(A free translation of the original in Portuguese)

Fleury S.A.

Quarterly Information (ITR) at March 31, 2013 and Report on Review of Quarterly Information

(A free translation of the original in Portuguese)

Report on Review of Quarterly Information

To the Board of Directors and Shareholders
Fleury S.A.

Introduction

We have reviewed the accompanying parent company and consolidated interim accounting information of Fleury S.A., included in the Quarterly Information Form (ITR) for the quarter ended March 31, 2013, comprising the balance sheet as at that date and the statements of income, changes in equity and cash flows, for the quarter then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of the parent company interim accounting information in accordance with the accounting standard CPC 21, Interim Financial Reporting, of the Brazilian Accounting Pronouncements Committee (CPC), and of the consolidated interim accounting information in accordance with accounting standard CPC 21 and International Accounting Standard (IAS) 34 - Interim Financial Reporting issued by the International Accounting Standards Board (IASB), as well as the presentation of this information in accordance with the standards issued by the Brazilian Securities Commission (CVM), applicable to the preparation of the Quarterly Information (ITR). Our responsibility is to express a conclusion on this interim accounting information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Reviews of Interim Financial 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 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 Brazilian and International Standards on Auditing 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.

PricewaterhouseCoopers, Av. Francisco Matarazzo 1400, Torre Torino, São Paulo, SP, Brasil 05001-903, Caixa Postal 61005
T: (11) 3674-2000, F: (11) 3674-2000, www.pwc.com/br

Fleury S.A.

Conclusion on the parent company interim information

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

Conclusion on the consolidated interim information

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

Other matters

Interim statements of value added

We have also reviewed the parent company and consolidated interim statements of value added for the quarter ended March 31, 2013, which are required to be presented in accordance with standards issued by the Brazilian Securities Commission (CVM) applicable to the preparation of Quarterly Information (ITR) and are considered supplementary information under IFRS, which does not require the presentation of the statement of value added. These statements have been submitted to the same review procedures described above and, based on our review, nothing has come to our attention that causes us to believe that they have not been properly prepared, in all material respects, in relation to the parent company and consolidated interim accounting information taken as a whole.

São Paulo, April 30, 2013

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5

Marcelo Orlando
Contador CRC 1SP217518/O-7

FLEURY S.A. AND SUBSIDIARIES

BALANCE SHEETS AS AT MARCH 31, 2013 AND DECEMBER 31, 2012
(In thousands of Brazilia reais - R$)

	Note	Parent Company		Consolidated	
Assets		**03/31/2013**	**12/31/2012**	**03/31/2013**	**12/31/2012**
Current Assets					
Cash and cash equivalents	5	675.299	180.143	675.547	180.798
Derivative financial instruments	6	11.271	12.735	11.271	12.735
Trade receivables	4,7	403.606	357.008	405.907	359.043
Inventories	8	13.612	18.838	13.612	18.838
Recoverable taxes	4,9	81.064	78.375	81.812	79.087
Prepaid expenses		7.635	4.108	7.635	4.108
Other		8.531	7.790	8.531	8.249
Total current assets		1.201.018	658.997	1.204.315	662.858
Non-current Assets					
Long-term receivables:					
Judicial deposits	18	10.842	10.852	10.844	10.855
Deferred income tax and social contribution	4,27	108.472	99.740	108.472	99.740
Other		10.642	10.875	10.642	10.874
Total long-term receivables		129.956	121.467	129.958	121.469
Investments	10	28.281	19.590	9.567	246
Property and equipment	11	422.605	419.587	427.059	424.288
Intangible assets	4,12	1.517.312	1.516.488	1.530.064	1.529.298
Total non-current assets		2.098.154	2.077.132	2.096.648	2.075.301
Total Assets		3.299.172	2.736.129	3.300.963	2.738.159

	Note	Parent Company		Consolidated	
Liabilities and Equity		**03/31/2013**	**12/31/2012**	**03/31/2013**	**12/31/2012**
Current Liabilities					
Borrowings and financing	13	100.317	88.332	100.317	88.332
Derivative financial instruments	6	201	127	201	127
Trade payables	14	82.576	70.238	83.344	70.997
Payroll and related taxes	15	51.726	43.102	51.726	43.102
Provision for income tax and social contribution		-	29	-	29
Taxes and contributions payable	16	29.719	29.950	29.869	30.463
Payables - business acquisitions	17	8.676	10.100	9.260	10.574
Other payables		198	-	198	-
Total current liabilities		273.413	241.878	274.915	243.624
Non-current Liabilities					
Borrowings and financing	13	971.151	471.731	971.151	471.731
Deferred income tax and social contribution	27	200.019	182.388	200.019	182.388
Provision for tax, labor and civil risks	4,18	52.099	51.524	52.099	51.524
Taxes and contributions payable	16	55.668	58.238	55.668	58.238
Payables - business acquisitions	17	18.788	24.462	19.077	24.746
Total non-current liabilities		1.297.725	788.343	1.298.014	788.627
Equity					
Share capital	21	1.379.747	1.379.747	1.379.747	1.379.747
Capital reserve - options granted		4.334	3.766	4.334	3.766
Revaluation reserve		1.341	1.476	1.341	1.476
Legal reserve		30.499	30.499	30.499	30.499
Investment reserve		290.420	290.420	290.420	290.420
Retained earnings		21.693	-	21.693	-
Total Equity		1.728.034	1.705.908	1.728.034	1.705.908
Total Liabilities and Equity		3.299.172	2.736.129	3.300.963	2.738.159

The accompanying nores are an integral part of these financial statements.

FLEURY S.A. AND SUBSIDIARIES

INCOME STATEMENTS
PERIODS ENDED MARCH 31
(In thousands of Brazilian - R$, except earnings per share)

	Note	Parent Company		Consolidated	
		01/01/2013 to 03/31/2013	01/01/2012 to 03/31/2012	01/01/2013 to 03/31/2013	01/01/2012 to 03/31/2012
Service revenue	22	**391.916**	**342.825**	**393.590**	**351.807**
Cost of services	23	(298.028)	(249.246)	(300.603)	(258.021)
Gross profit		**93.888**	**93.579**	**92.987**	**93.786**
Operating (expenses) income					
General and administrative expenses	24	(44.984)	(35.871)	(44.984)	(36.100)
Other operating income (expenses)	25	(1.843)	(3.089)	(1.799)	(3.094)
Provision for tax, labor and civil risks	18	(1.203)	20	(1.203)	20
Share of profits (losses) of subsidiaries	10	(809)	(406)	50	-
Operating profit before finance income (costs)		**45.049**	**54.233**	**45.051**	**54.612**
Finance income	26	10.888	16.991	10.902	16.998
Finance costs	26	(25.481)	(34.832)	(25.497)	(34.989)
Finance income (costs), net		**(14.593)**	**(17.841)**	**(14.595)**	**(17.991)**
Profit before income tax and social contribution		**30.456**	**36.392**	**30.456**	**36.621**
Income tax and social contribution					
Current	27	-	-	-	(229)
Deferred	27	(8.898)	(4.664)	(8.898)	(4.664)
Profit for the quarter		**21.558**	**31.728**	**21.558**	**31.728**
Total comprehensive income		21.558	31.728	21.558	31.728
Earnings per share attributable to owners of the Company					
Basic earnings per share (weighted average)	29	**0,14**	**0,20**	**0,14**	**0,20**
Diluted earnings per share (weighted average)	29	**0,14**	**0,20**	**0,14**	**0,20**

The accompanying nores are an integral part of these financial statements.

FLEURY S.A. AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY (CONSOLIDATED)
PERIOD ENDED MARCH 31, 2013
(In thousands of Brazilian reais - R$, except earnings and dividends per share, proposed and distributed)

		Capital		Capital reserve		Earnings reserves			
	Note	Share capital	Share issue costs	Options granted	Revaluation reserve	Legal reserve	Investment reserve	Retained earnings (accumulated losses)	Equity attributable to owners of the Company
Balances at December 31, 2011		1.400.908	(22.784)	2.561	2.236	25.169	223.791	-	1.631.881
Capital increase	21	1.623							1.623
Realization of revaluation reserve	11	-	-	-	(760)	-	-	760	-
Stock option plan	28	-	-	1.205	-	-	-	611	1.816
Profit for the year (R$0.68 per share)		-	-	-	-	-	-	106.588	106.588
Allocation of profit for the year:									
Interest on own capital proposed (R$0.101 per share)								(16.000)	(16.000)
Dividends paid in advance								(20.000)	(20.000)
Legal reserve						5.330		(5.330)	-
Investment reserve							66.629	(66.629)	-
Balances at December 31, 2012		1.402.531	(22.784)	3.766	1.476	30.499	290.420	-	1.705.908
Capital increase	21								-
Realization of revaluation reserve	11	-	-	-	(136)	-	-	136	-
Stock option plan	28	-	-	568	-	-	-		568
Profit for the year (R$0.14 per share)		-	-	-	-	-	-	21.558	21.558
Balances at March 31, 2013		1.402.531	(22.784)	4.334	1.340	30.499	290.420	21.694	1.728.034

The accompanying nores are an integral part of these financial statements.

FLEURY S.A. AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS
PERIODS ENDED MARCH 31
(In thousands of Brazilia reais - R$)

	Parent Company		Consolidated	
	03/31/2013	**03/13/2012**	**03/31/2013**	**03/31/2012**
Profit for the quarter	21.558	31.728	21.558	31.728
Items not affecting cash:				
Income tax and social contribution	8.898	4.664	8.898	4.893
Finance income (costs)	14.593	17.841	14.595	17.991
Depreciation and amortization	27.875	21.913	28.181	22.740
Share of profits (losses) of subsidiaries	809	406	(50)	-
Earnings before interest, taxes, depreciation and amortization	**73.733**	**76.552**	**73.182**	**77.352**
Stock option plan	568	418	568	418
Recognition (reversal) of provision for tax, labor and civil risks	1.203	(20)	1.203	(20)
Allowance for doubtful debts	14.894	22.241	14.919	22.274
Labor provisions	10.204	3.269	10.204	3.269
Accrued trade payables	4.541	(3.434)	4.541	(2.734)
Other	1.797	1.474	1.753	1.474
Cash flows from operating activities before changes in assets and liabilities	**106.940**	**100.500**	**106.370**	**102.033**
Trade receivables	(62.203)	(62.133)	(62.495)	(62.175)
Inventories	5.127	6.492	5.128	6.408
Trade payables/Payroll and related taxes	5.606	(13.142)	5.620	(13.022)
Changes in other assets	(6.923)	(17.231)	(6.960)	(18.305)
Changes in other liabilities	(6.098)	(1.004)	(6.419)	(563)
Total changes in assets and liabilities	**(64.491)**	**(87.018)**	**(65.126)**	**(87.657)**
Finance costs paid	(2.453)	(926)	(2.453)	(926)
Income tax and social contribution paid	(29)	-	(29)	(229)
Net cash provided by (used in) operating activities	**39.967**	**12.556**	**38.761**	**13.221**
Purchase of property and equipment and IT systems	(31.916)	(61.112)	(31.916)	(61.596)
Sale of property and equipment	-	-	-	-
Related parties	(9.500)			
Acquired businesses:				
Payments	(6.322)	(190.719)	(15.032)	(190.719)
Net cash used in investing activities	**(47.738)**	**(251.831)**	**(46.948)**	**(252.315)**
Changes in borrowings and debentures				
New borrowings and debentures	500.000	1.050	500.000	1.050
Settlement of borrowings and debentures	(1.512)	(2.848)	(1.512)	(2.848)
Interest paid on borrowings and debentures	(386)	(655)	(386)	(655)
Interest received on financial investments	6.967	7.077	6.976	7.078
Dividends and/or interest on own capital	(2.141)	-	(2.141)	-
Related parties	-	940	-	-
Net cash provided by (used in) financing activities	**502.927**	**5.564**	**502.936**	**4.625**
Decrease in cash and cash equivalents	**495.156**	**(233.711)**	**494.749**	**(234.469)**
Cash and cash equivalents				
At the beginning of the year	180.143	481.400	180.798	486.006
At the end of the quarter	675.299	247.689	675.547	251.537
Decrease in cash and cash equivalents	**495.156**	**(233.711)**	**494.749**	**(234.469)**

The accompanying nores are an integral part of these financial statements.

FLEURY S.A. AND SUBSIDIARIES

STATEMENTS OF VALUE ADDED
PERIODS ENDED MARCH 31
(In thousands of Brazilia reais - R$)

	Parent Company		Consolidated	
	03/31/2013	03/31/2012	03/31/2013	03/31/2012
Revenues	**423.993**	**365.475**	**425.812**	**374.990**
Sales of goods and services	438.413	388.776	440.213	398.324
Allowance for doubtful debts and disallowances	(14.894)	(22.241)	(14.919)	(22.274)
Other revenues	474	(1.060)	518	(1.060)
Inputs purchased from third parties	**(171.259)**	**(144.919)**	**(173.530)**	**(149.190)**
Cost of goods and services sold	(84.324)	(112.477)	(84.425)	(115.713)
Materials, electric power, outside services and other	(86.184)	(32.340)	(88.353)	(33.374)
Impairment/Recovery of assets	(751)	(102)	(752)	(103)
Gross value added	**252.734**	**220.556**	**252.282**	**225.800**
Depreciation and amortization	(27.875)	(21.913)	(28.181)	(22.740)
Net value addded	**224.859**	**198.643**	**224.101**	**203.060**
Value added received through transfer	**10.079**	**16.585**	**10.952**	**16.998**
Share of profits (losses) of subsidiaries	(809)	(406)	50	-
Finance income	10.888	16.991	10.902	16.998
Total value added	**234.938**	**215.228**	**235.053**	**220.058**
Distribution of value added	**(234.938)**	**(215.228)**	**(235.053)**	**(220.058)**
Personnel and payroll chargeS	(118.480)	(99.507)	(118.480)	(103.409)
Taxes and contributions	(38.697)	(32.202)	(38.798)	(32.974)
Interest, rentals and other operating expenses	(56.203)	(51.791)	(56.217)	(51.947)
Retained earnings	(21.558)	(31.728)	(21.558)	(31.728)

The accompanying nores are an integral part of these financial statements.

Fleury ON (Bovespa FLRY3) (Bloomberg FLRY3 BZ; Thomson FLRY3-BR)
Debentures: BRFLRYDBS007, BRFLRYDBS015 and BRFLRYDBS023

On March 31st, 2013:

Shares Outstanding
156,293,356 shares

Shares Outst Diluted
156,314,195 shares

Free float
53,048,014 shares (33.9%)

Share price
R$ 19.10 /US$ 9.45

Market Cap
R$ 2,985 MM / US$ 1,477 MM

Cash and Cash Equivalents
R$ 676 MM / US$ 334 MM

Investor Relations

João Patah
IRO

Leandro Esteves Veiga
Investor Relations Coordinator

Raimundo Guimarães
Investor Relations Analyst

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

Conference Call
May 3rd, 2013

English
12:30 PM (11:30 AM EST)

Portuguese
11:00 AM (10:00 AM EST)

Phone numbers:
Participants in Brazil:
+55 11 4688-6361

Participants in the U.S.:
(+1) 855-281-6021

Participants in other countries:
(+1) 786-924-6977

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

GROSS REVENUE INCREASES BY 10.5% TO R$ 440 MM, DOUBLE-DIGIT-ORGANIC-GROWTH FOR THE ELEVENTH CONSECUTIVE QUARTER. NET REVENUE EXPANDS 11.9% WITH CANCELLATION LEVEL IMPROVEMENTS.

EBITDA AMOUNTS TO R$ 73 MM (R$ 311 MM LTM), 18.6% MARGIN OF NET REVENUES.

OPERATING ACTIVITIES PROVIDE CASH OF R$ 39 MM (+193% over 1Q12), ENOUGH TO FUND THE QUARTER'S ORGANIC CAPEX.

FOR THE 4th CONSECUTIVE YEAR, THE COMPANY WAS AWARDED AS THE MOST WELCOMING FOR CUSTOMERS.

São Paulo, May 2nd, 2013 – Grupo Fleury (BOVESPA: FLRY3) announces today its 1st Quarter results (1Q13). Consolidated financial information is presented according to IFRS and accounting principles adopted in Brazil.

All figures are compared to 1Q12 (**YoY**) except when otherwise stated.

Financial highlights

Top line growth remains consistent despite of the economic slowdown, high comparable (1Q12) and smaller number of working days.

- **Patient Service Centers**: Gross Revenue amounts to R$ 367 MM, a result of **11.2% organic growth**. Double-digit increase in the revenue per m² has driven growth, mainly as maturation of 2011 investment cycle advances. Net Revenue increases 13.3%
- **Diagnostic Operations in Hospitals**: Gross Revenue increases by 11.0% organically to R$ 61 MM, driven by volume of exams and mix of services.
- **Lab-to-lab**: R$ 7 MM, a 5.3% decrease as a result of restructuring to improve margin.
- **Preventive Medicine**: R$ 5.6 MM.

Gross Profit amounts R$ 93 MM, 23.6% of net revenue.

EBITDA reaches R$ 73 MM, 18.6% margin on Net Revenue (22.0% in 1Q12 and 17.0% recurring in 4Q12).

EBIT (Operating Profit) achieves R$ 45 MM, a 11.4% margin on Net Revenue.

Net Income achieves R$ 22 MM, 5.5% of Net Revenue**.** Cash Net Income[1] amounted to R$ 30 MM (7.7% margin).

Leverage (Net Financial Debt / EBITDA LTM) improved from 1.7 to 1.4.

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

Financial Indicators (IFRS)

R$ MM	1Q13	1Q12	Δ
Gross Revenue	440.2	398.3	10.5%
Net Revenue	393.6	351.8	11.9%
Gross Profit	93.0	93.8	-0.9%
EBITDA	73.2	77.4	-5.4%
Net Income	21.6	31.7	-32.1%
Net Income Cash	30.5	36.4	-16.3%
Operating Cash	38.8	13.2	193.2%
Number of Shares (million)	156.3	156.2	
Number of Shares diluted (million)	156.3	156.3	
Gross Margin %	23.6%	26.7%	-303 bps
EBITDA Margin %	18.6%	22.0%	-339 bps
Effective Tax Rate	0.0%	-0.6%	63 bps
Net Income Margin	5.5%	9.0%	-354 bps
Net Income Cash / Net Revenue	7.7%	10.3%	-261 bps
Operating Cash / Net Revenue	9.8%	3.8%	609 bps
EV/EBITDA (LTM)	10.6	17.9	
P/E (LTM)	31.0	35.9	

P/E = [(Last Price) x (number of shares)] / (Net Income LTM)
EV/EBITDA = [(Last Price) x (number of shares) + (Non-Current Debentures, Borrowings and Financings)–(Cash and Equivalents)] / (EBITDA LTM)

Operational highlights

On **January 31**, the Company announced that the acquisition of Grupo Papaiz was concluded and a Shareholders Agreement was signed between Grupo Fleury and OdontoPrev. The figures of Grupo Papaiz have been consolidated as of February 2013 (R$ 50 thousand in share of profits of subsidiaries)



On **February 13**, Grupo Fleury held the 4th "Supply Chain Relationship Excellence Program", where the Group recognized the top five suppliers in 2012 based on sustainable initiatives. The event was attended by 65 companies.

In **February 18**, Grupo Fleury began diagnostic operations in Hospital Marcelino Champagnat under Weinmann brand, in Curitiba, Paraná state. Currently, the Company is in charge of diagnostic centers in 30 top tier hospitals.

On **March 01**, the Fleury brand was ranked for the 4th consecutive year as the most welcoming in a survey conducted by IBHE (Brazilian Institute of Corporate Hospitality). Relationship with customers, welcoming environment and concern with small details are some important attributes of the brand that justify the result.

On **March 05**, Weinmann was awarded as the top of mind and most preferred brand in Rio Grande do Sul in the category of Clinical Labs by Jornal do Comércio and Qualidata.

On **March 19**, the Corporate University of Grupo Fleury was awarded by IQPC (International Quality Productivity Center) as one of the five best corporate universities in Brazil. The Cubic Awards (Corporate University Best-in-Class) is the main global award for corporate education and it aims to recognize the initiatives of global business education.



On **March 19**, a new PSC was launched in São Paulo: a+ Capela do Socorro. This new unit adds 1.0 thousand square meters of services to the a+ brand and has capacity to attend up to 400 clients per day and offers a complete portfolio of Clinical Analysis and Imaging services, such as MRI, CT Scan, Endoscopy and others.

On **April 12**, the Fleury brand was ranked as one of the most valuable brands in Brazil in accordance with a survey conducted by Dinheiro Magazine and BrandAnalytics/Millward Brown.

Economic Scenario and Sector

Macroeconomics

- Brazilian GDP growth ended 2012 at 0.9%. The financial market and central bank expect a GDP growth around 3% in 2013.

- The Brazilian Consumer Price Index (IPCA) was 5.8% in 2012. The market expects a rate of 5.7% for this year in accordance with Focus research.

Employment

In 1Q13 a total of 306 thousand new net jobs were created, amounting to 1.1 million LTM (2.8% growth compared to 1Q12).

In the macroeconomic regions where the Group is present, LTM net jobs created and growth *vs* 1Q12 are as follows:

São Paulo (city):	147 thousand (+2.2%)
Rio de Janeiro (city):	87 thousand (+3.1%)
Recife:	27 thousand (+3.1%)
Porto Alegre:	40 thousand (+3.4%)
Curitiba:	20 thousand (+2.0%)
Salvador:	8 thousand (+0.9%)
Federal District:	19 thousand (+2.5%)

Sector

- In accordance with a survey conducted by the research institute Datapopular, the Brazilian family spending on healthcare has risen 54% in a decade. The expenses amounted to R$ 110 billion in 2002 and it is expected to reach R$ 169 billion this year.

- A research conducted by the Brazilian Institute for Consumer Defense (IDEC) shows that the health plans readjustment rates, set by the Brazilian Health Regulator (ANS), were 38.12% above the official inflation rate (IPCA) over the last ten years.

- The Social Affairs Committee (CAS) approved a project to establish a process of quality certification for hospitals. The proposal also suggests that other medical services providers can be included in the evaluation process.

- In accordance with an ANS resolution, the HMOs shall create Ombudsman linked to their organizational structures. This initiative aims to reduce complaints between operators and consumers and improve quality standards.

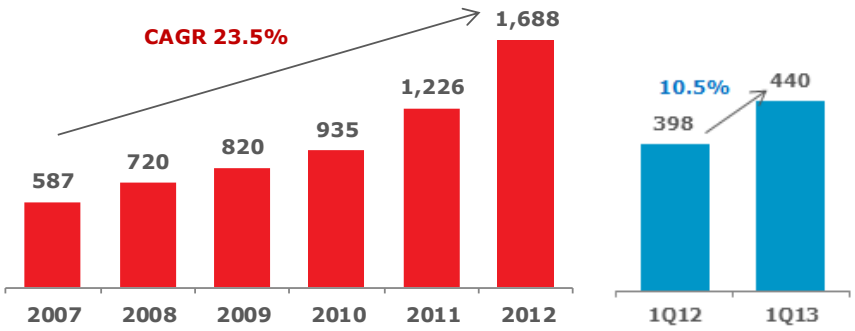
- In order to improve the quality of the sector, the ANS announced that it will include new indicators to suspend HMOs plan sales, such as coverage of procedures, vesting period, number of service providers (clinics, hospitals, laboratories and offices), and time authorization for surgeries and complex exams.

Financial Performance

Gross Revenue

Gross Revenue achieves R$ 440 MM, driven by 10.5% YoY Organic Growth. It is the eleventh consecutive quarter that Grupo Fleury reports a double-digit-organic-growth, despite of the economic slowdown, high comparable (1Q12) and smaller number of working days.

Gross Revenue (R$ MM)



The main drivers of the double-digit growth are mentioned below:

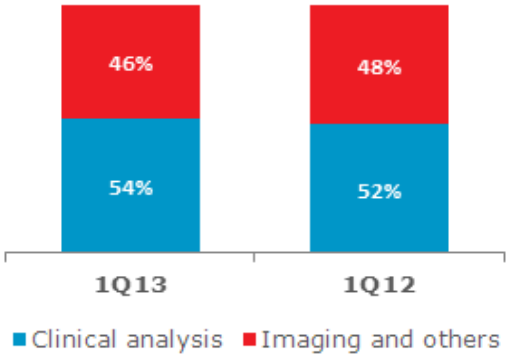
- The "a+" brand, launched in May 2011, producing good satisfaction levels among physicians, patients and HMOs throughout the country, therefore gaining share.
- Expansion Plan in 2011/2012 cycle, which increased PSCs' areas and services offer (enriching the portfolio and adding Imaging services), progressing in maturation.
- Fleury brand keeps on outstanding market growth, consistently leading premium diagnostics through innovating in products, procedures and services – e.g. Integrated Medical Centers.
- Diagnostic Operations in Hospitals, enabled by Group´s medical heritage and driven by progressive intertwining with prominent Medical Institutions.
- Growth in volume of exams has been complemented by the mix and pricing effects.

Historical Growth Evolution (Gross Revenue)

	1Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2010	2011	2012
PSC - Total	**9.7%**	**61.5%**	**59.2%**	**25.0%**	**11.0%**	**11.2%**	**13.3%**	**31.5%**	**35.3%**
PSC - Organic	9.7%	19.7%	15.1%	12.2%	11.0%	11.2%	6.9%	11.3%	13.9%
Diag Operations in Hospitals - Total	**62.9%**	**90.1%**	**83.1%**	**71.8%**	**48.4%**	**11.0%**	**48.4%**	**46.6%**	**71.4%**
Diag Operations in Hospitals - Organic	52.4%	17.8%	3.2%	-2.4%	24.5%	11.0%	26.3%	36.7%	11.3%
Reference Laboratory - Total	**-7.0%**	**-17.7%**	**3.6%**	**-9.7%**	**-15.6%**	**-5.3%**	**-14.4%**	**-9.5%**	**-10.0%**
Reference Laboratory - Organic	-0.4%	-8.2%	9.1%	-4.8%	-12.1%	-4.6%	-6.4%	-2.5%	-4.1%
Preventive Medicine - Total	**30.9%**	**32.6%**	**16.4%**	**12.8%**	**5.2%**	**-11.4%**	**-7.8%**	**25.3%**	**15.5%**
Preventive Medicine - Organic	30.9%	32.6%	16.4%	12.8%	5.2%	-11.4%	48.0%	25.3%	15.5%
Group - Total	**13.6%**	**61.4%**	**59.4%**	**28.5%**	**14.4%**	**10.5%**	**13.9%**	**31.2%**	**37.7%**
Group - Organic	13.3%	18.7%	13.3%	10.4%	12.0%	10.5%	9.2%	13.6%	13.2%

The increase of Clinical Analysis revenues in RJ (Labs D'Or) and in hospital operations has exceeded the amount added by the growth of "a+" brand Imaging Services. As a result, participation of Clinical Analysis expanded in the quarter.

Gross Revenue Breakdown by Type of Test (%) - Patient Service Centers



In 1Q13, Group's Revenue by Source is as follow:

- MCOs and HMOs: 77%
- Individuals: 12%
- Hospitals, other Laboratories and Companies: 12%

Business Lines Performance

	1Q13		1Q12		
	R$ MM	%	R$ MM	%	△
Patient Service Centers	366.7	83.3%	329.8	82.8%	11.2%
Operations in Hospitals	60.9	13.8%	54.9	13.8%	11.0%
Reference Laboratory	7.0	1.6%	7.4	1.8%	-5.3%
Preventive Medicine	5.6	1.3%	6.3	1.6%	-11.4%
Total Gross Revenue	440.2	100.0%	398.3	100.0%	10.5%

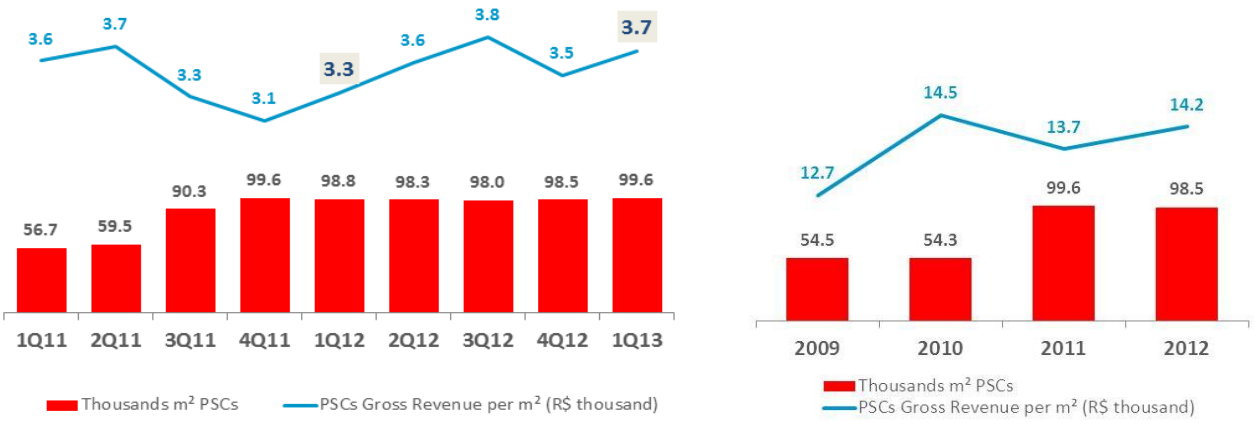
Patient Service Centers

PSCs Revenue increases by 11.2% in the quarter (fully organic) adding up to R$ 367 MM.

Revenue per square meter achieves R$ 3.7 thousand in the quarter, 10.4% higher than 1Q12 mainly driven by the progressive maturation of "a+" brand PSCs launched in 2011 and the enrichment of the portfolio of services.

"*Same store sales*" growth (which only considers PSCs operating during the comparison period) is 9.6% in the quarter.

PSCs Assets Efficiency



B2B

It includes Diagnostic Operations in Hospitals, Reference Laboratory and Preventive Medicine and grows by 7.2% in the quarter, as detailed below:

1. Diagnostic Operations in Hospitals

This business line include diagnostic tests (clinical analysis, imaging tests and other specialties) performed to accredited hospital partners. Intrinsic features of Hospitals environment, as close relationship with medical community, research capabilities, unique and advanced range of exams, precision and fast delivery of integrated diagnostics are undisputed differentiation factors.

Gross Revenue reaches R$ 60.9 MM in 1Q13, which represents a yearly growth of 11%. This business line represents 14% of Group's Revenue in 1Q13.

Growth components:

- Mix improvements in Rede D'Or hospitals, after IT and operational integration (ongoing during 2013), and increasing demand at the prominent Medical Institutions where Grupo Fleury is already responsible for diagnostic operations. Same Hospitals Sales (SHS, which excludes cancelled contracts, new contracts and acquisitions) growth achieves 17.2% in the quarter.
- New hospital contract in Paraná, beginning operation in February. Marcelino Champagnat is a medium and high complex Hospital in Curitiba (PR), launched in the end of 2011.

2. Reference Laboratory (Lab-to-lab)

Through this Business Line, the Company provides diagnostic solutions to other laboratories and Hospitals nationwide, focusing in medium and high complexity exams.

Gross Revenue amounts R$ 7.0 MM, which represents 1.6% of the Group's Revenue. Focus on profitability caused portfolio selection in the latest periods, with growing focus on complex exams. As a result, this business line revenue reduced -5.3% YoY.

3. Preventive Medicine

This business line encompasses Health Assessment, Health Promotion and Chronic Disease Management.

- Health Assessment Revenue achieves R$ 3.4 MM in the quarter, an 8.5% decrease over 1Q12.
- Health Promotion Revenue amounts R$ 0.9 MM in the quarter, a 28.4% reduction. The Chronic Disease Management services have decreased 4.1% to R$ 1.3 MM. Restructuring aiming profitability and strategic repositioning is under way for these services.

Revenue's Tax and Cancellations

Revenue's Tax Rate is stable at 6.4% and Cancellations amounts to R$ 19 MM (4.2% of Gross Revenues).

Under the company's policy for past due accounts, the provision coverage for receivables due to more than 120 days amounts 59% (compared to 48% in 1Q12). Additionally, the accounts due to over 120 days represent 25% of the total receivables (26% in 1Q12).

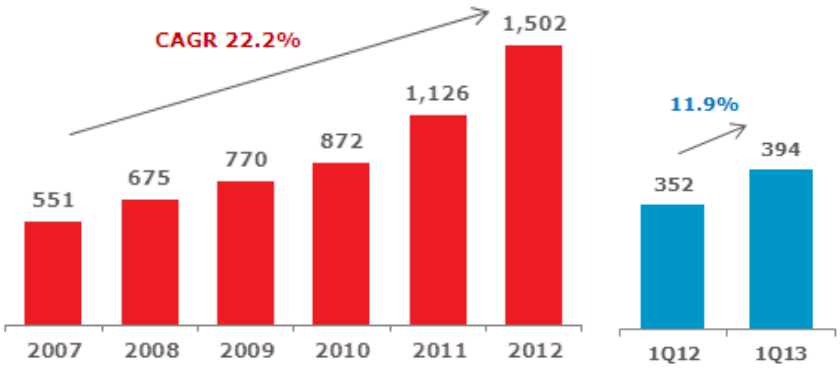
The provisions can be reverted if a payment related to receivables due to more than 120 days is identified. Accounting provision policy:

- From 120 days to 180 days: 15% of provision
- From 180 days to 360 days: 50% of provision
- More than 360 days: 85% of provision

Net Revenue

Net Revenue amounts to R$ 394 million in the quarter, an 11.9% increase YoY, mainly driven by Patient Service Centers (13.3% growth).

Net Revenue (R$ MM)



As a consequence of the gross revenue growth, tax and cancellations, the revenue breakdown by Business Lines is as follows:

Net Revenue breakdown

	1Q13		1Q12		
	R$ MM	%	R$ MM	%	△
Patient Service Centers	**328.4**	**83.4%**	**289.8**	**82.4%**	**13.3%**
Operations in Hospitals	**53.8**	**13.7%**	**49.4**	**14.0%**	**9.1%**
Reference Laboratory	**6.3**	**1.6%**	**6.8**	**1.9%**	**-7.5%**
Preventive Medicine	**5.0**	**1.3%**	**5.8**	**1.7%**	**-14.0%**
Total Net Revenue	**393.6**	**100.0%**	**351.8**	**100.0%**	**11.9%**

Cost of Services

Cost of Services includes personnel remuneration, cost of medical services and materials, reagents, equipment and installation maintenance and depreciation, rental fees and general expenses with facilities, incurred by the Group in PSCs, Hospitals and Technical areas, as well as expenses to provide Customer Services (e.g.: Call Center costs).

Overall, Cost of Services Provided amounts to R$ 301 MM in 1Q13, representing 76.4% of Net Revenue.

- **Personnel and Medical Services** are the Group's main cost and represents 38.1% of net revenues in the quarter (36.5% in 1Q12 and 38.0% in 4Q12), reflecting our highly qualified professionals, which include 1,741 physicians (1,400 in Mar/2012 and 1,611 in Dec/2012). Preparing the personnel structure to the upcoming periods – to keep high levels of service quality during volume growth – has required hiring people and increasing salaries in operations: physicians, contact center, PSCs and hospitals personnel. At the same time, reduction of leadership structures increased the quarter's dismissals costs by approximately R$ 4 MM. As a consequence, this cost line achieves R$ 150 MM.

- **Materials and Outsourcing** cost gains efficiency and accounts for 10.5% of Net Revenue (11.0% in 1Q12 and 11.1% in 4Q12).

- **General Services, Rents and Utilities** represent 14.4% of Net Revenue in 1Q12 (12.8% in 1Q12 and 14.8% in 4Q12). General services have also been prepared to the planned expansion, in alignment to the expected demand growth – close to 0.5% of Net Revenue in costs related to future expansions. In addition, R$ 1 MM contractual fines relates to restructuring of services.

- **General Expenses**, which include mainly equipment and facilities maintenance, IT front-office systems and call center infrastructure expenses, represent 8.1% of Net Revenues in the Quarter (8.3% in 1Q12 and 7.9% in 4Q12).

- **Depreciation and Amortization** account for 5.3% of Net Revenue, an increase due to R$ 1.5 MM related to the acceleration of assets depreciation rate.

	1Q12		4Q12		1Q13	
	R$ thousand	% Net Revenues	R$ thousand	% Net Revenues	R$ thousand	% Net Revenues
Personnel and medical services	128,452	36.5%	142,761	38.0%	150,057	38.1%
Materials and outsourcing	38,800	11.0%	41,660	11.1%	41,269	10.5%
General services, rent and utilities	45,183	12.8%	55,603	14.8%	56,553	14.4%
General expenses	29,302	8.3%	29,830	7.9%	31,813	8.1%
Depreciation and Amortization	16,284	4.6%	17,898	4.8%	20,911	5.3%
Cost of Services	258,021	73.3%	287,752	76.5%	300,603	76.4%

Gross Profit

Gross profit achieves R$ 93.0 MM and represents 23.6% of net revenue – 303 bps below 1Q12 and 14 bps above 4Q12.

Operating Expenses

Operating Expenses amounts R$ 48MM, 12.2% of Net Revenues, as shown below:

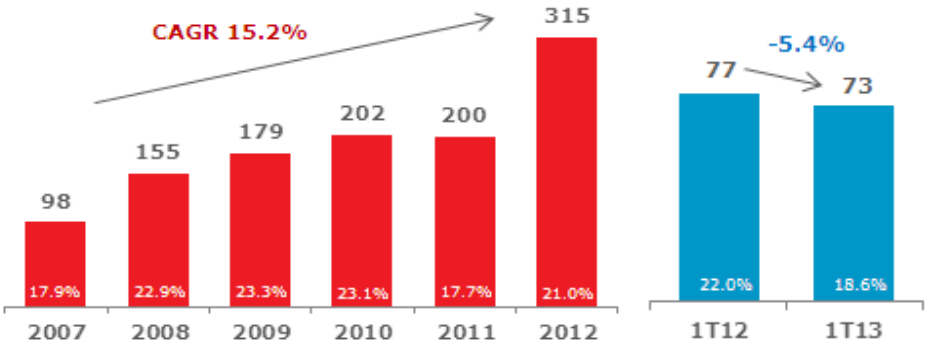
	1Q12		4Q12		1Q13	
	R$ thousand	% Net Revenues	R$ thousand	% Net Revenues	R$ thousand	% Net Revenues
General and Administrative (Excl. Depreciation)	29,644	8.4%	43,380	11.5%	37,714	9.6%
Depreciation and Amortization	6,456	1.8%	8,186	2.2%	7,270	1.8%
Other Operating Income (Expenses), net	3,094	0.9%	-9,045	-2.4%	1,799	0.5%
Provision for Contingency	-20	0.0%	-1,862	-0.5%	1,203	0.3%
Operating Expenses	39,174	11.1%	40,659	10.8%	47,986	12.2%

- **General and Administrative Expenses (exc. Depreciation)** amounts to R$ 37.7 MM, 9.6% of net revenue (8.4% in 1Q12). Marketing expenses represents 0.7% of Net Revenue.
- **Depreciation and Amortization** is R$ 7.3 MM. Cost of contracts with Rede D'Or Hospitals have been amortized as of the end of 2011 (R$ 3.9 MM per quarter).

EBITDA

EBITDA reaches R$ 73.1 MM in the quarter, which represents a margin-on-net-revenue of 18.6% – 339 bps below 1Q12 and 164 bps above 4Q12 recurring EBITDA margin.

EBITDA (R$ MM)



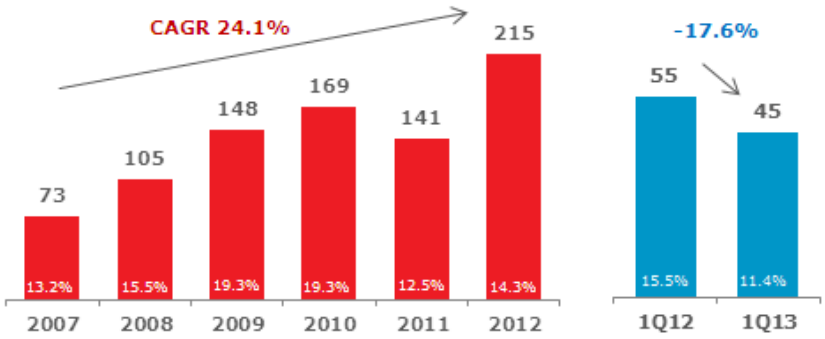
	1Q12		4Q12		1Q13			
	R$ million	% Net Revenues	R$ million	% Net Revenues	R$ million	% Net Revenues	YoY	QoQ
Net Income	31,7	9,0%	16,5	4,4%	21,6	5,5%	-354 bps	110 bps
Financial Result	18,0	5,1%	11,0	2,9%	14,6	3,7%	-141 bps	78 bps
Depreciation and Amortization	22,7	6,5%	26,1	6,9%	28,2	7,2%	70 bps	22 bps
Income Tax and Social Contribution	4,9	1,4%	20,2	5,4%	8,9	2,3%	87 bps	-310 bps
EBITDA	77,4	22,0%	73,8	19,6%	73,2	18,6%	-338 bps	-101 bps

In PSCs, EBITDA per square meter achieves R$ 0.65 thousand in the quarter, 2.9% increase YoY.

EBIT (Operating Profit)

EBIT reaches R$ 45.0 MM in the quarter, a 409 bps decrease over 1Q12, representing an 11.4% margin.

EBIT (R$ MM)



Financial Results

Financial net expenses amounts R$ 14.6 million in 1Q13 compared to R$ 18.0 million in 1Q12, as shown in the tables below.

R$ million	1Q13	1Q12
Financial income (expenses), net	**(14.6)**	**(18.0)**
Interest and inflation adjustment	(18.3)	(22.7)
Exchange rate change and hedge	(0.7)	(0.3)
Interest received	7.0	7.1
Bank fees and other expenses	(2.6)	(2.0)
Financial income	10.9	17.0
Financial expenses	(25.5)	(35.0)

At the end of 2011, the Company issued two series of Debentures and raised R$ 450 MM, which was mainly spent to conclude Labs acquisition. As a result, financial net debt increased by 24% to R$ 415 MM, which represents 1.3 times EBITDA.

In January 2013, Grupo Fleury announced the approval by the Board of Directors of the second issuance of debentures in the amount of R$ 500 million to finance part of the organic investments and acquisitions in the upcoming years.

Debt evolution is shown below:

R$ million	1Q12	2Q12	3Q12	4Q12	1Q13	next 12 months
Gross Debt	**734.9**	**709.2**	**712.8**	**684.1**	**1,185.3**	**139.4**
- Loans and Financing	594.8	572.2	584.3	560.1	1,071.5	100.3
- Acquisition	44.1	44.6	35.2	35.3	28.3	9.3
- Taxes	96.1	92.3	93.3	88.7	85.5	29.9
Cash & Equivalents	(251.5)	(235.9)	(238.7)	(180.8)	(675.5)	
Net Debt	**483.4**	**473.3**	**474.0**	**503.3**	**509.8**	
Net Financial Debt / EBITDA LTM	**1.7**	**1.5**	**1.3**	**1.3**	**1.4**	
EBITDA / Net Financial Expenses	**6.9**	**4.5**	**4.5**	**5.4**	**5.6**	

(1) Debentures Covenant:
Net Financial Debt / EBITDA LTM < 3x
EBITDA / Net Financial Expenses > 1.5x

Income Tax and Social Contribution

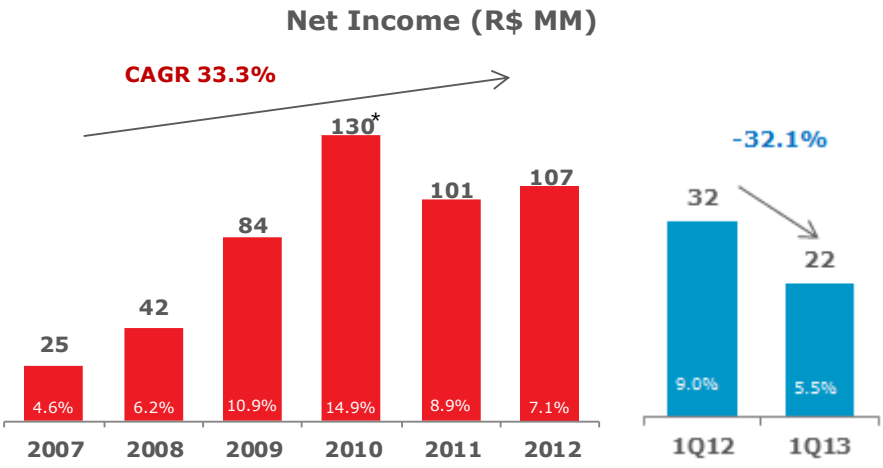
Mainly due to the goodwill amortization, the Effective Tax Rate is 0%, resulting in improvements of the Cash Net Income.

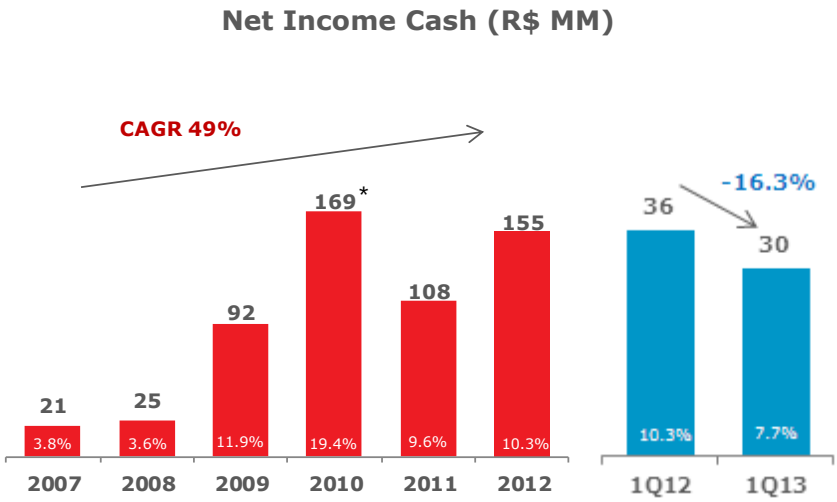
Deferred Income Tax is R$ 8.9 million in 4Q12.

Expected Amortization of Goodwill	
Period	R$ MM
2013	221
2014	206
2015	176
2016	168
2017	161

Net Income

Net Income reaches R$ 21.6 MM in the quarter, representing a net-income-margin of 5.5% (R$ 0.14 EPS in 1Q13). Excluding deferred taxes impact, cash net income amounts to R$ 30.5 MM in the quarter, and Cash EPS achieves R$ 0.19.





* In 2010 financial result was R$ 27 million positive, reflecting cahs resources from the IPO, which were used in mid 2011.

Cash Flow

Operating activities provide cash of R$ 38.8 million in the quarter.

	1Q13		1Q12	
	R$ thousand	% Net Revenues	R$ thousand	% Net Revenues
Net Income	21,558	5.5%	31,728	9.0%
Depreciation and amortization	28,181	7.2%	22,740	6.5%
Provisions	33,188	8.4%	24,681	7.0%
Working Capital	-65,126	-16.5%	-87,657	-24.9%
Others	20,960	5.3%	21,729	6.2%
Operational Cash Flow	**38,761**	**9.8%**	**13,221**	**3.8%**
Capex	-31,916	-8.1%	-61,596	-17.5%
Acquisitions	-15,032	-3.8%	-190,719	-54.2%
Financing Activities	502,936	127.8%	4,625	1.3%
Cash Flow	**494,747**	**125.7%**	**-234,469**	**-66.6%**

Account Receivables

R$ million	1Q12	2Q12	3Q12	4Q12	1Q13
Trade Receivables	**374.5**	**368.1**	**410.0**	**422.8**	**476.4**
- Current	228.5	215.9	229.4	235.1	262.6
- Up to 120 days past due	47.3	92.7	88.8	87.4	94.4
- 121 to 360 days past due	80.2	44.7	69.7	66.5	77.9
- Over 360 days past due	18.6	14.8	22.1	33.7	41.6
Sales Deductions Provisions	(47.3)	(42.8)	(55.0)	(63.7)	(70.5)
Total	**327.2**	**325.4**	**355.0**	**359.0**	**405.9**
Provisions / Overdue	**32%**	**28%**	**30%**	**34%**	**33%**

Investments

CAPEX achieves R$ 31.9 MM in the quarter, mainly concentrated on the IT platform and PSCs. A new PSC in São Paulo (a+ Capela do Socorro) opened in 1Q13, adds 1.0 thousand square meters, with capacity to attend up to 400 clients per day and offers a complete portfolio of Clinical Analysis and Imaging services – such as MRI, CT Scan, Endoscopy and others.

Capex plan for 2013 projects was detailed to Sell-side analysts in April 12th during a breakfast held at the company's headquarters, as summarized below. A complete presentation is available at the IR website. Main cash disbursements will happen in the 4Q13 for the PSCs opening in 1H14.

Openings 2013	Fleury	regional brands	Total
Invested 2012	$ 1.9	$ 10.8	$ 12.7
Investment 2013	$ 3.2	$ 24.2	$ 27.3
Capex Expansion	$ 5.1	$ 35.0	$ 40.1
m² added (thousands)	0.4 8.4%	3.8 91.6%	4.2
New MRIs + CTs		3	3

Openings 2014 - ongoing projects	Fleury	regional brands	Total
Investment 2013	$ 95.3	$ 9.7	$ 105.0
Investment 2014	$ 20.1	$ 4.6	$ 24.7
Capex Expansion	$ 115.4	$ 14.3	$ 129.7
m² added (thousands)	8.5 82.4%	1.8 17.6%	10.3
New MRIs + CTs	8	2	10

Openings 2014 - under regulatory appoval	Fleury	regional brands	Total
Investment 2013	$ 11.6	$ 13.7	$ 25.2
Investment 2014	$ 23.5	$ 9.1	$ 32.6
Capex Expansion	$ 35.0	$ 22.8	$ 57.8
m² added (thousands)	2.8 66.7%	1.4 33.3%	4.2
New MRIs + CTs	2	2	4

Cycle 2013 / 2014	Fleury	regional brands	Total
Invested 2012	$ 1.9	$ 10.8	$ 12.7
Investment 2013	$ 110.0	$ 47.5	$ 157.6
Investment 2014	$ 43.6	$ 13.8	$ 57.3
Capex Cicle 2013/2014	$ 155.4	$ 72.2	$ 227.6
m² added (thousands)	11.6 62.3%	7.0 37.7%	18.6
New MRIs + CTs	10	7	17

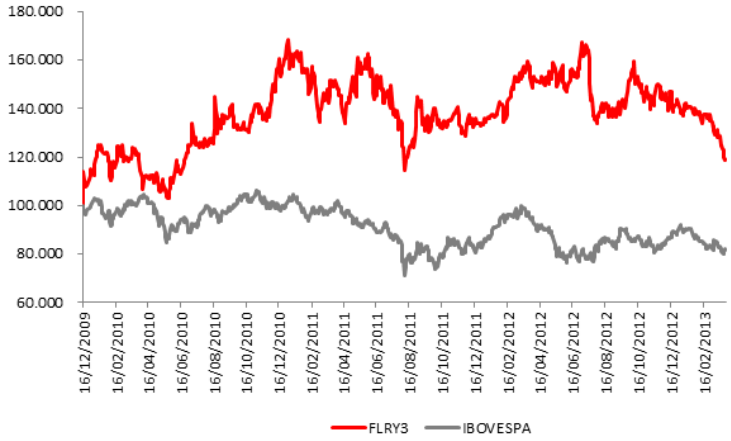
R$ 215 MM

Value added in maturity	Minimum *	Target *
Gross Revenue / m² (k/year)	13.7	20.0
Gross Revenue (E) maturity	R$ 254.9	R$ 372.2
EBITDA (E) maturity	R$ 47.6	R$ 99.4
Marginal Cax (E) maturity	R$ 28.6	R$ 69.6
ROIC (E) of the expansion Capex	12.6%	30.6%

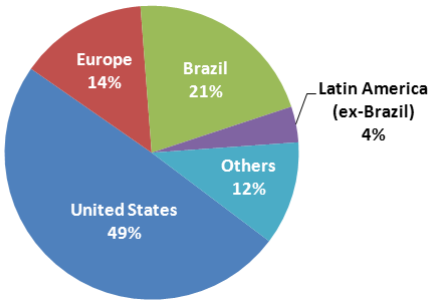
* Maturity results considered after 24 months of operation;;
RB / m² based minimum in 2011, target in Feasibility Studies;
Minimum EBITDA in the maturity = 2012. Average target is 30%
Conversion of EBITDA into cash minimum of 60%, target is 70%

Stock Market Performance

Fleury shares (BOVESPA: FLRY3) end up the 1Q13 at R$ 19.10, a 17.1% decrease compared to December 31st, 2012 (Ibovespa Index decreased 7.6% in the quarter). ADTV (Average Daily Trade Volume) in the quarter was R$ 7.4 MM (40% above 2012).



Free Float breakdown



Source: Fleury data, March 2012
Not considering "Integritas" (Controlling Group), "FIP" (Labs Former Owners) and "Members of these Groups".

Investor Relations Department

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

According to the accounting principles adopted in Brazil and IFRS

Income Statement	Description	Unit	1Q12	2Q12	3Q12	3Q12	1Q13
Gross Revenue	Gross Revenue	R$ MM	398	426	447	417	440
Net Revenue	Gross Revenue - Tax (ISS) - Cancellations	R$ MM	352	374	400	376	394
COGS	Personnel and Medical Services + Materials and Outsourcing + General Services, Rent and Utilities + General Expenses + Depreciation	R$ MM	(258)	(273)	(280)	(288)	(301)
SG&A	Does not include Other Operating Expenses / Revenues neither Contingency Provisions	R$ MM	(36)	(44)	(59)	(52)	(45)
EBIT	Earnings Before Interest and Taxes	R$ MM	55	56	56	48	45
Finance Income (Costs)	Interest Revenue - Interest Expenses	R$ MM	(18)	(16)	(13)	(11)	(15)
Net Income	Net Profit	R$ MM	32	32	26	16	22
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amo	R$ MM	77	82	82	74	73
Gross Margin	Gross Profit / Net Revenue	%	26.7%	27.1%	30.0%	23.5%	23.6%
EBIT Margin	Earnings Before Interest and Tax / Net Revenue	%	15.5%	15.0%	14.0%	12.7%	11.4%
EBITDA Margin	Earnings Before Interest, Tax, Depreciation and Amortization / Net Revenue	%	22.0%	21.9%	20.5%	19.6%	18.6%
Effective Tax Rate	Current Tax / Earnings Before Tax	%	-0.6%	-0.7%	-0.7%	-0.7%	0.0%
Net Income Margin	Net Profit / Net Revenue	%	9.0%	8.6%	6.5%	4.4%	5.5%
Balance Sheet							
Cash & Equivalents	Cash & Equivalents	R$ MM	252	236	239	181	676
Current Assets	Current Assets	R$ MM	657	664	705	663	1,204
PP&E, net	Tangible Fixed Assets	R$ MM	414	420	418	424	427
Total Assets	Total Assets	R$ MM	2,701	2,728	2,777	2,738	3,301
Short Term Debt	Loans and Financing - Current Liabilities	R$ MM	46	90	100	88	100
Current Liabilities	Current Liabilities	R$ MM	212	265	286	244	275
Long Term Debt	Loans and Financing - Long Term	R$ MM	549	482	484	472	971
Total Liabilities	Total Liabilities	R$ MM	1,037	1,030	1,072	1,032	1,573
Total Equity	Total Equity	R$ MM	1,664	1,698	1,705	1,706	1,728
Market and Multiples							
Price	Closing price in the last day of the quarter	R$	24.1	25.5	24.3	23.1	19.1
Volume	Average daily trading volume	R$ MM	5.4	3.9	6.2	6.2	7.5
P/E (Price-to-Earnings R	Quarter Closing Price / Net Income LTM / # Shares	Multiple	35.9	38.3	35.7	33.8	31.0
P/B (Price-to-Book Ratio	Quarter Closing Price / (Asset excl. Intangibles) / # Shares	Multiple	3.2	3.3	3.0	3.0	1.7
P/S (Price-to-Sales Ratio	Quarter Closing Price / Gross Revenue LTM / # Shares	Multiple	2.7	2.6	2.3	2.1	1.7
EV/EBITDA	(Market Capitalization + Short and Long Term Debt - Cash and Equivalents) / EBITDA LTM	Multiple	17.9	16.5	13.9	12.4	10.6
Financial Debt							
Debt / Equity	Loans and Financing - Short and Long Term / Equity	%	36%	34%	34%	33%	62%
Net Debt / Equity	(Loans and Financing / Short and Long Term less Cash and Equivalents) / Equity	%	21%	20%	20%	22%	23%
Debt / Assets	Loans and Financing Short and Long Term / Total Asset	%	22%	21%	21%	20%	32%
Net Debt / EBITDA	(Loans and Financing / Short and Long Term less Cash and Equivalents)/ EBITDA LTM. Include Acquisition debt	Multiple	1.7	1.5	1.3	1.3	1.4
Liquidity							
Cash / Current Liability	Cash & Equivalents / Current Liabilities	#	1.2	0.9	0.8	0.7	2.5
Quick Ratio	Current Assets (wo/ Inventory) / Current Liabilities	#	3.0	2.5	2.4	2.6	4.3
Current Ratio	Current Assets / Current Liabilities	#	3.1	2.5	2.5	2.7	4.4
Profitability and Return							
ROE (LTM)	Net Income LTM / Shareholders Equity	%	6.3%	6.1%	6.2%	6.2%	5.6%
ROIC (LTM)	NOPAT LTM (tax=34%) / Capital Employed (Shareholders Equity + Net Debt)	%	7.7%	8.0%	6.4%	6.9%	6.4%

FLEURY S.A. CONSOLIDATED
BALANCE SHEETS AS AT MARCH 31, 2013 AND DECEMBER 31, 2012
(In thousands of Brazilian - R$)

	Consolidated	
Assets	**03/31/13**	**31/12/2012**
Current Assets		
Cash and cash equivalents	675,547	180,798
Derivative financial instruments	11,271	12,735
Accounts receivables	405,907	359,043
Inventories	13,612	18,838
Recoverable taxes	81,812	79,087
Prepaid expenses	7,635	4,108
Other	8,531	8,249
Total current assets	**1,204,315**	**662,858**
Non-current Assets		
Long-term assets:		
Judicial deposits	10,844	10,855
Deferred income tax and social contribution	108,472	99,740
Other	10,642	10,874
Total long-term assets	**129,958**	**121,469**
Investments	9,567	246
Property and equipment	427,059	424,288
Intangible assets	1,530,064	1,529,298
Total non-current assets	**2,096,648**	**2,075,301**
Total Assets	**3,300,963**	**2,738,159**

	Consolidated	
Equity and Liabilities	**03/31/13**	**31/12/2012**
Current Liabilities		
Borrowings and financing	100,317	88,332
Derivative financial instruments	201	127
Accounts payable	83,344	70,997
Payroll and related taxes	51,726	43,102
Provision for income tax and social contribution	-	29
Taxes payable	29,869	30,463
Payables - business acquisitions	9,260	10,574
Other payables	198	-
Total current liabilities	**274,915**	**243,624**
Non-current Liabilities		
Borrowings and financing	971,151	471,731
Deferred income tax and social contribution	200,019	182,388
Provision for tax, labor and civil risks	52,099	51,524
Taxes payable	55,668	58,238
Payables - business acquisitions	19,077	24,746
Total non-current liabilities	**1,298,014**	**788,627**
Equity		
Share capital	1,379,747	1,379,747
Capital reserve - recognized options granted	4,334	3,766
Revaluation reserve	1,341	1,476
Legal reserve	30,499	30,499
Investment reserve	312,113	290,420
Total Equity	**1,728,034**	**1,705,908**
Total Equity and Liabilities	**3,300,963**	**2,738,159**

FLEURY S.A. CONSOLIDATED
NET INCOME STATEMENT FOR THE PERIODS ENDED MARCH 31, 2013 AND MARCH 31, 2012
(In thousands of Brazilian - R$)

	Consolidado	
	01/01/2013 - 03/31/2013	01/01/2012 - 03/31/2012
Service revenue	**393,590**	**351,807**
Cost of services	(300,603)	(258,021)
Gross Profit	**92,987**	**93,786**
General and administrative expenses	(44,984)	(36,100)
Other operating income (expenses)	(1,799)	(3,094)
Provision for tax, labor and civil risks	(1,203)	20
Share of profits (losses) of subsidiaries	50	-
Operating profit before finance income (costs)	**45,051**	**54,612**
Finance income	10,902	16,998
Finance costs	(25,497)	(34,989)
Finance income (costs)	**(14,595)**	**(17,991)**
Net income before income tax and social contribution	**30,456**	**36,621**
Income tax and social contribution:		
Current	-	(229)
Deferred	(8,898)	(4,664)
Net income for the period	**21,558**	**31,728**
Earnings per share attributable to owners of the Company		
Basic earnings per share	**0.14**	**0.20**
Diluted earnings per share	**0.14**	**0.20**

FLEURY S.A. CONSOLIDATED
STATEMENTS OF CHANGES IN EQUITY (CONSOLIDATED) FOR THE PERIOD ENDED MARCH 31, 2013
(In thousands of Brazilian - R$)

	Share Capital		Capital Reserve		Earnings Reserves			
	Share Capital	Expenditures on Issuance of shares	Recognized options granted	Revaluation reserve	Legal Reserve	Investment Reserve	Net Income for the Period	Equity attributable to the owners of the Company
Balances at December 31, 2011	1,400,908	(22,784)	2,561	2,236	25,169	223,791	-	1,631,881
Capital increase	1,623	-	-	-	-	-	-	1,623
Realization of revaluation reserve	-	-	-	(760)	-	-	760	-
Stock option plan	-	-	1,205	-	-	-	611	1,816
Profit for the period (R$0.68 per share)	-	-	-	-	-	-	106,588	106,588
Allocation of profit for the period:								
Interest on capital proposed (R$0.10 per share)	-	-	-	-	-	-	(16,000)	(16,000)
Dividends	-	-	-	-	-	-	(20,000)	(20,000)
Legal reserve	-	-	-	-	5,330	-	(5,330)	-
Investment reserve	-	-	-	-	-	66,629	(66,629)	-
Balances at December 31, 2012	1,402,531	(22,784)	3,766	1,476	30,499	290,420	-	1,705,908
Capital increase	-	-	-	-	-	-	-	-
Realization of revaluation reserve	-	-	-	(135)	-	-	135	-
Stock option plan	-	-	568	-	-	-	-	568
Profit for the period (R$0.14 per share)	-	-	-	-	-	-	21,558	21,558
Balances at March 31, 2013	1,402,531	(22,784)	4,334	1,341	30,499	290,420	21,693	1,728,034

FLEURY S.A. CONSOLIDATED
STATEMENTS OF CASH FLOWS FOR THE PERIODS ENDED MARCH 31, 2013 AND MARCH 31, 2012 (In thousands of Brazilian - R$)

	Consolidated	
	03/31/2013	03/31/2012
Net income	**21,558**	**31,728**
Items not affecting net cash provided by operating activities		
Income tax and social contribution	8,898	4,893
Finance income (costs)	14,595	17,991
Depreciation and amortization	28,181	22,740
Share of profits (losses) of subsidiaries	(50)	-
EBITDA	**73,182**	**77,352**
Stock option plan	568	418
Recognition (reversal) of provision for tax, labor and civil risks	1,203	(20)
Provision for doubtful accounts	14,919	22,274
Labor Provisions	10,204	3,269
Provisions for Suppliers	4,541	(2,734)
Others	1,753	1,474
Net cash provided by operating activities before changes in working capital	**106,370**	**102,033**
Accounts receivables	(62,495)	(62,175)
Inventories	5,128	6,408
Trade payables / Payroll and Benefits	5,620	(13,022)
Other assets	(6,960)	(18,305)
Other liabilities	(6,419)	(563)
Changes in working capital	**(65,126)**	**(87,657)**
Financial expenses paid	(2,453)	(926)
Income tax and social contribution paid	(29)	(229)
Net cash provided by operating activities	**38,761**	**13,221**
Additions to property and equipment	(31,916)	(61,596)
Related Parties	-	-
Acquired Companies:		
Payments	(15,032)	(190,719)
Net cash used in investing activities	**(46,948)**	**(252,315)**
Change in loans and debentures:		
Raising	500,000	1,050
Settlement	(1,512)	(2,848)
Interest paid	(386)	(655)
Interest received (investments)	6,976	7,078
Dividends and Interest on Capital	(2,141)	-
Net cash provided by financing activities	**502,936**	**4,625**
Decrease in cash and cash equivalents	**494,749**	**(234,469)**
Cash and cash equivalents		
At the beginning of the year	180,798	486,006
At the end of the year	675,547	251,537
Decrease in cash and cash equivalents	**494,749**	**(234,469)**

FLEURY S.A. CONSOLIDATED
STATEMENTS OF VALUE ADDED FOR THE PERIODS ENDED MARCH 31, 2013 AND MARCH 31, 2012 (In thousands of Brazilian - R$)

	Consolidated	
	03/31/2013	03/31/2012
Revenues	**425,812**	**374,990**
Sales of goods and services	440,213	398,324
Provision for doubtful accounts	(14,919)	(22,274)
Other revenues	518	(1,060)
Inputs purchased from third parties	**(173,530)**	**(149,190)**
Cost of sales and services	(84,425)	(115,713)
Materials, electric power, outside services and other	(88,353)	(33,374)
Impairment/Recovery of assets	(752)	(103)
Gross value added	**252,282**	**225,800**
Depreciation and amortization	(28,181)	(22,740)
Net value added	**224,101**	**203,060**
Value added received through transfer	**10,952**	**16,998**
Share of profits (losses) of subsidaries	50	-
Finance income	10,902	16,998
Total value added	**235,053**	**220,058**
Distribution of value added	**(235,053)**	**(220,058)**
Personnel and payroll charges	(118,480)	(103,409)
Taxes and contributions	(38,798)	(32,974)
Interest, rentals and other operating expenses	(56,217)	(51,947)
Retained earnings	(21,558)	(31,728)

Contents

1. GENERAL INFORMATION 2
2. PRESENTATION OF FINANCIAL STATEMENTS 3
3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 4
4. CONSOLIDATED FINANCIAL STATEMENTS 16
5. CASH AND CASH EQUIVALENTS 19
6. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT 20
7. TRADE RECEIVABLES 25
8. INVENTORIES 26
9. RECOVERABLE TAXES 26
10. INVESTMENTS 27
11. PROPERTY AND EQUIPMENT 28
12. INTANGIBLE ASSETS 30
13. BORROWINGS AND FINANCING 32
14. TRADE PAYABLES 35
15. PAYROLL AND RELATED TAXES 35
16. TAXES AND CONTRIBUTIONS PAYABLE 36
17. PAYABLES - BUSINESS ACQUISITIONS 38
18. PROVISION FOR TAX, LABOR AND CIVIL RISKS 39
19. COMMITMENTS 41
20. RELATED PARTIES 42
21. EQUITY 43
22. SERVICE REVENUE 44
23. COST OF SERVICES 44
24. GENERAL AND ADMINISTRATIVE EXPENSES 45
25. OTHER OPERATING INCOME (EXPENSES), NET 45
26. FINANCE INCOME (COSTS) 46
27. INCOME TAX AND SOCIAL CONTRIBUTION – CURRENT AND DEFERRED 47
28. EMPLOYEE BENEFITS 49
29. EARNINGS PER SHARE 51
30. SEGMENT REPORTING 52
31. INSURANCE 53

FLEURY S.A.

Notes to the quarterly information - ITR at March 31, 2013
(Amounts in thousands of Brazilian reais - R$, unless otherwise stated)

1. GENERAL INFORMATION

1.1 The Company

Fleury S.A. (“Fleury”, “Company” or “Parent” and, together with its subsidiaries, "Fleury Group" or “Group”), is engaged in the provision of medical diagnostic services for treatment and clinical testing areas, and may hold investments in other companies as partner or shareholder, as well as promote conditions for the development of the medical profession and foster research and studies for the scientific progress of medicine.

The Fleury Group is a publicly-held corporation with registered office in 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 shares are traded on the New Market, the highest corporate governance level of the Brazilian Stock, Futures and Mercantile Exchange (BM&FBOVESPA).

1.2 – Business Combination

1.2.1 – Papaiz Group

On January 31, 2013, the subsidiary Fleury Centro de Procedimentos Médicos Avançados S.A. ("Fleury CPMA") completed the acquisition of Papaiz Associados Diagnósticos por Imagem S/A. ("Papaiz Group") after the fulfillment of the conditions precedent by the parties and the approval without restrictions by the Administrative Council of Economic Defense - CADE (CADE).

With the completion of the transaction, a Shareholders' Agreement was signed between Fleury CPMA and Clidec (parent company of Odontoprev S.A.) in which Fleury S.A. and Odontoprev S.A. are the consenting intervening parties, in order to regulate certain aspects of their relationships as shareholders of Papaiz. Fleury CPMA will hold 51% of the Papaiz Group's capital and Clidec will hold the remaining 49%.

1.2.2 – Labs Cardiolab

The merger of shares of LabsCardiolab was approved by Fleury S.A.’s shareholders at the Extraordinary Shareholders’ Meeting held on December 31, 2011.

The acquisition of the equity interest in LabsCardiolab by the Company was submitted for the appreciation of the Administrative Council of Economic Defense - CADE on August 3, 2011, pursuant to prevailing legislation (Antitrust Act No. 08012.008448/2011-13). The process is currently under analysis by the Secretariat for Economic Monitoring - SEAE. Management does not

believe this acquisition represents market concentration that may threaten competition and, for this reason, expects full approval from CADE.

On July 13, 2011, Fleury S.A. entered into an Investment Agreement for the acquisition of 100% of LabsCardiolab Exames Complementares S.A. ("LabsCardiolab"). LabsCardiolab is a leading provider of diagnostic medicine services in the State of Rio de Janeiro.

The financial statements of the Fleury Group were approved by the Board of Directors on April 30, 2013.

2. PRESENTATION OF FINANCIAL STATEMENTS

The Quarterly Information – ITR (parent company and consolidated) is presented with amounts expressed in thousands of reais - R$, unless otherwise stated, rounded to the closest thousand.

Parent Company Quarterly Information

The parent company quarterly information has been prepared and is presented in accordance with accounting practices adopted in Brazil, based on the provisions of the Brazilian Corporation Law, pronouncements, guidance and interpretations issued by the Accounting Pronouncements Committee (CPC) and rules and regulations of the Brazilian Securities Commission (CVM).

Consolidated Quarterly Information

The consolidated quarterly information has been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB) and also in accordance with accounting practices adopted in Brazil fully converged with IFRS, as issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities Commission (CVM), pursuant to CVM Instruction No. 485 of December 1, 2010, and is filed with the CVM and the BM&FBOVESPA via its IPE system, under "Economic and Financial Data".

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The parent company quarterly information presents investments in subsidiaries accounted for under the equity method, in accordance with prevailing Brazilian legislation. Therefore, this parent company quarterly information is not considered as being in conformity with IFRS, which require the measurement of these investments in the parent company's separate financial statements at their fair value or cost.

As there is no difference between the consolidated equity and consolidated profit attributable to owners of the Company, included in the consolidated quarterly information - ITR prepared in accordance with IFRS and accounting practices adopted in Brazil, and the parent company equity and profit included in the parent company quarterly information - ITR prepared in accordance with accounting practices adopted in Brazil, the Fleury Group elected to present this parent company and consolidated quarterly information concurrently as a single set of statements.

Basis of preparation

CPC standards require the measurement criterion used in the preparation of the quarterly information - ITR to consider either the historical cost, the net realizable value, the fair value or the recoverable amount, depending on the standard. When the CPC permits the choice between the acquisition cost and other measurement criterion, the acquisition cost is used.

In the preparation of the quarterly information in accordance with CPCs, the Company's management is required to make decisions, estimates and judgments that affect the adoption of the accounting policies and the reported amounts of the balance sheet and income statement accounts. The estimates and judgments are based on historical experience and other factors considered reasonable in the circumstances, and their results are used for decision-making on the carrying amount of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Basis of consolidation

The consolidated quarterly information incorporates the financial statements of the Company and its subsidiaries.

Subsidiaries are all entities whose financial and operating policies can be governed by the Company. Subsidiaries are fully consolidated from the date on which control is transferred to the Company and de-consolidated from the date that control ceases. Control is obtained when the

Company has the power to govern an entity's financial and operating policies so as to obtain benefits from its activities.
All intra-group transactions, balances, unrealized gains and losses are eliminated in full on consolidation.

Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

As at March 31, 2013 and 2012, the Fleury Group held financial instruments classified in the categories "financial assets at fair value through profit or loss" and "receivables".

Receivables

Receivables are non-derivative financial assets with fixed or determinable payments and that are not quoted in an active market. The financial assets classified by the Fleury Group in the category of receivables comprise mainly cash and cash equivalents, trade and other receivables, and judicial deposits. These assets are measured at amortized cost using the effective interest method, except for short-term receivables when the recognition of interest would be at cost, less any impairment loss. Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when the financial asset is held for trading.

A financial asset is classified as held for trading if it has been acquired principally for the purpose of selling it in the near term; or on initial recognition it is part of a portfolio of identified financial instruments that the Fleury Group manages together and has a recent actual pattern of short-term profit-taking; or it is a derivative that is not designated and effective as a hedging instrument. Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.
For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Fleury Group's past

experience of collecting payments, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

Segment reporting

Information by operating segment is presented based on the operating characteristics of each segment.

Foreign currency translation

Functional currency and presentation currency

Items included in the Quarterly Information - ITR of each of the Fleury Group's companies are measured using the currency of the primary economic environment in which the company operates ("functional currency"). The parent company and consolidated quarterly information – ITR is presented in Brazilian Real/Reais - R$, which is the Fleury Group's functional currency.

Transactions and balances

Foreign currency-denominated transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions or on the valuation date when items are remeasured.

Foreign exchange gains and losses arising from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other highly-liquid short-term investments with original maturities not exceeding three months and subject to immaterial risk of change in value.

Trade receivables

Trade receivables are amounts receivable from customers for services provided in the normal course of business of the Fleury Group. If the collection term is equivalent to one year or less, receivables are classified in current assets. Otherwise, they are classified in non-current assets.

Trade receivables are initially recognized at fair value and are subsequently measured at amortized cost using the effective interest method, except for short-term receivables when the recognition of costs would be immaterial, less the allowance for doubtful debts (or impairment losses).

Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined using the average cost method.

Business combination

Consolidated Quarterly Information

In the consolidated quarterly information – ITR, business acquisitions are accounted for under the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Fleury Group, the liabilities incurred at the acquisition date to the former owners of the acquiree, and the equity interests issued in exchange for the control of the acquiree.

Assets, liabilities and contingent liabilities of a subsidiary are measured at fair value at the acquisition date. Any excess of the acquisition cost over the fair value of the identifiable net assets acquired is recorded as goodwill. If the acquisition cost is lower than the fair value of the identifiable net assets, the difference is recorded as a gain in the income statement for the year in which the acquisition occurs. Non-controlling interests are presented as a proportion of the fair value of the identifiable assets and liabilities.

When the consideration transferred in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at the acquisition-date fair value as part of the consideration transferred in a business combination. The changes in the fair value of the contingent consideration classified as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments to goodwill. Measurement period adjustments correspond to adjustments resulting from additional information obtained during the “measurement period” (which cannot exceed one year from the acquisition date) related to facts and circumstances existing at the acquisition date.

The subsequent recognition of changes in the fair value of the contingent consideration not classified as measurement period adjustments depends upon the classification of the contingent consideration. The contingent consideration classified as equity is not remeasured in subsequent reporting periods and its settlement is accounted for within equity. The contingent consideration classified as asset or liability is remeasured in subsequent reporting periods, and the related gain or loss is recognized in profit or loss.

Transaction costs other than those associated with the issue of debt securities or equity interests incurred by the Fleury Group in a business combination are recognized as expenses as incurred.

Parent Company Quarterly Information

In the parent company quarterly information, the Fleury Group applies the requirements of Technical Interpretation ICPC - 09, which requires that the excess of the acquisition cost over the Fleury Group's share of the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities at the acquisition date be recognized as goodwill. The goodwill is added to the carrying amount of the investment. Any amount of the Fleury Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities that exceeds the acquisition cost, after revaluation, is immediately recognized in profit or loss. Consideration transferred, as well as the net fair value of assets and liabilities are measured using the same criteria applicable to the consolidated financial statements previously described.

The goodwill related to an investment that was merged by the Company was reclassified from "Investments" to "Intangible assets".

Goodwill

For the purposes of impairment testing, goodwill is allocated to each of the Fleury Group's cash-generating units, or groups of cash-generating units, as long as not larger than the operating segments that are expected to benefit from the synergies of the combination.

The cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Property and equipment

Property and equipment items are stated at historical cost, less depreciation. Historical cost includes costs directly attributable to the acquisition of items and financing costs related to the acquisition of qualifying assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be reliably measured. All other repair and maintenance costs are recognized in profit or loss, when incurred.

Depreciation is recognized so as to write off the cost of assets (other than land and properties under construction) net of their residual values over their useful lives, using the straight-line method. The estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Classes of Property and Equipment	Useful life (years)
Buildings	60
Machinery and equipment	13
Facilities	10
Furniture and fixtures	10
Vehicles	5
IT equipment	5
Leasehold improvements	5*

** Average rental agreement periods*

The carrying amount of an asset is immediately written down to its recoverable amount if it exceeds its estimated recoverable amount.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the income statement, under "Other operating income (expenses), net".

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date, which is regarded as their cost. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Fleury Group reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss: if it is not possible to estimate the recoverable amount of an individual asset, the Fleury Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, as long as the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Transactions with interests of non-controlling shareholders

The Fleury Group recognizes transactions with non-controlling interests as transactions with Fleury Group's owners. For acquisitions of non-controlling interests, the difference between the consideration transferred and the acquired portion of the carrying amount of the net assets is recorded in equity.

Financial liabilities

Non-derivative financial liabilities

Financial liabilities are recognized on the date the Fleury Group becomes a party to the contractual provisions of the instrument. The Fleury Group writes off a financial liability when its obligations specified in the contract are discharged, cancelled or expire.

Financial assets and liabilities are set off and the net amount is presented in the balance sheet, only when the Fleury Group has a legally enforceable right to set off the amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The Fleury Group has the following non-derivative financial liabilities: borrowings and financing, payables for business acquisitions, trade payables and other payables. These financial liabilities are initially recognized at fair value, plus any attributable transaction costs. After initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

Derivative financial instruments

The Fleury Group enters into derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency swaps. Further details on derivative financial instruments are disclosed in "Financial Instruments and Financial Risk Management".

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to the fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. For the periods presented in the financial statements there were no designated hedging instruments, and no derivative financial instrument for speculative purposes was contracted.

Employee benefits

Defined contribution pension plan

Payments to the defined contribution pension plan are recognized as expense when the services that entitle the right to these payments are provided.

Share-based payment

The Fleury Group offers to its executives share-based payment plans under which it receives employee services as consideration for share options granted.

The fair value of options granted at grant date is recorded on a straight-line basis as expense for the period in which the vesting conditions are met, based on the Fleury Group's estimates of which stock options granted will be eventually acquired, with corresponding increase in equity. At the end of each year, the Fleury Group reviews its estimates of the number of equity instruments that will be acquired. The impact of the revision of the original estimates, if any, is recognized in profit or loss,

so that the cumulative expense reflects the revised estimates, with the corresponding adjustment to equity, in the account "Capital Reserve - options granted" where the employee benefit is recorded.

Profit sharing

The Fleury Group provides profit sharing to its employees, based on their performance for the period. This profit sharing is recognized as a liability and a profit sharing expense.

Taxation

The income tax and social contribution expense represents the sum of current and deferred taxes.

Current taxes

The provision for income tax and social contribution is based on the taxable profit for the year. Taxable profit differs from profit as reported in the income statement because of the addition of non-deductible expenses and the exclusion of non-taxable revenues, as well as the exclusion of non-taxable or non-deductible items on a permanent basis. The provision for income tax and social contribution is calculated individually for each Group company based on rates in effect at the end of the year.

Deferred taxes

The deferred income tax is recognized for temporary differences at the end of each year between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, including the tax losses balance, when applicable. Deferred tax liabilities are generally recognized for all taxable temporary differences of the non-current assets and deferred tax assets are recognized for all deductible temporary differences on contingent liabilities only when it is probable that the Company will generate sufficient taxable profits against which those temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination, if applicable) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Fleury Group expects, at the end of each reporting period, to recover or settle the carrying amount of its assets and liabilities.
Deferred tax assets and liabilities are set off only when: (a) there is a legally enforceable right to set off the current tax asset against the current tax liability; (b) when they relate to taxes levied by the

same tax authority; (c) and the Fleury Group intends to settle its current tax assets and liabilities on a net basis.

Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The provisions are recognized when the Fleury Group has a present or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the obligation can be made. The provisions are quantified at the estimated amount of probable losses, considering their nature and supported by the advice of the legal counsel of the Company and its subsidiaries. The bases and nature of the provision for tax, civil, and labor risks are described in the note "Provision for Tax, Labor and Civil Risks".

Leases

Leases in which the Fleury Group does not retain substantially the risks and rewards of ownership of the asset are classified as operating leases. Operating lease payments (net of any incentives received from the lessor) are recognized on a straight-line basis over the lease term.

Leases of property and equipment items in which the Fleury Group retains substantially all risks and rewards of ownership are classified as finance leases. These are capitalized at the inception of the lease at the lower of the fair value of the leased asset and the present value of minimum lease payments. Each lease payment is allocated partly to liabilities and partly to finance charges, in order to achieve a constant rate on the outstanding debt balance. The related obligations, net of finance charges, are included as "borrowings". Interest is charged to the income statement during the lease term, to achieve a constant periodic interest rate on the remaining balance of the liability for each period. Property and equipment items purchased under finance leases are depreciated over the useful lives of the assets.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the provision of services in the ordinary course of the Fleury Group's activities. Revenue is reduced for taxes, estimated customer returns, rebates and other similar allowances.

Services rendered

Revenue from services provided is recognized for services rendered through the end of the reporting period. At the end of the reporting period, services provided and not yet billed are recorded under "Unbilled amounts", within "Trade receivables".

The Fleury Group recognizes revenue when: (i) the amount of revenue can be reliably measured; (ii) it is probable that future economic benefits will flow to the Fleury Group; and (iii) specific criteria have been met for each of the Fleury Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all the contingencies related to the sale have been resolved. The Fleury Group bases its estimates on historical results, taking into consideration the type of customer, type of transaction, and specifications of each sale.

Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Fleury Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Fleury Group and the amount of revenue can be measured reliably).

Distribution of dividends and interest on own capital

The distribution of dividends to the Company's shareholders is recognized as a liability in the financial statements at the end of the reporting period, based on the minimum dividend established in the Company's bylaws. Any amount above the minimum requirement is accrued at the date when it is approved by the board of directors to be submitted to the Annual Shareholders' Meeting (AGM).

The finance cost of interest on own capital is recognized in the income statement, for compliance with tax rules, and is reversed for reporting purposes.

Statement of value added

This statement is intended to evidence the wealth created by the Fleury Group and its distribution during the period and is presented, as required by Brazilian corporate law, as part of the parent company financial statements and as supplemental information to the consolidated financial statements.

The statement of value added has been prepared based on information obtained from the accounting records used as a basis for the preparation of the quarterly information – ITR and following the requirements in CPC 09 - Statement of Value Added. The first part of the statement of value added presents the wealth created by the Fleury Group, represented by revenues, inputs purchased from third parties and the value added received from third parties. The second part presents the distribution of wealth among its personnel and payroll charges, taxes and contributions, lenders and shareholders.

4. CONSOLIDATED FINANCIAL STATEMENTS

Selected information on the Company's subsidiaries is summarized below, as well as the Company's total (direct and indirect) interest therein:

	Acquisition date	Equity interest %	
		3/31/2013	12/31/2012
Papaiz Associados Diagnóstico por Imagem S/S Ltda.	January 2013	51%	-
Fleury Centro de Procedimentos Médicos Avançados ("Fleury CPMA") - SP	Incorporated in June 2003	100%	100%
Clínica Luiz Felippe Mattoso.	August 2011	100% merged into Fleury S.A. in December 2012	100% merged into Fleury S.A. in December 2012

Corporate restructurings

Fleury's Extraordinary Shareholders' Meeting held on December 31, 2012 approved the merger of the wholly-owned subsidiary Clínica Luiz Felippe Mattoso ("Felippe Mattoso"), based on its equity as at December 31, 2012, amounting to R$20,393, as shown in the table below:

	12/31/2012
	Felippe Mattoso
Cash and cash equivalents (merged net cash)	1,187
Trade receivables	11,347
Property and equipment and intangible assets	14,432
Trade payables	(2,369)
Tax liabilities	(223)
Provision for tax, labor and civil risks	(1,355)
Other payables	(2,626)
Merged net assets	**20,393**

Business combinations

On January 31, 2013, the subsidiary Fleury CPMA completed the acquisition of 51% of the Papaiz Group, company that operates in the city of São Paulo, providing dental radiology and orthodontic documentation services. The other 49% of the capital are held by Clidec (subsidiary of Odontoprev S.A.).

As it is a shared control, the interest will be accounted for using the equity accounting method, in conformity with CPC 19 (R 2) - Joint Ventures.

The goodwill allocation in accordance with accounting standards applicable to business combination will be made in the second quarter of 2013.

On August 1, 2011, the Fleury Group completed the acquisition of LabsCardiolab, which provided diagnostic imaging services in the state of Rio de Janeiro.

On August 30, 2012, the payment of R$7,121 was made, related to the Adjustment of the Purchase Price of Labs Cardiolab, as set out in the Investment Agreement entered into on July 13, 2011.

Recognition of goodwill in business combinations

An analysis of the recognition and preliminary measurement was made during the third quarter of 2011. In the first quarter of 2012 the Company obtained new information related to facts and circumstances existing at the date of acquisition of LabsCardiolab. In accordance with the accounting standards applicable to Business Combination, the Company retrospectively adjusted, within the measurement period, the provisional amounts recognized at the date of acquisition of LabsCardiolab. The table below shows the balance sheet accounts presented in the 2011 Annual Financial Statements compared to the balance sheet accounts presented in the 2012 Quarterly Information - ITR:

	Balance sheet as at 12.31.2011 in 2011 annual financial statements		**Retrospective adjustments (Parent Company and Consolidated)**		**Balance sheet as at 12.31.2011 adjusted in 2012 financial statements**	
	Parent Company	Consolidated	Debits	Credits	Parent Company	Consolidated
Trade receivables	309,168	312,995	-	28,365	280,803	284,630
Recoverable taxes	44,861	46,775	-	6,675	38,186	40,100
Deferred income tax and social contribution asset	75,703	75,703	3,473	-	79,176	79,176
Intangible assets	1,426,025	1,473,635	41,783	-	1,467,808	1,515,418
Total assets	2,814,749	2,831,721	45,256	35,040	2,824,965	2,841,937
Provision for tax, labor and civil risks	43,031	46,158	-	10,216	53,247	56,374
Total liabilities and equity	2,814,749	2,831,721	-	10,216	2,824,965	2,841,937

The Fleury Group used the “Relief from Royalty” method to calculate the trademark value in business combinations. The net present value of royalties applied to future revenue assumptions is

considered as the brand value. Future cash flows from the brand were defined based on future profitability calculations used in the acquisition studies and discounted to present value at the discount rate used for Fleury Group's goodwill impairment testing.

The table below shows the calculation of the goodwill of the companies acquired in 2011, including Labs Cardiolab:

	Year 2011		
	Carrying amount of acquiree	Fair value adjustment and recognition	Fair value of acquiree
Total assets	317,247	108,442	425,689
Total liabilities	108,578	77,494	186,072
Net carrying amount	208,669		
Net value of adjustments		30,948	
Net value of assets acquired and liabilities assumed			**239,617**
Cash consideration paid			457,938
Consideration payable			216,744
Consideration payable in shares			546,066
Contingent consideration			3,520
Consideration transferred			**1,224,268**
Goodwill			**984,651**

Goodwill arising on acquisitions represents the expected future economic benefit of synergies arising from business combinations. The gross amount of goodwill expected to be deductible for tax purposes is R$1,078,363 for the business combinations in 2011.

Outside legal counsel fees and due diligence expenses related to the business combinations were included in administrative expenses in the income statement.

5. CASH AND CASH EQUIVALENTS

	Parent Company		Consolidated	
	03/31/2013	12/31/2012	03/31/2013	12/31/2012
Cash and banks	3,752	6,268	4,000	6,444
Short-term investments:				
Exclusive Funds (a)	553,213	-	553,213	-
Repurchase agreements (b)	118,334	173,875	118,334	174,354
	675,299	**180,143**	**675,547**	**180,798**

(a) Through the financial settlement of the 2nd issue of debentures, on February 15, 2013, quotas in Exclusive Funds, in the fixed income category, were constituted in accordance with the prevailing regulation, whose investment policy has the purpose of seeking the appreciation of its quotas through the investment in a highly liquid conservative profile portfolio, with immediate liquidity. In the period the Exclusive Funds had a weighted average yield of 107% of the CDI (Interbank Deposit Certificate).

These exclusive funds cannot carry out speculative transactions or transactions that expose to obligations higher than the amount of their equity.

The exclusive funds cannot be exposed to certain assets, such as shares, share index and derivatives referenced to them.

(b) At March 31, 2013, repurchase agreements had a weighted average yield of 104% of the CDI (at December 31, 2012, 103% of the CDI). These transactions are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value. Repurchase agreements are featured by the sale of a security with the commitment, by the Bank (Seller), to buy it back and the commitment, by the Company (Purchaser), to resell it in the future.

6. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial instruments, depending on their nature, may involve known or unknown risks and a potential risk assessment is important. The main risk factors to which the Company and its subsidiaries are exposed are: market risks (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. These risks are inherent to their operations and are managed through policies and internal controls.

The Company has a policy for capital and market risk management and uses derivative instruments to hedge against the associated risks. The oversight and monitoring of the policies in place are carried out using monthly management reports.

Capital risk management

The Fleury Group's objectives in managing its capital are to safeguard its ability to continue as a going concern in order to provide returns to shareholders and benefits to other stakeholders, and to maintain an optimal capital structure to reduce its cost.

To maintain or adjust the capital structure, the Fleury Group may review its dividend payment policy, return capital to shareholders or, also, issue new shares or sell assets to reduce, for example, the indebtedness level.

In line with other companies of the same sector, the Fleury Group monitors capital based on the gearing ratio. This ratio is calculated as net debt divided by equity. Net debt is calculated as total borrowings and financing as stated in the consolidated balance sheet, less cash and cash equivalents.

Gearing ratio

The gearing ratio used is:

	Consolidated	
	03/31/2013	12/31/2012
Borrowings and financing	1,071,468	560,063
Cash and cash equivalents	(675,547)	(180,798)
Net debt	395,921	379,265
Equity	1,728,033	1,705,908
Gearing ratio	0.23	0.22

Market risks

Foreign exchange risk

The Company and its subsidiaries have trade receivables, borrowings and financing, and trade payables denominated in foreign currency (mainly the US dollar). The risk associated with these assets and liabilities arises from the possibility of the Company and its subsidiaries incurring losses due to fluctuations in foreign exchange rates. The liabilities in foreign currency (borrowings and financing and trade payables) represent 4.4% of the total consolidated liabilities. The Company has derivative financial instruments to hedge against foreign exchange fluctuations, and there are no liabilities in foreign currency exposed to this risk at March 31, 2013. The Company has assets in foreign currency (balance receivable from customers), representing 0.11% of the total consolidated receivables, which contributes to reducing its exposure to financing installments and trade payables.

The Company has derivative financial instruments to hedge against foreign exchange fluctuations on the purchase of services and borrowing and financing agreements denominated in foreign currency.

As at March 31, 2013 the Company had the following net exposure (US$1.00=R$2.0138):

	US$'000	
	Parent Company	Consolidated
Current assets:		
Trade receivables	219	219
Liabilities:		
Borrowings and financing (current)	(32.349)	(32,349)
Borrowings and financing (non-current)	(188)	(188)
Trade payables	(2,977)	(2,977)
Total liabilities	(35,515)	(35,515)
Derivatives	35,898	35,898
Net exposure *	**602**	**602**

For financial instruments, the Company and its subsidiaries consider as probable scenario (Scenario I) the weighted average of future exchange rates of the Brazilian Real in relation to the US dollar, obtained on the BM&FBOVESPA (Brazilian Stock, Futures and Mercantile Exchange) for the maturity of the instrument, and calculated based on the notional amount of the contract.

In compliance with the provisions of CVM Instruction 475/08, the Fleury Group prepared a sensitivity analysis, stressing Scenario I by 25% (Scenario II) and 50% (Scenario III) with foreign exchange volatility, to determine the effects on the fair value of financial instruments and financial position arising from a favorable fluctuation of foreign exchange rates.

Amounts below are net of tax effects:

			Unfavorable fluctuation - consolidated		
			Scenario I	Scenario II	Scenario III
	Maturity	Risk (*)	(loss) gain	(loss) gain	(loss) gain
				+25%	+50%
Foreign exchange rate (in R$)			2,0871	2,6089	3,1307
Trade receivables	2013	US$ devaluation	16	130	245
Trade payables	2013	US$ appreciation	(218)	(1,772)	(3,325)
Borrowings and financing	2013	US$ appreciation	(2.371)	(19,241)	(36,112)
Borrowings and financing	2014	US$ appreciation	(15)	(122)	(229)
Derivatives			2,451	20,963	39,475
Net effect			**(137)**	**(42)**	**53**

(*) Risk considering the nature of each financial instrument.

Interest rate risk

The Company and its subsidiaries have borrowings and financing denominated in local currency subject to interest rates pegged to indices such as the TJLP (Federal benchmark long-term interest) and CDI, and taxes payable bearing interest equivalent to SELIC (Central Bank's policy rate) and TJLP. The risk inherent to these liabilities arises from the possibility of fluctuations in these rates that impact cash flows. The Company and its subsidiaries have not entered into derivative contracts to hedge this risk, as they understand that the risk is mitigated by the existing assets pegged to CDI.

The sensitivity analysis of interest on borrowings and financing used as the probable scenario (Scenario I) the benchmark tax rates obtained on the BM&FBOVESPA at December 31, 2012, and Scenarios II and III take into consideration a 25% and 50% stress factor on these rates, respectively. The sensitivity analysis is as follows:

Scenarios	Scenario I	Scenario II +25%	Scenario III +50%
CDI rate (p.a.)	7.01%	8.76%	10.52%
Borrowings and financing	1,408	1,752	2,092
Debentures	374,780	455,253	535,074
Projected interest expenses (*)	**376,188**	**457,005**	**537,166**

** Calculated up to the end of each indexed contract*

Credit risk

Credit risk arises from the possibility of a counterparty not fulfilling its obligation in a financial instrument or agreement with the customer, which would cause financial loss. The Fleury Group is exposed to credit risk in its operating (mainly in regard to trade receivables) and financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. When there is evidence of risk of loss on these assets, the Group records provisions to adjust them to their probable realizable value.

Liquidity risk

The Fleury Group's cash flow forecast is made by the Treasury area. This area monitors rolling forecasts of the Fleury Group's liquidity requirements to ensure it has sufficient cash to meet operational needs. There is also sufficient availability in its committed credit lines at any time, to prevent the Fleury Group from exceeding its limits or violating clauses related to loans and debentures (when applicable) of any of its credit lines. This forecast takes into consideration the Fleury Group's debt financing plans, compliance with clauses, compliance with balance sheet ratio goals and, if applicable, compliance with legal or foreign regulatory requirements - for example, currency restrictions.

The surplus cash maintained by operating units, as well as the balance required for working capital management, is transferred to the Treasury area. The Treasury area invests the surplus cash in financial investments, choosing instruments with appropriate maturities or sufficient liquidity to provide the necessary margin, as determined by the forecast cash flows. As at March 31, 2013, the Fleury Group had Cash and cash equivalents amounting to R$675,547 (R$180,798 at December 31, 2012).

The table below provides an analysis of the Fleury Group's liabilities and derivative and non-derivative financial instruments, by maturity, related to the remaining period in the balance sheet through the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At March 31, 2013				
Debentures	14,559	50,000	300,000	600,000
Borrowings and financing	85,758	13,253	6,485	1,413
Derivative financial instruments	(11,070)	-	-	-
Trade payables	83,344	-	-	-
Payables - business acquisitions	9,259	4,276	10,832	3,969
At December 31, 2012				
Debentures	1,669	50,000	300,000	100,000
Borrowings and financing	86,663	13,833	6,485	1,413
Derivative financial instruments	(12,608)	-	-	-
Trade payables	70,997	-	-	-
Payables - business acquisitions	10,574	4,491	16,287	3,968

Derivative policy

The Company and its subsidiaries have internal policies for their derivative instruments which, according to Management's opinion, are appropriate to manage associated risks, as well as to ensure the correct recognition in their financial statements.

The Company and its subsidiaries do not enter into derivative transactions for speculative purposes. Derivative contracts do not include any margin guarantees.

The amounts are calculated based on models and quotations available in the market, which take into consideration current or future market conditions. These are gross amounts, before taxes.
In view of fluctuations in market rates, these amounts can suffer changes up to the maturity or early settlement of the transactions.

The fair value of these instruments at the end of the reporting period, by counterparty, classified in "Derivative financial instruments", is as follows:

Type	Notional amount (US$'000)	Currency	Counterparty	Maturity	Exchange rate (average) – R$/USD	Balance at 12/31/2012	Profit (loss) through 3/31/2013	Settlement	Balance at 3/31/2013
NDF	1,158	US$	Itaú BBA	4/30/13 to 6/28/13	2.1063	(33)	(45)	-	(79)
NDF	3,818	US$	Votorantim	1/28/13 to 12/27/13	2.1033	(94)	(132)	106	(120)
Swap	30,922	US$	Itaú BBA	5/13/2013	1.617	12,735	(1.466)	-	11.269
Total Parent company and consolidated						**12,608**	**(1,643)**	**106**	**11,070**

As at March 31, 2013, the Company has outstanding derivative positions to cover its borrowings in foreign currency and payments to suppliers in the amount of US$34,928, which present a net gain of R$11,070 Parent Company and consolidated (2012 - net gain of R$12,608, Parent Company and consolidated) recorded in the balance sheet under "Derivative financial instruments".

The Non-deliverable Forwards (NDFs) contracts settled in 2013 resulted in a cash outflow of R$106.

Pursuant to CVM Instruction 475/08, for derivative financial instruments the Company and its subsidiaries consider as probable scenario (Scenario I) the future exchange rates of the Brazilian real in relation to the US dollar, obtained on the BM&FBOVESPA for the maturity of the instruments, calculated based on the notional amount of the contract.

As per CVM Instruction 475/08, the Company and its subsidiaries stressed the scenarios by 25% (Scenario II and IV) and 50% (Scenarios III and V) using as a base the probable scenario foreign exchange rates.

Status	Scenario I	Scenario II	Scenario III	Scenario IV	Scenario V
Exchange rate change	0%	-25%	-50%	25%	50%
US$ devaluation (rate in R$)	-	1.5653	1.0436	-	-
US$ appreciation (rate in R$)	2.0871	-	-	2.6089	3.1307

	Exchange rate change Parent Company and Consolidated				
	Scenario I (loss) gain	Scenario II (loss) gain	Scenario III (loss)/ gain	Scenario IV (loss) gain	Scenario V (loss) gain
Effect on Liabilities in US$	(2,604)	15,927	34,458	(21,135)	(39,666)
Financing in US$	(2.386)	14,592	31,569	(19,363)	(36,340)
Trade payables	(218)	1,335	2,889	(1,772)	(3,325)
Effect on Derivatives	2.451	(16,061)	(34,572)	20,963	39,475
Swap	2,344	(14,336)	(31,017)	19,025	35,705
NDF	107	(1,724)	(3,556)	1,938	3,769
Net effect (a)	(153)	(134)	(115)	(172)	(191)

(a) *Changes in the net effect resulting from the contracting of derivative instruments to support imports in transit contracted in US dollars. Imports in transit are recorded as liabilities only when the product/service is received by the Company.*

7. TRADE RECEIVABLES

	Parent Company		Consolidated	
	03/31/2013	12/31/2012	03/31/2013	12/31/2012
Trade notes receivable				
Billed amounts	393,273	351,629	394,399	352,264
Unbilled services	80,809	69,088	82,009	70,488
	474,082	420,717	476,408	422,752
Allowance for doubtful debts and disallowances	(70,476)	(63,709)	(70,501)	(63,709)
Total trade receivables	**403,606**	**357,008**	**405,907**	**359,043**

The aging list of trade receivables is as follows:

	Parent Company		Consolidated	
	03/31/2013	12/31/2012	03/31/2013	12/31/2012
Balances not yet overdue (*)	260,910	233,748	262,580	235,126
Up to 120 days past due	93,916	86,695	94,409	87,352
121 to 360 days past due	77,702	66,525	77,866	66,525
Over 361 days past due	41,554	33,749	41,553	33,749
	474,082	**420,717**	**476,408**	**422,752**

(*) These receivables fall due within 41 days on average.

The activity in the allowance for doubtful debts and disallowances was as follows:

	Parent Company		Consolidated	
	03/31/2013	03/31/2012	03/31/2013	03/31/2012
Balance at the beginning of the year	(63,709)	(42,720)	(63,709)	(42,880)
Write-offs of uncollectible receivables	8,127	17,830	8,127	17,830
Additions of doubtful debts and disallowance (Notes 22 and 25)	(14,894)	(22,241)	(14,919)	(22,274)
Balance at the end of the period	**(70,476)**	**(47,131)**	**(70,501)**	**(47,324)**

The Company and its subsidiaries are exposed to a degree of concentration risk from the customer base. As at March 31, 2013, the four major customers represented 41% of the total portfolio (40% as at December 31, 2012).

8. INVENTORIES

	Parent Company		Consolidated	
	03/31/2013	12/31/2012	03/31/2013	12/31/2012
Diagnosis kits	6,879	11,133	6,879	11,133
Collection and nursing material	3,436	3,740	3,436	3,740
Auxiliary lab supplies	1,900	2,359	1,900	2,359
Administrative, promotional and other supplies	1,397	1,606	1,397	1,606
	13,612	**18,838**	**13,612**	**18,838**

9. RECOVERABLE TAXES

	Parent Company		Consolidated	
	03/31/2013	12/31/2012	03/31/2013	12/31/2012
Withholding income tax (IRRF) (a)	48,624	42,561	48,914	42,818
Social contribution (CSLL) (b)	21,52	20,156	21,735	20,357
Social security contribution (INSS) (c)	6,663	9,107	6,663	9,107
Funrural (farming fund tax) (d)	1,563	1,563	1,563	1,577
Corporate income tax (IRPJ) (a)	1,092	1,116	1,229	1,254
Tax on revenue (COFINS) (e)	809	2,142	883	2,225
Service tax (ISS) (f)	587	893	587	893
Other	206	837	238	856
	81,064	**78,375**	**81,812**	**79,087**
Current	81,064	78,375	81,812	79,087

(a) IRRF on redemption of short-term investments and services provided to health maintenance organizations and other entities.
(e) CSLL withheld on invoices related to services rendered to legal entities.
(c) INSS withheld on invoices related to services rendered mainly to hospitals.
(d) Funrural paid for merged companies that will be refunded through administrative proceeding in progress.
(e) COFINS withheld on invoices related to services rendered to legal entities.
(f) ISS withheld on invoices related to services rendered to the accredited network.

10. INVESTMENTS

	Parent Company		Consolidated	
	3/31/2013	12/31/2012	3/31/2013	12/31/2012
Fleury CPMA (direct subsidiary)	28,035	19,344	-	-
Papaiz (indirect subsidiary)	-	-	9,321	-
	28,035	**19,344**	**9,321**	**-**
Other	246	246	246	-
	28,231	**19,590**	**9,567**	**-**

	Fleury CPMA	Papaiz
Equity interest - %	100%	51%
Paid-up capital	74,831	1,466
Equity	17,993	1,353

The activity in the Investments accounts were as follows:

Balances at December 31, 2012	**19,344**	-
Capital increase	9,500	-
Share of earnings (losses) of subsidiaries	(809)	50
Merger	-	9,271
Balances at March 31, 2013	**28,035**	**9,321**

11. PROPERTY AND EQUIPMENT

	Average annual depreciation rate - %	Parent Company 03/31/2013 Cost	Accumulated depreciation	Net	12/31/2012 Net
Machinery and equipment	8	389,330	(191,253)	198,077	196,366
Facilities	10	192,064	(46,936)	145,128	142,915
Leasehold improvements	20	70,644	(65,310)	5,334	7,333
IT equipment	20	58,595	(38,844)	19,751	18,120
Furniture and fixtures	10	44,274	(27,413)	16,861	17,273
Buildings	2	28,138	(3,069)	25,069	25,175
Land	-	11,488	-	11,488	11,488
Property and equipment under development	-	784	-	784	784
Other	-	993	(880)	113	133
		796,310	**(373,705)**	**422,605**	**419,587**

	Average annual depreciation rate - %	Consolidated 03/31/2013 Cost	Accumulated depreciation	Net	12/31/2012 Net
Machinery and equipment	8	395,173	(194,069)	201,104	199,538
Facilities	10	193,836	(48,024)	145,812	143,645
Leasehold improvements	20	72,787	(67,282)	5,505	7,526
IT equipment	20	59,183	(39,353)	19,830	18,206
Furniture and fixtures	10	45,379	(28,026)	17,353	17,793
Buildings	2	28,138	(3,068)	25,070	25,175
Land	-	11,488	-	11,488	11,488
Property and equipment under development	-	784	-	784	784
Other	-	993	(880)	113	133
		807,761	**(380,702)**	**427,059**	**424,288**

Changes in property and equipment are as follows:

	Parent Company		Consolidated	
	03/31/2013	03/31/2012	03/31/2013	03/31/2012
Balances at the beginning of the year	419,587	361,013	424,288	375,625
Additions:				
Machinery and equipment	11,743	32,871	11,743	32,934
Facilities	7,094	15,185	7,094	15,293
IT equipment	3,276	1,858	3,276	1,944
Leasehold improvements	-	1,658	-	1,693
Furniture and fixtures	395	1,022	395	1,057
Other	-	1,064	-	1,188
Total additions	**22,508**	**53,658**	**22,508**	**54,109**
Transfers	(201)	-	(201)	-
Write-offs, net	(3)	(9)	(3)	(9)
Depreciation	(19,286)	(14,918)	(19,533)	(15,656)
Balance of acquisition/merger	-	-	-	-
Balances at the end of the period	**422,605**	**399,743**	**427,059**	**414,068**

As at March 31, 2013, the Company has a balance from a revaluation step-up of machinery and equipment, less depreciation, of R$1,340 (R$1,476 as at December 31, 2012).

12. INTANGIBLE ASSETS

		Parent Company			
		03/31/2013			12/31/2012
	Average annual amortization rate %	Cost	Accumulated amortization	Net	Net
Goodwill on acquisitions	-	1,353,125	(44,413)	1,308,712	1,308,712
Customer contracts	10	154,387	(23,158)	131,229	135,089
Software licenses	20	115,527	(51,486)	64,041	59,125
Trademarks and patents	7	13,226	(2,446)	10,780	11,012
Franchises	-	2,550	-	2,550	2,550
		1,638,815	**(121,503)**	**1,517,312**	**1,516,488**

		Consolidated			
		03/31/2013			12/31/2012
	Average annual amortization rate %	Cost	Accumulated amortization	Net	Net
Goodwill on acquisitions	-	1,364,466	(44,413)	1,320,053	1,320,053
Customer contracts	10	154,387	(23,158)	131,229	135,089
Software licenses	20	116,063	(51,856)	64,207	59,305
Trademarks and patents	7	14,963	(2,938)	12,025	12,301
Franchises	-	2,550	-	2,550	2,550
Other	-	2,626	(2,626)	-	-
		1,655,055	**(124,991)**	**1,530,064**	**1,529,298**

Changes in intangible assets were as follows:

	Parent Company		Consolidated	
	3/31/2013	3/31/2012	3/31/2013	3/31/2012
Balances at the beginning of the year	1,516,488	1,467,808	1,529,298	1,515,418
Additions:				
Software licenses	9,408	7,454	9,408	7,490
Total additions	**9,408**	**7,454**	**9,408**	**7,490**
Transfers (*)	201	-	201	-
Amortization	(8,590)	(6,994)	(8,648)	(7,084)
Other	(195)	-	(195)	-
Balances at the end of the period	**1,517,312**	**1,468,268**	**1,530,064**	**1,515,824**

(*) Comprises mainly goodwill from subsidiaries merged during the years, previously classified as investments.

The amortization of intangible assets is recorded under “General and administrative expenses”, in the income statement.

Goodwill

Goodwill was tested for impairment at the end of the last fiscal year. During the quarter there were no events that would require revising its recoverable amount.

Reversal of impairment

The annual review for goodwill impairment, as required by CPCs, is conducted during the last quarter of each year. The next review will be conducted in the fourth quarter of 2013, unless an event occurs that would justify the early review of the asset impairment.

Software licenses

Software licenses refer to systems and intranet development. Software licenses are intangible assets with finite useful lives, the estimated useful life of this class of assets is five years.

Trademarks and patents

Trademarks and patents refer mainly to trademarks and patents acquired in business combinations. Trademarks and patents are intangible assets with finite useful lives, the estimated useful life of this class of assets is 10 to 25 years.

13. BORROWINGS AND FINANCING

	Parent Company		Consolidated	
Current	03/31/2013	12/31/2012	03/31/2013	12/31/2012
Debentures	14,559	1,669	14,559	1,669
Borrowings in local currency	20,614	20,504	20,614	20,504
Borrowings in foreign currency	65,144	66,159	65,144	66,159
Total	**100,317**	**88,332**	**100,317**	**88,332**

	Parent Company		Consolidated	
Non-current	03/31/2013	12/31/2012	03/31/2013	12/31/2012
Debentures	950,000	450,000	950,000	450,000
Borrowings in local currency	20,772	21,312	20,772	21,312
Borrowings in foreign currency	379	419	379	419
	971,151	**471,731**	**971,151**	**471,731**
Total borrowings and financing	**1,071,468**	**560,063**	**1,071,468**	**560,063**

Debentures

The Company used debenture issues to strengthen the working capital and to maintain its cash strategy, extension of its debt profile and financing of its investments and acquisitions for the next years. The debentures issued are not convertible into shares and do not have guarantees.

The Company conducted its second issuance of debentures under a restricted public placement of simple, nonconvertible, unsecured debentures, which ended on February 19, 2013.

50,000 debentures were subscribed, with nominal unit value of R$ 10, totaling R$ 500,000, with a term of seven years, maturing on February 15, 2020 and with remuneration equivalent to 100% of the accumulated variation of the average daily rates of extra group, one-day interbank deposit (DI) rate, expressed as a percentage of a base year of 252 business days, plus a 0.85% spread per year.

The debentures will be amortized in three annual, equal installments, payable on February 15, 2018, 2019 and 2020. The payment of the remuneration will be semiannual, and there is no option to restructure.

Debentures issued are as follows:

					Parent Company and Consolidated	
	Issuance amount (R$)	**Unit**	**Maturity**	**Interest (a)**	**03/31/2013**	**12/31/2012**
1st Issuance - First Series	10,000	15,000	Dec/16	CDI + 0.94% p.a.	153,315	150,544
1st Issuance - Second Series	10,000	30,000	Dec/18	CDI + 1.20% p.a.	306,855	301,125
2nd Issuance - Single Series	10,000	50,000	Feb/20	CDI + 0.85% p.a.	504,389	-
					964,559	**451,669**
Current liabilities					14,559	1,669
Non-current liabilities					950,000	450,000

(a) Interbank Certificates of Deposit (CDI) equivalent to 7 % per year at March 31, 2013. (6.9% per year at December 31, 2012).

The non-current portion at March 31, 2013 matures as follows:

Maturity	**1st Issuance (1st Series)**	**1st Issuance (2nd Series)**	**2nd Issuance Single Series**	**Consolidated**
2014	50,000			50,000
2015	50,000			50,000
2016	50,000	100,000		150,000
2017		100,000		100,000
2018		100,000	166,667	266,667
2019 and thereafter			333,333	333,333
				950,000

The debentures contain restrictive financial covenants under which the maturity of all obligations can be accelerated if the Company fails to meet the following financial ratios: net financial debt-to-EBITDA equal to three times or less; and/or EBITDA-to-net finance cost equal to 1.5 times or higher, as verified by the trustee based on the financial statements filed by the issuer with the CVM.

"Net financial debt": is the result of the difference between the outstanding balance of the principal account + interest on short- and long-term borrowings and financing with financial institutions, including capital market transactions, and the balance of cash and banks + cash equivalents, plus debts and obligations related to the acquisitions made by the issuer and/or its subsidiaries, as per the latest consolidated financial statements of the issuer filed with the CVM.

EBITDA: is the result of the profit or loss before income tax and social contribution, finance income (cost), provisions, depreciation and amortization for a twelve-month period.

"Net finance cost": is the result of the difference between the consolidated gross finance cost and consolidated gross finance income for a twelve-month period, as per the latest consolidated financial statements of the issuer.

As at March 31, 2013, the Company and its subsidiaries are compliant with said financial ratios.

Other borrowings and financing

Other borrowings and financing have maturities through 2020 and bear average interest of 7% per year (6.9% per year at December 31, 2012).

The non-current portion at March 31, 2013 matures as follows:

	Parent Company and Consolidated
2014	13,253
2015	2,668
2016	2,489
2017	1,328
2018	530
2019 and thereafter	883
	21,151

Certain borrowings include restrictive financial covenants, such as, but not limited to: (a) pledging of collateral or liens on assets; (b) restrictions as to the change, transfer, or assignment of shareholding control, merger, takeover, or spin-off without the previous consent of the creditor; and (c) compliance with financial and liquidity ratios measured semiannually (June and December).

The Company has working capital financing from Banco Itaú totaling R$13,163 at March 31, 2013 (12,954 at December 31, 2012), subject to financial and liquidity ratios covenants measured semiannually (June and December) based on EBITDA equal to or higher than 0.5 times net indebtedness and guarantees. As at March 31, 2013, the Company and its subsidiaries were compliant with these covenants.

The Company has financing contracts with Financiadora de Estudos e Projetos - FINEP totaling R$8,131 at March 31, 2013 (R$8,398 at December 31, 2012). The FINEP contracts contain a clause that requires the Company to ensure the payment of any obligations derived from the contract through the issuance of a bank letter of guarantee in the amount of total financing, and this clause is essential for signing the contract.

Borrowings in foreign currency

The Fleury Group uses financial instruments to hedge the identified risks. Derivative transactions are used solely to reduce the exposure to foreign currency fluctuations.

The Company has working capital financing obtained under a Resolution 4131 Transaction entered into with Banco Itaú, totaling R$64,378 at March 31, 2013 (R$64,733 at December 31, 2012). This transaction matures in May 2013 and a derivative financial instrument is in place to mitigate against foreign exchange volatility (swap at 105% of CDI).

The Company has contracts for import financing (FINIMP) totaling R$ 1,146 at March 31, 2013 (R$ 1,859 at December 31, 2012). For such financing, the Company has a derivative instrument to hedge against foreign exchange fluctuations (NDF transactions, as described in the note on Financial Instruments and Financial Risk Management).

14. TRADE PAYABLES

	Parent Company		Consolidated	
	03/31/2013	12/31/2012	03/31/2013	12/31/2012
Domestic suppliers	78,907	65,572	79,675	66,331
Foreign suppliers	3,669	4,666	3,669	4,666
	82,576	**70,238**	**83,344**	**70,997**

15. PAYROLL AND RELATED TAXES

	Parent Company		Consolidated	
	03/31/2013	12/31/2012	03/31/2013	12/31/2012
Accrued vacation and 13th salary	35,396	31,741	35,396	31,741
Payroll taxes and other taxes payable	10,883	10,261	10,883	10,261
Accrued profit sharing	4,439	-	4,439	-
Payroll payable	1,008	1,100	1,008	1,100
	51,726	**43,102**	**51,726**	**43,102**

16. TAXES AND CONTRIBUTIONS PAYABLE

	Parent Company		Consolidated	
	03/31/2013	12/31/2012	03/31/2013	12/31/2012
Tax Amnesty and Refinancing Program (REFIS) - Law 11,941(a)	44,852	46,48	44,852	46,48
State VAT (ICMS) on imports (c)	17,436	17,021	17,436	17,021
Service tax (ISS) in installments (b)	15,575	16,7	15,669	17,07
Judicial deposits (ICMS) (c)	(14,343)	(14,024)	(14,343)	(14,024)
Service tax (ISS) (d)	5,370	5,749	5,415	5,787
Service tax (ISS) included in the Industry Tax Refinancing Program (Prefis) (e)	3,912	3,891	3,912	3,891
Tax on revenue (COFINS)	2,948	1,192	2,948	1,192
State VAT (ICMS) in installments (f)	2,745	2,427	2,745	2,427
Social security contribution (INSS)	1,022	1,152	1,022	1,152
Tax on revenue (PIS)	1,010	731	1,011	733
Withholding income tax (IRRF)	681	2,994	691	3,005
Other	4,179	3,875	4,18	3,967
Total	**85,387**	**88,188**	**85,537**	**88,701**
Current	29,719	29,95	29,869	30,463
Non-current	55,668	58,238	55,668	58,238

(a) The Company elected to apply for the tax refinancing and amnesty program known as REFIS IV, defined by Law 11,941/09. The program encompasses both the obligations in other previous installment programs and new tax obligations. The application was made through the program disclosed in the Federal Revenue Service's website, and the Company also filed with this Service an administrative request for the utilization of tax loss carryforwards recorded in August 2009 for offset against fine and interest, and the payment of principal in 120 monthly installments with a 60% decrease in fines, a 25% decrease in interest, and a 100% decrease in legal charges, as provided for by Article 1 of Law 11,941/09 and Articles 15 and 17 of PGFN/RFB Joint Administrative Rule 06/09. While awaiting the consolidation of the debts in installments included in REFIS IV, the Company paid the minimum installments required by the program. In December 2009, the Federal Revenue Service approved all the applications of the Company. In the period ended June 30, 2010, the Company completed the analysis of tax loss carryforwards to be offset against obligations included in REFIS IV and confirmed with the Federal Revenue Service, in August 2010, the amounts to be utilized. Accordingly, in June 2010 LabsCardiolab offset part of the remaining fines and interest against previously unrecognized tax credits, corresponding to tax loss carryforwards of subsidiaries totaling R$14,632 and R$29,693, and credited the amounts corresponding to the decrease in liabilities to profit for 2010. With the enactment of Joint Ordinance PGFN/RFB No. 02, the Company decided to withdraw the lawsuit related to the increase in the Cofins rate and include the total amount being discussed in this installment program. The term for consolidation of tax debts included in REFIS IV, for large taxpayers with differentiated treatment, ended on June 30, 2011 and in this stage the Company consolidated Fleury Group's debts arising from the merged companies NKB São Paulo and LabsCardiolab, which generated a non-recurring expense of R$8,159. In July, the Company consolidated the debts included in the installment program of the other Fleury Group companies (NKB Rio, Campana and Laboratório Dirceu Ferreira). The Fleury Group is regularly paying the outstanding installments, in the amounts determined after the installment plan consolidation.

(b) The Group joined the installment program of the municipal government of São Paulo, the Tax Installment Incentive Program (PPI) and at March 31, 2013 the balance payable is R$14,481 (R$15,367 at December 31, 2012, indexed to the SELIC rate). The Company joined an installment program of the municipal government of Rio de Janeiro,

Tax Restructuring Program of the State of Rio de Janeiro -REFERJ, and at March 31, 2013, the balance payable is R$1,094 (R$1,333 at December 31, 2012) adjusted for inflation using SELIC.

(c) The Company is required to pay ICMS on the acquisition of machinery and equipment intended for its property and equipment. The Company has filed a lawsuit against the State of São Paulo because it understands that this collection is inappropriate. Of the amount accrued by the Company, R$14,343 is deposited in escrow with the courts at March 31, 2013 (R$14,024 at December 31, 2012).

(d) Refers to service tax (ISS) levied on services rendered.

(e) The entirety of the balance refers to installment payment of ISS due to the City of Recife included in the Industry Tax Refinancing Program (PREFIS), pursuant to Law 17,029/2004. As permitted by Law 17,384/07, the Company waived its right to participate in such installment payment, which granted it remission of the partial amount of the principal obligation, adjusted for inflation in conformity with the municipal legislation, and awaits approval of the request.

(f) The Company has an installment payment plan with the State of Rio de Janeiro, related to State VAT (ICMS) on imports of machinery and equipment of the acquired company LabsCardiolab for its fixed assets, and at March 31, 2013 the balance is R$2,745 (R$2,427 at December 31, 2012).

The non-current portion at March 31, 2013 matures as follows:

	Consolidated
2014	8,013
2015	8,848
2016	5,436
2017	3,203
2018 and thereafter	30,168
Total	**55,668**

17. PAYABLES - BUSINESS ACQUISITIONS

The payables refer to the acquisition of businesses, to be paid according to contractual maturities inflation-indexed on a monthly basis using mainly the IGP-M released by Fundação Getúlio Vargas - FGV and the IPCA issued by Instituto Brasileiro de Geografia e Estatística - IBGE (Brazilian statistics bureau), as follows. These amounts total:

	Parent Company		Consolidated	
	03/31/2013	12/31/2012	03/31/2013	12/31/2012
Current	8,676	10,100	9,259	10,574
Non-current	18,788	24,462	19,077	24,746
	27,464	**34,562**	**28,337**	**35,320**

The non-current portion at March 31, 2013 matures as follows:

Maturity	Parent Company	Consolidated
2014	4,137	4,276
2015	5,601	5,751
2016	1,704	1,704
2017	3,377	3,377
2018 and thereafter	3,969	3,969
	18,788	**19,077**

18. PROVISION FOR TAX, LABOR AND CIVIL RISKS

The Company and its subsidiaries are subject to tax, labor and civil risks arising in the normal course of their operations. Periodically, Management reviews known contingencies, assesses the likelihood of probable losses and adjusts the related provision based on the opinion of legal counsel and other data available at the end of the reporting period, such as the nature of lawsuits and past experience. As at March 31, 2013, the balance of line item "Provision for tax, labor and civil risks" is as follows:

	Parent Company		Consolidated	
	03/31/2013	12/31/2012	03/31/2013	12/31/2012
Tax and social security	39,747	39,223	39,747	39,223
Labor	22,766	22,670	22,766	22,670
Civil	3,249	3,277	3,249	3,277
	65,762	**65,170**	**65,762**	**65,170**
Judicial deposits	(13,663)	(13,646)	(13,663)	(13,646)
	52,099	**51,524**	**52,099**	**51,524**

The changes in the provision for tax, labor and civil risks were as follows:

	Parent Company and Consolidated					
	Balance at 12/31/2012	Additions	Use and reversal	Reclassifications and payments	Inflation adjustment	Balance at 03/31/2013
Tax and social security	39,223	135	-	-	389	39,747
Labor	22,670	1,582	(481)	(1,137)	132	22,766
Civil	3,277	13	(46)	(23)	28	3,249
	65,170	**1,730**	**(527)**	**(1,160)**	**549**	**65,762**
Judicial deposits	(13,646)	-	-	-	(17)	(13,663)
	51,524	**1,730**	**(527)**	**(1,160)**	**532**	**52,099**

Lawsuits classified as probable losses, for which provisions were recorded

Refer to lawsuits for which there is a probable likelihood of an unfavorable outcome, the main cases of which involve:

Tax and social security

Service tax (ISS) - Lawsuits filed by acquired businesses merged into the Company arguing that as professional partnerships, such entities would be subject to a flat rate of tax, calculated according to the number of partners and employees with medical professional qualification and not based on 5% of revenues. A total amount of R$3,760 is accrued by the Company as at March 31, 2013.

COFINS: the challenges involve the exemption from contribution for service companies that provide services related to legally regulated professions. Supplementary Law 70/91, which established COFINS, addresses the exemption granted for these types of companies; however, Law 9,430/96 expressly revoked it, requiring the contribution based on the gross revenue of service companies. Legal counsel understands that as an Ordinary Law, Law 9,430/96 could not have revoked the exemption established by Supplementary Law 70/91. Nevertheless, as the Federal Supreme Court has already expressed its position contrary to the above thesis, the Company has recorded a provision to cover risks in the amount of R$5,553 at March 31, 2013.

Labor

Labor lawsuits are accrued considering the historical losses actually settled, the Company's management believes that the provision is sufficient to cover expected losses on ongoing lawsuits.

Lawsuits classified as possible losses

As at March 31, 2013, the Company is exposed to a risk of loss of approximately R$270,218 (R$255,878 at December 31, 2012) related to lawsuits classified as possible losses under the advice of its legal counsel, of which R$163,941 refers to tax and social security contingencies, R$38,714 to civil contingencies, and R$67,563 to labor contingencies.

Judicial deposits

When required, the Company makes court-mandated escrow deposits for pending litigation. These deposits total R$10,842 (Parent Company) and R$10,844 (consolidated) as at March 31, 2013 (R$10,852 Parent Company and R$10,855 consolidated at December 31, 2012), classified in non-current assets, and refer to lawsuits considered by the Company’s legal counsel as remote or possible risks of loss. Judicial deposits related to lawsuits considered as probable risks of loss are classified in non-current liabilities, reducing the related provision.

19. COMMITMENTS

A significant portion of the properties used in operating activities is leased, under terms and conditions set out in agreements effective for periods ranging from four to six years. Property rental expenses totaled R$21,395 for the period ended March 31, 2013 (R$17,407 for the period ended March 31, 2012).

The agreements are IGP-M inflation indexed after the original maturity date (generally annually). Consolidated property rental commitments totaled R$348,253 at March 31, 2013 (R$192,228 at March 31, 2012). The consolidated position of commitments assumed is as follows:

	Consolidated
2013	59,271
2014	72,348
2015	64,833
2016	47,709
2017 and thereafter	104,092
	348,253

20. RELATED PARTIES

	Parent Company		Consolidated	
	03/31/2013	03/31/2012	03/31/2013	03/31/2012
Rental expenses				
Transinc Serviços Médicos S.A (a)	(1,654)	(1,582)	(1,654)	(1,582)
	(1,654)	**(1,582)**	**(1,654)**	**(1,582)**

(a) Transinc Serviços Médicos S.A. owns and manages some properties used by Fleury S.A. and its shareholders are individuals who also hold interests in the Fleury Group's shareholder, Integritas Participações S.A. The rental agreement amounts payable to this entity have been determined based on market prices calculated by independent consultants and are inflation adjusted based on the average of the IGP-M, IPCA and INPC indices.

Management compensation for the period ended March 31, 2013 includes salaries, fees and bonuses in the amount of R$661 and compensation to the Board of Directors of R$441 (R$1,333 and R$36, respectively, at March 31, 2012) and is recorded in the income statements as 'General and administrative expenses'. The Company does not grant to its officers any type of post-employment or lay-off benefits, or any type of long-term benefits.

The Company records a provision for employee and management profit sharing, which amounted to R$4,439 in the period ended March 31, 2013 (R$5,460 in the period ended March 31, 2012).

21. EQUITY

Share capital

At March 31, 2013, the Company's fully paid-up capital, totaling R$1,402,531, is represented by 156,293,356 book-entry, registered common shares without par value. The Company is authorized to increase its capital, regardless of any amendment to its bylaws, up to 160,000,000 common shares.

The Board of Directors' Meeting held on April 4, 2012 approved the Company's capital increase, within the limit of the authorized capital, through private subscription, to comply with the exercise of options of the First Grant of Share Call Option approved at the Board of Directors' Meeting held on February 9, 2010, amounting to R$1,623, through the issuance of 89,437 book-entry, registered common shares without par value, for the issue price of R$18.14 per share, as established for the first grant.

Dividends and Interest on own capital

At the end of each fiscal year, shareholders are entitled to mandatory minimum dividends of 25% of profit for the year adjusted as per Corporate Law.

On December 28, 2012, distributions, in the form of interest on own capital, were paid in advance to shareholders. The gross amount paid of R$16,000 corresponds to R$0.10 per share, based on the shareholding position on December 17, 2012.

On August 17, 2012, distributions, in the form of dividends, were paid in advance to shareholders. The gross amount paid of R$20,000,000 corresponds to R$0.13 per share, based on the shareholding position on August 3, 2012.

Statement of comprehensive income

There were no significant transactions recorded through equity to be included in the statement of comprehensive income.

22. SERVICE REVENUE

	Parent Company		Consolidated	
	03/31/2013	03/31/2012	03/31/2013	03/31/2012
Gross revenue	438,413	388,776	440,213	398,324
Disallowances	(14,849)	(20,625)	(14,874)	(20,654)
Rebates	(3,741)	(246)	(3,741)	(246)
Taxes	(27,907)	(25,080)	(28,008)	(25,617)
Net revenue	**391,916**	**342,825**	**393,590**	**351,807**

23. COST OF SERVICES

	Parent Company		Consolidated	
	03/31/2013	03/31/2012	03/31/2013	03/31/2012
Staff and medical services	(147,888)	(122,550)	(150,057)	(128,452)
General services, leases and public services	(56,549)	(44,279)	(56,553)	(45,183)
Materials and outside services	(41,269)	(38,284)	(41,269)	(38,800)
General expenses	(31,717)	(28,676)	(31,813)	(29,302)
Depreciation and amortization	(20,605)	(15,457)	(20,911)	(16,284)
	(298,028)	**(249,246)**	**(300,603)**	**(258,021)**

24. GENERAL AND ADMINISTRATIVE EXPENSES

	Parent Company		Consolidated	
	03/31/2013	03/31/2012	03/31/2013	03/31/2012
Staff and medical services	(22,055)	(15,814)	(22,055)	(15,814)
Depreciation and amortization	(7,270)	(6,456)	(7,270)	(6,456)
General services, leases and public services	(4,495)	(3,135)	(4,495)	(3,139)
Promotions and events	(2,791)	(1,569)	(2,791)	(1,569)
Consulting services	(2,779)	(3,313)	(2,779)	(3,347)
Services provided by law firms	(1,614)	(1,393)	(1,614)	(1,393)
Materials and outside services	(861)	(233)	(861)	(233)
Other	(3,119)	(3,958)	(3,119)	(4,149)
	(44,984)	**(35,871)**	**(44,984)**	**(36,100)**

25. OTHER OPERATING INCOME (EXPENSES), NET

	Parent Company		Consolidated	
	03/31/2013	03/31/2012	03/31/2013	03/31/2012
Allowance for doubtful debts	(46)	(1,616)	(46)	(1,620)
Write-off of assets	(3)	(9)	(3)	(9)
Other	(1,794)	(1,464)	(1,750)	(1,465)
	(1,843)	**(3,089)**	**(1,799)**	**(3,094)**

26. FINANCE INCOME (COSTS)

	Parent Company		Consolidated	
	03/31/2013	03/31/2012	03/31/2013	12/31/2012
Finance income:				
Yield on short-term investments	6,967	7,077	6,976	7,078
Exchange rate change	2,224	5,841	2,224	5,841
Derivative financial instruments	1,375	3,598	1,375	3,598
Indexation of judicial deposits	115	445	115	449
Other	207	30	212	32
	10,888	**16,991**	**10,902**	**16,998**
Finance costs:				
Interest on debentures	(12,890)	(12,228)	(12,890)	(12,228)
Derivative financial instruments	(3,019)	(5,829)	(3,019)	(5,829)
Indexation of payables for business acquisitions	(2,669)	(6,401)	(2,686)	(6,545)
Interest on borrowings and financing	(2,324)	(3,867)	(2,324)	(3,867)
Exchange rate change	(1,255)	(3,927)	(1,255)	(3,927)
Bank fees and expenses	(748)	(665)	(748)	(672)
Interest on and indexation of provision for tax, labor and civil risks	(549)	(631)	(549)	(631)
Other	(2,026)	(1,284)	(2,026	(1,290)
	(25,481)	**(34,832)**	**(25,497)**	**(34,989)**
Finance income (costs), net	**(14,593)**	**(17,841)**	**(14,595)**	**(17,991)**

In 2012 the Company paid interest on own capital to shareholders. The amounts paid were recorded in the statutory books as “Expenses on interest on own capital” and pursuant to Resolution 207 reversed against “Retained earnings” in equity.

27. INCOME TAX AND SOCIAL CONTRIBUTION – CURRENT AND DEFERRED

	Parent Company		Consolidated	
	03/31/2013	12/31/2012	03/31/2013	12/31/2012
Tax loss carryforwards	107,145	95,898	107,145	95,898
Provision for tax, labor and civil risks	76,284	75,227	76,284	75,227
Allowance for doubtful debts and disallowances	70,476	63,709	70,476	63,709
Amortization of goodwill non-deductible up to 2008 and deductible for tax purposes in future periods	24,782	24,782	24,782	24,782
Accrued profit sharing	4,439	-	4,439	-
Asset revaluation	(2,079)	(2,286)	(2,079)	(2,286)
Net value adjustment of assets acquired and liabilities assumed	(105,104)	(112,949)	(105,104)	(112,949)
Effects of goodwill amortization for tax purposes (a)	(445,197)	(387,464)	(445,197)	(387,464)
Tax base	**(269,254)**	**(243,083)**	**(269,254)**	**(243,083)**
Deferred income tax and social contribution at the combined tax rate of 34%	**(91,546)**	**(82,648)**	**(91,546)**	**(82,648)**
Non-current assets	108,472	99,740	108,472	99,740
Non-current liabilities	(200,018)	(182,388)	(200,018)	(182,388)

(a) Goodwill on merger of companies, mainly LabsCardiolab.

Current and deferred income tax and social contribution in the income statement are reconciled as follows:

	Parent Company		Consolidated	
	03/31/2013	03/31/2012	03/31/2013	03/31/2012
Profit before income tax and social contribution	30,456	36,392	30,456	36,621
Combined income tax and social contribution rate	34%	34%	34%	34%
Income tax and social contribution	**(10,355)**	**(12,373)**	**(10,355)**	**(12,451)**
Benefit of distribution in the form of Interest on Own Capital		6,800		6,800
Depreciation		618		618
Share of earnings (losses) of subsidiaries		(138)		(138)
Non-deductible expenses	(1,397)	(613)	(1,397)	(613)
Other	2,854	95	2,854	(56)
Exchange rate change/Hedge - Adjustment of criteria		947		947
Income tax and social contribution expense:	**(8,898)**	**(4,664)**	**(8,898)**	**(4,893)**
Current	-	-	-	(229)
Deferred	(8,898)	(4,664)	(8,898)	(4,664)

Based on taxable profit projections pursuant to CVM Instruction 371/02, the Company estimates that tax credits arising from tax loss carryforwards and temporary differences will be recovered in the following years/periods:

Year	Consolidated
2013	10,847
2014	16,271
2015	21,694
2016	27,118
2017	32,542

The Company opted for the Transitional Tax Regime (RTT) created by Provisional Act 449/08, subsequently converted into Law 11,941/09, under which the calculation of corporate income tax, social contribution, social integration program tax on revenue (PIS), and social security funding tax on revenue (COFINS) continues to be based on the methods and criteria defined by Law 6,404/76 in effect at December 31, 2007.

When applicable, deferred income tax and social contribution calculated on the adjustments arising from the adoption of the new accounting practices introduced by Law 11,638/07 and Law 11,941/09 were recorded in the Company's financial statements.

28. EMPLOYEE BENEFITS

Pension Plan

The Company sponsors a pension plan, Itaú Vida e Previdência S.A., the main purpose of which is to supplement social security benefits; participation in this plan is optional for all employees of the Company and its subsidiary Fleury CPMA; the plan is managed by Itaú Vida e Previdência S.A. The plan is a defined contribution pension plan and for the period ended March 31, 2013 the Company made contributions of R$468 (R$443 for the period ended March 31, 2012), charged to "General and administrative expenses".

All employees and officers with an employment relationship with the Company or Fleury CPMA are eligible for the plan. The maximum age limit to join the plan is 60 years old and the maximum age limit to leave the plan is 70 years old.

Plan participants can make basic contributions corresponding to 1% to 5% of their contribution salary, to be paid monthly, limited to a minimum contribution of R$20.00. Participants can also make voluntary contributions, at their sole discretion, at any time and at amounts above R$20.00.

Company's and subsidiary's contributions are made as follows:

Employment relationship time or plan participation time	Sponsor contribution
4 years or less	50% of the participant's basic contribution
From 5 to 9 years	75% of the participant's basic contribution
10 years or higher	100% of the participant's basic contribution

Stock option plan

The Extraordinary Shareholders' Meeting held on November 12, 2009 approved the Company's Stock Option Plan, authorizing the granting of share options to employees chosen by the Board of Directors. The options granted under the plan are limited to 3% of the total shares of the Company's subscribed and paid-up capital.

Each stock option granted to employees can be converted into a common share of Fleury S.A. when vested, and can be exercised at any time after the vesting date within up to six years after the grant date, after which they expire. No amount is paid or will be paid by the beneficiary when receiving the stock options. The stock options do not entitle their holders to dividends or votes until they are exercised.

The Company's Board of Directors is responsible for determining, on each grant date, the employees eligible to the plan and the number of shares to be acquired upon the exercise of each option, the effective period, the exercise price, the payment terms, and other conditions.

The exercise of the shares can be made within four years from the option contract signing date, in portions defined as follows: (a) up to 33% of the total shares subject to the option as from the end of the second year; (b) up to 33%, deducting the ones already exercised, as from the end of the third year, or up to 66% of the total shares, deducting the ones already exercised; and (c) remaining 34% or up to 100% of the total shares as from the fourth year.

Participants will have six years to exercise the options, from the option grant date.

The exercise price of options will be based on the weighted average of the trading sessions for the month immediately prior to the signing of the option contract. In the case of the first grant, the exercise price of options will be equivalent to the Company´s IPO price per share.

The following grants were conducted through the date:

	Grant date	Call options granted	Exercise price of options*	Position at 03/31/2013		Position at 03/31/2012	
				Number	Exercise price	Number	Exercise price
2012 grant	May 2, 2012	732,746	24.39	593,314	25.21	-	-
2011 grant	February 22, 2011	327,825	25.76	190,622	28.13	272,478	26.92
2010 grant	February 2, 2010	552,625	16.80	135,397	18.26	271,018	17.47

**.The price of options will be adjusted based on the IPCA variation.*

The Company recognized an expense for the period ended March 31, 2013, prorated since the grant date, of R$568 (R$418, charged to “General and administrative expenses” for the period ended March 31, 2012).

29. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share are calculated by dividing the profit attributable to owners of the Company by the weighted average number of common shares issued during the year, excluding common shares purchased by the Company and those held as treasury shares.

	03/31/2013	03/31/2012
Profit attributable to owners of the Company	21,558	31,728
Weighted average number of common shares issued	156,293,356	156,203,919
Weighted average number of common shares outstanding	156,293,356	156,203,919
Basic earnings per share - R$	0.14	0.20

Diluted earnings per share

Diluted earnings per share are calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares. The Company had dilutive potential common shares outstanding during the year according to the Company's Stock Option Plan as follows:

	03/31/2013	03/31/2012
Profit attributable to owners of the Company	21,558	31,728
Weighted average number of common shares outstanding	156,293,356	156,203,919
Adjustment for share call options	20,839	72,166
Weighted average number of common shares for diluted earnings per share	156,314,195	156,276,085
Diluted earnings per share - R$	0.14	0.20

30. SEGMENT REPORTING

Management performs analyses of the Fleury Group 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 distinct products and services. Sales between segments are made at prices similar to those that could be charged from third parties.

	3/31/2013				3/31/2012		
	Diagnostic Medicine (DM)	Integrated Medicine (IM)	Dental	**Consolidated**	Diagnostic Medicine (DM)	Integrated Medicine (IM)	**Consolidated**
Net revenue	**328,416**	**65,174**	**-**	**393,590**	**289,779**	**62,028**	**351,807**
Profit of the segment	**64,774**	**8,408**	**-**	**73,182**	**62,468**	**14,884**	**77,352**
Share of earnings of indirect subsidiary	**-**	**-**	**50**	**50**	**-**	**-**	**-**
Depreciation and amortization				(28,181)			(22,740)
Finance income (costs)				(14,595)			(17,991)
Profit before taxes				30,456			36,621
Total assets				3,300,963			2,700,925
Total assets includes:							
Goodwill	1,105,143	214,910	-	1,320,053	1,114,385	198,548	1,312,933
Brands	10,780	1,245	-	12,025	11,714	1,418	13,132
Customer contracts		131,229	-	131,229		146,668	146,668
Non-allocated assets				1,837,656			1,228,192
Total liabilities				1,572,929			1,036,898

In accordance with CPC 19, the indirect subsidiary "Papaiz" is accounted for using the equity method and, as it has a shared control, it cannot be proportionally consolidated. The breakdown of the Dental segment is as follows:

Net revenue	481
Profit of the segment	121
Depreciation and amortization	(13)
Finance income (costs)	(10)
Profit before taxes	98
Income tax and social contribution	(48)
Company profit	50

31. INSURANCE

The Company contracts blanket insurance coverage for its assets, loss of profits and/or liabilities, in amounts considered sufficient to cover potential losses, which take into account the nature of its operations, and based on the assessment of Management and its insurance consultants. The net premium of the Company's insurance policies in effect at March 31, 2013 is approximately R$1,191. The insurance contracts are effective until October 2013. The table below shows the maximum sum insured (MSI) of the main insurance coverage at March 31, 2013:

	Consolidated
Operating risks	R$ 532,000
Civil liability	R$ 35,500
International freight - imports	U$ 1,200

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 March 31st, 2013, authorizing its conclusion on this date.

São Paulo, April 30, 2013.

Board of Executive Directors

Omar Magid Hauache - CEO

João Ricardo Kalil Patah - Head of IR

José Marcelo Amatuzzi de Oliveira - Executive Director for Human Resources

Wilson Leite Pedreira Junior- Executive Director for Diagnostic Medicine

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 March 31st, 2013, issued on April 30, 2013.

São Paulo, April 30, 2013

Board of Executive Directors

Omar Magid Hauache - CEO

João Ricardo Kalil Patah - Head of IR

José Marcelo Amatuzzi de Oliveira - Executive Director for Human Resources

Wilson Leite Pedreira Junior- Executive Director for Diagnostic Medicine