluating the adoption of this standard.

IFRS 15 – "Revenue from Contracts with Customers" establishes a five-stage model applied to revenues obtained from contracts with customers, regardless of the type of revenue transaction or industry. It shall apply to all revenue contracts and provides a model to recognize and measure gains or losses with the sale of few non-financial assets not connected to the Company's common activities, e.g., sales of properties, facilities and equipment or intangible assets. This standard also requires extensive disclosures and shall apply for annual periods as of January 1, 2018, and the

early adoption is allowed only to entities reporting in accordance with the IFRS. The Company is evaluating the adoption of this standard.

IFRS 16 – "Leases" This standard replaces the previous one, IAS 17/CPC 06 (R1) - Lease Operations, and related interpretations, and establishes the principles for the recognition, measurement, presentation and disclosure of leases for both parties of an agreement, i.e., customers (lessees) and suppliers (lessors). Lessees are required to recognize a lease liability by reflecting future lease payments and the "right of use of an asset" in virtually all lease agreements, except for certain short-term leases and agreements for low-priced assets. For lessors, the accounting treatment remains virtually the same: leases are classified as operating or financial leases and these two types of agreements are recorded differently. This standard shall be adopted as of or after January 1, 2019. The Company is evaluating the adoption of this standard.

According to the Management's opinion, there are no other standards and interpretations issued, but not yet adopted that could have a material effect on the Company's results and equity.

3. Risk management

The main risk factors the Company and its subsidiaries are exposed to are financial and operating risks, including market, foreign exchange, interest rate, credit and liquidity risks. These risks are inherent to the Company's activities and are managed through internal controls and policies.

The policies set forth are supervised and monitored through monthly managerial reports.

a) Accounting classification and fair values

Given the nature of the balances, we assume that the fair value of the Company's financial instruments is close to their carrying amounts. The comparison between the recorded amounts and the fair values did not show differences material enough to be disclosed.

b) Capital risk management

The objectives of capital management are to safeguard the continuous return to the Company's shareholders and benefits to other stakeholders, and maintain an ideal capital structure to reduce this cost.

In order to maintain or adjust its capital structure, Grupo Fleury can review the dividend payment policy, return capital to shareholders, buy back treasury shares, issue new shares or sells assets to reduce the indebtedness level.

Grupo Fleury monitors its capital based on the consolidated financial leverage ratio, which corresponds to net debt divided by equity. Net debt, in turn, corresponds to total loans and financing and accounts payable from company acquisitions, as disclosed in the consolidated statement of financial position, less cash and cash equivalents.

Financial leverage ratio

	Consolidated	
	6/30/2016	12/31/2015
Financing and debentures	988,749	990,027
Accounts payable from acquisitions	8,822	11,107
Cash and cash equivalents	(753,887)	(624,586)
Net debt	243,684	376,548
Equity	1,736,156	1,655,439
Financial leverage ratio	0.14	0.23

Capital is managed on a consolidated basis.

c) Financial and market risks

Exchange rate risk

The Company and its subsidiaries have trade receivables and accounts payable to suppliers denominated in foreign currency (mainly in U.S. dollars). The risk related to these assets and liabilities arises from the possibility of the Company and its subsidiaries incurring losses due to exchange rate variations. On June 30, 2016, liabilities in foreign currency exposed to this type of risk accounted for 0.08% of total consolidated current liabilities.

Grupo Fleury has assets in foreign currency (trade receivables), equivalent to 0.19% of total consolidated accounts receivable on June 30, 2016, which contribute to reducing its exposure to trade accounts payable from suppliers contracted in foreign currency.

The Company contracted derivative financial instruments to hedge against exchange rate fluctuations when acquiring services in foreign currency.

Below, the Company's net exposure on June 30, 2016 (US$1.00 - R$3.2092) and 2015 (US$1.00 - R$3.1019):

	Consolidated			
	2016 US$ '000	2016 R$ '000	2015 US$ '000	2015 R$ '000
Trade receivables	250	801	80	246
Trade payables	(105)	(336)	(99)	(307)
Derivative financial instruments (Note 5)	2,580	8,279	-	-
Net exposure	**2,725**	**8,744**	**(19)**	**(61)**

Interest rate risk

The Company has loans and financing in domestic currency subject to interest rates pegged to indices, including the Long-term Interest Rate (TJLP) and the CDI interbank rate, as well as balances of taxes payable indexed to the Benchmark Interest Rate (SELIC) and the TJLP. The risk inherent in these liabilities arises from the possibility of fluctuations in these rates with an impact on cash flows. The Company and its subsidiaries do not have derivative contracts to hedge this risk because it believes that the risk is mitigated by the existence of assets indexed to the CDI.

Credit risk

Credit risk is the risk that a business counterparty may fail to comply with an obligation set forth in a financial instrument or customer agreement, resulting in a financial loss. Grupo Fleury is exposed to credit risk in its operating activities, mainly in relation to accounts receivable and, in case of imminent risk of non-realization of these assets, the Group records provisions to guarantee their probable realization value (Note 5).

The Company and its subsidiaries are also subject to credit risks related to their operations with financial institutions, represented by bank deposits, financial investments and derivative instruments. In Management's opinion, the risk is low since these operations are carried out with top-tier banks and there are Treasury policies with specific limits for the allocation of funds.

Liquidity risk

Grupo Fleury's cash flow estimation is carried out by the Finance Department. This area monitors the continuous estimates of Grupo Fleury's liquidity requirements to ensure it has sufficient funds to meet its operating needs. It also maintains enough free space available in its credit lines at any time, so that Grupo Fleury is in compliance with the limits and covenants of loans and debentures (when applicable) in all its credit lines. This estimate takes into consideration the group's debt financing plans, compliance with covenants and internal balance sheet ratio targets and, if applicable, legal or external regulatory requirements, such as currency restrictions.

The surplus cash maintained by the operating entities, in addition to the balance required to manage working capital, is used in investments with proper maturities or with liquidity sufficient to provide the necessary margin determined by the abovementioned estimates.

The table below analyzes Grupo Fleury's liabilities and financial instruments by maturity date, corresponding to the period remaining in the statement of financial position until the contractual maturity date. The amounts disclosed represent the undiscounted cash flows contracted and, therefore, cannot be reconciled with the carrying amounts.

	Consolidated					
	Carrying amount	**Contracted amount**	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
On June 30, 2016						
Debentures	879,828	1,128,203	264,341	356,851	507,011	-

Financing	108.921	123,347	20,961	21,830	59,110	21,446
Trade payables	106,906	106,906	106,906	-	-	-

Policy on the use of derivative financial instruments

Grupo Fleury maintains a policy to contract derivative financial instruments in order to manage related risks and ensure that these instruments are accurately recorded in its financial statements. The Company and its subsidiaries do not contract derivative instruments for speculation in the financial market and no margin is given as guarantee in the existing contracts.

The amounts are calculated based on models and quotations available in the market, which consider current or future market conditions and gross amounts, before taxes. Due to variations in market rates, these amounts can change until the maturity or early settlement of the transactions.

The fair value of these instruments on the date of the financial statements by counterparty is recorded under "Derivative financial instruments" (Note 5).

d) Management of Operating Risks

In accordance with the Brazilian Institute of Corporate Governance (IBGC), operating risk is associated with the possibility of losses (of production, assets, customers, revenues) resulting from flaws, deficiencies or inadequacies of internal processes, people and systems, as well as from external events including natural disasters, frauds, strikes and terrorist attacks. Operating risks usually reduce, degrade or fully or partially interrupt activities and have a negative impact on the Company's reputation, in addition to potentially generating contractual, regulatory and environmental liabilities.
With the aim of properly managing its operating risks, Grupo Fleury has strived to establish a governance structure that involves the Senior Management, including the structuring of the Risk Management and Internal Audit departments and ensuring the involvement of the entire leadership positions in implementing initiatives to reduce the Company's exposure to this type of risk, ensuring this commitment through incentives suitable to the organization's reality.

The main initiatives carried out by the Company to properly manage operating risks include:

a) Biannual cycle of internal audit, covering the Company's main processes;
b) Mapping and documentation of internal controls and risks;
c) Internal procedures and policies;
d) Periodic review of the risk portfolio;
e) Monitoring of internal controls;
f) Business continuity plans;
g) Training of employees and third parties;
h) Clear definition of scopes; and
i) Implementation of initiatives to reduce exposure to risks, including the contracting of insurance, when applicable.

All these measures are monitored and periodically reported to the Audit and Risk Management Committee established by Grupo Fleury's Board of Directors, which instructs and oversees Management during this process.

e) Statement of sensitivity analysis

Sensitivity analysis for changes in exchange rate

The Finance Department periodically assesses the risk of exposure to variations in the U.S. dollar.

In order to calculate the probable scenario, the Company used the exchange rate at the closing of this interim financial information (US$1.00 – R$3.2092). These instruments are already recorded at fair value through profit or loss (probable scenario) and, therefore, there are no effects for this scenario. In the "Possible" and "Remote" scenarios, the exchange rate was increased/decreased by 25% and 50%, respectively, before taxes:

	Maturity	Risk	Possible loss (25%)	Remote loss (50%)
Trade receivables	2016	US$ Depreciation	200	401
Trade payables	2016	US$ Appreciation	84	168
Derivative financial instruments	2016	US$ Appreciation	2,070	4,139
Net effect			**2,186**	**4,372**

Sensitivity analysis for changes in interest rate

In order to calculate the probable scenario, the Company used the reference rates obtained from the BM&FBOVESPA on June 30, 2016. The "Possible" and "Remote" scenarios consider increases of 25% and 50%, respectively. The results, in nominal amounts, are as follows, and debenture interest expenses are calculated until the end of each indexed contract.

		Probable	**Possible**	**Remote**
	CDI (p.a.)	14.13%	17.66%	21.20%
			+25%	+50%
	Accounting Balance	**Probable**	**Possible**	**Remote**
Financial investments	752,632	106,347	132,934	159,520
Debentures	(879,828)	(258,885)	(316,847)	(374,065)
Net exposure in CDI	**(127,196)**	**(152,538)**	**(183,913)**	**(214,545)**

4. Cash and cash equivalents

	Parent Company		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Cash and bank deposits	1,248	1,626	1,255	1,639
Short-term investments:				
Exclusive Funds (a)	748,794	620,397	751,894	620,397
Repurchase agreements (b)	73	2,087	738	2,550
	748,867	622,484	752,632	622,947
	750,115	**624,110**	**753.887**	**624,586**

These operations are readily convertible into a known cash amount and are subject to an insignificant risk of change in value.

(a) These refer to quotas in exclusive fixed-income investment funds. The Fund's investment policy aims to increase the value of its quotas by investing funds in a conservative portfolio with immediate liquidity. The policies of exclusive investment funds require financial assets to have low credit risk. These exclusive investment funds cannot carry out speculative operations or operations that expose the funds to obligations higher than their equity value or to certain assets, including shares, share indices and derivatives indexed to them.

On June 30, 2016 and 2015, the weighted average profitability of the exclusive investments funds was 101.9% and 102.7% of the CDI, respectively.

(b) On June 30, 2016, repurchase agreements were remunerated at an average weighted rate of 97.6% of the CDI (100.3% of the CDI on June 30, 2015). Repurchase agreements consist of the sale of bonds with the commitment by the Bank (Seller) to repurchase them, and the Company (Buyer) to resell them in the future.

Short-term investments balance activity schedule

	Parent Company		Consolidated	
	6/30/2016	6/30/2015	6/30/2016	6/30/2015
Opening balance	622,484	502,816	622,947	502,816
Investment	585,338	583,281	595,681	588.331
Earnings	45,044	30,082	45,191	30,094
Redemption	(503,999)	(577,255)	(511,187)	(579,917)
	748,867	**538,924**	**752,632**	**541,324**

5. Derivative financial instruments – Parent Company and Consolidated

In March 2016, pursuant to the Treasury policy, the Company began contracting derivative financial instruments to cover future disbursements with outsourced services and medical equipment.

Contracted operations on the period ended June 30, 2016 are as follows:

Type	Nominal amount (US$ '000)	Currency	Counterparty	Maturity	Contracted rate (R$)	Liability 6/30/2016
NDF	457	USD	Votorantim	9/30/2016	3.7470	(210)
NDF	775	USD	Itaú	9/30/2016	3.2949	(16)
NDF	231	USD	Votorantim	12/30/2016	3.8398	(110)
NDF	461	USD	Itaú	12/30/2016	3.3815	(22)
NDF	656	USD	Santander	3/31/2017	3.4550	(39)
Total	**2,580**					**(397)**

6. Trade receivables

a) Breakdown of the balance

	Parent Company		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Billed amounts	416,012	397,625	417,190	398,607
Amounts to be billed	51,836	38,653	53,624	44,045
	467,848	**436,278**	**470,814**	**442,652**
Allowance for doubtful accounts and disallowances	(49,494)	(45,094)	(49,532)	(45,131)
Total receivables	**418,354**	**391,184**	**421,282**	**397,521**

The aging list of trade receivables is as follows:

	Parent Company		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Current	355,448	317,682	358,414	323,563
Past due:				
Up to 120 days	37,767	53,478	37,767	53,971
121 to 360 days	45,263	37,836	45,263	37,836

Over 361 days	29,370	27,282	29,370	27,282
	467,848	**436,278**	**470,814**	**442,652**

Changes in allowance for doubtful accounts and disallowances

	Parent Company		Consolidated	
	6/30/2016	6/30/2015	6/30/2016	6/30/2015
Balance at the beginning of the period	(45,094)	(50,040)	(45,131)	(50,205)
Write-off of uncollectible instruments	27,017	25,538	27,018	25,539
Additions for doubtful accounts and disallowances (Note 26 and 29)	(31,417)	(35,627)	(31,419)	(35,627)
Balance at the end of the period	**(49,494)**	**(60,129)**	**(49,532)**	**(60,293)**

The Company and its subsidiaries have a certain degree of concentration in their customer portfolio. On June 30, 2016, the six main customers accounted for 49.9% of the total portfolio (49.8% on December 31, 2015).

7. Inventories

	Parent Company and Consolidated	
	6/30/2016	12/31/2015
Diagnostic kits	8,350	8,480
Collection and nursing material	3,231	3,191
Administrative, promotional and other types of material	2,431	3,158
Auxiliary laboratory materials	1,892	1,577
	15,904	**16,406**

8. Taxes recoverable

	Parent Company		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Negative income tax	20,893	20,014	21,279	20,425
Negative social contribution tax	14,351	18,701	14,390	18,912
Withholding income tax (IRRF)	10,346	29,072	10,508	29,222
Social Integration Program Tax on Revenue (PIS) and Social Security Financing Tax on Revenue (COFINS)	5,980	5,527	6,174	5,577
Social contribution tax (CSLL)	4,172	12,260	4,341	12,346
Social security tax (INSS)	2,623	2,330	2,623	2,330
Tax on services (ISS)	1,186	859	1,186	859
	59,551	**88,763**	**60,501**	**89,671**

Current	59,551	74,005	60,501	74,913
Noncurrent	-	14,758	-	14,758

9. Judicial deposits

Noncurrent Assets

On June 30, 2016, judicial deposits totaled R$41,646 at the Parent Company (R$42,236 on December 31, 2015) and R$41,649 in the Consolidated (R$42,238 on December 31, 2015) and refer to lawsuits classified as a remote or possible loss by the Company's legal counsel and for which, therefore, a provision for contingencies has not been recorded. Among these claims is an amount of R$25,263 related to ICMS tax levied on equipment imports (Note 21).

Noncurrent Liabilities

Judicial deposits referring to lawsuits considered as probable loss are recorded under noncurrent liabilities, reducing the balance of the related provision by R$9,526 on June 30, 2016 (R$7,796 on December 31, 2015). Judicial deposits also included R$12,984 related to ISS tax described in Note 18, in the "Other" item, net of the obligation in the same amount.

10. Receivables

	Parent Company and Consolidated	
	6/30/2016	12/31/2015
AES Eletropaulo (a)	-	15,852
Cruzeiro do Sul Medicina Diagnóstica Ltda. (b)	13,942	15,200
	13,942	**31,052**

(a) Refers to credits receivable by the Parent Company from AES Eletropaulo as a result of an administrative decision granted by the Brazilian Electricity Regulatory Agency (ANEEL) in November 2011. The Company's legal counsel believes that, at the moment, the chances of receiving this amount are uncertain, which generated a revision of the expected realization of these receivables.

(b) Refers to updated amounts of the sale of the investment in Cruzeiro do Sul, totaling R$20,595, R$6,653 of which recorded under current assets (R$5,037 on December 31, 2015) and R$13,942 under noncurrent assets (R$15,200 on December 31, 2015). Pursuant to the purchase agreement entered into on November 5, 2015, the amount will be received in 60 months.

11. Investments

	Parent Company		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Fleury CPMA (direct subsidiary)	28,048	28,430	-	-
Papaiz (indirect subsidiary)	-	-	8,096	7,522
	28,048	**28,430**	**8,096**	**7,522**
Lab Rede	112	112	112	112
	28,160	**28,542**	**8,208**	**7,634**

Subsidiary	Reference date	Number of shares of capital stock	% of interest in paid-up capital	Paid-up capital	Equity	Profit (loss) for the period
Fleury CPMA	6/30/2016	81,007	100%	81,007	26,697	(562)
	12/31/2015	80,827	100%	80,827	27,079	(2,499)
Papaiz	6/30/2016	2,875	51%	2,875	4,475	1,125
	12/31/2015	2,875	51%	2,875	3,380	74

Changes in investment balances

Parent Company	Investees	Balance on 12/31/2015	Paid-up capital	Equity in the earnings (losses) of subsidiaries	Balance on 6/30/2016
Fleury S.A.	Fleury CPMA	28,430	180	(562)	28,048
Fleury CPMA	Papaiz	7,522	-	574	8,096
Fleury S.A.	Lab Rede	112	-	-	112

12. Property and equipment

		Parent Company			
		6/30/2016			12/31/2015
	Average annual depreciation rate %	Cost	Accumulated depreciation	Net balance	Net balance
Machinery and equipment	8	410,312	(237,108)	173,204	184,478
Facilities	10	258,934	(116,383)	142,551	154,433
Leasehold improvements	20	118,356	(77,062)	41,294	31,396
Properties	2	27,384	(3,728)	23,656	23,866
IT equipment	20	67,205	(50,874)	16,331	17,585
Furniture and fixtures	10	48,262	(34,850)	13,412	14,984
Land	-	13,637	-	13,637	13,637
Construction in progress	-	3,854	-	3,854	760
Vehicles	20	653	(653)	-	-
		948,597	**(520,658)**	**427,939**	**441,139**

		Consolidated			
		6/30/2016			12/31/2015
	Average annual depreciation rate %	Cost	Accumulated depreciation	Net balance	Net balance
Machinery and equipment	8	416,574	(242,253)	174,321	186,095
Facilities	10	260,707	(117,999)	142,708	154,631
Leasehold improvements	20	120,499	(79,179)	41,320	31,424
Properties	2	27,384	(3,728)	23,656	23,868
IT equipment	20	67,792	(51,455)	16,337	17,596
Furniture and fixtures	10	49,367	(35,803)	13,564	15,172
Land	-	13,637	-	13,637	13,637
Construction in progress	-	3,854	-	3,854	760
Vehicles	20	653	(653)	-	-
		960,467	**(531,070)**	**429,397**	**443,183**

Changes in property and equipment are shown below:

Changes - Parent Company					
Balance on 12/31/2015	Additions	Net write-offs	Depreciation	Reclassifications / transfers	Balance on 6/30/2016

Machinery and equipment	184,478	9,068	(160)	(20,181)	(1)	173,204
Facilities	154,433	2,245	-	(14,389)	262	142,551
Leasehold improvements	31,396	14,768	-	(5,084)	214	41,294
Properties	23,866	-	-	(210)	-	23,656
IT equipment	17,585	1,984	(1)	(3,403)	166	16,331
Furniture and fixtures	14,984	739	(2)	(2,271)	(38)	13,412
Land	13,637	-	-	-	-	13,637
Construction in progress	760	4,219	-	-	(1,125)	3,854
	441,139	**33,023**	**(163)**	**(45,538)**	**(522)**	**427,939**

Changes - Parent Company

	Balance on 12/31/2014	Additions	wet Write-offs	Depreciation	Reclassifications / transfers	Balance on 6/30/2015
Machinery and equipment	198,984	8,802	(6,431)	(18,087)	217	183,485
Facilities	172,392	1,348	(153)	(11,961)	(16)	161,610
Properties	24,320	-	-	(211)	-	24,109
Leasehold improvements	11,236	8,952	(16)	(1,945)	-	18,227
IT equipment	18,371	2,131	(414)	(3,402)	400	17,086
Furniture and fixtures	15,247	459	(1,201)	(1,458)	668	13,715
Land	13,549	88	-	-	-	13,637
Construction in progress	1,269	-	-	-	(1,269)	-
	455,368	**21,780**	**(8,215)**	**(37,064)**	**-**	**431,869**

Changes - Consolidated

	Balance on 12/31/2015	Additions	Net write-offs	Depreciation	Reclassifications / transfers	Balance on 6/30/2016
Machinery and equipment	186,095	9,068	(160)	(20,681)	(1)	174,321
Facilities	154,631	2,245	-	(14,430)	262	142,708
Leasehold improvements	31,424	14,768	-	(5,086)	214	41,320
Properties	23,868	-	-	(212)	-	23,656
IT equipment	17,596	1,984	(1)	(3,408)	166	16,337
Furniture and fixtures	15,172	739	(2)	(2,307)	(38)	13,564
Land	13,637	-	-	-	-	13,637
Construction in progress	760	4,219	-	-	(1,125)	3,854
	443,183	**33,023**	**(163)**	**(46,124)**	**(522)**	**429,397**

Changes - Consolidated

	Balance on 12/31/2014	Additions	Net write-offs	Depreciation	Reclassifications / transfers	Balance on 6/30/2015
Machinery and equipment	201,357	8,802	(6,431)	(18,428)	217	185,517

Facilities	172,766	1,348	(153)	(12,050)	(16)	161,895
Properties	24,322	-	-	(213)	-	24,109
Leasehold improvements	11,285	8,952	(16)	(1,954)	-	18,267
IT equipment	18,403	2,131	(414)	(3,412)	400	17,108
Furniture and fixtures	15,545	459	(1,201)	(1,512)	668	13,959
Land	13,549	88	-	-	-	13,637
Construction in progress	1,269	-	-	-	(1,269)	-
	458,496	**21,780**	**(8,215)**	**(37,569)**	**-**	**434,492**

13. Intangible assets

		Parent Company			
		6/30/2016			12/31/2015
	Average annual amortization rate - %	Cost	Accumulated amortization	Net balance	Net balance
Goodwill	-	1,342,222	(44,413)	1,297,809	1,297,809
Customer contracts	10	154,387	(73,334)	81,053	88,772
Licenses and software developed/acquired	20	196,156	(135,572)	60,584	71,749
Software development (in progress)	-	54,408	-	54,408	33,782
Trademarks and patents	7	13,226	(5,469)	7,757	8,222
Development of new products	-	256	-	256	-
Products developed internally	-	281	-	281	-
		1,760,936	**(258,788)**	**1,502,148**	**1,500,334**

		Consolidated			
		6/30/2016			12/31/2015
	Average annual amortization rate - %	Cost	Accumulated amortization	Net balance	Net balance
Goodwill	-	1,353,563	(44,413)	1,309,150	1,309,150
Customer contracts	10	156,573	(74,536)	82,037	89,974
Licenses and software developed/acquired	20	196,692	(136,035)	60,657	71,822
Software development (in progress)	-	54,408	-	54,408	33,782
Trademarks and patents	7	14,963	(6,526)	8,437	8,989
Development of new products	-	256	-	256	-
Products developed internally	-	281	-	281	-
Non-competition clause	10	825	(825)	-	-
		1,777,561	**(262,335)**	**1,515,226**	**1,513,717**

Changes in intangible assets are shown below:

	Changes - Parent Company				
	Balance on 12/31/2015	Additions	Amortization	Reclassifications / transfers	Balance on 6/30/2016
Goodwill	1,297,809	-	-	-	1,297,809
Customer contracts	88,772	-	(7,719)	-	81,053
Licenses and software developed/acquired	71,749	5,560	(16,833)	108	60,584
Software development (in progress)	33,782	21,391	-	(765)	54,408
Trademarks and patents	8,222	-	(465)	-	7,757
Development of new products	-	433		(177)	256
Products developed internally	-	-	-	281	281
	1,500,334	**27,384**	**(25,017)**	**(553)**	**1,502,148**

	Changes - Parent Company				
	Balance on 12/31/2014	Additions	Amortization	Reclassifications / transfers	Balance on 6/30/2015
Goodwill	1,308,712	-	-	-	1,308,712
Customer contracts	104,211	-	(7,719)	-	96,492
Licenses and software developed/acquired	81,839	9,552	(14,252)	6,589	83,728
Software development (in progress)	11,891	8,608	-	(6,334)	14,165
Trademarks and patents	9,239	-	(465)	-	8,774
Other	2,550	-	-	-	2,550
	1,518,442	**18,160**	**(22,436)**	**255**	**1,514,421**

	Changes - Consolidated				
	Balance on 12/31/2015	Additions	Amortization	Reclassifications / transfers	Balance on 6/30/2016
Goodwill	1,309,150	-	-	-	1,309,150
Customer contracts	89,974	-	(7,937)	-	82,037
Licenses and software developed/acquired	71,822	5,560	(16,833)	108	60,657
Software development (in progress)	33,782	21,391	-	(765)	54,408
Trademarks and patents	8,989	-	(552)	-	8,437
Development of new products	-	433	-	(177)	256
Products developed internally	-	-	-	281	281
	1,513,717	**27,384**	**(25,322)**	**(553)**	**1,515,226**

	Changes - Consolidated

	Balance on 12/31/2014	Additions	Amortization	Reclassifications / transfers	Balance on 6/30/2015
Goodwill	1,320,053	-	-	-	1,320,053
Customer contracts	105,851	-	(7,939)	-	97,912
Licenses and software developed/acquired	81,941	9,552	(14,274)	6,589	83,808
Software development (in progress)	11,891	8,608	-	(6,334)	14,165
Trademarks and patents	10,180	-	(551)	-	9,629
Other	2,550	-	-	-	2,550
Non-competition clause	309	-	(206)	-	103
	1,532,775	**18,160**	**(22,970)**	**255**	**1,528,220**

Software development (in progress)

These mainly comprise expenses with the restructuring and implementation of a functional SAP business intelligence and management system, which will allow Grupo Fleury to optimize processes and minimize risks.

14. Financing

		Funding			
Funders **Domestic currency – R$**	**Charges** **Fixed rate**	**Signature date**	**Contracted amount**	**Accumulated amount paid**	**Final maturity**
BNDES FINAME	8.70% p.a.	10/11/2011	4,753	4,753	10/2016
FINEP 1	4.25% p.a.	5/8/2009	7,098	7,098	09/2017
FINEP 2	4.00% p.a.	8/6/2012	8,975	6,542	08/2020
FINEP SUBVENÇÃO	0% p.a.	7/13/2012	825	104	07/2016
FINEP PROMETHEUS I and II	4.00% p.a.	8/28/2014	155,444	101,666	09/2022

	Parent Company and Consolidated

Funders Domestic currency – R$	12/31/2015	Incurred interest	Interest paid	Principal amortization	6/30/2016
FINEP PROMETHEUS I and II	101,843	2,019	(2,030)	-	101,832
FINEP 2	7,006	130	(133)	(749)	6,254
FINEP 1	1,866	34	(35)	(532)	1,333
BNDES FINAME	898	27	(29)	(537)	359
FINEP SUBVENÇÃO	36	-	-	-	36
	111,649	2,210	(2,227)	(1,818)	109,814
Capitalization cost (*)	(965)	-	-	72	(893)
	110,684	2,210	(2,227)	(1,746)	108,921
Current	9,080				16,882
Noncurrent	101,604				92,039

(*) The capitalization cost corresponds to the R$1,146 disbursed by FINEP to cover inspection and supervision expenses related to the Prometheus I and Prometheus II projects.

On June 30, 2016, the noncurrent installments of the financings matured as follows:

	Parent Company and Consolidated
2017	18,332
2018	18,066
2019	18,066
2020 to 2022	37,575
	92,039

FINEP has a clause that obliges the Company to ensure the payment of any liability arising from the agreement by issuing a bank guarantee letter in the amount of the entire financing. This clause is indispensable to the signature of the agreement.

Certain loans have covenants, including but not limited to the execution or formalization of collateral or personal guarantees, restrictions to the change, transfer or assignment of controlling interest, merger or spin-off without the creditor's prior consent, and the maintenance of financial and liquidity ratios measured every six months.

On June 30, 2016, the Company and its subsidiaries complied with all the abovementioned financial ratios, as well as with all the covenants.

15. Debentures

Debentures were placed as follows:

	Issue amount (R$)	Number of debentures	Final maturity	Half-annual interest	Total issued
1st Issue – 1st Series	10,000	15,000	Dec/16	CDI + 0.94% p.a.	150,000
1st Issue – 2nd Series	10,000	30,000	Dec/18	CDI + 1.20% p.a.	300,000
2nd Issue – Single Series	10,000	50,000	Feb/20	CDI + 0.85% p.a.	500,000

The Company used the amounts raised with the debenture issues to strengthen its working capital, maintain its cash strategy, extend its debt profile and finance its investments and acquisitions in the coming years. The debentures issued are non-convertible and unsecured.

1st Issue of Debentures

The Company carried out its first debenture issue through a public offering for the distribution of simple debentures with restricted placement efforts, in two series, concluded on December 12, 2011.

The First Series, totaling R$150,000, will be amortized in three equal and annual installments, the first and second of which were settled on December12, 2014 and 2015. There is no optional early redemption or renegotiation.

The Second Series will be amortized in three equal and annual installments on December 12, 2016, 2017 and 2018, there being no optional early redemption or renegotiation.

2nd Issue of Debentures

This issue was carried out through a public offering for the distribution of simple debentures with restricted placement efforts, in a single series, concluded on February 19, 2013.

The debentures will be amortized in three equal and annual installments on February 15, 2018, 2019 and 2020. Payment of remuneration will occur every six months and there are no plans for renegotiation.

Changes in debentures

	Parent Company and Consolidated				
Domestic currency – R$	12/31/2015	Incurred interest	Interest paid	Principal amortization	6/30/2016

1st Issue – 1st Series	50,338	3,604	(3,576)	-	50,366
1st Issue – 2nd Series	302,068	22,034	(21,862)	-	302,240
2nd Issue – Single Series	526,937	35,823	(35,538)	-	527,222
	879,343	61,461	(60,976)	-	879,828
Current	179,343				179,828
Noncurrent	700,000				700,000

The installments recorded under Noncurrent liabilities on June 30, 2016 mature as follows:

Maturity	1st Issue (1st Series)	1st issue (2nd Series)	2nd Issue Single Series	Consolidated
2017	-	100,000	-	100,000
2018	-	100,000	166,666	266,666
2019	-	-	166,667	166,667
2020	-	-	166,667	166,667
				700,000

Covenants

The debentures have covenants, and all obligations related to them will mature early if the Company fails to comply with the following financial ratios:

(a) Net financial debt/ Earnings Before Interest Depreciation and Amortization (EBITDA) ratio lower than or equal to three times and/or;
(b) EBITDA/Net financial expense ratio equal to or higher than 1.5 time

On June 30, 2016, the Company and its subsidiaries complied with all the abovementioned financial ratios, as well as with all the covenants.

16. Trade payables

	Company		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Domestic	105,657	103.462	106,570	104,297
Foreign	336	220	336	220
	105,993	**103,682**	**106,906**	**104,517**

17. Payroll and related taxes

	Parent Company and Consolidated	
	6/30/2016	12/31/2015
Provision for vacation and charges	40,671	40,999
Provision – profit sharing	15,044	22,922
Provision – Christmas bonus and charges payable	14,131	-
Payroll charges payable	12,363	15,431
Other	3,661	4,538
	85,870	**83,890**

18. Taxes and contributions payable

	Parent Company		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
REFIS Installment – Law 11,941	50,284	51,311	50,284	51,311
PIS/COFINS	7,495	6,105	7,538	6,124
Tax on services (ISS)	6,158	4,365	6,210	4,484
IRPJ and CSLL	4,646	-	4,646	-
PIS, COFINS and withholding social contribution (CSRF)	1,995	1,908	2,035	1,946
ISS paid in installments (PPI SP)	1,013	3,456	1,013	3,456
Withholding income tax (IRRF)	917	808	930	820
ISS paid in installments - Niterói municipal government	641	642	641	642
Social security tax (INSS)	536	677	536	677
Accident Prevention Factor (FAP)	-	1,918	-	1,918
Other	24	1,665	24	1,666
Total	**73,709**	**72,855**	**73,857**	**73,044**
Current	28,718	24,760	28,866	24,949
Noncurrent	44,991	48,095	44,991	48,095

On June 30, 2016, noncurrent installments matured as follows:

	Consolidated
2017	2,619
2018	5,233

2019	5,021
2020	5,013
2021 onwards	27,105
	44,991

19. Payable – Company acquisitions

Refer to debt incurred due to acquisition of companies, to be paid in accordance with the contractual terms; they are restated monthly, mainly by the IGP-M published by the Getulio Vargas Foundation (FGV) and the Extended Consumer Price Index (IPCA) published by the IBGE.

On June 30, 2016, the maturities of noncurrent installments are subject to final and unappealable decisions. It is, therefore, not possible to estimate payment for the coming years.

	Parent Company		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Current	316	4,616	316	4,616
Noncurrent	7,741	5,774	8,506	6,491
	8,057	**10,390**	**8,822**	**11,107**

20. Income tax and social contribution – Deferred

	Parent Company		Consolidated	
	6/30/2016	12/31/2015	6/30/2016	12/31/2015
Tax loss	177,143	205,293	177,143	205,293
Allowance for doubtful accounts and disallowances	49,494	45,094	49,494	45,094
Provision for tax, labor and civil risks	46,267	43,671	46,267	43,671

Goodwill amortization is non-deductible until 2008 and deductible for tax purposes in future periods.	24,782	24,782	24,782	24,782
Provision – profit sharing	15,044	22,922	15,044	22,922
Receivables	(26)	(15,879)	(26)	(15,879)
Stock Option Provision and other	6,350	10,342	5,145	8,869
Asset revaluation	(621)	(672)	(621)	(672)
Adjustment to net value of assets acquired and liabilities assumed	(44,369)	(58,424)	(44,369)	(58,424)
Goodwill amortization effects for tax purposes (a)	(1,073,555)	(984,336)	(1,073,555)	(984,336)
Basis of calculation	**(799,491)**	**(707,207)**	**(800,696)**	**(708,680)**
Deferred income and social contribution taxes at combined rate of approximately 34%	**(271,827)**	**(240,450)**	**(272,237)**	**(240,951)**
Income tax and social contribution - Assets	123,758	134,492	123,757	134,492
Income tax and social contribution - Liabilities	(395,585)	(374,942)	(395,994)	(375,443)

(a) Goodwill from mergers, mainly Labs Cardiolab.

The net balance is recorded under noncurrent liabilities, pursuant to CPC 32.

Current and deferred income tax and social contribution are recorded in profit (loss) as follows:

	Parent Company		Consolidated	
	6/30/2016	6/30/2015	6/30/2016	6/30/2015
Income before income tax and social contribution	143,736	76,873	143,645	76,712
Standard rate	34%	34%	34%	34%
Income tax and social contribution expenses – Standard rate	**(48,870)**	**(26,137)**	**(48,839)**	**(26,082)**
Equity in the earnings (losses) of subsidiaries	191	350	191	350
Other permanent non-deductible expenses	3,912	4,075	3,852	3,969
Income tax and social contribution expenses:	**(52,973)**	**(30,562)**	**(52,882)**	**(30,401)**
Current	(21,596)	(7,616)	(21,596)	(7,616)
Deferred	(31,377)	(22,946)	(31,286)	(22,785)
Effective tax rate - %	36.85%	39.76%	36.81%	39.63%

21. Provision for tax, labor and civil risks

The Company is subject to tax, labor and civil risks in the normal course of its operations. Management periodically reviews known contingencies, assesses probable losses and adjusts the respective provision, taking into consideration its legal counsel's assessment and other data available at the end of the reporting periods, such as the nature of the lawsuits and past experience. On June 30, 2016, the provision for tax, labor and civil risks was as follows:

	Parent Company and Consolidated	
	6/30/2016	12/31/2015
Labor	23,143	21,278
Tax	20,679	17,603
Civil	2,837	2,674
	46,659	**41,555**
Judicial Deposits (Note 9)	(9,527)	(7,796)
	37,132	**33,759**

Changes in the provision for tax, labor and civil risks are as follows:

	Balance on 12/31/2015	Addition/ Reversal	Payments	Monetary restatement	Balance on 6/30/2016
Labor	21,278	3,633	(2,991)	1,223	23,143
Tax	17,603	2,182	(158)	1,052	20,679
Civil	2,674	215	(176)	124	2,837
	41,555	**6,030**	**(3,325)**	**2,399**	**46,659**
Judicial Deposits	(7,796)	(1,400)	-	(331)	(9,527)
	33,759	**4,630**	**(3,325)**	**2,068**	**37,132**

a) Lawsuits classified as a probable losses, for which provisions were recorded:

Tax Lawsuits

Social Security Financing Tax on Revenue - COFINS: the claims involve the exemption from contribution granted to companies that provide services related to professions regulated by law. Supplementary Law 70/91, which created COFINS, addressed the exemption granted to these types of entities. Law 9,430/96, however, expressly revoked this exemption and required the contribution based on the service providers' gross revenue. The Company's legal counsel understands that,

since Law 9,430/96 is an ordinary law, it could not have revoked the exemption granted by Supplementary Law 70/91. Nevertheless, given that the Federal Supreme Court has already issued an opinion contrary to said thesis, the Company had a provision to cover risks of R$6,038 on June 30, 2016 (R$7,189 on December 31, 2015).

Labor and Civil Lawsuits

The Company considers that the provision for labor and civil lawsuits is sufficient to cover expected losses. The Group's legal counsel analyzes lawsuits on a case-by-case basis, classifying the risk of loss in accordance with the guidelines established by the Company in its policy.

b) Lawsuits classified as possible loss risk

The Company has tax, civil and labor claims that are not provisioned, since they are classified as a possible loss by Management and its legal counsel. On June 30, 2016, the consolidated amount was approximately R$407,846 (R$360,035 on December 31, 2015).

Tax lawsuits classified as a possible loss amounted to R$275,925 (R$253,742 on December 31, 2015), mainly comprising, in the federal sphere: (i) R$139,512 (R$125,728 on December 31, 2015), mainly related to discussions on exemption from social contribution (CSLL), income tax (IRPJ), social security financing tax on revenue (COFINS), social integration program tax on revenue (PIS) and import PIS/COFINS; (ii) federal tax claims involving social security contributions totaling R$58,165 (R$55,118 on December 31, 2015); and (iii) sundry federal lawsuits totaling R$11,516 (R$10,806 on December 31, 2015).

Regarding state taxes, lawsuits classified as a possible loss amounted to R$30,056 (R$28,252 on December 31, 2015) and mainly refer to state value-added tax (ICMS) on equipment imports.

In relation to municipal taxes, lawsuits classified as a possible loss reached R$36,613 (R$33,646 on December 31, 2015) and mainly refer to claims involving tax on services of any kind (ISSQN).

In the civil sphere, the Company's lawsuits classified as a possible loss totaled R$18,472 (R$16,213 on December 31, 2015), of which R$15,030 (R$14,885 on December 31, 2015) related to civil liability lawsuits claiming compensation for damages and pain and suffering due to alleged diagnostic errors or malpractice, and other less significant ongoing lawsuits totaling R$3,442 (R$1,328 on December 31, 2015).

Labor lawsuits classified as a possible loss amounted to R$113,449 (R$90,080 on December 31, 2015), of which (i) R$79,979 (R$60,864 on December 31, 2015) refers to labor claims from former employees; (ii) R$15,357 (R$11,103 on December 31, 2015) refers to secondary liability lawsuits filed by employees of companies that render specialized services to the Company on an outsourced basis; and (iii) R$18,113 (R$18,113 on December 31, 2015) refers to ongoing administrative lawsuits.

Also in the labor sphere, the Company was summoned in a public civil action suit pending at the Labor Court of Rio de Janeiro that essentially challenges the legality of hiring specialized medical

companies. In addition, the public civil action demands the payment of R$5,000 (R$5,000 on December 31, 2015) for collective pain and suffering. The Company is fighting this lawsuit and fully believes that its practice of hiring medical companies is legitimate and in accordance with the applicable laws, being supported by court precedents in favor of hiring legal entities to provide medical services. In March 2014, a decision was issued in favor of the Company, denying the public civil action. Subsequently, the Regional Labor Public Prosecutor's Office filed an ordinary appeal, which is currently pending in the Regional Labor Court - 1st Region.

22. Commitments

A large share of the properties used in operating activities is rented, with terms and amounts established by agreements effective from four to six years. In the period ended June 30, 2016, the Company's rent expenses totaled R$54,416 (R$54,401 on June 30, 2015).

The agreement amounts are monetarily restated after the original maturity date (usually annual). This adjustment is calculated based on the General Market Price Index (IGP-M) variation. The consolidated rent commitments totaled R$422,067 on June 30, 2016 (R$495,018 on June 30, 2015). The consolidated position of these commitments is as follows:

	Consolidated
2016	52,631
2017	94,077
2018	78,545
2019	66,020
2020 onwards	130,794
	422,067

23. Related parties

a) Balances from related parties

	Parent Company and Consolidated	
	6/30/2016	6/30/2015
Rent expenses		
Transinc Fundo Inv. Imobiliário (a)	(4,076)	(3,189)
Amicabilis Participações e Empreendimentos Ltda. (a)	(1,563)	(1,210)
Harmonikos 32 Participações e Empreendimentos Ltda. (a)	(1,199)	(925)
Benefit expenses		
Companies associated with Bradseg (b)	(59,532)	(53,627)
	(66,370)	**(58,951)**

	Parent Company and Consolidated	
	6/30/2016	12/31/2015
Balance Sheet:		
Assets		
Bradesco (c)	289,705	233,714
Liabilities		
Transinc Fundo Inv. Imobiliário (a)	(739)	(650)
Companies associated with Bradseg (b)	(67)	(853)
Net Balance	**288,899**	**232,211**

(a) These property funds have shareholders that are direct and indirect shareholders of the Company (Grupo Fleury).

(b)Bradseg, a shareholder with a significant interest in the Company, holds an interest in and/or control of health insurance operators and companies that have a business relationship with the Company. Bradseg also holds an indirect interest in Odontoprev S.A., a dental care provider and parent company of Clidec Participações, partner of Fleury Centro de Procedimentos Médicos Avançados, subsidiary of the Company, in Papaiz Associados. These amounts refer to service agreements, mainly health insurance and food/meal and transportation vouchers.

A group of companies associated with Bradseg are among the Company's main clients. This revenue was not disclosed for competitive reasons.

(c) Grupo Fleury holds financial investments and balances in bank accounts in Banco Bradesco. On June 30, 2016, investment operations consisted of a fund classified as fixed revenue and repurchase agreements, whose yields are shown in Note 4.

b) Management compensation

For the period ended June 30, 2016, Management compensation included salaries, management fees, benefits, payroll charges, stock options and bonus totaling R$4,622 (R$5,391 on June 30, 2015), which is recorded under "General and administrative expenses" in the statement of income.

The amount recognized in the statement of income as compensation of Executive Officers and Management members did not exceed the maximum limit approved by the Meeting held on April 7, 2016.

Pursuant to CPC 33 – Employee Benefits, the Company offers post-employment benefits to its Management, comprising private pension and life insurance. The provision for employee and Management profit sharing totaled R$15,044 in the period ended June 30, 2016 (R$10,743 on June 30, 2015).

24. Equity

a) Share capital

On June 30, 2016, the fully paid-in capital stock was R$1,402,531, represented by 156,293,356 book-entry, registered common shares with no par value. The net amount of share issue expenses was R$1,379,747. The Company is authorized to increase its capital stock, regardless of an amendment to the Bylaws, up to the limit of R$160,000,000 in common shares.

b) Dividends

Shareholders are entitled to 25% of the annual profit, adjusted in accordance with Brazilian Corporation Law as minimum mandatory dividends.

On August 17, 2015, the Board of Directors approved the distribution of interim dividends and interest on capital, in the amounts of R$6,500 (R$0.042 per share) and R$9,709 (R$0.062 per share), paid in 2015.

On April 7, 2016, the Annual Shareholders' Meeting approved the distribution of dividends in the amount of R$21,361 (R$0.14 per share), of which R$10,766 is related to the amount exceeding the minimum mandatory dividends, recorded in equity as "Additional dividends proposed", and R$10,595 is recorded as "Other accounts payable", settled on April 29, 2016, giving a total distribution of R$37,570 related to profit for 2015.

c) Statement of comprehensive income

In all material respects, there were no equity transactions resulting in adjustments to be included in a statement of comprehensive income.

d) Investment reserve

On April 7, 2016, the Annual Shareholders' Meeting approved the retention of profit, after the distribution of dividends, related to the fiscal year ended December 31, 2015.

25. Employee benefits

Pursuant to the disclosure requirements in Official Circular CVM/SNC/ SEP/no 003/2011, the annual financial statements included notes with further details on benefits related to the private

pension plan and the stock option plan, whose assumptions, operations and policies did not suffer any significant changes in relation to the position presented in the financial statements of December 31, 2015.

Private Pension Plan

The Company sponsors a private pension plan, Itaú Vida e Previdência S.A., whose main purpose is to complement the government pension. This defined-contribution pension plan is optional for all employees of the Company and its subsidiary Fleury CPMA. In the period ended June 30, 2016, the Company contributed R$670 (R$599 in the period ended June 30, 2015) to this plan, recorded under "Cost of services rendered" and "General and administrative expenses".

Stock option plan

The following grants were carried out up to June 30, 2016.

	Date	Stock Options Granted	Stock Option Exercise Price*	Position on 6/30/2016		Position on 6/30/2015	
				Number of shares	Period price	Number of shares	Period price
2014 Grant	October 5, 2014	1,149,335	14.28	905,575	16.72	1,073,653	15.36
2013 Grant	April 30, 2013	1,189,296	19.74	581,740	25.08	683,473	23.04
2012 Grant	May 2, 2012	732,746	24.21	258,288	32.64	295,559	29.99
2011 Grant	February 22, 2011	327,825	25.76	87,303	37.21	142,513	34.18
2010 Grant	February 2, 2010	552,624	16.00	53,931	24.50	99,799	22.51

** The price of options will be restated by the IPCA Consumer Price Index variation.*

In the six-month period ended June 30, 2016, the Company recognized pro-rata expenses of R$720 under General and administrative expenses (R$1,318 in the period ended June 30, 2015).

26. Service revenue

	Parent Company		Consolidated	
	6/30/2016	6/30/2015	6/30/2016	6/30/2015
Gross revenue	1,130,705	1,023,544	1,135,703	1,028,447
Taxes	(69,819)	(63,725)	(70,101)	(64,002)
Disallowances	(31,417)	(34,405)	(31,419)	(34,405)
Rebates	(1,115)	(3,592)	(1,115)	(3,592)
Net revenue	**1,028,354**	**921,822**	**1,033,068**	**926,448**

27. Cost of services

	Parent Company		Consolidated	
	6/30/2016	6/30/2015	6/30/2016	6/30/2015
Personnel and medical services	(352,330)	(335,261)	(357,311)	(340,011)
Rent, utilities and general services	(149,889)	(140,857)	(149,894)	(140,863)
Materials and outsourcing	(103,268)	(89,253)	(103,268)	(89,253)
General expenditures	(63,277)	(58,214)	(63,281)	(58,214)
Depreciation and amortization	(54,167)	(44,207)	(55,059)	(45,246)
	(722,931)	**(667,792)**	**(728,813)**	**(673,587)**

28. General and administrative expenses

	Parent Company		Consolidated	
	6/30/2016	6/30/2015	6/30/2016	6/30/2015
Personnel and medical services	(56,957)	(59,948)	(56,957)	(59,948)
Depreciation and amortization	(16,388)	(15,293)	(16,387)	(15,293)
Rent, utilities and general services	(11,234)	(11,732)	(11,234)	(11,732)
Consulting services	(11,110)	(6,825)	(11,110)	(6,825)
Promotions and events	(6,579)	(4,497)	(6,579)	(4,497)
Other	(6,120)	(4,109)	(6,121)	(4,109)
Legal services	(2,125)	(1,931)	(2,125)	(1,931)
Materials and outsourcing	(1,786)	(1,090)	(1,786)	(1,090)
	(112,299)	**(105,425)**	**(112,299)**	**(105,425)**

29. Other operating income (expenses), net

	Parent Company		Consolidated	
	6/30/2016	6/30/2015	6/30/2016	6/30/2015
Other expenses (a)	(8,915)	(261)	(8,911)	(270)
Write-off of tax credits	(4,409)	-	(4,626)	-
Result from write-off/sale of assets (b)	(92)	(8,158)	(92)	(8,158)
Garbage collection fee (c)	-	(24,417)	-	(24,417)
Allowance for doubtful accounts	-	(1,222)	-	(1,222)
	(13,416)	**(34,058)**	**(13,629)**	**(34,067)**

(a) Mainly reflects the revision of the expectation for the collection of Receivables from AES Eletropaulo (note 10);

(b) Mainly refers to the write-off of property and equipment items (mostly medical equipment) as a result of inventories performed in the Rio de Janeiro and São Paulo units.

(c) Garbage collection fee related to 2011, 2012, 2013 and 2014, as per the material fact dated March 31, 2015.

30. Financial results

	Parent Company		Consolidated	
	6/30/2016	6/30/2015	6/30/2016	6/30/2015
Financial income:				
Income from financial investments	45,374	30,082	45,520	30,095
Monetary restatement of taxes and judicial deposits	4,589	6,028	4,589	6,091
Derivative financial instruments	201	-	201	-
Exchange rate variation	118	168	118	168
Other	82	225	82	225
Pis/Cofins on financial income	(2,452)	-	(2,462)	-
	47,912	**36,503**	**48,048**	**36,579**
Financial expenses:				
Interest on debentures	(61,461)	(57,689)	(61,461)	(57,689)
Monetary restatement of taxes and accounts payable from company acquisitions	(4,997)	(3,612)	(5,045)	(3,654)
Other financial expenses	(3,169)	(152)	(3,097)	(153)
Interest on financing and other interest	(2,412)	(5,388)	(2,412)	(5,389)
Monetary restatement of provision for tax, labor and civil risks	(2,399)	(1,624)	(2,399)	(1,624)
Bank fees and expenses	(1,892)	(1,582)	(1,898)	(1,593)
Derivative financial instruments	(870)	-	(870)	-
Exchange rate variation	(92)	(255)	(92)	(255)
	(77,292)	**(70,302)**	**(77,274)**	**(70,357)**
Net financial result	**(29,380)**	**(33,799)**	**(29,226)**	**(33,778)**

31. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of common shares issued in the period, excluding common shares acquired by the Company and held as treasury shares.

	6/30/2016	6/30/2015
Profit attributable to the Company's shareholders	90,763	46,311
Weighted average number of common shares issued/outstanding	156,293,356	156,293,356
Basic earnings per share - R$	0.58	0.30

Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of outstanding common shares to assume the conversion of all dilutive potential common shares.

The Company had outstanding dilutive potential common shares in the period, related to the Company's Stock Option Plan, as follows:

	6/30/2016	6/30/2015
Profit attributable to the Company's shareholders	90,763	46,311
Weighted average number of outstanding common shares	156,293,356	156,293,356
Adjustment for stock options	2,195,334	1,780,609
Weighted average number of common shares for diluted earnings per share	158,488,690	158,073,965
Diluted earnings per share - R$	0.57	0.29

32. Segment reporting

Grupo Fleury's Management carries out analyses based on three significant business segments: Diagnostic Medicine, Integrated Medicine and Dental. The segments presented in the financial statements are strategic business units that offer different products and services.

	Six-month period ended 6/30/2016				Six-month period ended 6/30/2015			
	Diagnostic Medicine	Integrated Medicine	Dental	**Consolidated**	Diagnostic Medicine	Integrated Medicine	Dental	**Consolidated**
Net revenue	857,188	175,881	-	1,033,069	774,687	151,761	-	926,448
EBITDA	212,040	31,703	-	243,743	147,657	23,404	-	171,061
Equity in the earnings of indirect subsidiary	-	-	574	574	-	-	(32)	(32)
Depreciation and amortization	-	-	-	(71,446)	-	-	-	(60,539)
Financial result	-	-	-	(29,226)	-	-	-	(33,778)
Income before income taxes	**-**	**-**	**-**	**143,645**	**-**	**-**	**-**	**76,712**

Assets and liabilities by reportable segment are not being presented, in line with CPC 22, given that this information is not regularly presented to the main managers of the operations.

Pursuant to accounting standard CPC 19 (R2) - Joint Arrangements, the indirect subsidiary Papaiz is accounted for by the equity method because it is jointly controlled. Dental operations are broken down as follows:

	6/30/2016	6/30/2015
Net revenue	4,269	3,987
Operating result	916	483
Depreciation and amortization	(123)	(138)
Financial result	(84)	(104)
Income before taxes	709	241
Income tax and social contribution	(134)	(273)
Profit	**575**	**(32)**

33. Insurance

The Company has a policy to contract insurance for possible risks related to its assets, loss of profit and/or liability in amounts sufficient to cover possible losses, considering the nature of its activities and in accordance with the assessment of Management and its specialized consultants. The Parent Company's net insurance premium for the policies in effect on June 30, 2016 totaled R$876. The agreements are in effect until December 2016. The maximum amounts insured by the main insurance on June 30, 2016 were as follows:

	Consolidated
Operating risks	R$368,000
Civil liability	R$33,500
International transport - imports	US$ ('000) 500

34. Subsequent events

On July 25, 2016, the Extraordinary Shareholders' Meeting approved the new long-term incentive program, which consists of a stock option plan, in effect as of August 2016. The Company's CEO, executive officers, senior managers and other employees will be eligible for the plan.

The maximum number of shares comprised in the Plan will be 3,907,334 shares, equivalent to 2.5% of the total number of shares in the Company's share capital on the approval date.

On the same date, the Shareholders' Meeting approved the First Grant of the plan, corresponding to 1,764,702 stock options of the Company.

At a meeting held on July 27, 2016, the Company's Board of Directors approved the distribution of interim dividends in the amount of R$31,767, corresponding to R$0.20 per share, related to retained earnings from the first half of 2016.

The approved dividends will be added to the mandatory dividends related to 2016 and will be available to the Company's shareholders as of August 15, 2016.

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BOARD OF EXECUTIVE DIRECTORS DECLARATION ABOUT FINANCIAL STATEMENTS

Pursuant to subsection VI of Article 25 of CVM Instruction 480 of December 7 2009, the Board of Executive Directors declares that it has reviewed, discussed and agreed with the Company's Financial Statements for the period ended on June 30th, 2016, authorizing its conclusion on this date.

São Paulo, July 27th, 2016.

Board of Executive Directors

Carlos Alberto Iwata Marinelli – CEO

Adolpho Cyriaco Nunes de Souza Neto – CFO and IRO

Paulo Pedote – Executive Director for Business

BOARD OF EXECUTIVE DIRECTORS DECLARATION ABOUT INDEPENDENT AUDITOR´S REPORT

Pursuant to subsection V of Article 25 of CVM Instruction 480 of December 7 2009, the Board of Executive Directors declares that it has reviewed, discussed and agreed with the contents and opinions expressed in the Independent Auditor´s Report on the Company's Financial Statements for the period ended on June 30th, 2016, issued on July 27th, 2016.

São Paulo, July 28th, 2016.

Board of Executive Directors

Carlos Alberto Iwata Marinelli - CEO

Adolpho Cyriaco Nunes de Souza Neto – CFO and IRO

Paulo Pedote - Executive Director for Business