1Q18
EARNINGS RELEASE

CONFERENCE CALL IN PORTUGUESE

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São Paulo, May 10, 2018 - Centro de Imagem Diagnósticos S.A. ("Alliar" or "Company") (B3: AALR3), one of Brazil's largest diagnostic medicine companies, announces today its earnings results for the first quarter of 2018 (1Q18). The figures and their historical series (when available) can be obtained in excel format at http://ir.alliar.com

HIGHLIGHTS

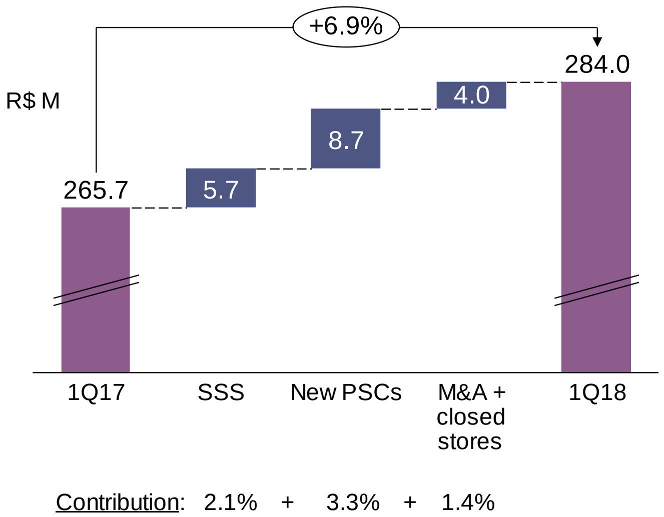
- **Net revenue[1] growth** of **6.3%** in the quarter, with same-store-sales (SSS) of **2%** (**5%** growth considering same comparable days base) and ramp-up of the new mega-units.
- Gross profit of R$ **72.7** million in the quarter, growth of **12.4%** with gross margin reaching **27.7%** (+148 bps)
- **Adjusted EBITDA** of R$ **59.4** million (**+19.6%**) in the quarter with an adjusted EBITDA margin of **22.6%** (+251 bps), reflecting the operating leverage through **cost reduction and strict expense control initiatives.**
- **Net income** (Shareholders) of R$ **7.1** million in the quarter, a **22.8%** increase.
- **Operating cash generation** growth of **39.5%** to R$ **31.1** million, with **52%** cash conversion (**+747 bps**), demonstrating the Company's high cash generation capacity.
- Net promoter score (**NPS**) of **60.5%** at the end of 1Q18, contemplating a single and improved methodology to capture data for **all Alliar brands**

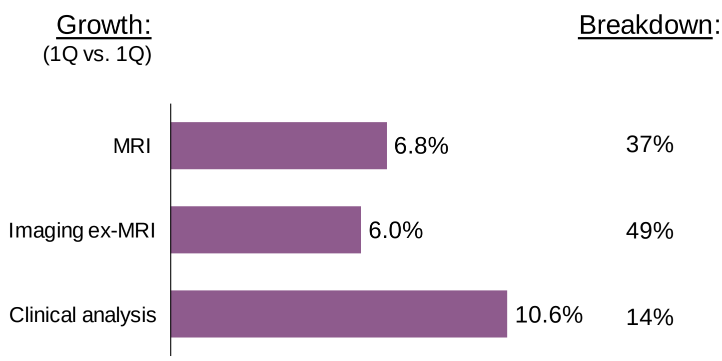
KPIs (R$ Million)	1Q18	1Q17	YoY
Gross Revenue (ex-construction)[1]	284.0	265.7	6.9%
Net Revenue (ex-construction)[1]	262.3	246.7	6.3%
Gross Profit	72.7	64.7	12.4%
Gross Profit Margin[2]	27.7%	26.2%	148 bps
EBITDA	51.7	45.9	12.8%
EBITDA Margin	19.7%	18.6%	113 bps
Adjusted EBITDA[3]	59.4	49.7	19.6%
Adjusted EBITDA Margin[2]	22.6%	20.1%	251 bps
Net Income (Shareholders)	7.1	5.8	22.8%
Operating Cash Flow[4]	31.1	22.3	39.5%
Cash Conversion	52%	45%	747 bps
ROIC[4]	12.1%	17.2%	-507 bps
NPS[5]	60.5%	n/a	n/a

1) Excludes "construction revenue", accounting entry referring to the investment made at RBD (PPP Bahia)
2) Margins are calculated on net revenue (ex-construction)
3) Excludes write-down of financial asset (see chapter on EBITDA)
4) ROIC without goodwill (adjusted NOPAT divided by average invested capital without goodwill)
5) Comparison of Net Promoter Score vs 1Q17 is not applicable: Alliar concluded in 1Q18 an automation process that improves the methodology of capturing data on patient's satisfaction.

REVENUE

Gross revenue (ex-construction) grew **6.9%** in the quarter, reaching **R$ 284.0 million**.





The revenue growth is mainly explained by the combination of same-store-sales (+2.2%) and the opening of mega-units, in line with the Company's strategy to prioritize **organic growth** fronts and to **mature investments** made. The increase in SSS was impacted by the lower numbers of comparable days in relation to 1Q17; on a **comparable basis, SSS in 1Q18 would be +5%**. Acquisitions contributed to the growth in a smaller scale, primarily Multiscan; this effect added to the closure of stores contributed with about 1% to the growth recorded in the quarter.

The 6 mega-units launched since 4Q16 are maturing as planned, highlighting the performance of the CDB brand units in the city of São Paulo. The Morumbi and Móoca mega-units, inaugurated in March/17 and May/17 respectively, surpassed the mark of 30 exams/MRI/day and will have the second resonance machine installed in 2Q18.

Gross Revenue (R$ Million)	1Q18	1Q17	YoY
Gross Revenue (ex-construction)	284.0	265.7	6.9%
Diagnostic imaging	243.4	228.9	6.3%
MRI Exams	103.8	97.3	6.8%
Other Imaging Exams	139.6	131.7	6.0%
Clinical analysis	40.7	36.8	10.6%
Construction revenue	0.9	13.4	-93.2%
Gross Revenue	284.9	279.0	2.1%
Deductions	-21.8	-19.8	10.3%
Net Revenue	263.1	259.3	1.5%
Net Revenue (ex-construction)	262.3	246.7	6.3%

Operational Highlights	Performance		
	1Q18	1Q17	YoY
Avg Revenue/MRI equipment	0.85	0.81	5.0%
Avg Revenue/Clinical Analysis Room	0.14	0.15	-5.7%
MRI exams ('000)	181	169	6.8%
Clinical analysis exams ('000)	2,617	2,388	9.6%
MRI Avg. Ticket (R$)	574	575	-0.1%
Clinical analysis Avg. Ticket (R$)	15.5	15.4	0.9%
MRI exams / equipment / day	23.7	22.6	5.1%
Clinical analysis / room / day	143.4	153.4	-6.5%

The Company posted consistent performance in its main exams. The highlights are the **growth** in MRI exams, which constitutes the main exam offered by the Company, driven by a **5.1%** higher productivity, which reached **23.7** scans/MRI/day on the average of the quarter, and by the addition of new equipment (**+1.7%**).

The **complementary offer** of clinical analysis (CA) continues to ramp-up. The CA exams presented growth of **10.6%** in the period, driven by the higher number of collection rooms (**+17.3%**) on the comparison basis, reaching a **14.3%** share of gross revenue ex-construction (vs. 13.3% in 4Q17). At the end of 1Q18, Alliar offered CA exams in **53** of its units.

The construction revenue is an accounting line related to the investment made at RBD. This value, after tax, is offset by the “construction costs” line, in accordance with ICPC 01 (public concession accounting rules).

The following table shows the evolution of the units in operation:

Operational KPIs	Assets					
End of period	1Q18	4Q17	QoQ	1Q18	1Q17	YoY
PSCs	118	118	0.0%	118	116	1.7%
Mega	18	18	0.0%	18	15	20.0%
Standard	84	84	0.0%	84	89	-5.6%
Collection Points	16	16	0.0%	16	12	33.3%
MRI equipments	122	122	0.0%	122	120	1.7%
Clinical Analysis Rooms	292	291	0.3%	292	249	17.3%

FINANCIAL PERFORMANCE

Alliar’s **new growth cycle**, focused on **increased profitability** through the **maturation of investments** and **productivity** gains with technology and innovation, begins to reflect in the Company's results.

In 1Q18, starting from a lower level of net revenue growth (**+6.3%**), the Company presented **net income (shareholders) growth of +22.8%.** Cost reduction initiatives combined with tight control of expenses have allowed both the Gross Margin and the EBITDA Margin to expand. Below EBITDA, operating leverage has allowed net income (shareholders) growth to exceed EBITDA growth, despite a higher financial expense in the quarter.

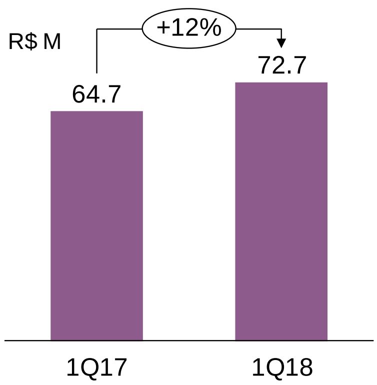
Income Statement Overview	1Q18	1Q17	YoY
Gross Revenue (ex-construction)	284.0	265.7	6.9%
Deductions	(21.8)	(19.0)	14.5%
Net Revenue (ex-construction)	**262.3**	**246.7**	**6.3%**
Cost of services	(189.5)	(181.9)	4.2%
Gross Profit	72.7	64.7	12.4%
Gross Profit Margin	*27.7%*	*26.2%*	148 bps
General and administrative expenses	(41.7)	(41.8)	-0.3%
Other income (expenses), net	(2.4)	(1.5)	57.5%
Share of profit (loss) on investments	3.3	3.5	-3.7%
(+) Depreciation and Amortization	19.7	20.9	-6.0%
EBITDA	51.7	45.9	12.8%
(+/- adjustments)	7.7	*3.8*	*101.9%*
Adjusted EBITDA	**59.4**	**49.7**	**19.6%**
Adjusted EBITDA Margin	*22.6%*	*20.1%*	251 bps
(-) Depreciation and Amortization	(19.7)	(20.9)	-6.0%
Finance income (expenses)	(16.7)	(9.8)	71.0%
EBT	**15.3**	**15.1**	**1.1%**
Taxes	(5.7)	(6.4)	-11.0%
Effective tax rate	*-37.1%*	*-42.1%*	503 bps
Attributable to non-controlling shareholders	(2.5)	(3.0)	-15.3%
Net Income (Shareholders)	**7.1**	**5.8**	**22.8%**
Net margin (Shareholders)	*2.7%*	*2.3%*	35 bps

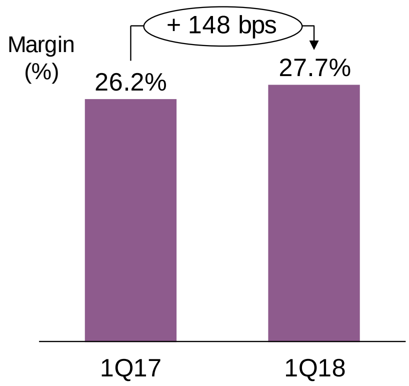
OPERATING LEVERAGE

GROSS PROFIT / GROSS PROFIT MARGIN

Gross profit grew **12.4%** in the period and reached R$ **72.7** million, driven by revenue growth and gross margin expansion to **27.7%** (+148 bps). Cost reduction initiatives through the strategic sourcing front are the main factor associated with the margin increase registered in the quarter, as growth in the other lines is negatively impacted by the following factors: (i) inauguration of units throughout 2017, (ii) increased medical services due to the full operation phase of the PPP hospitals and (iii) increased participation of ultrasound and clinical analysis exams in the exam mix.

On the strategic sourcing front, agreements are being renegotiated with the Company´s main suppliers. Additional benefits are expected for the upcoming quarters. Highlight to the savings already captured in the *supplies and support lab* line.



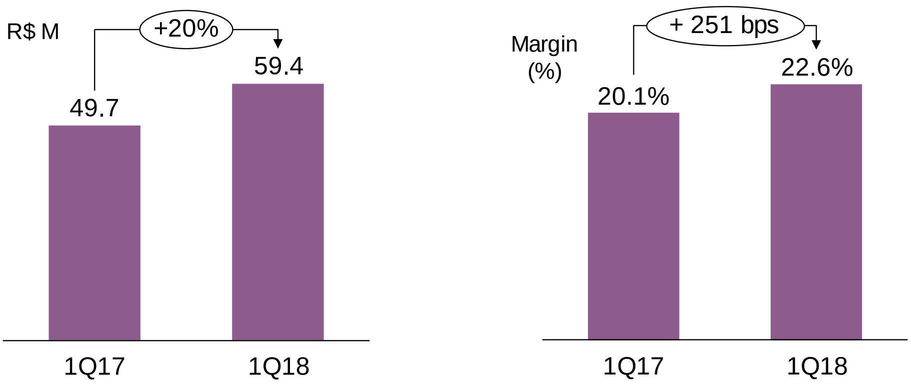


Gross Profit (R$ Million)	1Q18	1Q17	YoY	% Net Rev. (1Q18)	% Net Rev. (1Q17)	YoY
Net Revenue (ex-construction)	**262.3**	**246.7**	**6.3%**	**-**	-	**-**
Costs (ex-construction)	**-189.5**	**-181.9**	**4.2%**	**-72%**	-74%	**148 bps**
Medical Services	-50.2	-44.0	14.2%	-19%	-18%	-134 bps
Employees	-49.7	-46.2	7.5%	-19%	-19%	-22 bps
Supplies and Support Labs	-30.1	-33.2	-9.4%	-11%	-13%	198 bps
Maintenance	-7.4	-7.3	0.7%	-3%	-3%	15 bps
Occupancy	-21.2	-20.0	6.2%	-8%	-8%	0 bps
Third-party services and others	-13.2	-12.3	6.7%	-5%	-5%	-3 bps
Depreciation and amortization	-17.7	-18.8	-5.9%	-7%	-8%	87 bps
Gross Profit	**72.7**	**64.7**	**12.4%**	**27.7%**	**26.2%**	**148 bps**
Construction cost	-0.9	-12.6	-93.2%	-	-	-

Note: The costs and expenses for 2017, as presented in the 2017 financial statements, were reclassified in this report to equalize with the cost structure utilized for all Alliar brands in 2018.

EBITDA / EBITDA MARGIN

Adjusted EBITDA grew **19.6%** in the period and reached R$ **59.4** million with EBITDA margin of 22.6% (+251 bps) driven by: sales growth, gross margin expansion and rigid control of expenses. Despite the observed margin expansion, the Company´s EBITDA margin remains below its potential due to units still in the maturation process, mainly the 6 mega-units open since 4Q16.



EBITDA (R$ Million)	1Q18	1Q17	YoY	% Net Rev. (1Q18)	% Net Rev. (1Q17)	YoY
Net Revenue (ex-construction)	**262.3**	**246.7**	**6.3%**	-	-	-
Gross Profit	72.7	64.7	**12.4%**	**28%**	**26%**	**148 bps**
General and adm. expenses	-41.7	-41.8	-0.3%	-16%	-17%	104 bps
Employess	-22.2	-22.9	-3.2%	-8%	-9%	82 bps
Occupancy, third-party serv. and others	-16.4	-14.4	14.0%	-6%	-6%	-43 bps
Long-term incentive program	-1.1	-2.3	-54.5%	0%	-1%	53 bps
Depreciation and amortization	-2.0	-2.1	-6.0%	-1%	-1%	9 bps
Equity in the earnings (loss) of subsidiaries	-2.4	-1.5	57.5%	-1%	-1%	-31 bps
Other expenses, net	3.3	3.5	-3.7%	1%	1%	-14 bps
EBIT	**32.0**	**24.9**	**28.6%**	**12%**	**10%**	**210 bps**
Depreciation and amortization (cost+exp)	19.7	20.9	-6.0%	8%	8%	-99 bps
EBITDA	**51.7**	**45.9**	**12.8%**	**19.7%**	**18.6%**	**112 bps**
Adjustments	**7.7**	**3.8**	**101.9%**	**3%**	**2%**	**138 bps**
Write-down of Financial asset (RBD)	7.7	3.8	101.9%	3%	2%	138 bps
Adjusted EBITDA	**59.4**	**49.7**	**19.6%**	**22.6%**	**20.1%**	**251 bps**

General expenses totaled R$ **41.7** (-0.3%) million in the quarter, evidencing the **strong control** of expenses. Highlight to the 3.2% drop in employees' expenses as part of the adjustment efforts in the Holding and the SSC personnel structure implemented in 4Q17. The 54.5% decrease in the long-term incentive plan expenses was due to the non-granting of a new plan, which should occur in 2018, thus returning to the previous levels when a new concession is granted.

The growth in other expenses, net reflects the increase in PDA in accordance with the Company's provisioning policy.

Accounting EBITDA was R$ 51.7 million in the quarter (+12.8%). The following summary describes the adjustment made for a better understanding of Alliar's EBITDA.

- Write-down of Financial Asset: A recurring entry concerning the depreciation of investments made by RBD (PPP Bahia), which reached R$ 7.7 million in 1Q18 (R$ 3.8 million in 1Q17)

FINANCIAL RESULT AND DEBT

Financial Result (R$ Million)	1Q18	4Q17	1Q17	YoY
Financial income	0.4	0.8	3.4	-87.1%
Financial expenses	-17.1	-27.3	-15.3	12.0%
Foreign exchange effect on USD debt	0.0	-1.4	2.2	n/a
Total Financial Result	**-16.7**	**-27.9**	**-9.8**	**71.0%**

The **71.0%** increase in the financial result is mainly explained by the lower average cash balance in relation to the same period of last year, in addition to the exchange rate variation gain in 1Q17. The increase in the financial expenses line is explained by the growth in the average balance of debt, partially offset by the lower cost of debt.

When compared to the 4Q17, total financial result has improved significantly. Excluding the R$ 6.7 million non-recurring effects posted in 4Q17 from the R$ 27.9 million figure above, evolution vs. 4Q17 reached 21% (lower cost of debt).

Debt (R$ Million)	1Q18	4Q17	1Q17	4Q16	YoY
Loans, financing and debentures	631.3	599.3	484.1	505.6	30.4%
Supplier 'drawee risk'	4.3	11.7	0.0	0.0	n/a
Derivative financial statements	1.0	1.3	32.8	38.7	-97.1%
Gross Bank Debt	**636.6**	**612.2**	**516.9**	**544.3**	**23.2%**
Gross Bank Debt R$	625.0	598.6	439.7	258.8	42.1%
Gross Bank Debt US$	11.7	13.5	77.3	285.5	-84.9%
Tax installment payments	9.3	9.2	8.9	9.1	4.3%
Accounts payable - acquisitions of companies	62.2	85.3	88.3	47.0	-29.5%
Total Gross Debt	**708.2**	**706.6**	**614.2**	**600.3**	**15.3%**
Cash, securities and cash equivalents	71.8	95.3	59.2	202.8	**21.4%**
Total Net Debt	**636.3**	**611.3**	**555.0**	**397.5**	**14.7%**
Adjusted EBITDA LTM[1]	232.5	224.9	224.1	207.5	3.8%
Total Net Debt / Adjusted EBITDA LTM	**2.74 x**	**2.72 x**	**2.48 x**	**1.92 x**	**10.5%**

Note: Adjusted LTM EBITDA including acquisitions

At the end of the quarter, **total net debt** was R$ **636.3** million, with a **2.74x** ratio of **total net debt/LTM adjusted EBITDA,** below the 2.75x limit established in Alliar's bonds covenant**.** From the gross bank debt, 98% is denominated in BRL or with hedge operations, so that only 2% is subject to foreign exchange effects.

INCOME TAX AND SOCIAL CONTRIBUTION

Income Tax (R$ Million)	Consolidated		
	1Q18	1Q17	YoY
EBT	**15.3**	**15.1**	**1.1%**
Income Tax	**-5.7**	**-6.4**	**-11.0%**
Current income tax	*-7.0*	*-8.9*	*-21.6%*
Deferred income tax	*1.3*	*2.5*	*-48.2%*
Effective Tax Rate (%)	**37.1%**	**42.1%**	**-505 bps**

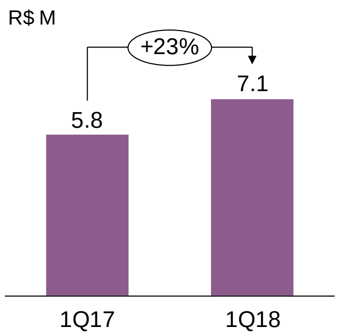
In **1Q18**, the Company recorded income tax & social contribution in the amount of R$ **5.7** million, posting an effective tax rate of **37.1%**, which represents an improvement of **-505 bps** in relation to 1Q17.

The evolution presented in the period reflects the Company's efforts to normalize its effective tax rate, which shall continue to show gradual improvement over the next quarters, based on EBT growth and reduction of tax inefficiencies associated with its corporate structure.

Alliar's effective tax rate reflects a combination of companies which pay taxes under different tax regimes. Companies which account for ~66% of revenue operate under the real profit regime (taxes are calculated based on EBT), while other companies operate under the deemed profit regime (taxes are calculated based on expected profit margins applied to revenues). The outcome from this combination is an effective tax rate that depends on the level of EBT, so **future effective tax rate estimates shall not be based on current rates; rather, they should be modeled.**

NET INCOME

Net income (shareholders) reached R$ **7.1** million (2.7% margin) in the quarter, **growth of 22.8%**. Highlight to the cost reduction and expenses control initiatives that have allowed both the Gross Margin and the EBITDA Margin to expand. These initiatives are also reflected here in the bottom line expansion, demonstrating the **operating leverage achieved in the period.**



Net Income (R$ Million)	1Q18	1Q17	YoY
Net Income	9.6	8.8	9.9%
Attributable to noncontrolling interests	2.5	3.0	-15.3%
Net Income (Shareholders)	**7.1**	**5.8**	**22.8%**
Net Income per share (in R$)	0.06	0.05	19.2%
Net Margin	**3.7%**	**3.6%**	12 bps
Net Margin (Shareholders)	**2.7%**	**2.3%**	**36 bps**

INVESTMENTS

INVESTMENTS (R$ Million)	1Q18	1Q17	YoY
Organic Expansion	8.4	37.5	-77.6%
Maintenance	8.2	7.3	12.3%
Others	2.5	6.1	-59.1%
Total CAPEX	**19.1**	**50.9**	**-62.5%**
Financial Asset (RBD)	0.9	13.4	-93.2%
M&A / Investments	12.5	92.0	-86.4%
Total	**32.5**	**156.3**	**-79.2%**

Note: M&A/Investments are in the accrual method (they differ from the cash flow amounts).

Capex reached R$ **19.1** million in 1Q18, registering a strong reduction compared to the same period of the previous year, after the end of large investments cycle held until 2017 and in line with the Company's strategy of maturing the investments made.

At RBD, the Company invested R$ **0.9** million in Financial Asset (Capex PPP Bahia), again registering a strong reduction compared to the previous year, reflecting the fact that all its hospitals are now fully operational. In 1Q18, Alliar acquired an additional 30% interest in RBD for R$ 12.5 million, raising its share to 80% of the capital.

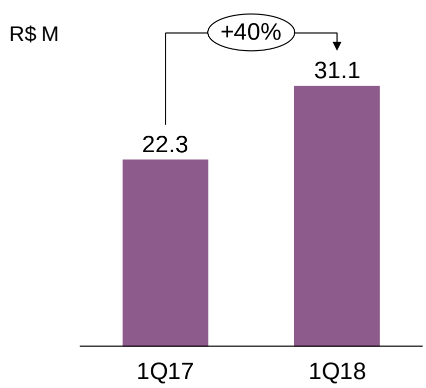
Investments in Capex and RBD for the year 2018 should be up to R$ 75 million, and no investments are expected in the opening of new units or new acquisitions.

CASH FLOW

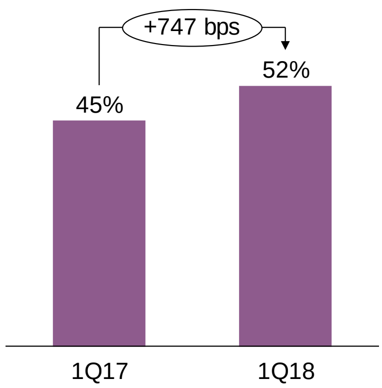
Operating cash generation totaled R$ 31.1 million in the quarter (+40%), and **cash conversion** reached **52%**. With the reduction of investments, cash flow from operations has come closer to cash flow of investments, **generating free cash flow of nearly zero in the quarter** (see item 7 on the next page), despite the R$ 12.5 million invested in the acquisition of additional interest in RBD.

These results demonstrate once again the Company's strong capacity of operating cash flow. As of Alliar's new growth cycle, they start to convert into free cash generation.

OPERATING CASH FLOW



CASH CONVERSION



Cash Flow (R$ Million)	1Q18	1Q17	YoY
(1) Adjusted EBITDA	**59.4**	**49.7**	**19.6%**
(2) Non-cash items	**-17.1**	**1.6**	n/a
(3) Working Capital[a]	**-9.7**	**-27.6**	-64.9%
Clients	-14.9	-16.0	-7.2%
Trade payables	2.2	-6.8	n/a
Payroll and related taxes	-7.9	0.5	n/a
Taxes payable and taxes in installments	12.5	-0.6	n/a
Other	-1.7	-4.7	-64.2%
(4) Income tax paid	**-1.5**	**-1.4**	8.5%
(5) Operating Cash Flow [=(1)+(2)+(3)+(4)]	**31.1**	**22.3**	**39.5%**
(6) Investing Activities[b]	**-32.5**	**-153.5**	**-78.8%**
Investments	-31.6	-144.0	-78.1%
Purchase of PPE and intangible assets	-19.1	-49.8	-61.7%
Acquisition of subsidiaries, net of cash received	-12.5	-92.0	-86.4%
Increase in Investments	0.0	-2.1	-100.0%
Financial Asset (Capex RBD)	-0.9	-9.6	-90.5%
(7) Free Cash Flow [= (5)+(6)]	**-1.4**	**-131.2**	**-98.9%**
(8) Financing Activities[c]	**-21.7**	**25.4**	**n/a**
Financing	-14.4	-15.0	-3.7%
Short-term investments	0.8	37.9	-97.8%
Related parties	-8.1	2.5	n/a
(9) Cash Incresase (decrease) [= (7)+(8)]	**-23.1**	**-105.8**	**-78.2%**
Conversion (Operating Cash Flow/Adjusted EBITDA)	**52%**	**45%**	**747 bps**
Adjusted EBITDA	59.4	49.7	19.6%

a) Excludes Financial Asset (RBD Capex) and suppliers drawee risk, considered in Investing and Financing, respectively
b) Includes Financial Asset (RBD Capex) and excludes financial investments and related parties (see Financing). Acquisition of subsidiaries presented in the accrual method (differs from the accounting cash flow statements)
c) Includes supplier's drawee risk and debt from acquisitions (sellers' financing), in addition to financial investments and related parties.

FINANCIAL STATEMENTS

BALANCE SHEETS AT MARCH 31, 2018 AND DECEMBER 31, 2017

(R$'000)

ASSETS	Consolidated	
	03/31/2018	03/31/2017
CURRENT ASSETS		
Cash and cash equivalents	68,523	91,597
Securities	-	10
Accounts receivable	235,863	219,178
Inventories	4,343	4,650
Financial assets	30,923	30,676
Taxes recoverable	43,618	41,153
Other accounts receivable	16,715	14,290
Total current assets	**399,985**	**401,554**
NONCURRENT ASSETS		
Securities	3,302	3,692
Escrow deposits	26,241	25,817
Contingency reimbursement guarantee	95,816	104,389
Related parties	39,557	38,406
Deferred income and social contribution taxes	124,780	123,127
Financial assets	82,822	83,164
Investments	5,470	5,364
Property and equipment	528,904	532,523
Intangible assets	967,606	966,949
Total noncurrent assets	**1,874,498**	**1,883,431**
TOTAL ASSETS	**2,274,483**	**2,284,985**

LIABILITIES AND EQUITY	Consolidated	
	03/31/2018	03/31/2017
CURRENT LIABILITIES		
Trade payables	63,961	61,758
Supplier 'drawee risk'	4,319	11,652
Payroll and benefits	44,749	52,652
Borrowings and financing	201,430	167,044
Derivative financial instruments	965	1,260
Tax obligations	33,492	23,524
Tax installment payments	1,926	2,212
Accounts payable - acquisition of companies	18,677	36,488
Other accounts payable	5,832	5,463
Total current liabilities	**375,351**	**362,053**
NONCURRENT LIABILITIES		
Borrowings and financing	429,906	432,208
Related parties	1,331	5,881
Tax installment payments	7,381	6,960
Accounts payable - acquisition of companies	43,566	48,790
Deferred income and social contribution taxes	5,497	5,161
Deferred PIS/COFINS/ISS	7,942	8,033
Provision for legal contingencies	131,362	140,045
Other accounts payable	4,262	5,598
Total non-current liabilities	**631,247**	**652,676**
EQUITY		
Capital stock	612,412	612,412
Capital stock to be paid in	623,978	620,222
Other comprehensive income	(93)	-
Treasury shares	(1,954)	(1,954)
Accumulated profits	(4,117)	(11,220)
Controlling shareholders' equity	1,230,226	1,219,460
Minority interest	37,659	50,796
Total equity	**1,267,885**	**1,270,256**
TOTAL LIABILITIES AND EQUITY	**2,274,483**	**2,284,985**

INCOME STATEMENTS FOR THE QUARTERS ENDED MARCH 31, 2018 AND MARCH 31, 2017 (R$'000)

Consolidated	03/31/2018 Quarter	03/31/2017 Quarter
NET SERVICE REVENUE	263,142	259,277
Cost of services	(190,404)	(182,804)
GROSS PROFIT	72,738	76,473
OPERATING (EXPENSES) INCOME		
General and administrative expenses	(41,661)	(53,506)
Other (expenses) income, net	(2,384)	(1,513)
Equity in the earnings (loss) of subsidiaries	3,342	3,469
OPERATING INCOME BEFORE FINANCIAL RESULT	32,035	24,923
FINANCIAL RESULT	(16,744)	(9,791)
Financial expenses	(17,176)	(13,143)
Financial income	432	3,352
OPERATING INCOME (LOSS) BEFORE INCOME AND SOCIAL CONTRIBUTION TAXES	15,291	15,132
CURRENT AND DEFERRED INCOME AND SOCIAL CONTRIBUTION TAXES	(5,668)	(6,370)
NET INCOME (LOSS) FOR THE PERIOD	9,623	8,762
ATTRIBUTABLE TO CONTROLLING SHAREHOLDERS	7,103	5,786
ATTRIBUTABLE TO MINORITY INTEREST	2,520	2,976

Note: The costs and expenses for 2017 presented in this table follow the financial statements. For a comparable basis, refer to pages 6 and 7.

CASH FLOW STATEMENTS FOR QUARTERS ENDED MARCH 31, 2018 AND MARCH 31, 2017

(R$'000)

	Consolidated	
	1Q18	**1Q17**
CASH FLOW FROM OPERATING ACTIVITIES		
Net Income (loss) for the period	**9,623**	**8,762**
Adjustments to reconcile net income to net cash generated by (used in) operating activities:	32,644	42,497
Depreciation and amortization	19,691	20,932
Stock options granted and restricted stocks	1,057	2,326
Residual value of property, plant and equipment disposed of, and investments	2,345	1,353
Finance charges, foreign exchange effect and derivatives	15,013	9,487
Financial asset update	(6,675)	-
Income (loss) from subsidiaries	(3,342)	(3,469)
Allowance for doubtful debts	5,862	4,175
Provisions for civil, labor and tax risks	102	1,323
Income Tax and Social Contribution	(1,409)	6,370
	42,267	51,259
Decrease (increase) in operating assets	(21,997)	(38,057)
Decrease (increase) in clients	(14,870)	(16,025)
Decrease (increase) in inventories	307	169
Decrease (increase) in other assets	(6,528)	(12,648)
Decrease (increase) in Financial Asset	(906)	(9,553)
Increase (decrease) in operating liabilities:	**2,581**	**(473)**
Increase (decrease) in trade payables	2,203	(6,826)
Increase (decrease) in suppliers drawees risk	(7,333)	-
Increase (decrease) in payroll and related taxes	(7,903)	499
Increase (decrease) in taxes payable and taxes in installments	12,531	(607)
Increase (decrease) in other liabilities	1,315	5,189
Income Tax and Social Contribution paid	(1,470)	(1,355)
Dividends and interest on equity received	3,238	2,627
Net Cash generated by Operating Activies	**22,850**	**12,729**
CASH FLOW FROM INVESTING ACTIVITIES		
Short-term investments	832	37,850
Acquisition of subsidiaries, net of cash received	(32,597)	(41,671)
Related Parties	(8,073)	2,547
Increase in Investments	-	(2,103)
Purchase of property, plant and equipment and intangible assets	(19,073)	(49,830)
Net cash used in investing activities	**(58,911)**	**(53,207)**
CASH FLOW FROM FINANCING ACTIVITIES		
Capital Increase	-	315
Treasury Shares	-	(3,680)
Borrowings, net	67,950	20,112
Interest paid	(17,866)	(11,524)
Repayment of borrowings and financing	(37,097)	(70,573)
Net cash used in financing activities	**12,987**	**(65,350)**
INCREASE IN CASH AND CASH EQUIVALENTS	(23,074)	(105,828)
CASH AND CASH EQUIVALENTS		
At the beginning of the priod	91,597	159,333
At the end of the period	68,523	53,505