

1st Quarter, 2018

Earnings Presentation

April 27, 2018

Disclaimer

Forward-looking statements if part of this document are exclusively related to the prospects of the business. its operating and financial results and prospects for growth. These data are merely projections and as such based exclusively on our management's expectations for the future of the business and its continued access to capital to fund its business plan. These forward-looking statements substantially depend on changing market conditions, government regulations, competitive pressures, the performance of the Brazilian economy and the industry, among other factors, as well as the risks shown in our filed disclosure documents and are therefore subject to change without prior notice.

In addition, unaudited information herein reflects management's interpretation of information taken from its financial statements and their respective adjustments, which were prepared in accordance with market practices and for the sole purpose of a more detailed and specific analysis of our results. Therefore these additional points and data must also be analyzed and interpreted independently by shareholders and market agents who should carry out their own analysis and draw their own conclusions from the results reported herein. No data or interpretative analysis provided by our management should be treated as a guarantee of future performance or results and are merely illustrative of our directors' vision of our results.

Management is not responsible for compliance or accuracy of the management financial data discussed in this report which must be considered as for informational purposes only and should not override the analysis of our audited consolidated financial statements for purposes of a decision to invest in our stock, or for any other purpose.

1Q18 Results

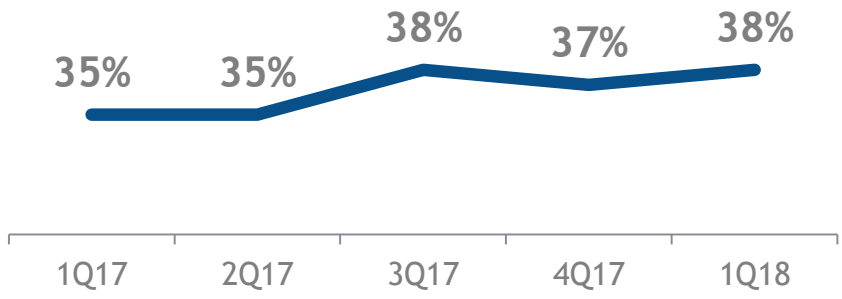
R$ million	1Q17		1Q18		Δ	
Net Revenue	814.9	*100.0%*	927.9	*100.0%*	*13.9%*	*-*
Gross Profit	601.4	*73.8%*	689.7	*74.3%*	*14.7%*	*0.5 p.p.*
Operating Expenses	(327.7)	*40.2%*	(346.8)	*37.4%*	*5.8%*	*2.8 p.p.*
Depreciation and Amortization	16.9	*2.1%*	19.8	*2.1%*	*17.2%*	*-0.0 p.p.*
EBITDA	**290.5**	*35.7%*	**362.7**	*39.1%*	*24.8%*	*3.4 p.p.*
Financial Result	14.0	*1.7%*	1.1	*0.1%*	*-92.0%*	*-1.6 p.p.*
Taxes	(74.2)	*-9.1%*	(41.8)	*-4.5%*	*-43.6%*	*4.6 p.p.*
Net Income (Continuing Op.)	**213.5**	*26.2%*	**302.2**	*32.6%*	*41.6%*	*6.4 p.p.*
Discontinued Operations	(44.0)	*-5.4%*	(2.4)	*-0.3%*	*-94.5%*	*5.1 p.p.*
Net Income	**169.5**	*20.8%*	**299.8**	*32.3%*	*76.9%*	*11.5 p.p.*

Working Capital

Cash Conversion Cycle

Days	1Q17	2Q17	3Q17	4Q17	1Q18
Receivables [1]	107	103	103	99	114
Inventories [2]	171	159	174	155	189
Payables [2][3]	(111)	(103)	(104)	(104)	(125)
Cash Conversion Cycle	**167**	**158**	**172**	**151**	**178**

Working Capital (% Net Revenues) [4]



(1) Calculated based on Continuing Operations Gross Revenue, Net of Discounts
(2) Calculated based on Continuing Operations COGS
(3) Includes Suppliers' Assignment of Receivables
(4) Annualized Net Revenue of the last 6 months

Cash Flow and Debt

Cash Flow

R$ million	1Q17	1Q18	Δ
Operating Cash Flow	243.2	253.4	*4.2%*
CAPEX/Intangible Assets	(66.8)	(52.2)	
Free Cash Flow (Before PP&E Sale)	176.4	201.2	*14.1%*
Sale of Property, Plant and Equipment	836.7	(10.7)	
Free Cash Flow	1,013.1	190.5	*-81.2%*

Debt

R$ million	1Q18
Loans and Financing	(485.1)
Notes Payable	(24.3)
Gross Debt	(509.4)
Cash and Cash Equivalents	972.2
Net Cash	462.8

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