Comments about Performance

2015: Better expenses control and EBITDA margin expansion.

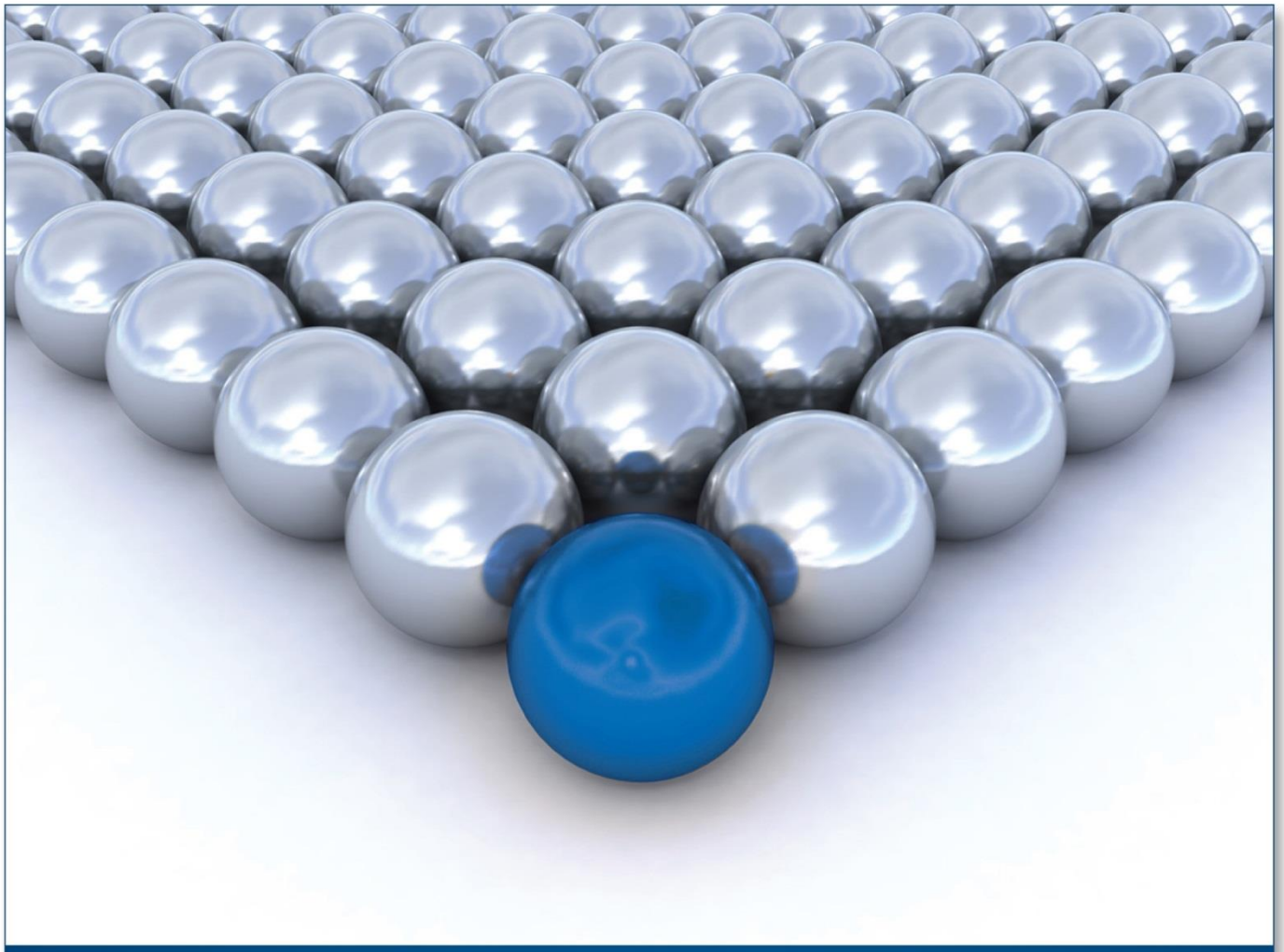
In another extremely challenging year in the macroeconomic scenario, we were able to stand out in several indicators, closing 2015 with R$240.8 million in consolidated net income, an increase of 73.5% when compared to the R$138.8 million reported in 2014, which makes us optimistic for future dividend payments increase.

The positive highlight this year is the administrative expenses reduction of 6% (Ex-CRC/Gama) reaching R$442.7 million or 26.3% net revenue (Ex-CRC-Gama) compared to 32% in 2014. This performance improvement is mainly related to the absence of extraordinary expenses and to the rigorous control in third party services expenses.

Our total Net Revenues (Ex-CRC/Gama) grew 14.5% y/y reaching R$1,683.6 million in 2015, and our adjusted EBITDA, also excluding CRC-Gama, grew 21.3% y/y, reaching R$689.0 million, which represents 40.9% adjusted EBITDA margin in 2015 (229bps growth vs. 2014). Regarding the consolidated results considering CRC/Gama, the Company reported R$676.2 million adjusted EBITDA and 39.1% adjusted EBITDA margin.

Finally is worth noting the performance of our total beneficiaries' portfolio of approximately 5.1 million lives (including all segments) which decreased only 0.9% y/y compared to 2014 even considering the exit of Potencial portfolio's lives, sold in 2Q15 to meet Performance Commitment Agreement signed with CADE and the partial loss of the portfolio of Unimed Paulistana beneficiaries during the transfer process of lives due to the compulsory sale of the UP portfolio by the ANS, on 4Q15.

The Company's total portfolio is the result of our Affinity segment portfolio, with 1.8 million lives, which decreased 5.3% y/y combined with our Corporate & Others portfolio, which increased 1.6% y/y totaling 3.3 million lives.



The Company

The Company's Businesses

Qualicorp is a health care benefits service provider and administrator in Brazil. With more than 5.1 million beneficiaries on December 31, 2015, we also believe we are the leader in these segments. We were founded in 1997 to improve the access to high-quality private health care plans at attractive and competitive prices and conditions, without being exposed to any of the risks associated with the provision of health care. By means of an innovative approach to managing health benefits, together with a wide range of solutions for reducing medical and administrative costs, we seek to add value to our shareholders, customers (beneficiaries and corporate clients) and partners (health insurance companies, health care plan operators and professional associations and/or institutions).

Our main goal is to assist our beneficiaries in gaining access to affordable private health care plans that meet their needs. Our services include benefit management, benefit planning advisory, brokerage of health insurance plans, health risk prevention and management, loss ratio monitoring and analysis, connectivity services and third-party administration (TPA). We provide these services through two segments:

Affinity

We negotiate with health insurance companies and group health and dental care operators on behalf of professional associations and/or institutions and work as an exclusive intermediary in the offer of these plans directly to members of these associations/institutions. Our beneficiaries can save up to 50% on the price they would pay for a similar individual health and dental care plans. We also offer a number of valuable services to beneficiaries, health insurers, health care plan operators and professional associations and/or institutions, including registration, monitoring of the medical services used, monthly billing and collection, streamlined reimbursements and medical concierge services.

Corporate and Others

We operate as consultants, brokers and providers of outsourced benefit, connectivity and risk management services for leading national and international companies, as well as government bodies. In this segment, we provide high-quality customized services that strengthen our relations with operators, insurers and customers.

Qualicorp S.A. and its subsidiaries (on 12/31/2015)



Our performance

To the Shareholders

We are pleased to submit for your appreciation the main numbers and accounting information of Qualicorp S.A. ("Company") and its subsidiaries for the period ending on December 31, 2015.

These are the main operational and financial highlights:

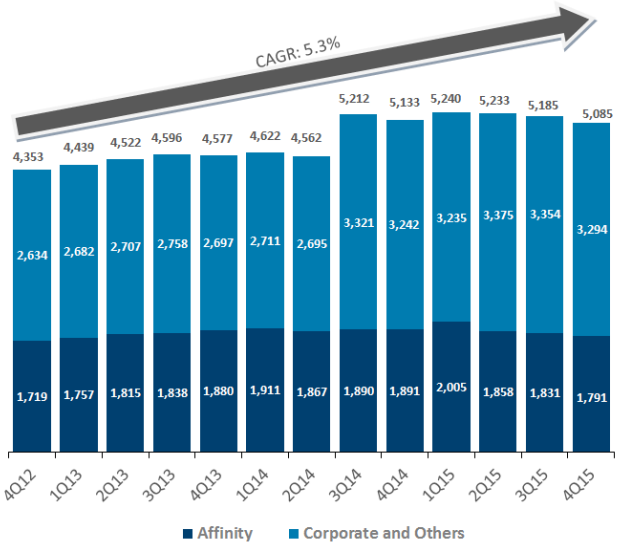
- ✓ In 4Q15, our Consolidated Recurring Net Revenues and our adjusted recurring EBITDA[1] (Ex-CRC/Gama) grew 15.0% and 6.2% respectively when compared with 4Q14. For the full year 2015, the growth was 14.5% for Consolidated Recurring Net Revenues and 21.3% for adjusted recurring EBITDA (EX-CRC/Gama), when compared to 2014.

    - Our total portfolio of beneficiaries of 5.1 million lives, including all segments decreased 0.9% y/y in 4Q15. This amount is the result of the combination of our portfolio of beneficiaries in the Affinity segment which decreased 5.3% y/y in 4Q15 to 1.8 million lives and our portfolio of beneficiaries in the Corporate and Others Segment which grew 1.6% y/y in 4Q15 to approximately 3.3 million lives.

In 4Q15, our net income reached R$61.4 million, which represents an increase of 224% when compared to 4Q14. In 2015 the total net earnings was R$240.8 million, 73.5% higher than 2014. It is worth mentioning that the 2015 was positively impacted by the non-recurring Potencial's sale with R$45.7 million gain in 2Q15 (R$ 30.1 million after tax).

[1] We have presented EBITDA and adjusted EBITDA because management believes them to be significant indicator of financial performance. However, EBITDA and adjusted EBITDA are not measures for financial performance according to IFRS, they do not represent cash flow for the periods in question and should not be considered as an alternative to net income as a measure of operating performance or as an alternative to operating cash flow as expenses with acquisitions and partnerships and expenses with corporate restructuring.

Beneficiaries (MM)



Recurring Net Revenue (R$ MM)

Recurring Adjusted EBITDA (R$ MM)

Net (loss) Income (R$ MM)

Beneficiaries (MM)

Beneficiaries Portfolio Breakdown

The total number of beneficiaries reached 5.1 million lives in the end of the year, which represents a 0.9% y/y drop. Despite this minimum loss the Company considers this a positive result taking into account the challenges faced during the year. We were able to retain 72.4% lives of Unimed Paulistana's portfolio, record levels of recovery in cancellation matters. In addition, our portfolio was narrowed by Potencial exit (Performance Commitment Agreement with CADE), however through segmentation strategies and NPV maximization, we were able to minimize the impact of these losses in our revenue, accordingly to our internal target. Thereby, out of the 5.1 million beneficiaries, 1.8 million are in the Affinity segment and 3.3 million in the Corporate and Others segment.

Our Affinity Medical Care portfolio, which closed 2015 with 1.4 million lives, decreased 6.9% y/y, totaling a loss of 101.7k lives y/y (-2.9% or -40.8K q/q). Mainly due to (i) the exit of 53.3k Potencial lives in 2Q15, in order to attend the Performance Commitment Agreement signed between the Company and CADE and (ii) the losses regarding contracts cancellations along 2015, of which (a) Unimed Paulistana contributed with -44K lives in 4Q15; (b) Unimed Seguros with -16.4k lives in 3Q15. If we were to exclude those factors, our Medical Care Affinity portfolio would have shown a slight growth.

Still regarding the Unimed Paulistana's transfer process, it is important to mention that 72.4% of the portfolio was retained due to an excellent team work in record time to offer alternative solutions to our customers with high adherence rate, both in price as in coverage and network. From the total lives retained in the process, around 92% moved to Unimed FESP, with special conditions for membership and the rest was transferred to other partners. Regarding revenues, our recovery was even higher, reaching around 75%, which reflects our maximization return strategies.

The Other products portfolio, in the Affinity segment, closed the year with 425.3k lives, a result 0.4% higher than reported in 2014. Regarding 3Q15, the performance remained flattish (up 0.1%). Besides that 122.1k lives from Potencial left the portfolio in 2Q15, in compliance with the Performance Commitment Agreement signed between the Company and CADE.

Our total portfolio of beneficiaries in the Corporate and Others segment increased 1.6% y/y in 2015 (-1.8% vs. 3Q15), achieving 3.3 million lives, mainly due to new corporate contracts signed in 2Q15. This positive balance was partially offset by a decrease in TPA and Health Management.

The financial statements were prepared in accordance with international financial reporting standards (FIRS), issued by the International Accounting Standards Board (IASB), and the accounting practices adopted in Brazil, named as BR GAAP.

The accounting practices adopted in Brazil comprise those determined by Brazilian Corporate Law and the pronouncements, instructions and interpretations issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM).

In accordance with CVM Instruction 480/09, the Company's Statutory Management declares that it has discussed, reviewed and agreed with the independent auditor's report regarding the period ended on December 31, 2014.

Income Statement (Ex-CRC/Gama) - (R$ MM)	4Q15	4Q14	% change 4Q15/4Q14	3Q15	% change 4Q15/3Q15	2015	2014	% change 2015/2014
Net Revenues	452,9	393,9	15,0%	444,3	1,9%	1.683,6	1.470,9	14,5%
Total Expenses (Ex-Depreciation and amortization	(301,6)	(266,3)	13,3%	(271,7)	11,0%	(1.027,0)	(968,3)	6,1%
Adjustments to EBITDA	11,2	25,4	-56,0%	18,0	-37,9%	32,4	65,6	-50,7%
Adjusted EBITDA	162,5	153,0	6,2%	190,6	-14,7%	689,0	568,2	21,3%
Adjusted EBITDA Margin	35,9%	38,8%	-296bps	42,9%	-702bps	40,9%	38,6%	229bps
Consolidated Income Statement - (R$ MM)								
Net Revenues	465,3	408,3	13,9%	456,8	1,8%	1730,2	1493,0	15,9%
EBITDA	157,3	152,0	3,5%	186,1	-15%	676,2	565,5	19,6%
Adjusted EBITDA Margin	33,8%	37,2%	-342bps	40,7%	-693bps	39,1%	37,9%	120bps
Net Income (Loss)	**61,4**	**19,0**	**224,0%**	**63,9**	**-3,9%**	**240,9**	**138,8**	**73,5%**

Balance Sheet	2015	2014	% change 2015/2014
Equity[1]	1.993,9	2.356,8	-15,4%
Net Debt[2]	497,3	227,3	118,8%

Other	2015	2014	% change 2015/2014
Net Debt / Equity	0,25x	0,10x	158,6%
Net Debt / Adjusted EBITDA LTM	0,72x	0,30x	136,9%

** The results in the previous table, in the 2014 column do not consider the R$116.0 MM tax credit of PIS/COFINS recognized in 3Q14.*

(1) The reduction in equity is related to the capital reduction.

(2) *Includes acquisition payables recognized as "other payables". It does not include the investment retained as a guaranteed asset in the direct subsidiary Qualicorp Administradora de Benefícios S.A., and in the indirect subsidiaries Aliança Administradora de Benefícios de Saúde S.A and CRC/Gama, according to the 33rd normative instruction by the ANS, from October 5, 2009.*

EBITDA and Adjusted EBITDA

EBITDA and Adjusted EBITDA (R$ MM)	4Q15	4Q14	% change 4Q15/4Q14	3Q15	% change 4Q15/3Q15	2015	2014	% change 2015/2014
Net Income	61.4	23.8	157.8%	63.9	-3.9%	240.9	142.4	69.1%
(+) Taxes	6.8	45.4	-84.9%	51.8	-86.8%	159.9	135.9	17.7%
(+) Depreciation and Amortization	57.2	56.7	0.8%	55.2	3.6%	221.9	208.1	6.6%
(+) Financial Expense	51.7	36.2	42.9%	37.6	37.5%	159.4	220.8	-27.8%
(-) Financial Income	(31.1)	(31.3)	-0.8%	(40.5)	-23.2%	(138.2)	(87.3)	58.4%
EBITDA	**146.1**	**130.8**	**11.7%**	**168.1**	**-13.1%**	**643.8**	**620.0**	**3.8%**
EBITDA Margin	**31.4%**	**33.2%**	**N.A.**	**36.8%**	**-540bps**	**37.2%**	**41.5%**	**-432bps**
Non-cash Stock Option Plan Expense	(0.5)	11.3	-104.8%	6.6	-108.1%	27.7	36.6	-24.2%
Interest and fine on late payment of health plans	11.7	14.0	-16.6%	11.4	3.0%	46.0	42.2	8.9%
PIS / COFINS taxes - Retroactive (a)	-	(4.2)	N.A.	-	N.A.	-	(135.0)	N.A.
Potencial Sale (b)	-	-	N.A.	-	N.A.	(45.7)	-	N.A.
Impairment (c)	-	-	N.A.	-	N.A.	4.3	1.7	159.2%
Adjusted EBITDA	**157.3**	**152.0**	**3.5%**	**186.1**	**-15.5%**	**676.2**	**565.5**	**19.6%**
Adjusted EBITDA Margin	**33.8%**	**37.2%**	**-342bps**	**40.7%**	**-693bps**	**39.1%**	**37.9%**	**120bps**
(-) EBITDA CRC/Gama	5.2	1.0	424.0%	4.5	16.5%	12.8	269.9%	375.9%
Adjusted EBITDA (Ex-CRC/Gama)	**162.5**	**153.0**	**6.2%**	**190.6**	**-14.7%**	**689.0**	**568.2**	**21.3%**
Adjusted EBITDA Margin (Ex-CRC/Gama)	**35.9%**	**38.8%**	**-296bps**	**42.9%**	**-702bps**	**40.9%**	**38.6%**	**229bps**

a) Refers to the retroactive the tax credit of PIS/COFINS, which R$116.0 MM refers to the period between 2010 and 2013 and R$14.8mm for the period January to May 2014.

b) Refers to Potencial sale.

c) Refers to the impairment loss of Newport portfolio in 2015 and developing software in 2014.

Our Adjusted EBITDA (Ex-CRC/Gama) grew 6.2% y/y reaching R$162.5 million in 4Q15 (-14.7% q/q). This slightly annual growth and sequential reduction are the result of Unimed Paulistana's lives transfer process, which affected several lines of our income in 4Q15 and the natural seasonality of the business. In 2015 we reported R$689.0 million EBITDA (EX-CRC/Gama), 21.3% higher than 2014 and achieved an adjusted EBITDA margin (Ex-CRC/Gama) of 40.9% which represents an improvement of 287 bps when compared to 2014. In the consolidated result, considering R$12.8 million negative EBITDA and CRC/Gama, we reached a total of R$676.2 million, with consolidated EBITDA margin adjusted of 39.1%.

Corporate Governance

Qualicorp Group in its constant pursuit of the highest standards of transparency, equity and quality in regard to accountability, has the Board of Directors (comprising 8 sitting members, with 2 independent members), by its Auditing committee (comprising 3 Board members, being 2 independent advisors), and other operational committees with the participation of Board members in their respective area of expertise, namely:

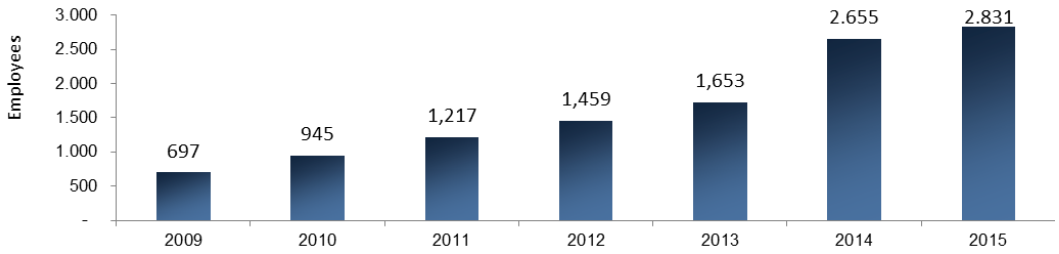
- Audit Committee: the Annual Shareholders' Meeting of March 3, 2011 approved the installation of the Audit Committee, made up of 3 members, all of whom members of the Board of Directors. Its responsibilities involve determining and the scope of the internal and external audit, overseeing the work of the auditors and reporting any potential matters that need attention to the Board of Directors. It meets on a quarterly basis to discuss these issues.

- Code of Ethics and Professional Conduct: The Qualicorp Group's Code of Ethics and Professional Conduct was approved by the Board of Directors' Meeting of June 27, 2011. It consolidates those guidelines and standards of behavior that are considered ethically correct in order to regulate the conduct and actions of all employees (regardless of their hierarchical position), partners, service providers and suppliers, establishing their ethical commitments to the company and consolidating its cultural identity, values and principles. The Code is available on our website: www.qualicorp.com.br

- Our operational committee, such as Technology, sales and churn, among others, where the Board members can contribute with the Company's management in their expertise areas.

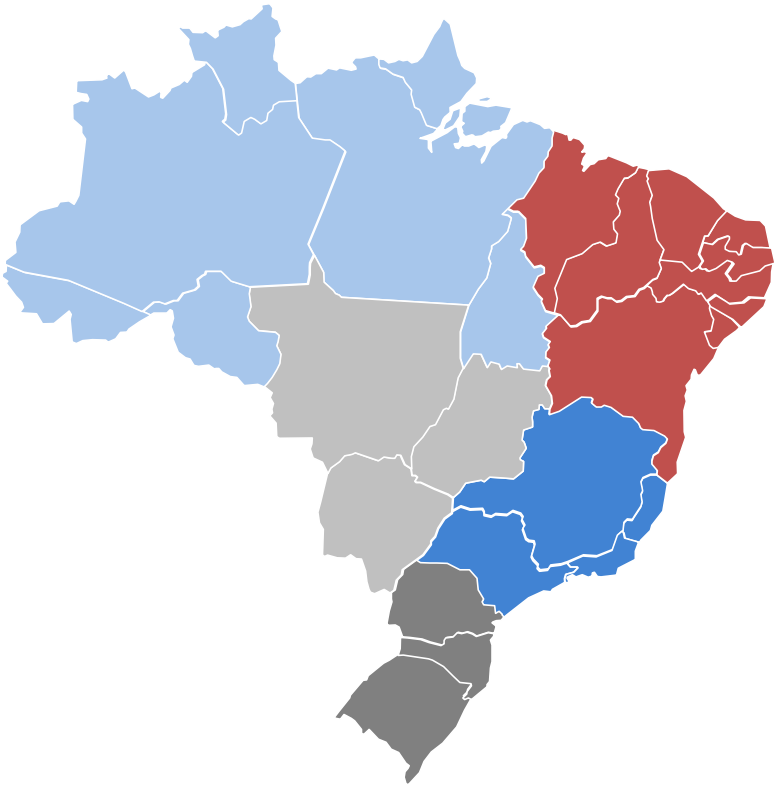
Human Resources

On December 31, 2015 we had 2,831 employees. The following chart shows the growth of our workforce since 2009.

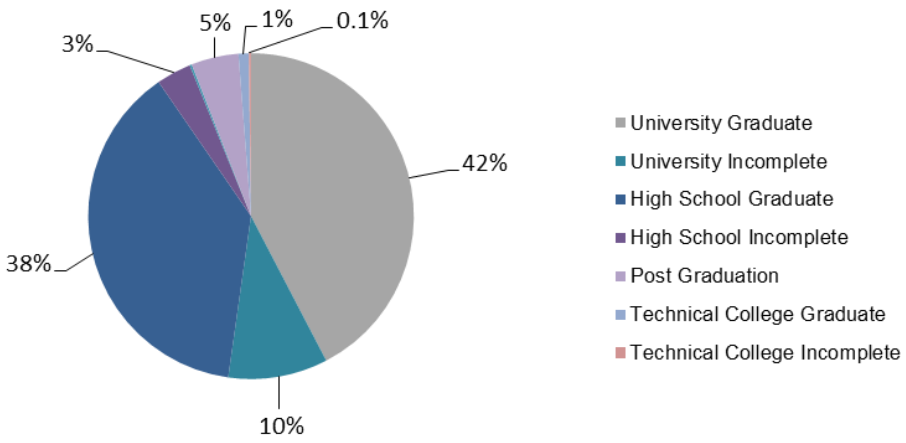


The substantial majority of employees (88.8%) are based in the Southeast:

Southeast	**2.513**
São Paulo	2.325
Rio de Janeiro	144
Minas Gerais	41
Espirito Santo	3
Central-West	**254**
Brasília	229
Goiás	25
Northeast	**42**
Pernambuco	9
Bahia	27
Ceará	6
South	**22**
Paraná	4
Rio Grande do Sul	18
Total:	**2.831**



And 42% have college degree:



We seek to adequately compensate the skills and responsibilities of our professionals by adopting a compensation policy focusing on the growth of individual and collective values. Our employees' salaries are calculated in compliance with Brazilian legislation and their compensation consists of their basic salary, commissions (if applicable) and a share of the profits, within the average parameters of the market we work.

All employees are eligible to receive a profit sharing (PPR), which is directly related to compliance with the goals established by management and approved by the Board of Directors are split in corporate objectives, team and individual goals.

We are committed to promoting the well-being of our employees, whose benefits include: (i) transport vouchers; (ii) meal vouchers; (iii) a medical and dental plan; (iv) fuel vouchers; (v) life insurance; (vi) profit sharing; and (vii) a stock option plan.

In addition, our training policy encourages the development of our employees' skills. Incentives include internal and external courses and training programs for the Company’s various areas.



The Market

Economic Scenario

After a challenging 2014, when the indicators of delinquency and indebtedness of the population were high, and the GPD growth was lower than the expectations, growing only 0.1%, with the worst performance in the past 5 years, 2015 definitely did not bring the desired recovery by Brazilians, It was just the other way around.

In 2015 the Brazilian economy reached series of negative records in almost all sectors, and as a result a 3.8% GDP lower than reported in 2014. This is the biggest drop since 1990, when the market decreased 4.3%.

Other important indicators are the level indebtedness of the customer and the inflation (specially the medical inflation), which is oscillating above the goal limit and with no perspective of reduction on the short term.

Qualicorp, inserted in this context has made every effort to contain the products price increases, churn and bad debt levels, as well as to maintain good sales performance through the initiatives of geographic expansion, product diversification and distribution channels.

The implementation of more proactive retention practices, the addition of new products to the portfolio, the development of new distribution channels and new measures implemented to mitigate the effects of the economic crisis, contributed to our continued growth in 2015 and remain actives and in constant development in order to lead us to another year of solid growth in 2015.

Supplemental Health Scenario in Brazil

According to the National Supplemental Health Agency (ANS), health plan penetration in Brazil has increased by around 19.9% in the last 8 years, reaching almost 19.7 million individuals at the close of December 2015, which means that only 24.3% of the Brazilian population had private health plans. Compared to December 2014, however, we observed a 1.5% decrease in the number of beneficiaries, which means that more than 760,000 Brazilians no longer have private health insurance in 2015, reflecting the difficult economic scenario.

From July 2009 on, the ANS approved the first specific regulations for the Affinity segment and Benefit Management companies. The regulations imposed clear and rigid standards for defining which types of legal entity would be eligible to contract group health plans, that is, professional or trade associations.

In addition, it was also established that certain health-plan-related administrative and operating services must be provided to the beneficiaries by the professional association and/or institution (if it has the necessary funds, infrastructure and capacity to do so) or by Benefit Management companies like us. We believe the new regulatory framework makes group health plans an attractive option for people who are not covered by a private plan to gain access to the private health system (Corporate or SME).

Active Operators and Benefit Administrators by size – Brazil (December 2015)

Type of Operator	Total	Without Beneficiaries	Small (up to 20,000 beneficiaries)	Medium (20,000 to 100,000 beneficiaries)	Large (more than 100,000 beneficiaries)
Total	**1.340**	**184**	**746**	**309**	**101**
Benefit Managers	114	114	0	0	0
Self-management	188	13	132	32	11
Health care cooperative	311	3	141	129	38
Dental care cooperative	112	1	79	27	5
Philanthropic	58	0	42	14	2
Group health care	293	15	174	78	26
Group dental care	254	37	177	27	13
Specialized health care	10	1	1	2	6

Source: ANS/ Caderno de Informação da Saúde Suplementar – (December /2015)

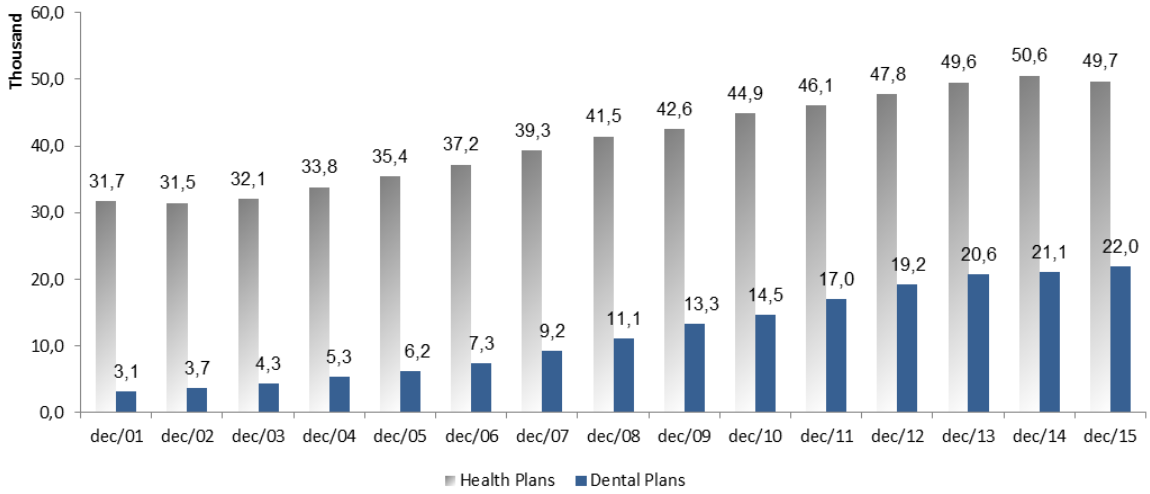
It is worth noting that the private health care market is highly fragmented and mostly consists of small-scale operators/benefit managers, representing 55.7% of the total.

Market data according to the Supplemental Health Care Information Book

Information on the distribution of health care plans included in this ANS report indicates that, in December 2015, approximately 49.7 million beneficiaries were registered with the ANS, about 24.3% of the Brazilian population, as mentioned. In dental care, this number was 22.0 million people linked exclusively to dental plans, representing 10.7% of Brazilian population.

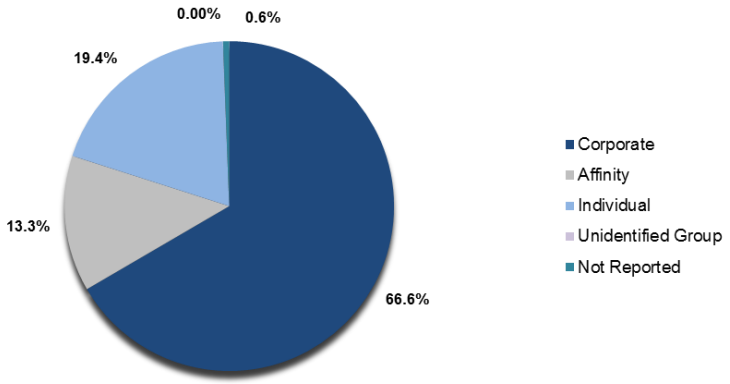
Out of the beneficiaries of health plans, 13.3% were covered by affinity plans (about 6.6 million beneficiaries) and 66.6% (33.1 million beneficiaries) were covered by corporate plans.

Beneficiaries of private health care plans in Brazil by type of plan (2001-December 2015)



Source: ANS/ Caderno de Informação da Saúde Suplementar – (December/2015)

Distribution of beneficiaries by plan coverage in Brazil (December 2015)



Source: ANS/ Caderno de Informação da Saúde Suplementar – (December /2015)

Revenues from premiums and expenses of Brazilian health care operators, by size of operator (December 2015)

Size of Operator	Revenue (R$)	Medical/Dental expenses (R$)	Administrative Expenses (R$)	Beneficiaries (1)	Loss Ratio (%)	Average Monthly Revenue (R$)
Total	**105.939.875.052**	**89.723.219.007**	**12.460.598.214**	**71.680.868**	**84,7**	**123,16**
Health care plan operators	**103.953.200.228**	**88.807.026.207**	**11.985.601.523**	**49.730.405**	**85,4**	**174,19**
Exclusive dental care operators	**1.986.674.824**	**916.192.800**	**474.996.691**	**21.950.463**	**46,1**	**7,54**

Source: ANS/ Caderno de Informação da Saúde Suplementar – (December/2015)

- According to ANS, the revenues of the health and dental plan operators until December 2015 recorded R$ 105.9 billion, 15.3% more than the same period in 2014. However, the increase in expenses in the same period was 14.0% y/y (R$89.7 billion);

- The monthly revenue per beneficiary was R$123.16;

- The MLR rate decreased by 60 bps when compared to 2014. The average rate of 84.7% is still considered high and demonstrates the pressure on costs that the industry has suffered over the years.

Distribution of health care plans by type

Health care plans are classified by the ANS as follows:

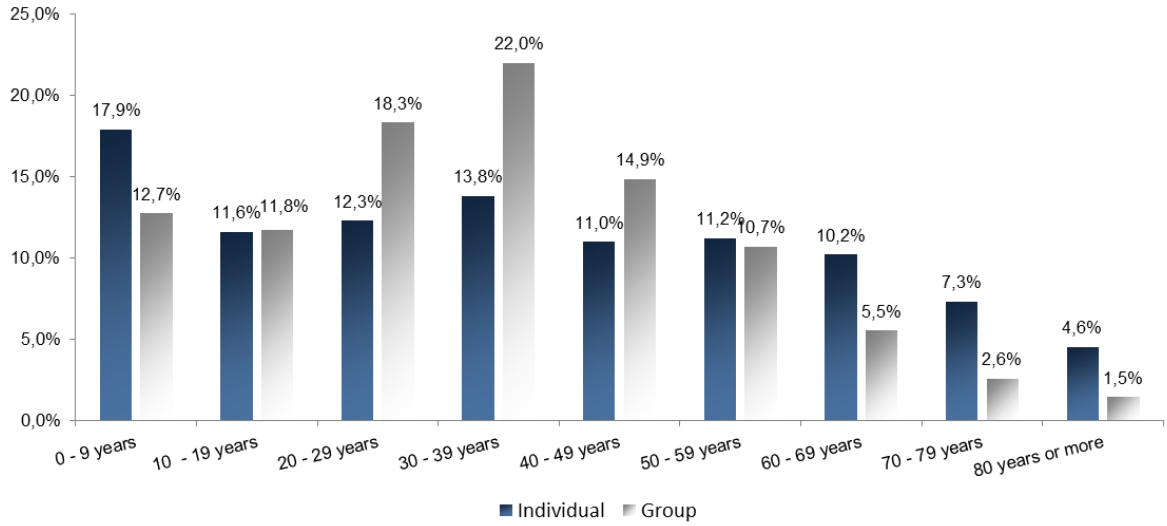
Individual/family: Agreement between an individual and a health care plan operator for the provision of health care services to the policyholder (individual plan) or pensioner and his or her dependents (family plan).

Group: Agreement between a company and an operator for the provision of health care services to a company's current/former employees/management, or members of a trade association and/or institution.

Not reported: Term used to describe plans acquired by beneficiaries prior to the Law 9656/98. The plan details were not reported to ANS.

Source: ANS

Breakdown of health plan beneficiaries by age (Brazil –December 2015)

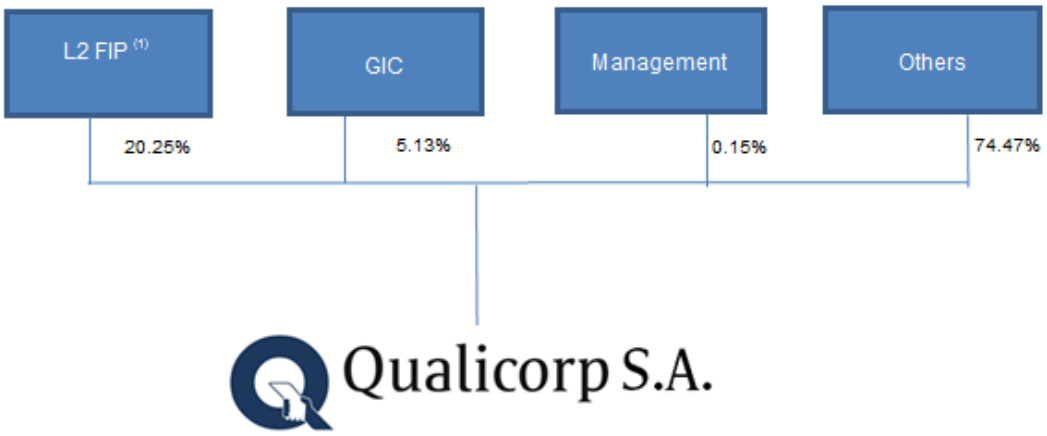


Source: ANS/ Caderno de Informação da Saúde Suplementar –(December/2015)

About 22.1% of health plan beneficiaries are elderly, i.e. 60 years or older. However, considering the beneficiaries of group plans, only 9.6% is 60 years old or older, due to sales growth lower than the corporate plans.

Corporate Structure on 12/31/2015

The numbers of shares on December 31, 2015 was 274.325.088 common shares, structured as follows:

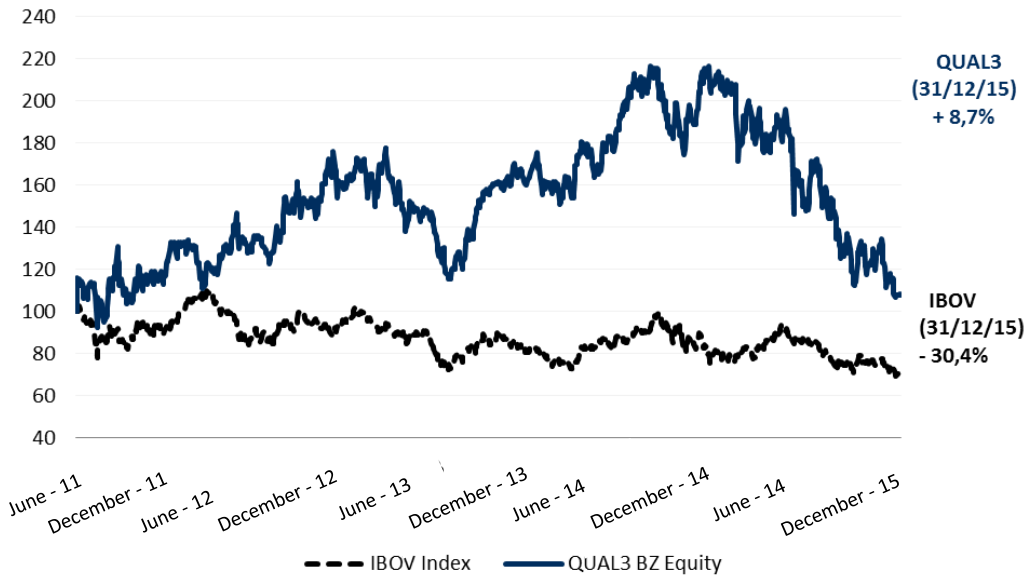


(1) 100% of the shares held by L2 Fundo de Investimento em Participações are held by Citi 831 Fundo de Investimento Multimercado, and 100% of the shares held by Citi 831 Fundo de Investimento Multimercado are owned by our founder and CEO, Mr. José Seripieri Filho.

Share price performance

Since the launch of the Company's shares on the Securities, Commodities and Futures Exchange (BM&FBovespa) up to the end of December 2014, they have consistently outperformed the IBOVESPA index.

The chart below shows the performance of the Company's shares compared with IBOVESPA since the IPO.



Periodicity of dividend payments

The Company, at the Executive Board's discretion, may prepare six-monthly, quarterly or monthly financial statements and declare dividends on the income reported in these statements. The Company may also, at the Executive Board's discretion, declare interim dividends on accrued income or profit reserves in the last annual or six-monthly balance sheet.

For this particular exercise, the dividend payment proposal is expressed as shown below:

Dividend Payment Proposal		
Net Income		122.438.141,25
Legal Reserve	5%	(6.121.907,06)
Income to distribute		**116.316.234,19**
Mandatory Dividends	25%	29.079.058,55
Dividend Proposal[1]	75%	87.237.175,64
Amount of Dividends		**116.316.234,19**
Earnings per share		**0,424008737**
Number of shares on April 30th 2015		274.325.088

[1] Amount approved and ratified in General Shareholders Meeting on April, 30th, 2015

(*) Consolidated Net Earnings (DF): R$138,8 MM
(-) Noncontrolling interest: R$16,4 MM
(=) Holding Earnings: R$122,4 MM

Yield ~1.8%
Frequency of Payment: annually
Minimum of 50% of accumulated income
Maintenance of gross cash of 10% of estimated net revenues for the period.

Relationship with independent auditors

Pursuant to CVM Instruction 381/2003, our policy for contracting independent auditors to provide external audit, due diligence or tax advisory services is based on best governance principles that preserve the auditors' independence in accordance with internationally accepted standards.

Deloitte Touche Tohmatsu Auditores Independentes were hired by the Company to provide external audit services for the financial statements and in accordance with CVM Instruction 381/2003, we hereby declare that the auditors did not provide any other services in the period ending on December 31, 2015 that could impair their professional independence.

Acknowledgements

We would like to thank our shareholders, Board members, employees, clients, partners and health plan operators and insurers, all of whom contributed, directly or indirectly, to the Company's excellent performance, for their support and collaboration

(Convenience Translation into English from the Original Previously Issued in Portuguese)

Qualicorp S.A. and Subsidiaries

Individual and Consolidated Financial Statements for the Year Ended December 31 , 2015 and Independent Auditor's Report

Deloitte Touche Tohmatsu Auditores Independentes

Deloitte Touche Tohmatsu
Rua Henri Dunant, 1383
4º ao 12º Andares - 04709-110
São Paulo - Brasil

Tel.: +55 (11) 5186-1000
Fax: +55 (11) 5181-2911
www.deloitte.com.br

(Convenience Translation into English from the Original Previously Issued in Portuguese)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders, Directors and Management of
Qualicorp S.A.
São Paulo, SP

We have audited the accompanying individual and consolidated financial statements of Qualicorp S.A. ("Company"), identified as Company and Consolidated, respectively, which comprise the balance sheet as of December 31, 2015, and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil and International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Brazilian and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

© Deloitte Touche Tohmatsu. All rights reserved.

Opinion

In our opinion, the individual and consolidated financial statements present fairly, in all material respects, the individual and consolidated financial position of Qualicorp S.A. as of December 31, 2015, and its individual and consolidated financial performance and its cash flows for the year then ended in accordance with accounting practices adopted in Brazil and the International Financial Reporting Standards (IFRS) issued by the IASB.

Other Matters

Statements of value added

We have also audited the individual and consolidated statements of value added ("DVA"), for the year ended December 31, 2015, prepared under the Company's Management's responsibility, the presentation of which is required by the standards issued by the Brazilian corporate law for publicly-traded companies, and considered as supplemental information for IFRSs, which do not require the presentation of a DVA. These statements were subjected to the same auditing procedures described above and, in our opinion, are fairly presented, in all material respects, in relation to the financial statements taken as a whole.

The accompanying financial statements have been translated into English for the convenience of readers outside Brazil.

São Paulo, March 29, 2016

DELOITTE TOUCHE TOHMATSU
Auditores Independentes

Vanderlei Minoru Yamashita
Engagement Partner

© 2016 Deloitte Touche Tohmatsu. All rights reserved.

1. General Information

a) Operations

Qualicorp S.A. ("Company") is a corporation that was established on May 19, 2010 and started operations on July 1, 2010, with headquarters in the State of São Paulo. The Company is engaged in holding equity interests, as partner or shareholder, in other companies, unincorporated or incorporated, in commercial projects of any nature.

The Company and its subsidiaries ("Qualicorp Group") are engaged in brokerage, intermediation, consulting, management, stipulation and deductibles through its direct subsidiaries. Their activities comprise: (a) private healthcare plans, whose service providers include group medical organizations, specialized health insurers, medical cooperatives, self-managed entities, charity institutions, dental cooperatives and group dentists (healthcare operators); and (b) sale and management of other health insurance and supplementary services. Private health plans and other insurances and supplementary services are collectively referred to as "benefits". The Qualicorp Group develops its activities in the market segments known as Affinity and Corporate Groups. The Affinity Groups segment has activities related to the support, management, stipulation, brokerage and/or intermediation of collective adhesion benefits focused on professional organizations (unions, associations, regional councils, etc.) and the Corporate segment ("Corporate") engages in the brokerage and adjustment intermediation of collective corporate benefits and also operates in this segment as a provider of specialized services in the consulting are, helping to manage the benefits contracted by its clients; (c) services of capture, routing, authorization and billing services of medical, hospital and related services; and (d) mass insurance brokerage through retail channels, such as life insurance, capitalization certificates, home insurance, extended warranty, financial protection insurance, among others.

The capital of Clube da Saúde Administradora de Benefícios Ltda. ("Clube de Saúde") , amounting to R$7,200, was paid in on January 28, 2014. This Company obtained the approval of the National Supplementary Healthcare Agency (ANS) to start its operations on February 25, 2014. Clube de Saúde's operations started on August 1, 2014. On this date, middle and lower middle class clients, as well as the balances of prepaid expenses and intangible assets related to this operation, were transferred from direct subsidiary Qualicorp Administradora de Benefícios S.A. ("Qualicorp Benefícios").

On April 30, 2014 the Company entered into a transaction agreement ("Acquisition" or "Transaction") involving the companies Connectmed-CRC Consultoria, Administração e Tecnologia em Saúde Ltda. ("Connectmed-CRC") and Gama Saúde Ltda. ("Gama Saúde", collectively referred to as "Companies" or "Health Solutions Unit"), which were merged with and into the Company after the corporate reorganization undertaken by their former owner, Tempo Participações S.A. ("Tempo"). See note 8.2 for further details.

After the merger of Saúde Soluções Participações S.A., the Qualicorp Group will expand its services offerings to the Third-party Administration ("TPA") segment, in line with its strategic guidelines, broadly disclosed to the market since its IPO, which includes administrative and back office services to self-managed entities, independent agencies and operators, on an outsourced basis, without assumption of actuarial risks.

On July 28, 2014, the Company informed the market that it started trading Level I American Depositary Receipts ("ADRs"), as per the program approved by the Brazilian Securities and Exchange Commission (CVM).

The Bank of New York Mellon is the depositary in the United States of America, responsible for the issue of the depositary receipts, at the ratio of one (1) American Depositary Receipt for each one (1) common share of the Company.

b) Subsidiaries' corporate restructuring undertaken on August 13, 2014.

On July 1, 2014 Saúde Soluções Participações S.A. had the following direct subsidiaries: Connectmed-CRC and Gama Saúde; the latter also had a subsidiary: Multicare Saúde Ltda. ("Multicare").

Saúde Soluções Participações S.A. was merged with and into the Company based on the balances as at July 1, 2014. After this merger Connectmed-CRC and Gama Saúde became direct subsidiaries of the Company. The merger was approved at the Extraordinary Shareholders' Meeting ("ESM") held on August 13, 2014, as laid down in this meeting's minutes. The merged balances are as follows:

	Merged net assets of Saúde Soluções Participações S.A.
Noncurrent assets:	
Investments	71,129
Total assets	71,129
Liabilities:	
Current liabilities	-
Noncurrent liabilities	-
Total liabilities	-
Merged net assets	71,129

This merger's purposes are to effect the combination of the activities carried out by Saúde Soluções and Qualicorp, as set forth in the Merger Agreement, both to maximize these companies' growth and streamline the Qualicorp Group's structure, which will drive operating, administrative, and management efficiencies for the companies.

The equity of the subsidiary was valued at the carrying amount of its assets and liabilities, based on the balance sheet as at July 31, 2014.

In 2015, the Company completed the negotiations relating to this business combination (measurement stage, under CPC 15). Additionally, adjustments were made to refine the measurement in relation to the purchase price allocation, as shown in Notes 2.3 and 8.2.

On September 8, 2015, the Company agreed upon with the companies' former controlling shareholders that, rather than grating common shares due to achievement of goals (shares warrants), the amount of R$47,500 should be settled, as discussed in Notes 8.2 and 25.

c) Partial spin-off if Qualicorp Benefícios with the merger of net assets with and into Potencial undertaken on December 31, 2014 and sale of Potencial on May 31, 2015

On July 8, 2014, the direct subsidiary Qualicorp Administradora de Benefícios S.A. at the time paid in the capital of Potencial Administradora de Benefícios Ltda. ("Potencial") in the amount of R$199, represented by 199,000 shares, and on this date, its subscribed, paid-in capital increased to R$200, represented by 200,000 shares.

Potencial was established as a result of a Performance Commitment Agreement ("TCD") entered into among subsidiaries Qualicorp Administradora de Benefícios S.A. and Qualicorp Corretora de Seguros S.A. and the CADE, whereby the companies agreed to sell one benefit manager, to be established and registered with the ANS, without including brokerage services or compensation. Under the TCD, this benefit manager shall have a portfolio of at least 140,000 insured individuals, managed under group healthcare contracts, as provided for by ANS Regulatory Resolution (RN) 195/2009, in any segment listed in Article 12 of Law 9656/1998.

This TCD was requested by the CADE as a counterpart to the acquisitions below:

i. Rights and Obligations Assignment and Transfer Agreement and Other Covenants entered into with Afinidade Administradora de Benefícios Ltda. and Equilibrar Corretora de Seguros Ltda.

ii. Share Purchase and Sale Agreement and Other Covenants entered into for the acquisition of equity interests in PS - Padrão Administradora de Benefícios Ltda., Padrão Administração e Corretagem de Seguros Ltda., PS Brasil Administração e Corretagem de Seguros Ltda., and Voloto Consultoria Empresarial Ltda.; and

iii. Share Purchase and Sale Agreement and Other Covenants entered into for the acquisition of a 60% stake in the total capital and the voting capital of Aliança Administradora de Benefícios de Saúde S.A. ("Aliança") and GA Corretora de Seguros, Consultoria, Administração e Serviços Ltda. ("GA Corretora").

On December 31, 2014, the Company and its direct and indirect subsidiaries decided to implement a corporate reorganization so that the Potencial shares held by Qualicorp Benefícios were transferred to the Company, and the partial spin-off of Qualicorp Benefícios, followed by the merger of the spun-off net asets with and into its subsidiary Potencial, was approved.

The corporate reorganization was undertaken so that Potencial received the net assets of Qualicorp Benefícios at their carrying amounts, based on the items disclosed in the balance sheet as at November 30, 2014, as indicated in an appraisal report. The changes in the net assets determined as from the base date November 30, 2014 were allocated to Potencial. The appraisal report was approved by the Extraordinary Shareholders' Meeting held on December 31, 2014.

The net assets of Potencial arising on the spin-off of Qualicorp Benefícios as at November 30, 2014 are broken down as follows:

	Spun off net assets of Qualicorp Administradora de Benefícios S.A.
Current assets:	
Short-term investments	(1,085)
Investment	(81)
Total assets	(1,166)
Spun off net assets of the Company	(1,166)

Also n relation to the TCD, on March 20, 2015, a Share Assignment and Transfer Agreement was entered into between the Company and Priority Intermediação de Negócios Ltda. for the sale to the Buyer of shares corresponding to the total capital of Potencial, which fully satisfies the conditions set forth in the TCD entered into between the parties. The completion of such transaction was contingent on the satisfaction of Precedent Conditions, as set forth in the abovementioned agreement. On May 14, 2015, this transfer transaction was approved by the ANS.

The shares of Potencial were transferred on May 31, 2015; thus, beginning June 1, 2015, Potencial's results are no longer part of the Qualicorp Group.

The sale price was R$51,583 and will paid in 50 installments fixed, equal monthly installments, commencing on January 8, 2016.

The effects of the sale of Potencial on the Company business are as follows:

	Effects of the sale
	12/31/2015
Receivables: Other financial assets, current	12,380
Receivables: Other financial assets, noncurrent	39,203
Sale price (note 12.1)	51,583
Investment derecognition – Investments (note 15)	(5,911)
Gross gain on sale (note 31)	45,672
Income tax/social contribution (notes 13)	(15,528)
Net gain on sale	30,144

d) Exercise of the call option on 20% of PraxiSolutions Consultoria de Negócios e Corretora de Seguros Ltda. on December 1, 2014

The call option on noncontrolling interests, corresponding to 20% of indirect subsidiary Praxis, was exercised in November 2014 at the price of R$2,877, by subsidiary Qualicorp Corretora.

On the same date, as a result of the payment referred to above, Qualicorp Corretora reversed the surplus of the accrued amount payable to noncontrolling shareholders, amounting to R$353, as detailed in note 30. This acquisition resulted in the recognition of adjustment to line item 'Noncontrolling interests', in the subsidiaries' equity, amounting to R$148.

Thus, Qualicorp Corretora became the holder of 100% of Praxis shares. On December 31, 2014, Qualicorp Corretora conducted the merger described in note 1.e) below.

e) Merger of Praxis on December 31, 2014

The full merger of Praxis with and into Qualicorp Corretora was approved on December 31, 2014, which resulted I the liquidation of Praxis.

The main goals of and events arising from this merger pursuant to the Merger Agreement were:

i. The full merger of Praxis will streamline and combine of the operations currently carried out by the companies, resulting in operational streamlining, improved synergies, and cuts in costs and expenses, with the optimization of the current administrative structure.

ii. The implementation of the proposed transaction will create optimal conditions to establish overall goals for the operations performed by the Qualicorp Group's operating subsidiaries, and currently there is no reason to keep Praxis as part of our corporate structure, and thus, after the described events, Praxis was liquidated.

The equity of Praxis involved in the merger transaction was valued at the carrying amount of its assets and liabilities, based on the balance sheet as at November 30, 2014, pursuant to the merger appraisal report approved by the Extraordinary Shareholders' Meeting held on December 31, 2014.

	Merged net assets of Praxis
Current assets:	
Cash and cash equivalents	1,001
Trade receivables	39
Other financial assets	577
Total assets	1,617
Liabilities:	
Current liabilities	841
Noncurrent liabilities	225
Total liabilities	1,066
Merged net assets	551

f) Share buyback program

In 2015, the Board of Directors approved the Company's share buyback programs, as described in note 25.

g) Capital reduction

The Extraordinary Shareholders' Meeting held on August 17, 2015 approved a capital reduction of R$400,000 in the direct subsidiaries of Qualicorp S.A., Qualicorp Corretora (R$180,000) and Qualicorp Benefícios (R$220,000) to finance this transaction. These balances were paid to the Company and the Company paid its shareholders in October 2015. For details, see note 25.

h) Winding-up of Convergente on December 31, 2015

On December 31, 2015, direct subsidiary Convergente Consultoria e Corretora de Seguros Ltda. ("Convergente") was liquidated and as a result the Company assumed its assets and derecognized its investment therein, as follows:

	Net assets of Convergente
Total assets	49
Equity (see note 15)	(750)

The main goals of and events arising from this liquidation are streamlining and combining the operations currently carried out by the Company, resulting in operational streamlining, improved synergies, and cuts in costs and expenses, with the optimization of the current administrative structure.

2. Presentation of the financial statements

I. Statement of compliance

The individual and consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRSs"), issued by the International Accounting Standards Board ("IASB"), and the with accounting practices adopted in Brazil.

The accounting practices adopted in Brazil comprise the provisions of the Brazilian Corporate Law and the technical pronouncements, guidance and interpretations issued by the Accounting Pronouncements Committee (CPC) and approved by the Brazilian Securities and Exchange Commission (CVM).

The consolidated financial statements prepared in accordance with the International Financial Reporting Standards ("IFRSs"), issued by the International Accounting Standards Board ("IASB"), and the with accounting practices adopted in Brazil.

Since there is no difference between the consolidated equity and the consolidated profit for the period attributable to the Parent's owners recorded in the consolidated interim financial information prepared in accordance with IFRSs and the accounting practices adopted in Brazil, and the Parent's equity and profit recorded in the individual interim financial information prepared in accordance with accounting practices adopted in Brazil, the Company elected to present the individual and consolidated interim financial information as a single set, in the side-by-side format.

In August 2014, the standard that addresses separate financial statements, IAS 27 Separate Financial Statements, was revised to allow accounting for investments under the equity method. The Company already adopts this method as required by the Brazilian Corporate Law and this change had no impact on the financial statements.

II. Basis of preparation

The financial statements have been prepared based on the historical cost, except for certain financial instruments measured at their fair values, as described in the following accounting policies. The historical cost is generally based on the fair value of the consideration given in exchange for an asset.

The accounting practices adopted by the Company and its subsidiaries are disclosed in note 3 to the financial statements.

Certain balances in the financial statements for the year ended December 31, 2014 have been reclassified and adjusted to maintain their comparability with the financial statements for the year ended December 31, 2015, as described in note 2.iii, below.

III. Restatements due to adjustments and reclassification of balances

a) Acquisition of subsidiaries

In the financial statements for the year ended December 31, 2014, the effect of the acquisition of Connectmed-CRC Consultoria, Administração e Tecnologia em Saúde Ltda. and Gama Saúde Ltda. was accounted for based on estimated data. On July 17, 2015, a business valuation report and a study on the purchase price allocation (PPA) of these companies were completed by an independent appraisal firm.

Also, adjustments were made to the acquisition price as a result of calculating the variation in net debt, which caused retrospective adjustments to the accounting for business combinations for these acquisitions to be made. Accordingly, adjustments were made to the financial statements for the year ended December 31 2014 which impacted investments (parent) and intangible assets (consolidated) line items.

The other adjustment refers to the allocation of the opening balances of the equity attributable to noncontrolling interests, in the amount of R$539.

Below is a summary of such adjustments to the individual and consolidated balance sheet as at December 31, 2014:

12/31/2014			
PARENT Line item	Previously stated	Adjustment	Reclassified
Current assets - other financial assets	5,311	(943)	4,368
Noncurrent assets - investments	2,630,904	9,777	2,640,681
Current liabilities - sundry payables	6,522	5,194	11,716
Earnings reserves	93,359	3,640	96,999

12/31/2014			
CONSOLIDATED Line item	Previously stated	Adjustment	Reclassified
Current assets - other financial assets (*)	203,851	(1,110)	202,741
Noncurrent assets - intangible assets - goodwill	1,597,670	23,633	1,621,303
Noncurrent assets - intangible assets - other intangible assets	944,900	(20,148)	924,752
Deferred income tax and social contribution	184,572	(6,831)	177,741
Current liabilities - sundry payables	70,349	5,194	75,543
Equity - noncontrolling interests in equity	1,797	539	2,336
Earnings reserves	93,359	3,640	96,999

The following is a summary of said adjustments to the parent and consolidated income statement for the year ended December 31, 2014:

12/31/2014			
PARENT Line item	Previously stated	Adjustment	Restated
Share of profit of subsidiary	157,818	3,640	161,458

12/31/2014			
CONSOLIDATED Line item	Previously stated	Adjustment	Restated
Administrative expenses	(490,041)	5,545	(484,496)
Deferred income tax and social contribution	1,941	(1,905)	36

(*) Includes the amount R$943 related to the adjustment to the price paid for the business combination of Connectmed-CRC and Gama Saúde added to R$167 related to the reclassification of prepaid rental agreements, as described in item b) below.

b) Reclassification of prepaid rental agreements

As at December 31, 2014, the balances of prepaid rental agreements related to the new Company head office, and the balances of advances to healthcare operators related to the advances made for operation studies related to the product sales in the Affinities segment had been incorrectly booked in line item 'Financial assets', in current and noncurrent assets, instead of being booked as nonfinancial assets in current assets and nonfinancial assets in noncurrent assets.

The table below shows a summary of said reclassification in the balance sheet:

12/31/2014			
PARENT **Line item**	**Previously stated**	**Reclassification**	**Reclassified**
Current assets - other nonfinancial assets	7,271	528	7,799
Noncurrent assets - other financial assets	4,358	(4,358)	-
Noncurrent assets - other nonfinancial assets	16,675	3,830	20,505

12/31/2014			
CONSOLIDATED **Line item**	**Previously stated**	**Reclassification**	**Reclassified**
Current assets - other financial assets (*)	203,851	(1,110)	202,741
Current assets - other nonfinancial assets	10,241	695	10,936
Noncurrent assets - other financial assets	23,471	(7,691)	15,780
Noncurrent assets - other nonfinancial assets	16,675	7,163	23,838

(*) Includes the amount R$167 related to the reclassification of the prepaid rental agreements added to R$943 related to the adjustment to the price paid for the business combination of Connectmed-CRC and Gama Saúde, as described in item a.

3. Significant accounting policies

The significant accounting policies are as follows:

I. General principles

Assets, liabilities, income and expenses are recognized on the accrual basis. Sales revenue is recognized in the statement of profit or loss when services are provided. Revenue is stated net of deductions, including tax on sales.

Receivables and payables with maturities of more than 12 months are recorded in noncurrent assets and liabilities, respectively.

Financial instruments

Financial assets and financial liabilities are recognized when a Qualicorp Group entity is a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially recognized at their notional amounts, which approximate the fair value, considering that transactions mature within up to 30 days, thus having an immaterial impact on the financial statements.

The financial liabilities related to acquisitions of portfolios and exclusivity rights (see note 17, items (iii) and (v), respectively) are recognized and adjusted, when applicable, based on the underlying agreements.

Other financial liabilities are initially recognized at their notional amounts, which approximate the fair value, considering that transactions mature within up to 30 days, thus having an immaterial impact on the financial statements.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, if applicable, after initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through deficit or surplus are immediately recognized in statement of deficit or surplus.

Financial assets

Financial assets are classified in the following specific categories: financial assets measured at fair value trough profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. Classification depends on the nature and purpose of the financial assets and is determined on the date of initial recognition. All regular way purchases or sales of financial assets are recognized or derecognized on the trade date. Regular way purchases or sales of financial assets correspond to purchases or sales that require the delivery of assets within a period established by standard or market practices.

i. Financial assets at fair value through profit or loss

Financial assets are classified at fair value through profit or loss when they are held for trading or designated at fair value through profit or loss.

A financial asset is classified as held for trading if it is:

a) Acquired mainly for being sold in the short term.

b) On initial recognition, a part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking.

c) A derivative that has not been designated as an effective hedging instrument.

Financial assets at fair value through profit or loss are stated at fair value and resulting gains or losses are recognized in profit or loss.

ii. Held-to-maturity investments

Held-to-maturity investments refer to nonderivative financial assets with fixed or determinable payments and fixed maturity dates that the Group has a positive intention or ability to hold to maturity.

After initial recognition, held-to-maturity investments are stated at amortized cost using the effective interest method, less possible impairment losses.

iii. Financial assets available for sale

Refer to nonderivative financial assets designated as available-for-sale or that are not classified as: (a) loans and receivables; (b) held-to-maturity investments; or (c) financial assets at fair value through profit or loss.

Available-for-sale short-term investments are stated at fair value at the end of the reporting year. Interest income calculated under the effective interest method is recognized in profit or loss.

Other changes in the carrying amount of available-for-sale financial assets are recognized as 'Other comprehensive income (loss)', when applicable.

When the investment is sold or is impaired, cumulative gains or losses previously recognized in line item 'Investment revaluation reserve' is reclassified to profit or loss.

iv. Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Financial assets classified by the Group as receivables comprise mainly cash and cash equivalents, trade receivables and other receivables.

Financial liabilities

Financial liabilities are classified either as financial liabilities at fair value through profit or loss or other financial liabilities.

i. Other financial liabilities

Other financial liabilities (including debentures) are measured at the amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating its interest expense over the relevant period. The effective interest rate is the rate that discounts precisely the future cash flows (including fees paid or received that are an integral part of the effective interest rate, transaction costs and other premiums or discounts) throughout the estimated useful life of the financial liability or, when applicable, over a shorter period, for the initial recognition of the net carrying amount.

The Company derecognizes financial liabilities only when the Company's obligations are discharged and cancelled or when they expire. The difference between the carrying amount of the derecognized financial liability and the consideration paid or payable is recognized in profit or loss

II. Cash and cash equivalents and short-term investments

Include cash, bank deposits and short-term investments redeemable within up to 90 days, highly liquid or convertible to a known cash amount, and subject to immaterial change in value, which are recorded at cost plus income earned through the end of the reporting period, not exceeding their fair value.

According to our internal policy, short-term investments are concentrated on lower risk investments, invested in fixed-income funds, balanced funds, and government bonds. Funds can only be invested in prime financial institutions, whose risk rating ranges from "AAA" to "BBB" within the 100% limit, and "BBB" to "BBB+" within the 20% limit. A portion of the amounts invested is concentrated on funds targeted at ANS and Bank Certificates of Deposit (CDBs), whose yield is pegged to the Interbank Certificate of Deposit (CDI) rate.

III. Trade receivables, premiums to be transferred, financial transfers payable, and transferable prepayments

In managing group adhesion agreements executed by third parties and stipulating group adhesion agreements (in which subsidiaries Qualicorp Benefícios, Aliança, and Clube de Saúde are the policyholders), the Qualicorp Group collects amounts from clients by the are transfers them to healthcare operators and insurance companies, by settling the related invoices, regardless of the receipt (such transactions involve a credit risk of Qualicorp Group client default), except cases where the credit risk remains with the insurance and healthcare companies. These transactions, with and without credit risk, are recorded in line items 'Trade receivables', in assets, as a balancing items to 'Premiums to be transferred' (amounts payable to healthcare and insurance companies) and 'Financial transfers payable' (amounts payable to entities) in liabilities, and in profit or loss accounts related to administration fees and financial transfers.

Advances from clients are recorded in line item 'Transferable prepayments', in liabilities.

The Qualicorp Group is engaged in brokerage and group affinity and corporate benefit intermediation services; additionally, it operates in this segment as a specialized service provider in the consulting area, assisting with the management of benefits contracted by its clients, and it is also engaged in the development and distribution of mass insurance, such as life insurance, capitalization, house insurance, financial protection, extended warranty and secured income.

IV. Allowance for doubtful debts

The allowance for doubtful debts of subsidiary Gama Saúde and indirect subsidiary Multicare is recognized pursuant to RN 290/12, and subsequently amended, for receivables past due for more than 90 days, plus the other remaining installments of the corresponding contract.

For the other Group companies, on transactions in which the Company and/or its subsidiaries assume the credit risk, accounts over 60 days past due are written off as losses on uncollectible receivables when they are not expected to be collected, and recorded as recovered receivables when actually received.

V. Business combination and investments in subsidiaries

i. Consolidated financial statements

Each business combination is accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated by adding the fair values of the transferred, including the fair value of intangible assets relating to clients' relationship and software, the liabilities incurred on the date of acquisition to the former owners of the acquiree and the equity issued by the Company in exchange for the control of the acquiree.

Noncontrolling interests that correspond to current equity interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the noncontrolling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets.

The choice of measurement basis is made on a transaction-by-transaction basis. Other types of noncontrolling interests are measured at fair value or, when applicable, on the basis specified in another IFRS and CPC.

Goodwill corresponds to an asset corresponding to future economic benefits ("future earnings") arising from other assets acquired in a business combination, which are not identified individually or recognized separately; accordingly, it is measured as the excess of the sum of the consideration transferred over the net amounts on the acquisition date of the identifiable assets acquired and liabilities assumed.

If, after measurement, the net amounts of identifiable assets acquired and liabilities assumed on acquisition date are higher than the sum of the consideration transferred, the gain is immediately recognized in profit.

If the initial accounting for a business combination is incomplete by the end of the reporting year in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete.

These provisional amounts are adjusted during the measurement period or additional assets and liabilities are recognized to reflect new information obtained about facts and circumstances that existed on the acquisition date and, if known, would have affected the amounts recognized on that date.

For business combination transactions that included put option clauses that allow the Company's noncontrolling shareholders to require the Company to acquire noncontrolling interests are treated as financial instruments and recognized in the financial statements at present value of the estimated obligation and remeasured at the end of the reporting period. The estimated obligation is determined based on the expected cash outflows and the movement in the financial liability is recognized profit or loss.

ii. Individual financial statements

The Company applies to its individual financial statements the criteria set out in technical interpretation ICPC 09 (R2) - *Demonstrações Contábeis Individuais, Demonstrações Separadas, Demonstrações Consolidadas e Aplicação do Método de Equivalência Patrimonial* (Individual Financial Statements, Separate Financial Statements, Consolidated Financial Statements, and Application of the Equity Method of Accounting), which requires that any amount exceeding the acquisition cost over the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities on the acquisition date be recognized as goodwill. Goodwill is added to the carrying amount of the investment. Any amount of the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities that exceeds the acquisition cost, after remeasurement, is immediately recognized in profit or loss.

The consideration transferred and the net fair value of assets and liabilities are measured using the same criteria applicable to the consolidated financial statements, described above. Investments in subsidiaries are accounted for under the equity method in the Company's individual financial statements.

iii. Property, plant and equipment

Stated at acquisition cost. The balances are stated less accumulated depreciation calculated on a straight-line basis, based on the estimated useful lives of the assets, except for leasehold improvements, which are amortized over the lease term. See note 16.

The residual value of property, plant and equipment is written off immediately at their recoverable value when the residual balance exceeds the recoverable value, as established in note 3.v.

iv. Intangible assets

Mainly represented by: (i) goodwill amounts paid in the acquisition of subsidiaries (*); (ii) amounts allocated in view of relationship with clients paid in the acquisition of investments of subsidiaries (*); (iii) expenses on the acquisition of portfolios from third parties; and (iv) software license, software for use and development of software paid to third parties.

Intangible assets are stated at acquisition cost, less cumulative amortization and impairment losses, when applicable.

The amortization of intangible assets with definite useful lives is calculated under the straight-line method based on the term over which the asset will generate future economic benefits, as mentioned in note 17.

The residual value of intangible assets is written off immediately at their recoverable value when the residual balance exceeds the recoverable value, as established in note 3.v.

(*) In the individual interim financial statement information, these amounts are stated in line item 'Investments in subsidiaries', net of amortization and write-offs.

v. Impairment of property, plant and equipment and intangibles assets

Property, plant and equipment and intangible assets with finite useful lives

At the end of each year or when there are indications of impairment loss, the Qualicorp Group reviews the carrying amounts of its property, plant and equipment and intangible assets with definite useful lives to determine whether there is any indication of 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 any). When it is not possible to estimate the recoverable amount of an asset, the Group calculates the recoverable amount of the cash-generating unit of the asset. When a reasonable and consistent allocation basis can be identified, corporate assets are also allocated to the individual cash-generating unit or the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The recoverable amount of an asset is the higher of the fair value less costs to sell or the value in use.

Estimated future cash flows are discounted to present value to determine the value-in-use at the pretax discount rate that reflects a current market assessment rate of the time value of money and the specific risks for the asset for which the future cash flow estimate was not adjusted.

If the calculated recoverable value of an asset (or cash generating unit) is lower than its carrying amount, then the carrying amount is reduced to its recoverable amount. Impairment losses are immediately recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the asset (or cash-generating unit) increases to match the revised estimate of its recoverable value, provided that it does not exceed the carrying amount that would have been determined if no impairment loss had been recognized for the asset (or cash-generating unit) in prior years.

The reversal of the impairment loss is immediately recognized in profit or loss.

Goodwill

The cash-generating units to which goodwill was allocated are annually tested for impairment or more frequently when there is an indication that a cash-generating unit may be impaired.

If the recoverable amount of the cash-generating unit is lower than its carrying amount, the impairment loss is first allocated to reduce the carrying amount of any goodwill amount allocated to the cash-generating unit and subsequently to other assets of the cash-generating unit, prorated to the carrying amount of each of its assets. Any impairment loss of goodwill is recognized directly in profit or loss for the year. Impairment losses on goodwill are not reversed in subsequent periods.

vi. Transaction costs incurred in fund raising

The transaction costs incurred and directly attributable to the activities exclusively required for the raising of own funds are directly recorded in equity as a deduction of capital—'Expenses on share issuance'.

vii. Technical reserves for healthcare operations

As a result of the acquisition of direct subsidiary Gama Saúde and indirect subsidiary Multicare, the Company started to recognize technical reserves for healthcare operations in its consolidated financial statements. The Company's policy is to recognize as a reserve the full amount reported by the healthcare provider or beneficiary, determined based on the claim notices of events covered by contracts in place and which have been received at the end of the reporting period.

viii. Debentures

Debentures are represented by funds raised through the issue of debentures, which are stated at the adjusted amount of financial charges, calculated based on the interest rates, plus transaction costs.

The transaction costs incurred and directly attributable to the activities exclusively required for raising capital through the contracting of debt instruments - debentures are accounted for as a charge to debentures and amortized in profit or loss over the transaction period.

ix. Deferred income tax and social contribution

The liability method (according to the concept described in IAS 12 *Liability Method*, equivalent to CPC 32) of accounting for income tax and social contribution is used for deferred income tax arising from temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred income tax assets are revised at the end of the reporting period and reduced by the amount that is no longer realizable through future taxable income. Deferred income tax assets and liabilities are calculated using tax rates applicable to taxable income in the years in which those temporary differences are expected to be realized. Future taxable income may be higher or lower than estimates made when determining whether it is necessary to record a tax asset and the amount to be recorded.

Tax credits on tax loss carryforwards are based on projected future taxable income, pursuant to technical feasibility studies. These studies take into consideration the history of profitability of the Company and its subsidiaries and the expectation of continuous profitability, allowing for a credit recovery estimate in future years.

The other tax credits arising from temporary differences, mainly reserve for tax contingencies, and provision for losses, were recognized according to their estimate of realization.

x. Revenue and expense recognition

Revenue from the intermediation of sales of insurance policies and healthcare and dental plans to beneficiaries are recorded when sales are realized, which generally is the month subsequent to the settlement of payables by insurance and healthcare companies. The main revenues are as follows:

i) Revenue from agency services: refers to the single payment directly made by insurance and healthcare companies on the amount of new sales, including the registration fee paid by the beneficiaries to the subsidiaries Qualicorp Corretora and GA Corretora when they join the plan (revenue from group adhesion contracts) when the sale is made by the Company's own team, which allocated and received by said subsidiary.

ii) Revenue from brokers' fees: refers to brokerage on insurance and healthcare and dental plans (Qualicorp Corretora and GA Corretora) and distribution of mass insurance through retail channels, such as life insurance, capitalization certificates, home insurance, extended warranty and financial protection insurance, which are recognized on a monthly basis.

iii) Revenue from financial transfers with contract stipulation: refers to the monthly payment made by healthcare and insurance companies related to insurance stipulation services or contracting of benefit plans, which is allocated and received on a monthly basis by subsidiaries Qualicorp Benefícios and Qualicorp Administração e Serviços Ltda.

iv) Revenue from management fees: refers to the monthly payment made and/or stipulation of the health care and dental lines of group adhesion agreements, carried out by direct subsidiary Qualicorp Benefícios and indirect subsidiaries Aliança and Clube de Saúde, and the monthly consideration of the life, bodily injury, and pension fund insurance stipulation activity carried out by Qualicorp Administração e Serviços Ltda.

The revenues of direct subsidiary Gama Saúde and indirect subsidiary Multicare are also recognized in this line item. These revenue are generated by premiums earned and is recognized taking into account the risk coverage period, pursuant to the contractual provisions, i.e., on the date when the actual right to the amount to be billed occurs, when revenue can be reliably measured and it is probable that the future economic benefits will flow into the companies. Revenue comprises the fair value of the consideration received or receivable for the sale of medical-hospital plans.

v) Revenue from benefit management and health prevention consulting services: refers to the monthly consideration for health management services provided by subsidiary Qualicorp Consultoria em Saúde Ltda.

vi) Revenue from benefit management consulting: refers to the monthly consideration for consulting services provided to corporate clients by subsidiaries Qualicorp Administração e Serviços Ltda., and Qualicorp Corretora, and to the Affinity segment clients by subsidiary GA Consultoria.

vii) Systems Revenue: corresponds to the monthly consideration for connectivity systems architecture services provided to corporate clients by subsidiaries Medlink Conectividade em Saúde Ltda. ("Medlink") and Connectmed-CRC.

xi. Taxation

Income tax is calculated at the rate of 15%, plus a 10% surtax on annual taxable income exceeding R$240. Social contribution is calculated at the rate of 9% on adjusted net income.

Subsidiary GA Corretora elected the deemed income regime, at the rate of 32% on gross operating revenue plus financial income. In 2015, the subsidiary Aliança elected to change its taxation regime, to the deemed income regime.

Additionally, we recognize: (i) a provision for income tax and social contribution and on temporary differences; and (ii)tax credits on temporary differences based on the assumption that the Company will be capable of generating sufficient future taxable income to offset these credits. An allowance for losses is recorded when there is no strong evidence of realization of balances.

Provisional Act (MP) 627, which was converted in Law 12973 on May 13, 2014, was enacted on November 11, 2013, which specifically adjusted tax laws to the accounting criteria and procedures introduced by Law 11638/2007 and Law 11941/2009, repealed the Transitional Tax Regime (RTT) and introduced changes in the Corporate Income Tax (IRPJ), Social Contribution on Net Income (CSLL), Social Integration Program Tax on Revenue (PIS) and Social Security Funding Tax on Revenue (COFINS), the payment of dividends, and the goodwill utilization method.

The provisions of the Law are effective for periods beginning in or after calendar year 2015 and early adoption is permitted in 2014. The Company's management did not elect the early adoption of said Law.

The Company assessed and did not find any impacts from implementing said Law in calendar year 2015.

xii. Provision for tax, civil and labor risks

Provisions for risks are recognized in the financial statements when the risk of loss on a judicial or administrative proceeding is assessed by the Group's in-house and outside legal counsel as probable, with a probable outflow of funds to settle obligations, and when the amounts involved can be reliably measured.

Legal, tax and social security obligations refer to lawsuits challenging the legality and constitutionality of certain taxes. The amounts in dispute are recorded in the financial statements and adjusted in accordance with tax legislation.

xiii. Profit sharing and stock options

Management and employee compensation that is not defined directly and proportionally based on the Company's profit is classified as operating cost or expense. The Company and its subsidiaries, based on these requirements, adopt the following procedures: (i) they classify employee and management profit sharing expenses in administrative expenses; and (ii)they calculate the proportional allocation to each subsidiary and recognize in administrative expenses all estimated costs for stock options granted under share-based payment contracts existing (see note 26). These administrative expenses are carried as a balancing item to line item 'Capital reserve - options granted'.

The fair value determined at the grant date of the equity-settled share-based payments is recorded as expense on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss for the year, so that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

xiv. Basic and diluted earnings per share

The basic earnings per share are calculated by dividing profit for the year attributable to shareholders by the weighted average number of shares of capital stock at the end of the reporting period.

The diluted earnings per share are calculated by adjusting the profit or loss and the weighted average number of shares taking into account the conversion of all potential shares with dilutive effect. Potential shares are equity instruments or contracts that can result in the issuance of shares, such as convertible bonds and options, including employees' stock options.

xv. Accounting for dividends

The proposal for dividend distribution made by the Company and its subsidiaries' management within the portion that is equivalent to the minimum mandatory dividends are recorded as liabilities in the line item 'Amounts due to related parties', as it is deemed a legal obligation under the bylaws of the Group.

However, the portion of dividends above the minimum mandatory dividends, declared after the accounting period referred to in the financial statements, but before the date of authorization for the issuance of the financial statements, is recorded in equity.

xvi. Segment information

The information for operating segments is presented in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, responsible for resource allocation and performance assessment of the operating segments, is represented by the CEO of the Company and its subsidiaries.

4. Key estimates and judgments

In applying Qualicorp Group's accounting practices described in note 3, Management makes judgments and estimates regarding the reported assets' and liabilities' carrying amounts, which are not easily obtained from other sources.

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

In this context, estimates and assumptions are continually assessed by Qualicorp Group's Management and are based on past experience and several other factors that are considered as reasonable and material.

The Qualicorp Group uses assumptions and makes forward-looking estimates to provide an understanding of how the Company forms its judgments about future events, including the variables and assumptions underlying the estimates, which require the use of judgments about the effects of inherently uncertain issues relating to the carrying amount of its assets and liabilities. Actual results usually differ from estimates.

In applying the abovementioned accounting practices, the Company's and its subsidiaries' management adopted the following assumptions that could have an impact on the financial statements. The areas that involve judgment or use of estimates material to the financial statement information are as follows: The areas that involve judgment or use of estimates material to the financial statements are as follows:

i. Deferred income tax and social contribution.

ii. Impairment testing of long-lived assets.

iii. Provisions for risks.

iv. Allowance for doubtful debts.

v. Technical reserves.

5. Financial instruments

a) Classification and fair value of financial instruments

Due o the nature of its operations and the financial instruments as at December 31, 2015, Management understands that the carrying amounts of the financial assets and financial liabilities stated at amortized cost and recognized in the financial statements approximate their fair values. The financial instruments and corresponding classifications are presented as follows:

	Consolidated								
	12/31/2015					12/31/2014			
	Loans and receivables	Financial asset measured at fair value through profit or loss	Held-to-maturity	Amortized cost	Financial liability measured at fair value through profit or loss	Loans and receivables	Financial asset measured at fair value through profit or loss	Amortized cost	Financial liability measured at fair value through profit or loss
Financial assets:									
Short-term investments	-	282,867	80,603	-	-	-	501,226	-	-
Trade receivables	148,301	-	-	-	-	147,943	-	-	-
Other financial assets - current	139,880	-	-	-	-	202,741	-	-	-
Other financial assets - noncurrent	44,673	-	-	-	-	15,780	-	-	
Financial liabilities:									
Debentures	-	-	-	541,865	-	-	-	538,013	-
Premiums to be transferred	-	-	-	110,015	-	-	-	120,565	-
Technical reserves for healthcare operations	-	-	-	24,913	-	-	-	25,038	-
Borrowings and financing	-	-	-	5,795	-	-	-	13,076	-
Financial transfers payable	-	-	-	13,412	-	-	-	12,228	-
Transferable prepayments	-	-	-	72,874	-	-	-	78,444	-
Payroll and related taxes	-	-	-	62,628	-	-	-	66,995	-
Related parties	-	-	-	53,954	-	-		29,079	-
Other payables - current	-	-	-	76,286	-	-	-	71,261	-
Other payables - noncurrent	-	-	-	9,775	-	-	-	13,987	-
Stock option for noncontrolling interests - noncurrent	-	-	-	-	203,446	-	-	-	177,372

Measurement of financial instruments at fair value recognized in the balance sheet

The table below provides an analysis of the financial instruments that are measured at fair value after the initial recognition, grouped in Levels 1, 2 and 3, based on their observable fair value degree:

- Level 1 fair value measurements are obtained based on prices quoted (unadjusted) in active markets for identical assets and liabilities.
- Level 2 fair value measurements are obtained based on other variables besides quoted prices included in Level 1, which are directly observable for an asset or a liability (i.e., as prices) or indirectly observable (i.e., based on prices).
- Level 3 fair value measurements are obtained based on valuation techniques that include variables for an asset or a liability, but which are not based on observable market inputs (non-observable inputs).

Description	12/31/2015			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss - short-term investments	282,867	-	-	282,867
Financial liabilities at fair value through profit or loss:				
Stock options for noncontrolling interests	-	-	203,446	203,446

Description	12/31/2014			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss - short-term investments	501,226	-	-	501,226
Financial liabilities at fair value through profit or loss:				
Stock options for noncontrolling interests	-	-	177,372	177,372
Liability from non-compete agreements	-	-	18,698	18,698

During the year, no transfers between levels occurred.

Reconciliation of the fair value measurement of Level 3 financial liabilities

	Fair value through profit or loss
Balance at December 31, 2014	177,372
Total gains and losses on profit or loss - Inflation adjustments to obligations payable and stock options for noncontrolling interests - Aliança and GA Corretora (note 8.1)	26,074
Balance at December 31, 2015	203,446

Below is a table showing the sensitivity of fair values from possible alternative assumptions with respect to discount rates and increase rate, which are the main assumptions that determined liabilities at fair value through profit or loss. If the estimated amounts under these assumptions increase or decrease 1.00%, a positive amount would indicate an increase in profit or loss and equity, while a negative amount would indicate that this would have an equal and opposite impact on profit and equity:

	Assumption used	12/31/2015	Increase	Reduction
Stock options - noncontrolling interests	+/- 1%	203,446	(3,212)	3,292

With respect to the financial liabilities at fair value through profit or loss at December 31, 2015 and December 31, 2014, the Company had the following financial liabilities:

Stock options for noncontrolling interests – noncurrent liabilities

As described in note 8, the Company contracted commitments in the form of stock options on noncontrolling interests relating to the acquisition of equity interests in Aliança and GA Corretora.

The acquisition value of the noncontrolling interest is determined substantially based on the Earnings Before Taxes, Interest, Depreciation and Amortization (EBITDA) or revenue multiples, both for the twelve-month period before the exercise of the option. This liability is measured based on the fair value of the noncontrolling interests, under the discounted cash flow approach, using as the main assumptions the discount rate of 14.7% and the long-term sustainable growth rate of 15.3% (2014-2017 CAGR).

Derivatives

At December 31, 2015 and December 31, 2014, the Company and its subsidiaries had no derivative contracts for hedging or speculative purposes.

b) Management of the main risks

The Company conducts benefit stipulation and health care plan management, including self- management, brokerage, and consulting transactions through its direct subsidiaries, basically in the health insurance and healthcare and dental plans segments.

The main risks arising from the business of the Company and its subsidiaries are the risk of credit, interest rate, liquidity and capital risks. The management of these risks involves different departments and comprises a series of fund allocation strategies and policies considered appropriate.

The Company has internal controls that guarantee compliance with these strategies and policies, the results obtained meet the objectives established by its Management.

Credit risk

The credit risk arises from the possibility that the Company and its direct subsidiaries may be required to pay the healthcare/insurance companies' invoices in view of plan/insurance installments past due and not paid by beneficiaries.

In order to mitigate such risk, the Company cancels defaulting beneficiaries pursuant to the contract term, which are mostly cancelled after 30 days of default counted from the maturity date. The method adopted to calculate the allowance for doubtful debts and write-off of uncollectible amounts is described in note 3.iv.

Interest rate risk on financial instruments

This risk arises from the possibility that the Company may incur losses due to fluctuations in the interest rates applicable to its assets and liabilities raised (invested) in the market.

The average term of receipts/payments of the Company is 30 days, therefore management uses as an assumption to analyze the change in the interest rate, the CDI variance, which are summarized as follows:

	12/31/2015			
Line item	Balance sheet	Explanatory note	Parent	Consolidated
Highly-liquid short-term investments (i)	Current assets	9.1	11	242,470
Short-term investments (i)	Current assets	9.2	-	121,001
Debentures (ii)	Current and noncurrent liabilities	18	(311,782)	(541,865)
Borrowings and financing	Current liabilities		-	(5,795)
Total exposure			(311,771)	(184,189)

i. Short-term investments are mainly realized based on actually traded yield rates pegged to the interbank deposit rate (CDI) rate and reflect usual market conditions during the year, as described in note 9.

The policy for short-term investments adopted by the Company's management establishes the financial institutions with which the Company and its subsidiaries may do business and the fund allocation limits and objectives.

According to the internal policy, short-term investments are concentrated on lower risk investments, invested in fixed-income funds, balanced funds, and government bonds. Funds can only be invested in prime financial institutions, whose risk rating ranges from "AAA" to "BBB" within the 100% limit, and "BBB" to "BBB+" within the 20% limit. A portion of the amounts invested is concentrated on funds targeted at ANS and Bank Certificates of Deposit (CDBs), whose yield is pegged to the Interbank Certificate of Deposit (CDI) rate.

ii. Debentures issued by the Qualicorp Group yield interest corresponding to 100% of the accumulated variation of the daily average overnight rates of Interbank Deposits (DI) expressed as percentage rates per year, corresponding to 252 business days (CETIP), plus a spread of 1.60% and 1.35% per year (1.675% through August 2014) for the subsidiaries Qualicorp Corretora (1st and 2nd issues) and Qualicorp Benefícios, and 1.35% per year for the Company and Qualicorp Corretora (3rd issue), which are due semiannually as from the date of issue, as described in note 18.

Sensitivity analysis to interest rate fluctuations

Fluctuations in interest rates, e.g. CDI, can have a positive or adverse impact on the consolidated financial statements as a result of an increase or decrease in the balances of short-term investments and cash equivalents, and payables arising from debentures and borrowings and financing.

At December 31, 2015, had CDI rates been 10% per year higher/lower and all other variables remained unchanged, profit for the quarter then ended, before taxes, would increase/decrease by R$727.

Supplementary sensitivity analysis of financial instruments pursuant to CVM Instruction 475/08

Pursuant to CVM Instruction 475, of December 17, 2008, at December 31, 2015, Management estimated for 2015, based on the quotations contained in the Focus report issued by the Central Bank of Brazil (BACEN), future interest rates (14.75% p.a.), plus spread on debentures of 1.60% and 1.35% per year and interest rates on borrowings (CDI rate plus spread of 1.3%), showing in each scenario the effect of the changes in the fair value, as follows:

	Scenario			
	12/31/2015	Probable	Possible	Remote
Assumptions		CDI - 1.57% of 14.75% p.a.	CDI - 1.96% of 14.75% p.a.	CDI - 2.36% of 14.75% p.a.
Highly-liquid short-term investments and short-term investments	363,471	369,177	370,604	372,031
Liabilities – debentures	(541,865)	(558,387)	(560,544)	(562,702)
Liabilities - borrowings and financing	(5,795)	(5,962)	(5,986)	(6,009)
Net exposure	(184,189)	(195,172)	(195,926)	(196,680)

	Assumptions		
	Probable	Possible	Remote
CDI	Focus Report - BACEN (12/31/2015)	25% on probable rate	50% on probable rate

- Under the probable scenario, the Company would report a net exposure of R$195,172 through December 31, 2015, arising from the difference in future estimated CDI rates for interest on debentures plus a surcharge of 1.60% and 1.35% per year, and borrowings (CDI rate plus spread of 1.3%).

As at December 31, 2015, the same differences in future estimated CDI rates on the Company's investments were taken into account for short-term investments. For the possible and remote scenarios, using the same criteria described in the probable scenario, estimates would give rise to an increase in net liability exposure of R$754 and R$1,508, respectively, compared to the probable scenario.

- Possible scenario: assumption adopted by Management with a decrease of 25% in the risk variable.
- Remote scenario: assumption adopted by Management with a decrease of 50% in the risk variable.

Capital risk

The Qualicorp Group manages its capital to ensure that both the Company and subsidiaries can continue as going concerns, and at the same time maximizes the return of all its stakeholders by optimizing the balance debt and equity.

The Qualicorp Group's equity structure consists of its net debt (debentures detailed in note 18, and borrowings and financing less cash and cash equivalents detailed in note 9), and equity (note 25).

The Company and its subsidiaries are subject to certain leverage ratios as stated in note 18 to the financial statements for the year ended December 31, 2014.

Additionally, subsidiaries Qualicorp Benefícios, Aliança, Clube de Saúde, Gama Saúde and Multicare are subject to minimum funding requirements, as prescribed by ANS.

Under ANS RN 209, of December 22, 2009, the base capital to be considered by the subsidiaries at December 31, 2015 is R$145 for benefits managers, R$7,266 for Gama Saúde, and R$1,312 for Multicare, and that these amounts must be greater than the adjusted minimum equity.

The adjusted minimum equity represents the equity adjusted in accordance with the economic effects according to Regulatory Instruction (IN) 50, of November 30, 2012.

As at December 31, 2015, the adjusted minimum equity is R$160,263 (Qualicorp Benefícios), R$9,423 (Aliança), R$40,167 (Clube de Saúde), R$69,915 (Gama Saúde), and R$6,433 (Multicare), all under the provisions of the respective Regulatory Instruction. The solvency margins are R$21,352 (Gama Saúde) and R$609 (Multicare), thus, sufficient to maintain the total equity in an amount that is adequate to meeting the legal solvency margin requirements and coverage of non-operating liabilities.

The Company´s indebtedness ratio is as follows:

	Consolidated	
Description	12/31/2015	12/31/2014
Debt (debentures and borrowings)	(541,865)	(551,089)
Cash and cash equivalents	285,790	538,547
Net debt	(256,075)	(12,542)
Equity	1,993,883	2,356,834
Net (surplus/deficit) debt to equity ratio	(12.84%)	(0.53%)

Liquidity risk

Considering the Qualicorp Group's activities, the liquidity risk management consists of monitoring the terms for settling receivables and payables so as to help maintain a highly liquid cash position that is sufficient to fulfill the commitments assumed.

The Company and its subsidiaries conduct analyses of the projected cash flows and periodically review the commitments assumed and financial instruments used. The expected cash flows for financial instruments liabilities are shown as follows:

	Consolidated (IFRS and BR GAAP)					
	Estimated interest rate p.m.	Less than 6 months	6 months to 1 year	1 to 2 years	More than 2 years	Total
	%	R$	R$	R$	R$	R$
December 31, 2015:						
Debentures	CDI + 1.60% and CDI + 1.35% (a)	39,535	39,535	749,870	139,620	968,560
Borrowings and financing	CDI +1.3% (a)	6,090	-	-	-	6,090
Premiums to be transferred	-	110,015	-	-	-	110,015
Transferable prepayments	-	72,874	-	-	-	72,874
Technical reserves for healthcare operations	-	24,913	-	-	-	24,913
Payroll and related taxes	-	62,628	-	-	-	62,628
Intangible assets payable	-	16,236	-	-	-	16,236
Other payables	-	58,280	-	-	-	58,280
Non-compete agreement	-	-	6,529	6,529	6,529	19,587
Related parties (dividends)	-	53,954	-	-	-	53,954
Stock options (Aliança and GA)	-	-	-	-	261,606	261,606
Total	-	444,525	46,064	756,399	407,755	1,654,743

(a) Considering the total debt as at December 31, 2015 not calculated at present value.

6. Adoption of new and revised international financial reporting standards

As part of improvements to IFRSs, standards are constantly reviewed and amended, and possibly new standards are issued by the IASB. The Company and its subsidiaries did not adopt the following new and revised IFRSs already issued but not yet effective:

Standard	Description	Effective date
IAS 16 and IAS 38	*Property, Plant and Equipment and Intangible Assets*: in May 2014 these standards were revised, clarifying that the revenue-based method will no longer be allowed for depreciation or amortization.	2016
IAS 27	*Separate Financial Statements*: in August 2014 the standard that addresses separate financial statements was revised to allow accounting for investments under the equity method. The Company already adopts this method as required by the Brazilian Corporate Law and this change will have no impact on our financial statements. This amendment has not yet been issued by the CPC and must adopted beginning 2016, with early adoption permitted.	2016

Standard	Description	Effective date
IFRS 10 and IAS 28	*Consolidated Financial Statements and Investments in Associates and Joint Ventures*: in September 2014 a revision was issued proposing that the gain or loss on the sale or contribution of a subsidiary that does not constitute a business, as defined in IFRS 3, between an investor and its subsidiary or joint venture is recognized only in the interest of the unrelated investors in the subsidiary or joint venture.	2016
IFRS 7	*Financial Instruments: Disclosures*: in September 2014 the IASB revised IFRS 7 to include guidance to decide a servicing contract is continuing involvement and that the additional disclosure requirements are not specifically for interim periods. This standard has not yet been issued by the CPC and must adopted beginning 2016.	2016
IFRS 9	Financial Instruments. IFRS 9 maintains but simplifies the combined measurement model and establishes two main categories to measure financial assets: amortized cost and fair value. The basis for classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. For financial liabilities retains most of the requirements of IAS 39. The main change refers to the cases where the calculated fair values of financial liabilities must be separated so that the portion of the fair value related to the credit risk of the entity itself is recognized in 'Other comprehensive income' and not in profit or loss for the year. IAS 39 guidelines on the impairment of financial assets and hedge accounting continue to be applicable.	2018
IFRS 15	*Revenue from Contracts with Customers*. This new standards introduces the principles that an entity will apply to determine the measurement of revenue and when it must be recognized. This standard will supersede IAS 11 *Construction Contracts*, IAS 18 *Revenue*, and the related interpretations.	2018

The Company intends to adopt the relevant standards when they become effective.

There are no other standards and interpretations issued and not yet adopted that can significantly impact the profit or loss or equity reported by the Company, based on Management's opinion.

7. Consolidated financial statements

The consolidated financial statements include the financial statements of the Company and its subsidiaries. The financial statements for period ended on the same date and consistent with the accounting policies described above were used. Control is achieved when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

In the Company's individual financial statements, the subsidiaries' financial information is recognized under the equity method of accounting.

The profit (loss) of the subsidiaries acquired or disposed of during the period is included in the consolidated interim income statement from the actual acquisition date up to the actual disposal date, as applicable.

The main consolidation procedures are as follows:

Elimination of intercompany balances and transactions.

Elimination of investment account balances and related ownership interest, reserves and retained earnings or accumulated losses.

The direct and indirect subsidiaries included in the consolidation are the following:

At December 31, 2015

Companies	Equity	Total assets	Profit (loss) for the period	Direct equity interests - %	Core business
Company's direct subsidiaries:					
Qualicorp Corretora de Seguros S.A. (*)	367,839	883,378	160,251	100	Insurance and healthcare brokerage
Qualicorp Administração e Serviços Ltda.	20,597	30,446	6,060	99.99	Insurance portfolio management
Qualicorp Administradora de Benefícios S.A. (*)	452,788	1,059,310	194,464	100	Stipulation of insurance policies and benefit management
Qualicorp Consultoria em Saúde Ltda.	18,796	28,125	(6,461)	99.99	Benefit management and health prevention consulting services
Medlink Conectividade em Saúde Ltda.	5,657	9,635	(8,306)	99.99	Provider of connectivity services to health care and insurance companies
Gama Saúde Ltda. (*)	69,209	108,738	2,308	99.99	Provider of corporate medical care collective plan management and operation services.
Connectmed-CRC Consultoria, Administração e Tecnologia em Saúde Ltda.	22,956	46,175	(16,819)	99.99	Provider of connectivity services to healthcare and insurance companies
Company's indirect subsidiaries:					
Aliança Administradora de Benefícios de Saúde S.A.	6,621	38,548	27,642	75	Stipulation of insurance policies and contracting healthcare plans, benefit management
GA Corretora de Seguros, Consultoria, Administração e Serviços S.A.	9,514	20,585	27,295	75	Insurance brokerage and benefit management consulting services
Clube de Saúde Administradora de Benefícios Ltda.	28,676	31,321	(3,600)	99.99	Stipulation of insurance policies and contracting healthcare plans, benefit management
Multicare Saúde Ltda.	6,433	6,492	2,633	99.99	Provider of corporate medical care collective plan management and operation services.

At December 31, 2014

Companies	Equity	Total assets	Profit (loss) for the period	Direct equity interests - %	Core business
Company's direct subsidiaries:					
Qualicorp Corretora de Seguros S.A. (*)	431,692	615,692	73,563	100	Insurance and healthcare brokerage
Convergente Consultoria e Corretora de Seguros Ltda.	684	724	42	99.99	Insurance and healthcare brokerage and consulting
Qualicorp Administração e Serviços Ltda.	14,538	40,931	(3,743)	99.99	Insurance portfolio management
Qualicorp Administradora de Benefícios S.A. (*)	739,085	1,315,598	167,025	100	Stipulation of insurance policies and benefit management
Qualicorp Consultoria em Saúde Ltda.	25,258	35,523	(4,114)	99.99	Benefit management and health prevention consulting services
Medlink Conectividade em Saúde Ltda.	6,467	13,138	(8,235)	99.99	Provider of connectivity services to health care and insurance companies
Gama Saúde Ltda. (*)	43,144	86,128	(3,982)	99.99	Provider of corporate medical care collective plan management and operation services.
Connectmed-CRC Consultoria, Administração e Tecnologia em Saúde Ltda.	4,016	32,529	(4,197)	99.99	Provider of connectivity services to healthcare and insurance companies
Potencial Administradora de Benefícios Ltda.	1,166	1,166	(119)	99.99	Stipulation of insurance policies and contracting healthcare plans, benefit management
Company's indirect subsidiaries:					
Aliança Administradora de Benefícios de Saúde S.A.	4,376	36,927	21,950	75	Stipulation of health insurance policies and contracting healthcare plans, benefit manager
GA Corretora de Seguros, Consultoria, Administração e Serviços S.A.	5,907	7,718	22,667	75	Insurance brokerage and benefit management consulting services
Clube de Saúde Administradora de Benefícios Ltda.	14,532	24,860	(3,261)	99.99	Stipulation of insurance policies and contracting healthcare plans, benefit management
Multicare Saúde Ltda.	3,799	6,271	2,044	99.99	Provider of corporate medical care collective plan management and operation services.

(*) The reported equities of subsidiaries Qualicorp Benefícios, Qualicorp Corretora, and Gama Saúde do not take into consideration the effects on the consolidation of their investments in equity interest.

8. *Acquisitions of subsidiaries*

8.1. Aliança Administradora de Benefícios de Saúde S.A. and GA Corretora de Seguros, Consultoria, Administração e Serviços S.A.

As at December 31, 2015, the financial liability related to this call option amounted to R$203,446 (R$177,372 at December 31, 2014). The difference in the period of R$26,074 refers to the adjustment of such financial liability.

There were no changes in assumptions and estimates in relation to adjusted EBITDA in 2015, which is used to calculate such financial liability. The full history of such transaction is described in note 8.1 to the financial statements for the year ended December 31, 2014.

8.2. Connectmed-CRC Consultoria, Administração e Tecnologia em Saúde Ltda. and Gama Saúde Ltda.

On April 30, 2014, the Company disclosed its intention to acquire Saúde Soluções Participações S.A., the parent of Connectmed-CRC and Gama Saúde. This acquisition was approved at the Company's Shareholders' Meeting held on August 13, 2014, which also approved the merger of Saúde Soluções Participações S.A. with and into Qualicorp S.A., which now has Connectmed-CRC and Gama Saúde as its direct subsidiaries.

The notional amount of the transaction for the Company at the transaction closing date was R$202,312, contingent to the achievement of future operating and financial targets by Unidade Saúde Soluções.

Upon the Merger, this amount consisted of, subject to the Company's Shareholders' Meeting's approval: (i) the issue of 3,352,601 common shares assigned to Tempo; (ii) subscription warrants related to target achievement that will entitle the former owner to receive an additional lot of up to 2,994,367 Company common shares; (iii) financial disbursement and net debt adjustments provided for in the contractual agreement entered into on this date; and (iv) a five-year non-compete agreement.

The purpose of this acquisition is to allow the Qualicorp Group to expand its service offerings to the TPA and connectivity segment, in line with its strategic guidelines, which includes administrative and back office services to self-managed entities, independent agencies and operators, as well as a connectivity network, provided on an outsourced basis, without assumption of actuarial risks.

The Company, based on a business valuation report and purchase price allocation (PPA) study prepared by a specialized firm, allocated the fair value of assets acquired and liabilities assumed in as follows:

Net assets (liabilities) acquired	Book value	Adjustments	Fair value on acquisition
Current assets, including cash and cash equivalents of R$17,496	99,362	-	99,362
Noncurrent assets	22,028	-	22,028
Adjustments identified	-	(7,374)	(7,374)
Fair value of intangible assets (note 17):			
Client relationship (a)	-	10,134	10,134
Non-compete (b)	-	39,428	39,428
Trademark (c)	-	1,911	1,911
Software (d)	-	7,758	7,758
Current liabilities	(42,480)	-	(42,480)
Noncurrent liabilities	(16,197)	-	(16,197)
Noncurrent liabilities - deferred income tax and social contribution on the fair value of intangible assets (34%) – client relationship, non-compete, trademark, and software	-	(20,139)	(20,139)
Net assets (liabilities)	62,713	31,718	94,431
Goodwill - future earnings	-	107,881	107,881
Total	62,713	139,599	202,312

a) Long-lived contracts that are usually renewed.

b) Refers to the fair value identified as “Non-compete”, amortizable over five years;

c) Refer to trademarks acquired in this business combination according to the valuation made;

d) Refers to the appreciation of the software acquired on the recognized value of the acquired companies.

Goodwill arising on future earnings was recognized based on the expected future profitability of the business determined using the discounted cash flow approach.

The amounts accounted for based on the business valuation report differ from the carrying amounts provisionally determined for the 2014 financial statements. Such differences result from the progress in the analyses of data prior to the acquisition that facilitated more accurate calculations and estimates. These changes are shown in note 17.

Consideration transferred at the date of acquisition:

	Connectmed-CRC and Gama Saúde
Transfer of 3,352,601 Company common shares	89,481
Subscription warrants related to goal achievement (a)	79,920
Net debt (b)	7,484
Non-compete agreement (c)	25,427
Total	202,312

a) The goals were achieved; however, on September 8, 2015, the Company agreed with the former controlling shareholders of these companies to eliminate the subscription warrants, thus cancelling the share exchange, replaced for the payment of R$47,500 in cash.

b) Balance paid as net debt in May and July 2015.

c) The outstanding balances payable as at December 31, 2015 total R$15,744, as reported in note 23.

9. *Cash and cash equivalents and short-term investments*

9.1. Cash and cash equivalents

Broken down as follows:

	Parent		Consolidated	
Description	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Highly liquid short-term investments (ii)	11	24,871	242,470	465,884
Banks - deposit account (i)	99	17,942	43,260	72,595
Cash	-	-	60	68
Total	110	42,813	285,790	538,547

i) As at December 31, 2015 and December 31, 2014, in consolidated, include mainly amounts received from clients on the last business day of the month.

ii) Management makes investments that may be redeemed in advance regardless of their maturity. The breakdown of these investments is as follows:

Type of investment

	Fair value and carrying amount			
	Parent		Consolidated	
Description	12/31/2015	12/31/2014	12/31/2015	12/31/2014
CDBs (iii)	11	24,871	136,778	221,102
Repurchase agreement (iv)	-	-	92,646	227,950
Other investments	-	-	13,046	16,832
Total	11	24,871	242,470	465,884

iii) These financial instruments are adjusted from 90% to 101% of the interbank deposit rate (CDI) and registered with CETIP S.A. - Balcão Organizado de Ativos e Derivativos. They are highly liquid and redeemable in advance, regardless of their maturities.

iv) Refers to a highly liquid repurchase transaction backed by debentures. Yield is based on 100% of the DI rate. Refers to the repurchase agreements backed by debentures. Yield is based on 95% to 100.20% of the DI rate. The transactions were carried out with Banco Itaú S.A, Banco Bradesco S.A. and Banco do Brasil S.A.

9.2. Short-term investments

	Consolidated	
	12/31/2015	12/31/2014
Non-exclusive investment fund (i)	40,398	35,342
Short-term investments held to maturity (ii)	80,603	-
Total	121,001	35,342

i) Refers to a short-term investment held as a guaranteeing asset in the Company's direct subsidiaries Qualicorp Benefícios and Gama Saúde and indirect subsidiaries Clube de Saúde, Multicare and Aliança, regulated by ANS. The fair value of fixed-income mutual fund unit is measured based on the unit values disclosed by the managers of the fund where the Company invests its funds.

ii) Refers to the investment in CDBs classified as held to maturity on April 1, 2016 (previously February 11, 2016), the yield of which is based on the CDI rate plus spread of 2.57% p.a.

10. Non-cash balances and transactions

Broken down as follows:

	Consolidated	
	12/31/2015	12/31/2014
Acquisition of Connectmed-CRC and Gama Saúde (*)	134,270	191,922
Intangible assets - current and noncurrent (note 23)	16,236	13,482
Property, plant and equipment (note 23)	1,064	1,287

(*) Broken down as follows:

	Connectmed-CRC and Gama Saúde
Total acquisition balance at 12/31/2015 (see note 8.2)	202,312
Payment related to goal achievement	(47,500)
Payment of net debt (note 8.2)	(7,484)
Non-compete agreement - 1st installment paid	(6,529)
Non-compete agreement - 2nd installment paid	(6,529)
Total (**)	134,270

(**) R$89,481 of the total R$134,270 resulting from the transaction that did not involve cash and cash equivalents at December 31, 2015 was paid through the transfer of 3,352,601 Company common shares, as reported in note 8.2.

11. Trade receivables

Broken down as follows:

	Consolidated	
	12/31/2015	12/31/2014
Recoverable premiums - with risk of default (a)	111,264	89,930
Trade receivables (b)	24,926	48,064
Benefit management consulting (c)	12,016	8,152
Other trade receivables	95	1,797
Total current	148,301	147,943

a) Refer to amounts receivable from beneficiaries. As at December 31, 2015 the amount corresponding to R$20,155 relating to the amounts receivable, whose payment is postponed to the plan validity month. The maturities of recoverable premiums are as follows:

	Consolidated	
	12/31/2015	12/31/2014
Current	51,159	27,036
Past-due:		
Up to 30 days	50,283	54,282
31 to 60 days	9,481	7,959
Over 60 days (*)	341	653
Total	111,264	89,930

(*) The amounts at December 31, 2015 were fully received through January 16, 2016 and the amounts at December 31, 2014 had been fully received through January 16, 2015.

b) Refer basically to amounts receivable for agency and brokerage services. The aging of trade receivables is as follows:

	Consolidated	
	12/31/2015	12/31/2014
Current	23,419	46,953
Past-due:		
Up to 30 days	661	749
31 to 60 days	733	362
Over 60 days (*)	113	-
Total	24,926	48,064

c) Refers to the outsourcing services to support the activities related to the consulting and advisory on management of healthcare plans, connectivity services, advisory on management of benefits and advisory on healthcare receivable from clients. The aging of trade receivables is as follows:

	Consolidated	
	12/31/2015	12/31/2014
Current	6,821	5,128
Past-due:		
Up to 30 days	2,872	1,709
31 to 60 days	533	1,315
Over 60 days (*)	1,790	-
Total	12,016	8,152

(*) R$1,066 of the total at December 31, 2015 was received through January 20, 2016.

Changes in the allowance for doubtful debts

	Consolidated	
	Year to date 12/31/2015	Year to date 12/31/2014
Balance at the beginning of the period	-	-
Allowances, net (*)	99,369	77,100
Write-offs	(99,369)	(77,100)
Balance at the end of the period	-	-

(*) Refer basically to the allowance for doubtful debts resulting from management transactions and stipulation of adhesion group benefits in which the Company assumes the risk of default of payment to the healthcare and dental operators and insurers. This amount is net of recoveries, as a result of collection actions taken for clients cancelled due to default.

12. Other assets

12.1. Other financial assets

Broken down as follows:

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Current assets		(Restated)		(Restated)
Recoverable taxes (i)	12,171	4,297	93,317	110,597
Amounts to identify from operators/insurers (ii)	-	-	12,877	22,498
Advances to suppliers	-	7	1,355	6,238
Advance to operators (iii)	-	-	-	44,245
Accounts receivable - Potencial sale (iv)	12,380	-	12,380	-
Recoverable checks	-	-	138	-
Demapo (v)	-	-	4,280	2,290
Advance to brokers (vi)	-	-	5,401	5,446
Advances to employees	-	-	1,782	1,546
Advance from transfer of contracts (vii)	-	-	2,200	2,246
Other current assets	100	64	6,150	7,635
Total current	24,651	4,368	139,880	202,741
Noncurrent				
Accounts receivable - Potencial sale (iv)	39,203	-	39,203	-
Advance to brokers (vi)	-	-	1,981	6,732
Advance from transfer of contracts (vii)	-	-	3,304	4,382
Other noncurrent assets	-	-	185	4,666
Total noncurrent	39,203	-	44,673	15,780
Grand total	63,854	4,368	184,553	218,521

i) The amounts are broken down as follows:

	Consolidated	
	12/31/2015	12/31/2014
Corporate Income Tax (IRPJ)	56,103	31,046
Taxes on revenue (COFINS and PIS) (i)	12,951	57,557
Social security contribution (INSS)	11,249	9,996
Social contribution (CSLL)	12,844	9,168
Withholding income tax (IRRF)	-	1,535
Other recoverable taxes	170	1,295
Total	93,317	110,597

ii) For 2014, refer basically to the tax assets for offset recognized in September 2014, as explained in note 31.

iii) Refers mainly to a timing difference between the listing of beneficiaries in the Company's system/internal control and the detailed listing of beneficiaries included in the paid and/or payable bills of health and dental plan operators/insurers, which is regularized in subsequent periods, after changes sent by the Company are processed.

iv) Refers to advances of transfers to health care operators adjusted for inflation based on CDI + 0.24% a.m.

v) Refers to the balance receivable for the sale of Potencial. By the date these financial statements were completed, the Company had received the first three installments on due dates.

vi) Refers to balances of subsidiary Gama Saúde, related to the dismissed and retired employees that opted for the continuity of the Healthcare plan, assuming the payment of the monthly fee. Regulatory Resolution 279 ensures the dismissed and retired employees the maintenance of the corporate healthcare plan with the same coverage they enjoyed during the employment contract.

vii) Agreements were entered into with outsourced brokers for the sale of private health plans, collective adhesions and other health services for the companies' employees, the balance of which is R$7,382, of which R$5,401 in current and R$1,981 in noncurrent.

viii) As at December 31, 2015, refers basically to an advance to entities, out of which the Company has been deducting financial transfers.

12.2. Other nonfinancial assets

Broken down as follows:	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Current				
Prepaid expenses (i)	899	371	8,473	1,814
Advances to executives (ii)	6,900	6,900	7,042	7,956
Sundry materials	-	-	461	638
Prepaid rental agreements	-	528	-	528
Total current	7,799	7,799	15,976	10,936
Noncurrent				
Advances to executives (ii)	9,775	16,675	9,779	16,675
Prepaid expenses (i)	3,302	-	5,351	3,333
Prepaid rental agreements	-	3,830	-	3,830
Total noncurrent	13,077	20,505	15,130	23,838
Grand total	20,876	28,304	31,106	34,774

(i) Refers to prepaid expenses that will be amortized as services are provided. Consist of advertising services, information technology services, consulting/audit services, and insurance. Increase basically referring to advertising services.

(ii) Refers to the prepaid expenses incurred when an executive is hired; these expenses are amortized within up to four years, depending on each executive's contract. If an executive leaves the Group before the agreed date, the balance is reimbursed by such executive, prorated to the remaining contractual period.

13. Deferred income tax and social contribution

For purposes of disclosure under CPC 32 and ICPC 09, amounts are broken down as follows:

	12/31/2015		12/31/2014	
	Parent	Consolidated	Parent	Consolidated
Deferred income tax and social contribution assets	-	136,769	-	185,717
Deferred income tax and social contribution liabilities (*)	(15,672)	(162,591)	(316)	(177,741)
Deferred income tax and social contribution, net	(15,672)	(25,822)	(316)	7,976

(*) As at December 31, 2015, the balance, Parent, is comprised of: (i) R$(15,529) relating to the sale of Potencial and R$143 (R$316 in 2014) relating to costs on debentures.

	12/31/2015					
	Qualicorp S.A.	Qualicorp Consultoria	Qualicorp Corretora	Qualicorp Benefícios	Aliança	Consolidated
Deferred income tax and social contribution - assets (i)	-	-	44,801	155,271	1,943	202,015
Deferred income tax and social contribution - liabilities (i)	(154,985)	(7,606)	(39,761)	(25,485)	-	(227,837)
	(154,985)	(7,606)	5,040	129,786	1,943	(25,822)

	12/31/2014					
	Qualicorp S.A.	Qualicorp Consultoria	Qualicorp Corretora	Qualicorp Benefícios	Aliança	Consolidated
Deferred income tax and social contribution - assets (i)	-	-	68,275	174,443	-	242,718
Deferred income tax and social contribution - liabilities (i)	(176,967)	(7,605)	(37,642)	(19,359)	-	(234,742)
Deferred income tax and social contribution, net	(176,967)	(7,605)	30,633	155,084	-	7,976

The amounts above, in consolidated, are broken down as follows:

i) Refer to deferred income tax and social contribution recorded mainly on temporary deductible differences of future taxable income.

Breakdown of income tax and social contribution assets

	Consolidated	
Item	12/31/2015	12/31/2014
Provision for inflation adjustment on the acquisition of Aliança Group	142,118	133,250
Social contribution loss carryforwards (*)	73,885	52,632
Allowance for doubtful debts and write-off of uncollectible amounts - short-term amount	17,155	14,427
Tax incentive on goodwill from corporate restructuring	14,355	71,778
Provisions for risks - portion related to the companies and/or periods subject to the taxable income regime	10,845	7,118
Accrued profit sharing program	9,866	12,119
Allowance for impairment losses	4,964	4,965
Other provisions	2,712	4,317
Total tax credits	275,900	300,606
(-) Unrecognized tax credits (**)	(73,885)	(57,888)
Total recognized tax credits	202,015	242,718

(*) CSLL loss carryforwards are broken down as follows:

Companies	Tax base 12/31/2015	IRPJ/CSLL (34%)	Tax base 12/31/2014	IRPJ/CSLL (34%)
Qualicorp S.A.	69,493	23,628	46,464	15,798
Medlink Conectividade em Saúde Ltda.	52,328	17,792	42,871	14,576
Qualicorp Consultoria em Saúde Ltda.	34,681	11,792	24,991	8,497
Connectmed-CRC Consultoria, Administração e Tecnologia em Saúde Ltda.	31,239	10,621	14,424	4,904
Qualicorp Administração e Serviços Ltda.	19,207	6,530	20,501	6,970
Gama Saúde Ltda.	5,502	1,871	2,657	903
Clube de Saúde Administradora de Benefícios Ltda.	4,450	1,513	2,202	749
Multicare Saúde Ltda.	406	138	574	195
Potencial Administradora de Benefícios Ltda.	-	-	119	40
Total	217,306	73,885	154,803	52,632

(**) Refers basically to the fact that the Company and some of its direct and indirect subsidiaries have tax loss carryforwards for which no deferred tax credits were recognized because to date they had not been in a position to generate taxable income that would allow them to recognize tax credits.

Projected realization and present value of tax credits

Deferred income tax and social contribution are realized as temporary differences are reversed or qualify for tax deductibility. Below is the expected tax credit realization period based on expected future taxable income:

Deferred income tax and social contribution on temporary differences

	Consolidated	
Year	12/31/2015	12/31/2014
2015	-	91,129
2016	49,153	14,457
2017	8,339	1,578
2018	403	26,951
2019 and thereafter	144,120	108,603
Total	202,015	242,718

The total present value of tax credits at December 31, 2015 is R$140,388, calculated using the SELIC rate (the Central bank's policy rate), based on the estimated period of realization of temporary differences.

Breakdown of deferred income tax and social contribution liabilities:

	Consolidated	
	12/31/2015	12/31/2014
On the fair value of the acquisition of investments allocated to intangible assets – client relationship	157,907	193,978
Temporary differences on the portion of goodwill of merged companies amortized in the year, for tax purposes	58,938	45,070
Sale of Potencial (note 1.c)	15,529	-
Allowance for impairment losses on the fair value of the acquisition of investments allocated to intangible assets – client relationship	(5,016)	(5,016)
Other	479	710
Total	227,837	234,742

14. Related parties

14.1. Balances and transactions with related parties

Direct subsidiary Qualicorp Benefícios performs all back office activities for Qualicorp companies (Finance, Controlling, Legal, Administrative, Human Resources, and Information Technology), whose service costs are apportioned among and reimbursed by the other Group companies.

Amounts due from and to related parties in consolidated current and noncurrent assets and liabilities are broken down as follows:

	Parent		Consolidated					
	12/31/2015		12/31/2015			12/31/2014		
	Accounts receivable	Accounts payable	Accounts receivable	Accounts payable	Expenses	Accounts receivable	Accounts payable	Expenses
Current								
Company's executives (i)	-	-	-	-	-	6,062	-	-
Seripatri Participações Ltda. (ii)	-	-	-	-	(2,958)	-	-	(1,469)
Brazilian Association of Benefit Management Organizations (ANAB) (iii)	-	-	-	-	(2,997)	411	-	(449)
Mandatory dividends payable (iv)	-	53,942	-	53,954	-	-	29,079	-
Dividends receivable (v)	40,410	-	-	-	-	-	-	-
Member of the Board of Directors (vi)	-	-	-	-	-	-	-	(1,708)
Total current	40,410	53,942	-	53,954	(5,955)	6,473	29,079	(3,626)
Noncurrent								
Qualicorp Corretora de Seguros S.A (vii)	308	-	-	-	-	-	-	-
Qualicorp Administração e Serviços Ltda (vii)	810	-	-	-	-	-	-	-
Qualicorp Administradora de Benefícios S.A (vii)	945	-	-	-	-	-	-	-
Reimbursement of provision for risk (viii)	-	-	3,833	-	-	5,228	-	-
Total noncurrent	2,063	-	3,833	-	-	5,228	-	-
Balance	42,473	53,942	3,833	53,954	(5,955)	11,701	29,079	(3,193)

i) Refer to unpaid capital relating to the exercise of the stock call option. This amount was fully received in December 2015.

ii) On January 1, 2010, the Company entered into an expense apportionment and reimbursement contract for the use of aircraft owned by Seripatri Participações Ltda. ("Seripatri") to support, when necessary, its officers, where Seripatri is responsible for the payment of all costs and expenses arising from such goods. Total expenses incurred in 2015 were R$2,958 (R$1,469 in 2014).

iii) The Brazilian Association of Benefit Management Organizations (ANAB) is a not-for-profit entity created on September 2, 2010 to represent, coordinate and defend the interests of legal entities regularly registered with the ANS as health care plan operators, as a benefit manager, since it is affiliated with ANAB, as well as the promotion and development of this segment in Brazil, the promotion of ethics, support to studies and researches, promotion and dissemination of technical and scientific information and knowledge related to its area of expertise, promotion of fair competition and the equity of its members. The expense basically refer to the extraordinary contribution as a financial support for the entity to be able to perform its corporate purposes, which include: (i) maintenance of the infrastructure, building rental, purchase of furniture and equipment, telephone lines, internet services, cleaning, and others; (ii) hiring of employees, accounting, legal and press relations fees, among others; (iii) participation in events, meetings, congresses, hearings with ANS, government bodies, supplementary health care operators, consumer affair agencies, and others; (iv) fulfillment with its legal obligations; and (v) other expenses and commitments necessary for the entity to meet its purposes.

The monthly fee paid to this Association is 0.03% of the annual gross revenue of direct subsidiaries Qualicorp Benefícios, Aliança, and Clube de Saúde.

iv) Refers to the mandatory dividends payable totaling R$53,942 and the R$12 balance payable to the noncontrolling shareholder.

v) interest on capital receivable from subsidiaries, net of taxes, as explained in note 15.

vi) In 2012, an agreement was entered into between subsidiaries Qualicorp Corretora, Qualicorp Benefícios and Instituto de Desenvolvimento Gerencial S.A., a company that has among its shareholders one of the members of the Company's Board of Directors, for the provision of consulting and advisory services on the assessment of operating, corporate, and strategic planning processes. The agreement was terminated in 2014.

vii) As at December 31, 2015, Qualicorp S.A. has rights receivable related to the sublease of properties to Qualicorp Corretora, Qualicorp Administração e Serviços Ltda., and Qualicorp Benefícios, which amount to R$308, R$810, and R$945, respectively.

viii) Indirect subsidiaries Aliança and GA Corretora are entitled to the reimbursement of provisions for the contingent risks by their former controlling shareholder, who has agreed to indemnify, regardless of misconduct or negligence, within a five-year period beginning January 1 of the year subsequent to the transaction closing date. As at December 31, 2015 the amount settled is R$3,833.

14.2. Key management personnel compensation

Key management personnel refer to members of the Board of Directors, the CEO, and statutory and non-statutory officers.

Compensation paid or payable in the period are as follows:

	2015			
	Parent		Consolidated	
	Accounts payable	Expenses	Accounts payable	Expenses
Short-term compensation to managers (*)	4,518	18,264	15,143	49,738
Share-based compensation	-	-	-	25,749
Balance at December 31, 2015	4,518	18,264	15,143	75,487

	2014			
	Parent		Consolidated	
	Accounts payable	Expenses	Accounts payable	Expenses
Short-term compensation to managers (*)	2,734	35,820	9,304	64,001
Share-based compensation	-	-	-	29,105
Balance at December 31, 2014	2,734	35,820	9,304	93,106

(*) Expenses on the Board of Directors' compensation are a fixed amount and, for officers and employees, fixed and variable amounts, which are based on their performance and achievement of annual overall goals approved by the Board.

15. Investments

Broken down as follows:

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Equity investments:				
Qualicorp Administradora de Benefícios S.A.	1,017,453	1,327,401	-	-
Qualicorp Administração e Serviços Ltda.	47,619	42,766	-	-
Qualicorp Consultoria em Saúde Ltda.	54,009	61,719	-	-
Qualicorp Corretora de Seguros S.A.	907,486	995,455	-	-
Convergente Consultoria e Corretora de Seguros Ltda.	-	684	-	-
Medlink Conectividade em Saúde Ltda.	18,623	19,434	-	-
Gama Saúde e Connectmed CRC	228,699	192,056	-	-
Potencial Administradora de Benefícios Ltda.	-	1,166	-	-
Total equity investments	2,273,889	2,640,681	-	-
Other investments	-	-	262	221
Total other investments	-	-	262	221
Total investments	2,273,889	2,640,681	262	221

	Qualicorp Administradora de Benefícios S.A.	Qualicorp Administração e Serviços Ltda.	Qualicorp Consultoria em Saúde Ltda.	Qualicorp Corretora de Seguros S.A.	Convergente Consultoria e Corretora de Seguros Ltda.	Medlink Conectividade em Saúde Ltda.	Gama Saúde e Connectmed - CRC	Potencial Administrador a de Benefícios Ltda.	Total
Information on investees at December 31, 2015									
Capital (i) and (iii)	276,365	26,663	60,104	107,736	-	55,923	123,222	1,285	651,298
Equity (i), (ii)	454,443	20,597	18,796	220,217	-	5,657	92,166	5,211	817,087
Profit (loss) for the year	194,464	6,060	(6,461)	160,251	66	(8,306)	(14,511)	4,745	336,308
Information on investments:									
Number of shares (v)	496,715,989	26,662,567	60,103,587	287,468,603	580,949	53,780,437	10,872,679,659	-	-
Equity interest - %	100	99.99	100	100	99.99	99.99	99.99	-	-
Changes in investments:									
Total recovered investment at December 31, 2014	1,327,401	42,766	61,719	995,455	684	19,434	192,056	1,166	2,640,681
Capital increase in subsidiaries (i)	-	-	-	-	-	7,495	56,135	-	63,630
Capital reserve - stock option plan	12,478	-	-	15,251	-	-	-	-	27,729
Additions to goodwill (note 17)	-	-	-	-	-	-	2,919	-	2,919
Dividends receivable from subsidiaries	-	-	-	-	-	-	(529)	-	(529)
Profit distributions made	(141,570)	-	-	(38,003)	-	-	-	-	(179,573)
Capital reduction to shareholders (note 1.b)	(220,000)	-	-	(180,000)	-	-	-	-	(400,000)
Prepaid dividends	(95,714)	-	-	-	-	-	-	-	(95,714)
Interest on capital payable	(34,370)	-	-	(21,350)	-	-	-	-	(55,720)
Derecognition of Investment due to sale of Potencial	-	-	-	-	-	-	-	(5,911)	(5,911)
Derecognition of the investment in Convergente	-	-	-	-	(750)	-	-	-	(750)
Equity in subsidiaries	169,228	4,853	(7,710)	136,133	66	(8,306)	(21,882)	4,745	277,127
Share of profit (loss) of subsidiaries	194,464	6,060	(6,461)	160,251	66	(8,306)	(14,511)	4,745	336,308
Amortization of intangible assets (iv)	(38,237)	(1,829)	(1,892)	(36,542)	-	-	(11,167)	-	(89,667)
Deferred income tax and social contribution on amortization of intangible assets	13,001	622	643	12,424	-	-	3,796	-	30,486
Total recovered investment at December 31, 2015	1,017,453	47,619	54,009	907,486	-	18,623	228,699	-	2,273,889

i) Includes the advance for future capital increase of R$4,184 made to Medlink Conectividade em Saúde Ltda. and R$15,320 made to Connectemed-CRC in 2015.
ii) The reported equities of subsidiaries Qualicorp Benefícios and Qualicorp Corretora take into consideration the effects of the consolidation on their investments in equity interests. For Gama Saúde and Connectmed-CRC, the equity amounts are R$69,209 and R$22,956, respectively.
iii) For Gama Saúde and Connectmed-CRC, the capital amounts are R$67,298 and R$55,923, respectively.
iv) Refers to the amortization of the intangible assets consisting of the relationship with clients, trademarks, non-compete agreement, and software.
v) For Gama Saúde and Connectmed-CRC, they refer to 6,729,833,580 and 4,142,846,079 shares, respectively.
vi) Refers to interest on capital receivable approved at the ESM held on December 16, 2015.

16. Property, plant and equipment

Broken down as follows:

Consolidated	Annual depreciation rate - %	12/31/2015 Adjusted cost	12/31/2015 Accumulated depreciation	12/31/2015 Total	12/31/2014 Adjusted cost	12/31/2014 Accumulated depreciation	12/31/2014 Total
Leasehold improvements (*)	–	59,034	(9,661)	49,373	59,153	(11,663)	47,490
IT equipment	20	21,077	(13,941)	7,136	27,405	(17,531)	9,874
Furniture and fixtures	10	11,601	(2,333)	9,268	10,484	(2,699)	7,785
Machinery and equipment	10	3,215	(2,080)	1,135	3,052	(2,179)	873
Facilities	10	2,760	(1,135)	1,625	1,605	(911)	694
Telephone and communication equipment	20	1,812	(687)	1,125	1,982	(814)	1,168
Vehicles	20	1,017	(625)	392	1,239	(475)	764
Sound and image equipment	10	394	(179)	215	408	(143)	265
Security equipment	10	5	(3)	2	97	(75)	22
Total		100,915	(30,644)	70,271	105,426	(36,490)	68,935

(*) Leasehold improvements are amortized based on the related lease agreements. The average amortization rate at December 31, 2015 was 41.14% (33.23% in 2014).

The Company revises the estimated useful lives of property, plant and equipment annually. During the current year, Management did not identify any events or circumstances that would require changes in estimates of useful lives for the items presented in property, plant and equipment.

Changes in property, plant and equipment are as follows:

	Consolidated
Balance at December 31, 2014	68,935
Additions:	
Leasehold improvements	6,439
Furniture and fixtures	3,419
IT equipment	2,113
Facilities	1,165
Machinery and equipment	787
Telephone and communication equipment	550
Sound and image equipment	26
Security equipment	2
Total additions (*)	14,501
Depreciation	(12,991)
Disposals, net	(174)
Balance at December 31, 2015	70,271

(*) In 2015, assets fully depreciated were identified and derecognized, that added up to the following changes of property, plant and equipment: Leasehold improvements R$6,557; IT equipment R$8,441; Furniture and fixtures R$2,302; Machinery and equipment R$624; Telephone and communication equipment R$721; Sound and image equipment R$40, Security equipment R$94; Facilities R$10.

17. Intangible assets

Broken down as follows:

Consolidated	Annual amortization rate - %	12/31/2015 Adjusted cost	12/31/2015 Accumulated amortization	12/31/2015 Total	12/31/2014 Adjusted cost	12/31/2014 Accumulated amortization	12/31/2014 Total
Goodwill on acquisition of investments allocated as future earnings:							
Qualicorp Administradora de Benefícios S.A. (i)	-	446,895	-	446,895	446,896	-	446,896
Qualicorp Corretora de Seguros S.A. (i)	-	427,098	-	427,098	427,098	-	427,098
Aliança Adminstradora de Benefícios de Saúde S.A (ii)	-	249,420	-	249,420	249,420	-	249,420
Padrão Group	-	184,675	-	184,675	184,675	-	184,675
Connectmed-CRC and Gama Saúde (ii)	-	107,881	-	107,881	104,961	-	104,961
Merged Salutar	-	52,004	-	52,004	52,004	-	52,004
GA Consultoria, Adminstração e Serviços S.A (ii)	-	44,075	-	44,075	44,075	-	44,075
Qualicorp Consultoria em Saúde Ltda.(i)	-	29,386	-	29,386	29,386	-	29,386
Athon, Brüder SP e Brüder RJ	-	27,251	-	27,251	27,251	-	27,251
Qualicorp Administração e Serviços Ltda. (i)	-	21,388	-	21,388	21,387	-	21,387
PraxiSolutions Consultoria de Negócios e Corretora de Seguros Ltda. merged by subsidiary	-	21,184	-	21,184	21,184	-	21,184
Medlink Conectividade em Saúde Ltda.	-	12,966	-	12,966	12,966	-	12,966
Total goodwill	-	**1,624,223**	**-**	**1,624,223**	**1,621,303**	**-**	**1,621,303**
Acquisition of portfolios - Affinity segment (iii)	20	317,124	(230,883)	86,241	302,151	(171,085)	131,066
Software (iv)	20	220,318	(91,072)	129,246	151,130	(64,374)	86,756
Exclusivity right (v)	10 to 25	172,493	(94,848)	77,645	171,993	(74,949)	97,044
Software under development (iv)	-	82,018	-	82,018	54.173	-	54,173
Trademarks and patents	-	7	-	7	7	-	7
Fair value of intangible assets - client relationship paid in the acquisition of investments							
Qualicorp Administradora de Benefícios S.A. (i)	10	382,374	(203,933)	178,441	382,374	(165,695)	216,679
Qualicorp Corretora de Seguros S.A. (i)	10	365,418	(194,889)	170,529	365,418	(158,348)	207,070
Salutar	10	53,316	(31,990)	21,326	53,315	(27,115)	26,200
Qualicorp Consultoria em Saúde Ltda. (i)	10	18,919	(10,090)	8,829	18,919	(8,198)	10,721
Aliança Adminstradora de Benefícios de Saúde S.A. (ii)	20	33,598	(22,959)	10,639	33,598	(16,239)	17,359
GA Corretora de Seguros, Consultoria, Adminstração e Serviços S.A. (ii)	20	5,929	(4,052)	1,877	5,929	(2,866)	3,063
Qualicorp Administração e Serviços Ltda. (i)	10	18,291	(9,755)	8,536	18,291	(7,926)	10,365
Grupo Padrão	20	13,393	(9,375)	4,018	13,393	(6,862)	6,531
Athon, Bruder SP e Bruder RJ	10	11,258	(5,700)	5,558	11,258	(8,119)	3,139
Connectmed-CRC (ii)		10,134	(2,871)	7,263	10,134	(845)	9,289
Software (ii)		7,758	(1,099)	6,659	7,759	(323)	7,436
Non-compete (ii)		39,428	(11,171)	28,257	39,428	(3,286)	36,142
Trademark (ii)		1,911	(677)	1,234	1,911	(199)	1,712
Total other intangible assets		**1,753,687**	**(925,364)**	**828,323**	**1,641,181**	**(716,429)**	**924,752**
Total		**3,377,910**	**(925,364)**	**2,452,546**	**3,262,483**	**(716,430)**	**2,546,055**

i) Amounts relating to corporate restructuring on March 31, 2011. For further details see notes 1.c) and 15 of the 2012 financial statements disclosed on March 27, 2013.

ii) See note 8.

iii) Rights and Obligations Assignment Agreements entered into in 2015 and 2014.

Caixa Beneficente da Polícia Militar do Distrito Federal ("CABE")

On September 24, 2014, the Company, through its direct subsidiaries Qualicorp Benefícios and Qualicorp Corretora, entered into an agreement with Benefícios Consultoria Empresarial e Gestão de Benefícios Ltda. ("CABE"), for the provision of group adhesion private healthcare plans sale services (medical and dental care plan), in addition to other supplementary healthcare services. The total amount of the transaction was R$400. The amortization period of this assignment of rights intangible assets is five years.

Divicom Administradora de Benefícios Ltda.

On September 1, 2014, the Company, through its indirect subsidiary Clube de Saúde, entered into a Rights and Obligations Assignment and Transfer Agreement with Divicom Administradora de Benefícios Ltda. related to the acquisition of 47,171 lives for a total amount of de R$16,365. Of this amount, R$12,277 was settled by the Company by December 31, 2014. At the end of the reporting period, the remaining lance payable is R$4,088. This agreement's amortization period is five years.

Dantas Dantas Consultoria de Benefícios Institucionais and Corretora de Seguros e Participações Ltda. EPP ("Dantas").

On March 31, 2015 the "Silent Partnership (SCP) Organization Agreement and Other Covenants" between indirect subsidiary GA Corretora and Dantas was terminated, with the resulting settlement and immediate liquidation of SCP, so that GA assumed the ownership of 100% of the results of the SCP's operations, canceling the obligation of distributing these results of operations among GA and Dantas, under the Agreement. To complete this termination, it was established R$15,500 to be paid by GA to Dantas.

On May 8, 2015, a partial payment of R$7,750 was made, and the payment of the remaining R$7,750 is contingent to the compliance with the full transition plan of the agreements transferred within no more than six months after the deal's close date. This amount will be amortized over the eight-year contractual period.

Vectorial Corretora de Seguros ("Vectorial")

On August 5, 2015, subsidiary Qualicorp Corretora and Vectorial entered into an assignment of rights and obligations agreement under which Qualicorp Corretora assumes the provision of benefits agency, brokerage, and consulting services to healthcare operators Unimed Norte Nordeste - Confederação das Sociedades Cooperativas de Trabalho Médico ("Unimed Norte Nordeste") and Central Operadora de Planos de Saúde Norte-Nordeste ("Central Norte Nordeste") for a five-year period, the same period over which the amount is being amortized.

Qualicorp Corretora paid R$4,500 to Vectorial for this transaction.

iv) Refers to expenses on the acquisition of software licenses and software already placed into operation.

Represented by expenses on the development of a new operating system acquired from a vendor. In 2015, with the completion and go-live of several system modules, the amount of R$51,489 (R$43,594 in 2014) was transferred to line item 'Software'.

v) Exclusivity rights enforced in 2015 and 2014.

COTACOM - Corretora de Seguros Ltda.

On February 14, 2014 an agreement was entered into between subsidiary Qualicorp Corretora and COTACOM - Corretora de Seguros Ltda. Subsidiary Qualicorp Corretora is responsible for paying R$3,218 to COTACOM - Corretora de Seguros Ltda. Additionally, R$1,285 were based on the sales volume, as provided for in the agreement. The agreement amount is being amortized over five years.

Golden Cross Assistência Internacional de Saúde Ltda.

On March 10, 2014 subsidiary Qualicorp Corretora and Golden Cross Assistência Internacional de Saúde Ltda. entered into an agreement that guarantees exclusivity in the sale of Golden Gross group adhesion healthcare plans. Subsidiary Qualicorp Corretora de Seguros S.A. is responsible for paying R$40,000 to Golden Cross Assistência Internacional de Saúde Ltda. The agreement amount is being amortized over five years, which corresponds to the contractual term.

Associação Nacional dos Servidores da Justiça do Trabalho - "ANAJUSTRA"

On March 31, 2015, an agreement was entered into among indirect subsidiary Aliança Administradora de Benefícios de Saúde S.A. ("Aliança") and Associação Nacional dos Servidores da Justiça do Trabalho ("Anajustra"), ensuring exclusivity for Aliança in the healthcare plan agreements over a period of eight years counted from the agreement execution date. The amount in consideration for the exclusivity was R$500 and will be amortized over the contractual term.

Changes in intangible assets are as follows:

	Consolidated
Balance at December 31, 2014	2,546,055
Additions:	
Software under development	79,335
Assignment of rights	20,000
Software	17,647
Exclusivity right	500
Goodwill (i)	2,920
Total additions	120,402
Amortization	(208,861)
Impairment losses (ii)	(4,331)
Write-offs	(719)
Balance at December 31, 2015	2,452,546

(i) Refers to the price adjustment based on the changes in the line items that affected the net debt known in 2015, related to the acquisition of the companies Connectmed-CRC and Gama Saúde.

(ii) During the second quarter of 2015 the Company detected the need to test Newport's portfolio for impairment recognized as the acquisition of receivables amounting to R$4,331.

18. Debentures

Number/Type

Issuer	Debentures	Number	Par value (unit)	TERM	Yield
Qualicorp Administradora de Benefícios S.A.	1st issue	56	1,000	10/25/2010 to 08/25/2018	100% of CDI + spread of 1.60% p.a.
Qualicorp Administradora de Benefícios S.A.	2nd issue	165	1,000	10/25/2010 to 08/25/2018	100% of CDI + spread of 1.60% p.a.
Qualicorp Corretora de Seguros S.A.	1st issue	36	1,000	10/25/2010 to 08/25/2018	100% of CDI + spread of 1.60% p.a.
Qualicorp Corretora de Seguros S.A.	2nd issue	143	1,000	10/25/2010 to 08/25/2018	100% of CDI + spread of 1.60% p.a.
Qualicorp Corretora de Seguros S.A. (ii)	3rd issue	31,100	10	12/15/2015 to 01/16/2017	100% of CDI + spread of 1.35% p.a.
Qualicorp S.A. (i)	1st issue	30,000	10	09/22/2014 to 01/16/2017	100% of CDI + spread of 1.35% p.a.

(i) Restructuring: On April 28, 2015 the general debentureholders' meeting approved the debenture restructuring to include the following changes: (a) change of the indenture term from 16 months to 28 months; and (b) change of the payment date of the single-issue portion from January 2016 to January 2017, payment of semiannual interest before full maturity.

Term and maturity: 28 months, with final maturity on January 16, 2017.

Amortization: the par value of the debentures will not be amortized and shall be fully repaid on the debentures' maturity date.

(ii) On December 15, 2015, direct subsidiary Qualicorp Corretora entered into the private indenture of the 3rd issue of simple, nonconvertible debentures. Unsecure debentures in single series, with with additional unsecured guarantee, approved at the ESM held on the same date.

The issue has the following characteristics:

The debenture indenture was executed on December 15, 2015 and the unit par value of the debentures was R$10,000.00, of which 31,100 debentures were issued, totaling R$311,000.

Term and maturity: 13 months, with final maturity on January 16, 2017.

Amortization: the par value of the debentures will not be amortized and shall be fully repaid on the debentures' maturity date.

Schedule of maturities and breakdown of the debt:

	Parent		Consolidated		
	12/31/2015	12/31/2014	12/31/2015	12/31/2014	Maturity date
Interest payable	12,205	10,207	25,880	20,017	
Interest receivable on debentures' proceeds (i)	-	-	(1,999)	-	January 19, 2016
Deferred financial intermediation cost on the issue/placement of debentures	(390)	-	(988)	-	
Current	11,815	10,207	22,893	20,017	
Deferred financial intermediation cost on the issue/placement of debentures	(33)	(237)	(1,028)	(2,004)	
Debentures - single installment (ii)	300,000	300,000	611,000	300,000	January 16, 2017
Proceeds receivable (i)	-	-	(311,000)	-	January 19, 2016
Debentures - 4th installment	-	-	100,000	100,000	August 25, 2017
Debentures - 5th installment	-	-	120,000	120,000	August 25, 2018
Noncurrent	299,967	299,763	518,972	517,996	
Total	311,782	309,970	541,865	538,013	

(i) Refers to the proceeds of the 3rd issue of Qualicorp Corretora debentures to be used in the early settlement of the Company's 1st issue debentures. These proceeds were disbursed by the financial institution on January 19, 2016. For details, see note 38. ii.

(ii) The Company's 1st issue debentures, amounting to R$314,378, were redeemed in advance, thus discontinuing this obligation on this date. The proceeds resources of Qualicorp Corretora's 3rd issue debentures were used for the early redemption. For details, see note 38.

The other information on debentures (individual and consolidated) did not incur significant changes compared to those disclosed in note 18 to the financial statements for the year ended December 31, 2014.

Changes in debentures

	Parent	Consolidated
Balance at the beginning of the period	309,970	538,013
Issuance of new debentures	-	311,000
Proceeds receivable	-	(311,000)
Funding costs	(1,406)	(1,830)
Recognition of expenses (funding costs)	1,221	1,819
Interest payment	(40,424)	(70,409)
Interest recognition (note 30)	42,421	76,271
Interest receivable of debentures' proceeds	-	(1,999)
Balance at the end of the period	311,782	541,865

19. Taxes and contributions payable

Broken down as follows:

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Tax on revenue (COFINS)	4,461	-	11,367	5,968
Service tax (ISS)	-	-	5,705	4,996
Withholding income tax (IRRF)	265	-	5,190	4,757
Social security contribution (INSS)	90	124	4,715	3,828
Tax on revenue (PIS)	997	-	2,987	1,087
Federal and municipal taxes in installments (*)	-	-	1,352	1,684
Severance Pay Fund (FGTS)	29	25	1,310	1,210
Corporate income tax (IRPJ)	-	281	881	14,239
Social contribution (CSLL)	-	-	540	6,360
Mandatory and voluntary union dues	-	-	13	14
Tax on financial transactions (IOF)	-	-	-	237
Withholding PIS, CSLL and COFINS	-	25	-	858
Total	5,842	455	34,060	45,238
Noncurrent:				
Federal and municipal taxes in installments	-	-	6,998	7,952
Grand total	5,842	455	41,058	53,190

(*) The Company filed an application to a federal tax installment plan (PIS, COFINS, IRRF, IRPJ and CSLL) in subsidiary Medlink, to refinance the entire federal tax debt outstanding on November 30, 2008. The Government confirmed the granting of the application on November 16, 2009.

Also, the Company submitted for the subdivision of the ISS before the municipalities of São Paulo and Rio de Janeiro, which they refinanced municipal tax debts where they were granted in November 2010 and May 2011 and was approved in 60 months, adjusted monthly by the IPCA.

The subsidiary Connectmed-CRC filed an application to a federal tax installment plan (PIS, COFINS, IRRF, IRPJ and CSLL) to refinance its entire federal tax debt outstanding for the period from 2006 to October 2008. These were duly consolidated in July 2011 by the Brazilian Federal Revenue Service.

20. Premiums to be transferred

Broken down as follows:

	Consolidated	
	12/31/2015	12/31/2014
Premiums to be transferred - with risk of default (i)	110,015	118,113
Premiums to be transferred - without risk of default (ii)	-	2,452
Total premiums to be transferred	110,015	120,565

i) Refers to healthcare plan invoices to be paid to the insurance/healthcare companies on the maturity date of the invoices, regardless of receipt by beneficiaries, which were substantially paid through January 31, 2016 for amounts at December 31, 2015 and through January 31, 2015 for amounts at December 31, 2014.

ii) Refer to healthcare plan invoices to be paid to the healthcare companies when the respective receivables are received from customers.

21. Payroll and related taxes

Broken down as follows:

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Profit sharing program (PPR) (i)	4,626	3,348	37,890	43,073
Accrued vacation pay and charges	676	255	19,145	18,104
Payroll payable	105	105	5,156	5,644
Other	-	-	437	174
	5,407	3,708	62,628	66,995

(i) Refers to the accrual for profit sharing based on the Company's policies. For 2015, the amount will be substantially paid by March 31, 2016.

22. Transferable prepayments

	Consolidated	
	12/31/2015	12/31/2014
Insurance premiums and collection processing agreements (i)	67,838	71,107
Prepaid management fees (ii)	4,012	5,735
Prepaid financial transfers (iii)	1,024	1,533
Prepaid commissions to be transferred	-	69
Total	72,874	78,444

i) Refer to prepayments related to collections of beneficiaries of healthcare plans and insurance agreements. The amount collected is transferred to healthcare operators and insurers upon maturity of the related invoices. The amounts were substantially transferred to the healthcare operators and insurers through January 31, 2016 for amounts at December 31, 2015 and through January 31, 2015 for amounts at December 31, 2014.

ii) Refers to the management fee received in advance from beneficiaries and recognized as revenue for the accrual month.

iii) Refers to financial transfers due to trade associations. The amounts received in advance are transferred as established by the agreements, when applicable. The amounts were substantially transferred to the trade associations through January 31, 2015 for amounts at December 31, 2015 and through January 31, 2015 for the amounts at December 31, 2014.

23. Other payables

Broken down as follows:

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014 (Restated)
Current:				
Amounts identifiable - healthcare/insurance companies (i)	-	-	21,509	8,260
Purchase of intangible assets payable	-	-	16,236	13,376
Non-compete agreement (ii)	5,969	10,011	5,967	10,011
Commissions payable (iv)	-	-	5,681	1,200
Sundry suppliers	36	-	5,325	7,999
Other amounts	1,149	314	2,890	8,504
Demapo (iii)	-	-	3,766	4,266
IT services payable	-	-	2,747	-
Outstanding credits to be returned	-	-	2,082	3,458
Rentals payable	1,364	1,391	4,061	1,600
Purchase of property, plant and equipment payable	-	-	1,064	1,287
Sales material payable	-	-	1,037	529
Advances from customers	-	-	1,770	4,282
Consulting and auditing payable	208	-	827	9,256
Unidentified deposits (v)	2	-	704	960
Publicity and advertising payable	-	-	376	-
Membership fee transferable	-	-	244	555
Total current	8,726	11,716	76,286	75,543
Noncurrent:				
Non-compete agreement (ii)	9,775	13,881	9,775	13,881
Purchase of intangible assets payable	-	-	-	106
Total noncurrent	9,775	13,881	9,775	13,987
Grand total	18,501	25,597	86,061	89,530

i) Refers mainly to a timing difference between the listing of beneficiaries in the Company's system/internal control and the detailed listing of beneficiaries included in the paid and/or payable bills of health and dental plan operators/insurers, which is regularized in subsequent periods, after changes sent by the Company are processed.

ii) For the balances at December 31, 2015, R$5,969 in current liabilities and R$9,775 in noncurrent liabilities refer to the acquisition of Gama Saúde and Connectmed-CRC (for details see note 8.2.). The table below shows the breakdown of the balance.

Opening balance - non-compete agreement payable (*)	32,645
Non-compete agreement - 1st installment paid	(6,529)
Non-compete agreement - 2nd installment paid	(6,529)
Outstanding balance payable	19,587
(-) Non-compete agreement - present value adjustment	(3,813)
Balance of liabilities at December 31, 2015	15,774

(*) The amount at present value attributed at the date of acquisition to this obligation was R$25,427, based on the final business valuation report and the purchase price allocation (PPA) study. (See note 8.2.)

iii) Refers to the balances of subsidiary Gama Saúde, related to the dismissed and retired employees that opted for the continuity of the Healthcare plan, assuming the payment of the monthly fee. Regulatory Resolution 279 ensures the dismissed and retired employees the maintenance of the corporate healthcare plan with the same coverage they enjoyed during the employment contract.

iv) At December 31, 2015, refers basically to the balance payable to outside brokers from sales made and corresponding amounts already received from beneficiaries.

v) As at December 31, 2015, refer basically to the unidentified deposit amounts made by healthcare beneficiaries that could not be offset against 'Outstanding credits to be returned'. As the beneficiaries are identified, the amounts are reversed from this line item.

24. Provisions for tax, civil and labor risks

During the normal course of business, the Company and its subsidiaries have tax, labor, social security and civil contingencies for which, based on the opinion of their in-house and outside legal counsel and Management estimates, provision for risks was recognized, as follows:

	Consolidated	
	12/31/2015	12/31/2014
Civil (ii)	26,318	17,367
Tax (i)	23,233	18,226
Labor and social security (iii)	12,385	14,058
Total	61,936	49,651

Description of the main lawsuits and/or risks:

i) Refer primarily to the provisions recognized to cover possible exposure related to tax matters for which there are no lawsuits or other challenges filed amounting to R$23,233 (R$18,226 in 2014) and, for lawsuits actually filed, the amount of R$8 was recognized.

No provisions were recognized for the risks whose likelihood of loss is considered as possible, totaling R$28,309 (R$31,917 in 2014).

ii) The Company and its subsidiaries are defendants in ongoing civil lawsuits, with R$26,318 (R$17,367 in 2014) considered as a probable loss, for which a provision for risks was recognized, and R$68,064 (R$46,558 in 2014) considered as a possible loss, for which no provisions were recognized. The main lawsuits address the following matters: (i) requirement of coverage for medical procedures not included in the group health plan adhesion contract or in the list of procedures of the National Supplementary Healthcare Agency (ANS), whose responsibility is solely and exclusively incumbent upon health plan operators, pursuant to the prevailing legislation; (ii) questioning of the application of a price increase in the health plan's price as a result of the individual's ageing; (iii) requests for the reactivation of health plans canceled due to the lack of payment of monthly fees are being discussed at the administrative and/or judicial levels; and (iv) civil action to collect commissions provided for in the underlying commercial agreements.

iii) The Company and its subsidiaries are defendants in labor and social security administrative and/or judicial levels that involve mainly: (i) the payment of the variation in the percentage of commissions to internal consultants; and (ii) the additional payment for the double role exercised by call center operators who provided services to the Company and its subsidiaries and who were dismissed at the moment these services began to be provided by outside companies. The provision for contingencies recognized for potential losses arising from said labor lawsuits totaled R$6,061 (R$3,671 in 2014).

Provisions were also recognized to cover potential risks arising from the procedures adopted by the Company, for which there are no judicial lawsuits or other questionings filed, totaling R$6,324 (R$10,387 in 2014).

No provisions were recognized for the risks whose likelihood of loss was considered as possible, totaling R$37,778 (R$25,218 in 2014).

Changes in these provisions during the year were as follows:

	12/31/2014	Additions	Write-offs/ reversals	Changes in the provisions for reimbursable risks	12/31/2015
Civil (ii)	17,367	13,301	(4,128)	(222)	26,318
Tax (i)	18,226	9,294	(3,992)	(295)	23,233
Labor and social security	14,058	5,741	(6,315)	(1,099)	12,385
Total	49,651	28,336	(14,435)	(1,616)	61,936

(i) Of this balance, R$8,411 related to the injunction granted to some Company subsidiary brokers to pay COFINS at the rate of 3% and not 4%, where the difference is accounted for as provision for tax risks, as a balancing item to 'Net operating revenue', in profit or loss.

(ii) The additions refer basically to changes in likelihood classification of lawsuits from possible to probable due to the change in estimate and also the increase in administrative contingencies.

25. Equity

Issued capital

On January 5, 2015, a capital payment of R$1,864 was made in connection with the early exercise of stock options granted under the stock option plan, with the issuance of 87,500 new registered common shares without par value, as approved by the Board of Directors' meeting held on July 7, 2014.

The Board of Directors' meeting held on February 25, 2015 approved an increase in the Company's capital by R$4,198, paid in due to the early exercise of stock options granted under the stock option plan, with the issuance of 250,000 new registered common shares, respectively, without par value. This balance was fully paid in on May 7, 2016.

The Board of Directors' meeting held on April 7, 2015 approved an increase in the Company's capital by R$4,602, paid in due to the early exercise of stock options granted under the stock option plan, with the issuance of 250,000 new registered common shares without par value. This balance was fully paid in on May 6, 2016.

The Board of Directors' meeting held on April 29, 2015 approved an increase in the Company's capital by R$7,594, under Article 5, 2, of the Companý s bylaws through the exercise of stock options granted under the stock option plan, with the issuance of 412,500 new common shares without par value. This balance was fully paid in up to July 31, 2015.

On May 6, 2015, a capital payment of R$4,198 was made in connection with the early exercise of stock options granted under the stock option plan, with the issuance of 250,000 new registered common shares without par value, as approved by the Board of Directors' meeting held on September 8, 2014.

The Extraordinary Shareholders' Meeting held on August 17, 2015 approved a capital reduction of R$400,000, without a cancellation of shares, thus maintaining the percentage interests held by shareholders in the Company's share capital unchanged. With this change the Company's share capital decreased to R$1,605,453, still represented by 274,325,088 common shares. After the statutory 60-day period for opposition of creditors, as provided for by Article 174 of Law 6404/76, the reduced capital was distributed to the elective shareholders on October 19, 2015, as reported in note 1.b), effective on October 29, 2015.

As at December 31, 2015, capital is R$1,605,453 (R$1,989,059 at December 31, 2014), represented by 274,325,088 registered common shares without par value (273,412,588 registered common shares without par value at December 31, 2014).

Under the bylaws, the Company is authorized to increase its share capital regardless of any amendment to the bylaws, upon a decision and in compliance with conditions of issuance to the fixed by the Board of Directors, up to the limit of 350,000,000 new ordinary shares.

Share capital is held as follows:

	Common shares	
Shareholder	12/31/2015	12/31/2014
José Seripieri Filho	403,401	1
L2 Participações Fundo de Investimento	55,563,286	55,563,286
Free float (i)	216,043,137	217,849,300
Treasury shares (ii)	2,315,263	-
Other shareholders	1	1
Total	274,325,088	273,412,588

Changes in common shares in the period were as follows:

Number of common shares at December 31, 2014	273,412,588
Capital increase on February 25, 2015	250,000
Capital increase on April 7, 2015	250,000
Capital increase on April 29, 2015	412,500
Number of common shares at December 31, 2015	274,325,088

(i) Refers to shares traded on the stock exchange (BM&FBOVESPA).

(ii) At the meeting held on May 31, 2015, the Board of Directors approved the Company's share repurchase program. The shares buyback program was scheduled to end on May 31, 2016 and allowed the repurchase of a maximum number of 2,105,263 shares. This first program was discontinued on August 24, 2015, and on this date 2,023,463 shares were repurchased.

On August 24, 2015, the second shares repurchase program was approved, ending August 23, 2016, and the maximum number that can be bought back is 3,700,000.

The purpose of the Company's shares acquired under this repurchase program is to value for its shareholders and can be subsequently cancelled, sold, and/or used to meet the exercise stock options granted by the Company.

The Company treasury shares is as follows:

	Treasury shares	
	Number of shares	Amount
Balance at December 31, 2014	-	-
Shares bought in the period (1st program)	2,023,463	43,164
Shares bought in the period (2nd program)	291,800	4,057
Balance at December 31, 2015	2,315,263	47,221

Share price				
Minimum	Maximum	Weighted average price	Latest quotation (12/31/2015)	Market value at 12/31/2015
13.82	21.86	20.38	14.13	32,715

Shareholders' compensation

Pursuant to the Company's bylaws, the minimum mandatory dividends are 25% of profit for the year, adjusted as prescribed by the Brazilian Corporate Law.

On March 18, 2015, the Company's management proposed the payment of additional dividends, amounting to R$87,237 (R$0.3180059 per share) based on the 2014 profit, which was approved by the Annual Shareholders' Meeting held on April 30, 2015. Such dividends were allocated to line item 'Additional dividends proposed', as provided for by CVM Resolution 601/09. These dividends were paid in May 2015.

On March 21, 2016, the Company's management proposed the distribution of all the profit for the year, after the allocation of the legal reserve and mandatory minimum dividends amounting to R$161,827 based on the profit for 2015 and R$3,640 related to the retention of the profit for the year de 2014, totaling R$165,467, to be ratified by the Annual Shareholders' Meeting to be held on April 29, 2016, which was allocated to line item 'Proposed Additional Dividends', as provided for by CVM Resolution 601/09.

Legal reserve, profit distribution, and other earnings reserves

The mandatory minimum dividend is 25% of the Company's profit determined in accordance with accounting practices adopted in Brazil and adjusted, where applicable, after the allocation of: (a) 5% of profit to be annually allocated to the legal reserve until this reserve reaches 20% of paid-in capital, while this allocation is not mandatory when the balance of this reserve, plus any other capital reserve addressed by Article 182, Par. 1, of the Brazilian Corporate Law, exceeds 30% of share capital; (b) unrealized earnings reserve; or (c) reserve for contingency.

The Company recognized mandatory dividends payable of R$53,942 in 2015.

Indirect subsidiaries Aliança and GA Corretora paid dividends to noncontrolling shareholders in the amount of R$12,026 and to controlling shareholders in the amount of R$34,067 (Qualicorp Benefícios and Qualicorp Corretora, respectively), both the Company's direct subsidiaries. The amounts were paid based on the ownership interest held by shareholders, of which 25% to noncontrolling shareholders and 75% to controlling shareholders (previously 40% and 60%, respectively, as explained in note 8.1).

The Company shall prepare quarterly balance sheets, as required by the Brazilian Corporate Law and applicable CVM instructions, and, at the Board of Directors' discretion, may also prepare semiannual, quarterly or shorter balance sheets and: (a) declare dividends, including mid-period or dividends, and (b) pay interest on capital based on line items 'Profits earned' or 'Profits earned reserve' in these balance sheets.

Capital reserve

As reported in note 8.2, on August 13, 2015 the Company issued a subscription warrant totaling 2,994,367 common shares and amounting to R$79,920, held by Tempo Participações S.A., related to the acquisition of Connectmed-CRC and Gama Saúde. The subscription warrant was cancelled on September 8, 2015 and thus, instead of delivering common shares, the Company paid R$47,500, booked as balancing item to capital reserve line item 'CRC-Gama subscription warrant', and maintained the R$32,420 difference between the issue and cancellation as the capital reserve balance.

26. Stock option plan

Qualicorp Group offers a stock option plan. Managers, employees and service providers are eligible to this plan. The Plan is managed by the Board of Directors, which has the power to take the required actions for its maintenance, according to the approved guidelines.

The total shares allocated to the plan cannot exceed 8% of total Company shares, equivalent to 21,871,007 shares as of December 31, 2015 (21,873,007 shares as of December 31, 2014), which can be exercised through the issue of new capital shares or via the sale of treasury shares.

Up to December 31, 2015, expenses on the grant of stock options by the Company and/or its subsidiaries totaling R$27,733 (R$36,567 in 2014) have been recognized.

In 2015, the stock option plan estimate was revisited, including the assumptions, the history, and distribution planning of the Company's dividends.

Up to December 31, 2015, the movements in stock options granted in the year are as follows:

Grant date	Weighted average strike price	Estimated average weighted volatility of share price	Expected share dividend yield	Fair value on grant date	Risk-free return rate	Abandonment rate	Validity date	Number of options	Exercised	Forfeited	Balance
03/03/2011	7.21	42.91%	0.03%	4.12	11.89%	0%	03/03/16	3,848,182	(3,028,993)	(819,189)	-
05/31/2011	9.52	43.67%	0.03%	3.84	11.67%	0%	05/31/16	33,475	-	(33,475)	-
04/30/2012	16.58	39.54%	0.00%	4.91	3.07%	5%	04/30/17	1,352,663	(1,033,474)	(285,714)	33,475
10/22/2012	19.20	37.67%	0.00%	4.37	2.34%	35.67%	10/22/17	142,857	(142. 857)	-	-
10/30/2012	2.80	37.55%	0.00%	16.87	3.12%	0%	10/22/17	1,172,543	(1,172,543)	-	-
11/16/2012	21.30	36.99%	0.00%	4.40	2.34%	35.67%	11/16/17	350,000	(87,500)	(262,500)	-
10/31/2013	16.79	33.71%	2.37%	8.63	4.51%	23.70%	10/31/17	10,333,000	(2,187,500)	(2,550,000)	5,595,500
02/18/2014	16.79	32.81%	0.00%	7.65	5.27%	23.70%	02/18/17	200,000	(50,000)	(150,000)	-
03/07/2014	18.41	32.64%	2.37%	7.83	5.19%	23.70%	03/31/18	1,650,000	(662,500)	(906,250)	81,250
06/13/2014	20.00	33.00%	2.37%	9.72	5.17%	23.70%	06/13/18	6,680,000	-	-	6,680,000
08/212/014	26.39	32.70%	2.37%	8.80	5.07%	23.70%	08/12/18	650,000	-	(200,000)	450,000
11/04/2014	25.80	32, 01%	2.37%	8.23	5.45%	23.70%	11/04/18	4,000,000	-	-	4,000,000
12/16/2015	15.95	33.32%	2.37%	3.55	7.05%	23.70%	12/16/19	750,000	-	-	750,000
Total	20.28							31,162,720	(8,365,367)	(5,207,128)	17,590,225

The weighted average contractual vesting period is 879 days.

The other information relating to the stock option plan did not change in relation to those disclosed in note 28 to the financial statements for the year ended December 31, 2014.

27 . Cost of services

Broken down as follows:

	Consolidated	
	Year to date 12/31/2015	Year to date 12/31/2014
Financial transfers from adhesion contracts (i)	158,736	141,491
Personnel costs and management compensation (ii)	152,493	105,208
Outside services (iii)	84,117	79,851
Occupancy expenses	16,973	13,201
Reimbursement of membership and monthly fees (iv)	9,993	9,101
Mailing expenses	7,496	8,575
Office supplies	2,182	2,461
Cost of other services	23,811	20,118
Total	455,801	380,006

i) Refer to the costs related to the financial transfers incurred on the special agreements entered into with professional organizations for the stipulation and sale of group adhesion plans.

ii) The increase in 2015 refers significantly to the inclusion of the personnel expenses of Connectmed-CRC and Gama Saúde in the consolidation of results for operations beginning August 2014.

iii) Refers significantly to expenses relating to call center, support, and maintenance services provided by information technology (IT) service providers.

iv) Refers to the reimbursement of monthly fees related to annual contributions owed by beneficiaries and paid by Qualicorp Administração e Serviços Ltda. and Qualicorp Benefícios to trade associations, unions and professional associations to which the beneficiaries are affiliated.

28. Administrative expenses

Broken down as follows:

	Parent		Consolidated	
	Year to date 12/31/2015	Year to date 12/31/2014	Year to date 12/31/2015	Year to date 12/31/2014
Depreciation and amortization	-	-	221,852	208,120
Personnel costs and management compensation (i)	18,491	12,291	121,617	132,634
Outside services (ii)	6,547	10,700	70,090	94,762
Occupancy expenses	3,950	1,474	14,882	12,698
Mailing expenses	-	-	3,848	2,507
Office supplies	-	-	1,670	2,297
Contributions and donations	-	-	108	8,050
Other administrative expenses (iii)	1,951	2,376	38,128	23,428
Total	30,939	26,841	472,195	484,496

i) Decrease due to the revision made in the profit sharing estimate, payroll decrease, decrease in the number of executives, and change in the stock option tranche.

ii) In the third quarter of 2014 the Company incurred nonrecurring expenses totaling R$6,309 in consulting and lawyers' fees to assist in business acquisitions.

iii) Increase related basically to unfavorable court sentences. Beginning 2015, the Company started to enter into on-line settlements of civil actions.

29. Selling expenses

Broken down as follows:

	Consolidated	
	Year to date 12/31/2015	Year to date 12/31/2014
Third parties´ commission (i)	118,129	85,765
Personnel expenses	72,729	61,807
Sales campaigns	53,249	38,826
Publicity and advertising (ii)	33,255	39,578
Outside services	12,699	10,734
Sponsorships (iii)	11,226	10,435
Other selling expenses	12,268	30,920
Office supplies	9,599	8,170
Occupancy expenses	7,342	6,111
Mailing expenses	1,850	2,064
Total	332,346	294,410

i) Refers basically to variable compensation due to the distribution channel (insurance brokers). Such compensation is calculated according to the volume of sales made in a certain period.

ii) Refer to expenses on institutional placements, as well as all expenses with publicity, marketing, TV and other expenses of this nature.

iii) Sponsorships are expenses incurred for the promotion of Qualicorp Group brands at events organized by clients or entities, or in specific brand exposure situations.

30. Finance income (costs)

Broken down as follows:

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Finance income:				
Income from short-term investments	1,148	2,379	81,545	34,891
Interest and fine on late payment of health care plan and insurance agreements, managed by the Company, resulting from agreements with default risk (i)	-	-	45,980	38,352
Recoverable taxes adjusted for inflation	332	335	3,608	3,394
Interest	-	-	3,659	3,885
Inflation adjustment arising from the change of PIS and COFINS regime (see note 31)	-	-	890	4,563
Reversal inflation adjustment to amounts payable for the acquisition of the stake in subsidiaries	693	-	837	353
Other income	6	82	1,681	1,816
Total finance income	2,179	2,796	138,200	87,254

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Finance costs:				
Inflation adjustment on debentures (note 18)	(42,421)	(10,207)	(76,271)	(37,162)
Discounts granted	-	-	(16,849)	(8,439)
Inflation adjustment to amounts payable for the acquisition of the stake in subsidiaries	(3,619)	-	(29,692)	(139,411)
Collection fee	-	-	(24,228)	(23,526)
PIS and COFINS on interest on capital	(5,154)	-	(5,154)	-
Tax on financial transactions (IOF)	(69)	(75)	(693)	(1,329)
Interest and fines on taxes	(288)	(1)	(1,533)	(4,395)
Bank fees	(4)	(7)	(1,532)	(1,813)
Registry office costs	-	-	-	(112)
Other finance costs	(2)	(719)	(3,412)	(4,641)
Total finance costs	(51,557)	(11,008)	(159,364)	(220,828)
Finance income (costs)	(49,378)	(8,212)	(21,164)	(133,574)

i. Refer to the interest and fines paid by subsidiaries Qualicorp Administração and Qualicorp Benefícios on management and stipulation transactions of group adhesion benefits and complementary products. These amounts are received by the beneficiaries who settle their fees after maturity date.

31. Other operating income (expenses), net

Broken down as follows:

	Parent		Consolidated	
	12/31/2015	12/31/2014	12/31/2015	12/31/2014
Sale of Potencial (note 1 c)	45,672	-	45,672	-
(Recognition) reversal of expenses related to the provision for tax, civil and labor risks	(15)	11	(6,783)	12,742
Recognition of tax credits for offset - PIS/COFINS (*)	-	-	-	120,163
Operating gains (losses)	-	-	7,640	31,076
PIS and COFINS on other income	(9)	-	(463)	-
Impairment	-	-	(7,705)	(1,671)
Other (expenses) income, net	3	-	13,138	(7,402)
Total	45,651	11	51,499	154,908

(*) Refers to the change of PIS and COFINS taxation regime as described below:

Article 21 of Law 12995, enacted on June 18, 2014, classifies benefit managers as payers of PIS and COFINS under the cumulative regime, applicable to the Company.

Beginning June 2014, the Company changed the procedure to this taxation system and started to pay PIS at the rate of 0.65% and COFINS at the rate of 4%. Previously, PIS and COFINS were paid under the noncumulative system, at the rates of 1.65% and 7.6%, respectively.

The Company, together with its legal counsel, assessed this law and concluded that it also applies to prior periods, from January 2010 to May 2014, which generated tax credits, recognized as follows:

Line item	Amount	Origin
Net revenue	14,840	Reversal of PIS/COFINS expenses on revenue for January-May 2014
Other operating income	120,163	PIS/COFINS tax credits for January 2010-December 2013
Finance income	4,563	Inflation adjustment to the PIS/COFINS tax credits
Total	139,566	

The table below shows the changes in this tax credits in subsidiary Qualicorp Benefícios:

Opening balance at January 1, 2015 (i)	45,555
(+) Recognition	-
(+) Inflation adjustment	890
(-) Offsets	(46,445)
Closing balance at 12/31/2015 (ii)	-

(i) As at December 31, 2014, in Qualicorp Benefícios, this balance consists of R$36,089 of COFINS and R$9,466 of PIS.

(ii) As at December 31, 2015 the balance of this tax credit was fully offset.

32. *Income tax and social contribution*

Tax expenses are broken down as follows:

	Parent		Consolidated	
	Year to date 12/31/2015	Year to date 12/31/2014	Year to date 12/31/2015	Year to date 12/31/2014
Profit (loss) before income tax (IRPJ) and social contribution (CSLL)	242,461	126,394	400,783	278,336
Equity in subsidiaries	(277,127)	(161,458)	-	-
Subtotal	(34,666)	(35,064)	400,783	278,336
Income tax and social contribution at statutory rate	34%	34%	34%	34%
Expected income tax and social contribution expense at statutory rate	11,786	11,922	(136,266)	(94,634)
Tax loss without recognition of tax credit (*)	(7,830)	(9,663)	(21,788)	(18,822)
Stock options granted	-	-	-	(12,433)
Losses on uncollectible receivables	-	-	(8,086)	(5,892)
Expenses for companies under the deemed income regime	-	-	4,228	5,377
Nondeductible expenses - other	-	(1,369)	(1,988)	(8,293)
(Recognition)/reversal, net of temporary additions without recognition of tax credits	(368)	(1,206)	1,692	(4,011)
Tax incentive	-	-	2,267	2,298
Interest on capital	(18,944)	-	-	-
Other	20	-	18	518
Total income tax and social contribution expenses	(15,336)	(316)	(159,923)	(135,892)
Effective income tax and social contribution rate (%)	72.84%	(0.90%)	39.90%	48,82%

(*) As mentioned in note 13, basically refers to the fact that the Company and some of its direct and indirect subsidiaries have tax loss carryforwards for which no deferred tax credits were recognized because to date they had not been in a position to generate taxable income that would allow them to recognize tax credits.

33. Insurance

The Company and its subsidiaries have insurance coverage for their assets against potential losses that is deemed sufficient by Management, as follows:

Items	Type of coverage	Insured amount
Buildings, facilities, machinery, furniture, and fixtures	Any damages to buildings and loss of profits due to fire, facilities, machinery and equipment, civil liability from operations and of employer.	193,387
D&O (after IPO)	Coverage of liabilities of officers and directors (D&O)	170,000
Civil liability of directors and officers	Directors and officers civil liability (D&O) and errors and omissions (E&O)	97,702
Construction warranty	Non-structural warranty of construction - new Qualicorp head office	16,692
Insurance against administrative proceedings	Insurance covering losses in administrative proceedings filed by government authorities	2,577

34. Segment reporting

a) Description of the services accounting for the revenues from each reportable segment

The Company, through its subsidiaries, has only one reportable segment, the Affinity segment, and operates in this segment and operates in this segment as a benefit manager through its subsidiaries Qualicorp Benefícios, Clube de Saúde, Aliança, GA Corretora, Potencial (up to May 31, 2015), Qualicorp Administração e Serviços Ltda. ("Qualicorp Administração"), and through the brokerage business of subsidiaries Qualicorp Corretora de Seguros S.A. ("Broker") and GA Corretora.

The benefit management companies are responsible for managing group adhesion benefits related to health and/or dental care private plans, and the main activities developed are: (a) gathering contracting legal entities; (b) contracting of a group health care private plan, as policyholder; (c) offer of plans to the associates of contracting legal entities; (d) technical support for the discussion of operating matters; (e) support to the human resources area in the management of plan benefits; (f) outsourcing of administrative services; (g) changes to master files; (h) checking of trade notes; (i) collection of the beneficiary by delegation; and (j) market prospection consulting, suggest plan design and management model.

The Brokers, in turn, are responsible for distributing (sale) of group adhesion plans, and the main activities developed are: (a) identification of the target public, the associates of entities and/or people eligible to association; (b) definition of a marketing strategy and distribution model; (c) offer of collective adhesion plans to potential clients through own distribution channel or network of other accredited insurance broker companies.

b) Measurement of earnings, assets and liabilities per operating segment

The accounting policies and practices of the Affinity segment are the same as described in note 3. The Company assesses the performance of the reportable segment based on income before interest, finance income (costs), depreciation, amortization, and provisions for income tax and social contribution. The provisions for tax, civil and labor risks have not been included in profit or loss per segment. Shared administrative expenses are not allocated.

c) Factors used by Management to identify the segment

The Affinity segment is the business unit that accounts for 91.14% of the Company and its subsidiaries' net operating revenue. This unit is separately managed within the management model used by the Company's managers.

The Affinity segment uses most of the operating and financial resources of the Qualicorp Group, for example, changes in the healthcare operator/insurer master files of the beneficiaries, billing and collection of benefits, write-off of receipts and amounts transferred to professional associations.

All direct revenues and expenses of segments are identified in the ERP - RM System, whose cost center structure is directed solely towards the identification of segments and other unallocated shared expenses.

d) Gross and net revenue by type of service

	Consolidated	
	Year to date 12/31/2015	Year to date 12/31/2014
Management fee	959,547	813,200
Brokerage	600,290	545,942
Agency services	138,770	96,805
Financial transfers from stipulation of contracts	112,680	108,398
Benefit management consulting	46,472	52,208
Connectivity services	41,073	20,422
Provision of medical services in general	2,589	4,663
Total gross operating revenue	1,901,421	1,641,638
Deductions from gross operating revenue:		
Taxes on revenue	(170,119)	(147,814)
Returns and cancellations	(1,143)	(810)
Total deductions from gross operating revenue	(171,262)	(148,624)
Net operating revenue	1,730,159	1,493,014

e) Information on earnings, assets and liabilities of the reportable segment

The table below shows the breakdown of items related to the reportable segment; unallocated expenses and/or revenues are presented in item "f" below:

Consolidated	12/31/2015			12/31/2014		
	Affinity segment	Other segments	Total	Affinity segment	Other segments	Total
Net revenue	1,576,872	153,287	1,730,159	1,365,725	127,289	1,493,014
Cost of services	(337,470)	(118,331)	(455,801)	(306,828)	(73,178)	(380,006)
Operating income (expenses)	(298,497)	(20,806)	(319,303)	(143,551)	(13,506)	(157,057)
Selling expenses	(305,940)	(16,475)	(322,415)	(254,168)	(13,709)	(267,877)
Reversal of (losses on) uncollectible receivables	(99,369)	-	(99,369)	(77,303)	203	(77,100)
Allowance for impairment	-	(4,331)	(4,331)	(1,671)	-	(1,671)
Other operating income, net	106,812	-	106,812	189,59	-	189,591
Profit before unallocated expenses	940,905	14,150	955,055	915,346	40,605	955,951

Information on earnings, assets and liabilities of segments that are not reportable (other segments) are attributable to five business units, which separately do not represent more than 10% of the Company's revenue:

- Corporate segment: all activities related to the insurance broker or plan intermediation, as well as advice on benefits to large business clients or small and medium-sized businesses (SMEs).
- Health Management Segment: focus on preventive medicine and patient management activities.
- TPA Segment: focuses on prior release activities and regulation of medical events, management of network medical providers.
- Segment Connectivity: includes the activities of processing medical information.
- Mass Market Segment: focuses on marketing activities of all products not related to health plans.

f) Reconciliation of revenue, earnings, assets and liabilities

	Consolidated	
	12/31/2015	12/31/2014
Unallocated items:		
Administrative expenses	(472,195)	(484,496)
Finance income (costs)	(67,144)	(171,926)
Provision for risks	(6,783)	12,742
Selling expenses	(9,930)	(26,533)
Other (expenses) revenues	1,780	(7,402)
Total	(554,272)	(677,615)
Profit before income tax and social contribution	400,783	278,336
(-) Income tax and social contribution	(159,923)	(135,892)
Non-controlling interest	(13,735)	(16,366)
Profit attributable to owners of the Company	227,125	126,078

	12/31/2015	12/31/2014
Assets:		
Total reportable segment	2,153,327	2,289,754
Other segments	277,112	335,680
Unallocated items	1,003,993	1,162,322
Total	3,434,432	3,787,756

	12/31/2015	12/31/2014
Liabilities:		
Total reportable segment	1,062,205	979,679
Other segments	40,484	62,545
Unallocated items	2,331,743	2,745,532
Total	3,434,432	3,787,756

g) Geographical information of the reported segment

The Company and its subsidiaries conduct their activities in the domestic market and the distribution of the Affinity Segment revenue by State is as follows:

Segmentation per State (consolidated)	12/31/2015	12/31/2014
SP	1,020,361	853,602
RJ	297,588	279,076
Federal District	168,695	158,346
BA	73,653	69,249
MG	28,443	22,288
PE	27,938	18,552
Other	116,099	100,848
Total Affinity segment	1,732,777	1,501,960
Total other segments	168,644	139,678
Total gross operating revenue	1,901,421	1,641,638

Information on major clients

For the period ended December 31, 2015, the major clients in the Affinity segment originated revenues of R$146,634, R$119,807 and R$107,628, which account for 8.46%, 6.91% and 6.21% of the segment revenue and 7.71%, 6.30% and 5.66% of the consolidated revenue.

35. Expenses by nature

Breakdown of the consolidated statement of profit or loss of by nature:

	Consolidated	
	Year to date 12/31/2015	Year to date 12/31/2014
Personnel costs and management compensation	346,839	299,649
Depreciation and amortization	221,852	299,649
Outside services	166,906	185,347
Financial transfers from adhesion contracts	158,736	141,491
Third parties´ commission	118,129	85,765
Sales campaign	53,249	38,826
Occupancy expenses	39,197	32,010
Publicity and advertising	33,255	39,578
Office supplies	13,451	12,928
Mailing expenses	13,193	13,146
Sponsorships	11,226	10,435
Reimbursement of membership and monthly fees	9,993	9,101
Contributions and donations	108	8,050
Other administrative expenses	38,128	23,428
Other services provided	23,811	20,118
Other selling expenses	12,269	30,920
Total	1,260,342	1,158,912

	Consolidated	
	Year to date 12/31/2015	Year to date 12/31/2014
As per income statement:		
Administrative expenses	472,195	484,496
Cost of services	455,801	380,006
Selling expenses	332,346	294,410
Total	1,260,342	1,158,912

36. Commitments

As at December 31, 2015, the Company has the following material commitments:

a) Office lease agreements: the commitments already assumed amount to R$24,053 for FY 2016, R$23,270 for FY 2017, and R$22,463 for FY 2018 (unaudited).

Expenses incurred in 2015 from these agreements totaled R$24,096 (R$35,021 in 2014).

These agreements are basically represented by two individual agreements, as follows:

- An agreement entered into for a ten-year period, beginning August 1, 2013 and ending July 1, 2023, providing for monthly lease payments of R$1,321 and to be adjusted annually using the accumulated IGP-M (General Market Price Index) variance.

- An agreement entered into for a five-year period, beginning August 1, 2015 and ending July 1, 2020, providing for monthly lease payments of R$294 and to be adjusted annually using the accumulated IGPM variance.

b) Budgeted plans for the purchase of intangible assets (software under development) total R$50,000 for FY 2016, R$50,000 for FY 2017, and R$50,000 for FY 2018 (unaudited).

c) Commitments for the provision of call center services already assumed totaling approximately R$47,862 for 2016.

The agreement was signed on April 1, 2014 and will be effective for five years.

Expenses incurred in 2015 from these agreements totaled R$29,144 (R$26,841 in 2014).

37. Earnings (loss) per share

	Parent and consolidated	
	Year to date 12/31/2015	Year to date 12/31/2014
Profit attributable to owners of the Company	227,126	122,438
Weighted average number of common shares used to calculate basic earnings per share	274,108,594	269,475,653
Weighted average number of common shares adjusted by the dilutive effects of stock option plan for earnings per share calculation purposes	290,948,819	289,654,628
Basic earnings per share - R$	0.82860	0.45436
Diluted earnings per share - R$	0.78064	0.42270

38. Events after the reporting period

i) Due to changes in the tax law, with the enactment of Law 12973/14, which became effective in 2015, Management, with the support of specialists and based on related legal opinions, initiated a process to revisit certain tax position on historic transactions. This process identified supplementary tax benefits and should be completed by March 31, 2016 with the amendment of the related secondary tax obligations (mandatory filings) of recent years.

ii) Early settlement of the Company's 1st issue debentures.

As referred to in note 18, the proceeds of Qualicorp Corretora's 3rd issue debentures are intended to settle in advance the Company's 1st issue debentures.

On January 19, 2016, after the disbursement of these proceeds by the financial institution, R$314,378 was allocated to the early redemption of the Company's 1st issue debentures, thus discontinuing this obligation on this date.

On the same date, the Company and Qualicorp Corretora entered into a loan agreement amounting to R$165,211, which matures on January 16, 2017, eligible for early settlement, the maturity and interest of which match the maturity and interest of Qualicorp Corretora's 3rd issue debentures.

39. Completion of financial statements

The Company's individual and consolidated financial statements were approved by the Board of Directors on March 29, 2016, and include the events occurred after the reporting date of December 31, 2015.