Odontoprev S.A.

Quarterly Information Form - ITR
March 31, 2013

KPMG Auditores Independentes
April 2013
KPDS 59623

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Capital composition

Number of shares (units)	Current period 03/31/2013
From paid-in capital	
Common	531,294,792
Preferred	-
Total	531,294,792
On Treasury	
Common	1,896,318
Preferred	-
Total	1,896,318

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Cash earnings

Event	Approval	Earning	Payment Date	Share type	Earnings per share
Board of Directors' Meeting	03/26/2013	Interests on Capital	04/10/2013	Common	0.01571
Board of Directors' Meeting	04/02/2013	Dividends	05/03/2013	Common	0.07748
Board of Directors' Meeting	04/30/2013	Dividends	06/04/2013	Common	0.09495

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Balance sheets at March 31, 2013 and December 31, 2012

(In thousands of Reais)

Code	Description	Current Year 3/31/2013	Prior Year 12/31/2012
1	Total assets	1,062,161	1,019,571
1.01	Current assets	348,471	308,254
1.01.01	Cash and cash equivalents	3,993	3,491
1.01.02	Financial investments	241,486	199,661
1.01.02.01	Financial investments at fair value	241,486	199,661
1.01.02.01.01	Trading securities	241,486	199,661
1.01.03	Receivables	100,403	102,541
1.01.03.01	Trade accounts receivable	93,465	95,454
1.01.03.01.01	Healthcare receivables	120,887	121,298
1.01.03.01.02	(-) Allowance for doubtful accounts	(27,422)	(25,844)
1.01.03.02	Sundry receivables	6,938	7,087
1.01.03.02.01	Advances to suppliers	1,404	1,399
1.01.03.02.02	Advances to employees	1,128	1,472
1.01.03.02.03	Other receivables	4,406	4,216
1.01.06	Taxes recoverable	2,226	2,059
1.01.06.01	Current taxes recoverable	2,226	2,059
1.01.07	Prepaid expenses	363	502
1.02	Non-current assets	713,690	711,317
1.02.01	Long-term receivables	155,471	158,781
1.02.01.06	Deferred taxes	118,402	122,310
1.02.01.06.01	Deferred income tax and social contribution	118,402	122,310
1.02.01.09	Other non-current assets	37,069	36,471
1.02.01.09.03	Judicial deposits	35,162	34,564
1.02.01.09.04	Other receivables	1,823	1,823
1.02.01.09.05	Notes receivable	84	84
1.02.02	Investments	30,292	26,601
1.02.02.01	Equity interests	30,292	26,601
1.02.02.01.02	Investments in subsidiaries	29,434	26,169
1.02.02.01.04	Other equity interests	858	432
1.02.03	Property and equipment	7,067	7,174
1.02.03.01	Property and equipment in use	7,067	7,174
1.02.03.01.01	Chattels	14,617	14,749
1.02.03.01.02	Other	5,867	5,756
1.02.03.01.03	(-) Accumulated depreciation	(13,417)	(13,331)
1.02.04	Intangible assets	520,860	518,761
1.02.04.01	Intangible assets	520,860	518,761
1.02.04.01.02	Goodwill on acquisition of investments (Goodwill)	492,876	492,876
1.02.04.01.03	System development, software licenses and other	19,414	17,597
1.02.04.01.04	Deferred selling expenses	8,570	8,288

Code	Description	Current Year 3/31/2013	Prior Year 12/31/2012
2	Total liabilities and shareholders' equity	1,062,161	1,019,571
2.01	Current liabilities	206,086	205,965
2.01.01	Social and labor charges	11,797	13,209
2.01.01.01	Social charges	6,012	6,703
2.01.01.02	Labor charges	5,785	6,506
2.01.01.02.01	Salaries, vacation pay and fees	5,785	6,506
2.01.02	Suppliers	11,215	9,019
2.01.02.01	Local suppliers	11,215	9,019
2.01.02.01.01	Commissions payable	4,084	4,391
2.01.02.01.02	Suppliers of goods and services	7,131	4,628
2.01.03	Tax liabilities	12,198	7,204
2.01.03.01	Federal tax liabilities	11,271	6,068
2.01.03.01.01	Deferred income tax and social contribution	6,090	2,196
2.01.03.01.02	Other federal tax liabilities	5,181	3,872
2.01.03.03	Municipal tax liabilities	927	1,136
2.01.05	Other liabilities	30,203	21,673
2.01.05.02	Other	30,203	21,673
2.01.05.02.02	Minimum mandatory dividend payable	7,163	11
2.01.05.02.04	Advances from customers	3,064	3,022
2.01.05.02.05	Other accounts payable	19,976	18,640
2.01.06	Provisions	140,673	154,860
2.01.06.02	Other provisions	140,673	154,860
2.01.06.02.04	Provision for unsettled claims/events	12,697	16,928
2.01.06.02.05	Provision for claims/events incurred but not reported	53,398	59,773
2.01.06.02.06	Unearned premiums reserve	74,578	78,159
2.02	Non-current liabilities	121,856	113,593
2.02.02	Other liabilities	1,779	1,811
2.02.02.02	Other	1,779	1,811
2.02.02.02.03	Other liabilities	1,779	1,811
2.02.03	Deferred taxes	2,949	2,809
2.02.03.01	Deferred income tax and social contribution	2,949	2,809
2.02.04	Provisions	117,128	108,973
2.02.04.01	Provision for tax, social security, labor and civil lawsuits	117,128	108,973
2.02.04.01.01	Provision for taxes	1,401	1,284
2.02.04.01.02	Provisions for social security and labor lawsuits	113,063	104,227
2.02.04.01.04	Provision for civil lawsuits	2,664	3,462
2.03	Equity	734,219	700,013
2.03.01	Capital	506,557	506,557
2.03.02	Capital reserves	20,744	19,534
2.03.02.01	Share premium	48,392	48,392
2.03.02.04	Granting of stock options	14,523	14,523
2.03.02.07	Granting of deferred stock options	(7,832)	(9,042)
2.03.02.08	Additional paid-up capital	(34,339)	(34,339)
2.03.04	Revenue reserves	156,650	173,922
2.03.04.01	Legal reserve	36,447	36,447
2.03.04.02	Statutory reserve	96,330	96,330
2.03.04.07	Tax incentive reserve	129	129
2.03.04.08	Additional proposed dividends	41,016	41,016
2.03.04.09	Treasury stock	(17,272)	-
2.03.05	Retained earnings/Accumulated deficit	50,268	-

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Statement of income

Quarters ended March 31, 2013 and 2012

(In thousands of Reais)

Code	Description	Current Year 1/01/2013 to 3/31/2013	Prior Year 1/01/2012 to 3/31/2012
3.01	Gross sales and/or services revenues	249,413	222,938
3.01.01	Net installments	258,445	231,492
3.01.02	Revenues of Sales and services	77	98
3.01.04	Taxes on healthcare plan operations	(9,109)	(8,652)
3.02	Cost of sales and/or services	(101,737)	(96,903)
3.02.01	Indemnifiable claims, net	(95,890)	(81,459)
3.02.02	Social charges on services	(6,868)	(6,393)
3.02.03	Dental materials	(1,933)	(1,175)
3.02.04	Other operating incomes (expenses)	(3,421)	(7,962)
3.02.05	Changes in events incurred but not reported	6,375	86
3.03	Gross profit	147,676	126,035
3.04	Operating expenses	(64,640)	(64,817)
3.04.01	Selling	(23,322)	(21,267)
3.04.01.01	Selling expenses	(23,322)	(21,267)
3.04.02	General and administrative	(36,500)	(36,593)
3.04.05	Other operating expenses	(7,009)	(8,867)
3.04.05.01	Stock option plan	(1,210)	(946)
3.04.05.02	Allowance for doubtful accounts	(6,915)	(6,891)
3.04.05.03	Profit sharing	1,116	(1,030)
3.04.06	Equity in the earnings of subsidiary and associated companies	2,191	1,910
3.05	Profit before finance income (costs) and taxes	83,036	61,218
3.06	Finance income (cost)	2,290	4,890
3.06.01	Financial income	12,974	7,075
3.06.01.01	Financial income	4,658	7,075
3.06.01.02	Reverting of interest on capital	8,316	-
3.06.02	Financial expenses	(10,684)	(2,185)
3.07	Profit before taxation and profit sharing	85,326	66,108
3.08	Provision for income tax and social contribution	(26,742)	(23,722)
3.08.01	Current	(22,695)	(21,723)
3.08.02	Deferred	(4,047)	(1,999)
3.09	Net results from continuing operations	58,584	42,386
3.11	Net income for the period	58,584	42,386
3.99.01	Basic earnings per share	-	-
3.99.01.01	Common	0.11033	0.08002
3.99.02	Diluted earnings per share	-	-
3.99.02.01	Common	0.10926	0.07913

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Statement of comprehensive income

Quarters ended March 31, 2013 and 2012

(In thousands of Reais)

Code	Description	Current Year 1/01/2013 to 3/31/2013	Prior Year 1/01/2012 to 3/31/2012
4.01	Net income for the period	58,584	42,386
4.03	Comprehensive income for the period	58,584	42,386

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Statement of cash flows - Indirect method

Quarters ended March 31, 2013 and year ended December 31, 2012

(In thousands of Reais)

Code	Description	Current Year 1/01/2013 to 3/31/2013	Prior Year 1/01/2012 to 3/31/2012
6.01	Net cash provided by operating activities	22,743	25,534
6.01.01	Cash provided by operations	54,702	47,252
6.01.01.01	Net income for the period	58,584	42,386
6.01.01.02	Depreciation and amortization	1,181	1,468
6.01.01.03	Monetary variations, net	1,108	956
6.01.01.05	Provision for contingencies	(689)	294
6.01.01.06	Disposal of property and equipment and investments	296	-
6.01.01.07	Equity in the losses of subsidiary and associated companies	(2,191)	(1,910)
6.01.01.08	Allowance for doubtful accounts	1,578	3,112
6.01.01.09	Stock option plan	1,210	946
6.01.01.10	Changes in events incurred but not reported	(6,375)	-
6.01.02	Changes in assets and liabilities	(31,959)	(21,718)
6.01.02.01	Financial investments at fair value	(41,825)	(37,869)
6.01.02.02	Healthcare receivables	411	(9,848)
6.01.02.03	Notes receivable	131	(583)
6.01.02.05	Long-term receivables	3,721	1,819
6.01.02.06	Provision for events/ claims to be settled	(4,231)	4,216
6.01.02.07	Unearned premiums reserve	(3,581)	(4,689)
6.01.02.08	Salaries, vacation pay and fees	(721)	1,561
6.01.02.09	Taxes and contributions payable	(687)	(345)
6.01.02.10	Suppliers - Healthcare transactions	3,574	9,534
6.01.02.11	Long-term liabilities	7,355	6,636
6.01.02.13	Income tax and social contribution payable	3,894	7,850
6.02	Net cash used in investing activities	(469)	(1,333)
6.02.01	Purchase of property and equipment	(615)	(1,522)
6.02.02	System development, software licenses and other	(2,571)	(186)
6.02.03	Deferred selling expenses	(283)	375
6.02.07	Dividends received from subsidiaries	3,000	-
6.03	Net cash used in financing activities	(21,772)	(25,959)
6.03.01	Dividends and Interest on capital paid	-	(16,957)
6.03.02	Acquisition of own shares - in treasury	(17,272)	(9,002)
6.03.03	Reimbursement capital paid	(4,500)	-
6.05	Increase (decrease) in cash and cash equivalents	502	(1,758)
6.05.01	Cash and cash equivalents at the beginning of	3,491	7,222
6.05.02	Cash and cash equivalents at the end of the period	3,993	5,464

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Statement of changes in equity

Quartely ended March 31, 2013

(In thousands of Reais)

Code	Description	Paid-up capital	Capital reserves, stock options and treasury stock	Revenue reserves	Earnings (accumulated deficit)	Other Comprehensive Income	Total equity
5.01	Opening balance	506,557	19,534	173,922	-	-	700,013
5.03	Adjusted balance	506,557	19,534	173,922	-	-	700,013
5.04	Capital transactions with partners	-	(16,062)	-	(8,316)	-	(24,378)
5.04.03	Granting of stock options recognized	-	1,210	-	-	-	1,210
5.04.04	Treasury shares acquired	-	(17,272)	-	-	-	(17,272)
5.04.07	Interest on Capital	-	-	-	(8,316)	-	(8,316)
5.05	Total comprehensive income	-	-	-	58,584	-	58,584
5.05.01	Profit for the period	-	-	-	58,584	-	58,584
5.07	Closing balance	506,557	3,472	173,922	50,268	-	734,219

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Statement of changes in equity

Quarterly ended March 31, 2012

(In thousands of Reais)

Code	Description	Paid-up capital	Capital reserves, stock options and treasury stock	Revenue reserves	Earnings (accumulated deficit)	Other Comprehensive Income	Total equity
5.01	Opening balance	506,557	24,589	231,460	-	-	762,606
5.03	Adjusted balance	506,557	24,589	231,460	-	-	762,606
5.04	Capital transactions with partners	-	(8,056)	-	-	-	(8,056)
5.04.03	Granting of stock options recognized	-	946	-	-	-	946
5.04.04	Treasury shares acquired	-	(9,002)	-	-	-	(9,002)
5.05	Total comprehensive income	-	-	-	42,386	-	42,386
5.05.01	Profit for the period	-	-	-	42,386	-	42,386
5.07	Closing balance	506,557	16,533	231,460	42,386	-	796,936

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Statement of value added

Quarters ended March 31, 2013 and 2012

(In thousands of Reais)

Code	Description	Current Year 1/01/2013 to 3/31/2013	Prior Year 1/01/2012 to 3/31/2012
7.01	Income	251,607	224,699
7.01.01	Sales of goods and services	258,445	231,492
7.01.02	Other incomes	77	98
7.01.02.02	Sales of goods and services	77	98
7.01.04	Provision/reversal of impairment of trade receivables	(6,915)	(6,891)
7.02	Inputs acquired from third parties	(138,251)	(132,385)
7.02.01	Costs of goods and services	(95,890)	(81,459)
7.02.02	Materials, energy, outsourced services and other	(3,622)	(2,754)
7.02.04	Others	(38,739)	(48,172)
7.02.04.01	Other operating revenues (expenses)	(1,241)	(6,005)
7.02.04.02	Selling expenses	(23,322)	(21,267)
7.02.04.03	Administrative expenses	(20,551)	(20,986)
7.02.04.04	Changes in events incurred but not reported	6,375	86
7.03	Gross value added	113,356	92,314
7.04	Retentions	(1,181)	(1,468)
7.04.01	Depreciation, amortization and depletion	(1,181)	(1,468)
7.05	Net value added generated	112,175	90,846
7.06	Value added received through transfer	6,849	8,985
7.06.01	Equity in the results of subsidiaries	2,191	1,910
7.06.02	Financial income	4,658	7,075
7.07	Total value added to distribute	119,024	99,831
7.08	Distribution of value added	119,024	99,831
7.08.01	Personnel	10,184	11,728
7.08.01.01	Direct remuneration	7,099	8,898
7.08.01.02	Benefits	2,477	2,254
7.08.01.03	FGTS	608	576
7.08.02	Taxes and contributions	45,769	41,693
7.08.02.01	Federal	42,759	38,609
7.08.02.02	State	7	28
7.08.02.03	Municipal	3,003	3,056
7.08.03	Remuneration of third-party capital	3,277	3,078
7.08.03.02	Rentals	909	893
7.08.03.03	Others	2,368	2,185
7.08.03.03.01	Finance costs	2,368	2,185
7.08.04	Remuneration of own capital	58,584	42,386
7.08.04.01	Interest on capital	8,316	-
7.08.04.03	Profits reinvested/loss for the year	50,268	42,386
7.08.05	Others	1,210	946
7.08.05.01	Granting of stock options	1,210	946

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Consolidated balance sheets at March 31, 2013 and December 31, 2012

(In thousands of Reais)

Code	Description	Current Year 3/31/2013	Prior Year 12/31/2012
1	Total assets	1,078,439	1,035,921
1.01	Current assets	376,249	340,289
1.01.01	Cash and cash equivalents	5,300	4,418
1.01.02	Financial investments	249,542	213,512
1.01.02.01	Financial investments at fair value	249,542	213,512
1.01.02.01.01	Trading securities	249,542	213,512
1.01.03	Receivables	108,621	109,804
1.01.03.01	Trade accounts receivable	98,273	100,305
1.01.03.01.01	Healthcare receivables	126,496	126,828
1.01.03.01.02	(-) Allowance for doubtful accounts	(28,223)	(26,523)
1.01.03.02	Sundry receivables	10,348	9,499
1.01.03.02.01	Advances to suppliers	1,555	1,538
1.01.03.02.02	Advances to employees	2,035	2,453
1.01.03.02.03	Other receivables	6,758	5,508
1.01.04	Inventories	995	987
1.01.06	Taxes recoverable	11,416	11,059
1.01.06.01	Current taxes recoverable	11,416	11,059
1.01.07	Prepaid expenses	375	509
1.02	Non-current assets	702,190	695,632
1.02.01	Long-term receivables	160,483	162,397
1.02.01.06	Deferred taxes	119,592	123,427
1.02.01.06.01	Deferred income tax and social contribution	119,592	123,427
1.02.01.09	Other non-current assets	40,891	38,970
1.02.01.09.03	Judicial deposits	37,658	37,060
1.02.01.09.04	Other receivables	3,146	1,823
1.02.01.09.05	Notes receivable	87	87
1.02.02	Investments	2,436	1,030
1.02.02.01	Equity interests	2,436	1,030
1.02.02.01.04	Other equity interests	2,436	1,030
1.02.03	Property and equipment	9,981	9,589
1.02.03.01	Property and equipment in use	9,981	9,589
1.02.03.01.01	Chattels	19,333	19,270
1.02.03.01.02	Other 8,329		7,832
1.02.03.01.03	(-) Accumulated depreciation	(17,681)	(17,513)
1.02.04	Intangible assets	529,290	522,616
1.02.04.01	Intangible assets	529,290	522,616
1.02.04.01.02	Goodwill in acquisition of investments (Goodwill)	500,154	495,589
1.02.04.01.03	System development, software licenses and other	20,566	18,739
1.02.04.01.04	Deferred selling expenses	8,570	8,288

Code	Description	Current Year 3/31/2013	Prior Year 12/31/2012
2	Total liabilities and shareholders' equity	1,078,439	1,035,921
2.01	Current liabilities	218,071	219,251
2.01.01	Social and labor charges	16,679	17,588
2.01.01.01	Social charges	7,361	8,000
2.01.01.02	Labor charges	9,318	9,588
2.01.01.02.01	Salaries, vacation pay and fees	9,318	9,588
2.01.02	Suppliers	8,205	8,916
2.01.02.01	Local suppliers	8,205	8,916
2.01.02.01.01	Commissions payable	4,115	4,418
2.01.02.01.02	Suppliers of goods and services	4,090	4,498
2.01.03	Tax liabilities	14,092	8,877
2.01.03.01	Federal tax liabilities	12,727	7,366
2.01.03.01.01	Deferred income tax and social contribution	6,501	2,548
2.01.03.01.02	Other federal tax liabilities	6,226	4,818
2.01.03.02	State tax liabilities	97	47
2.01.03.03	Municipal tax liabilities	1,268	1,464
2.01.05	Other liabilities	32,787	23,185
2.01.05.02	Other	32,787	23,185
2.01.05.02.02	Minimum mandatory dividend payable	7,163	11
2.01.05.02.04	Advances from customers	3,118	3,043
2.01.05.02.05	Other accounts payable	22,506	20,131
2.01.06	Provisions	146,308	160,685
2.01.06.02	Other provisions	146,308	160,685
2.01.06.02.04	Provision for unsettled claims/events	13,541	17,888
2.01.06.02.05	Provision for claims/events incurred but not reported	54,901	61,276
2.01.06.02.06	Unearned premiums reserve	77,866	81,521
2.02	Non-current liabilities	124,892	115,369
2.02.02	Other liabilities	3,102	1,811
2.02.02.02	Other	3,102	1,811
2.02.02.02.03	Other liabilities	3,102	1,811
2.02.03	Deferred taxes	2,949	2,809
2.02.03.01	Deferred income tax and social contribution	2,949	2,809
2.02.04	Provisions	118,841	110,749
2.02.04.01	Provision for tax, social security, labor and civil lawsuits	118,841	110,749
2.02.04.01.01	Provision for taxes	2,588	2,523
2.02.04.01.02	Provisions for social security and labor lawsuits	113,490	104,678
2.02.04.01.04	Provision for civil lawsuits	2,763	3,548
2.03	Consolidated equity	735,476	701,301
2.03.01	Capital	506,557	506,557
2.03.02	Capital reserves	20,744	19,534
2.03.02.01	Share premium	48,392	48,392
2.03.02.04	Granting of stock options	14,523	14,523
2.03.02.07	Granting of deferred stock options	(7,832)	(9,042)
2.03.02.08	Additional paid-up capital	(34,339)	(34,339)
2.03.04	Revenue reserves	156,650	173,922
2.03.04.01	Legal reserve	36,447	36,447
2.03.04.02	Statutory reserve	96,330	96,330
2.03.04.07	Tax incentive reserve	129	129
2.03.04.08	Additional proposed dividends	41,016	41,016
2.03.04.09	Treasury stock	(17,272)	-
2.03.05	Retained earnings/Accumulated deficit	50,268	-
2.03.09	Non-controlling interests	1,257	1,288

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Consolidadet statement of income

Quarters ended March 31, 2013 and 2012

(In thousands of Reais)

Code	Description	Current Year 1/01/2013 to 3/31/2013	Prior Year 1/01/2012 to 3/31/2012
3.01	Gross sales and/or services revenues	255,055	228,569
3.01.01	Net installments	264,812	237,400
3.01.02	Revenues of Sales and services	1,392	1,574
3.01.04	Taxes on healthcare plan operations	(9,405)	(8,926)
3.01.05	Taxes on sales of goods and services	(1,744)	(1,479)
3.02	Cost of sales and/or services	(104,988)	(100,392)
3.02.01	Indemnifiable claims, net	(97,880)	(83,553)
3.02.02	Social charges on services	(6,943)	(6,461)
3.02.03	Dental materials	(974)	(682)
3.02.04	Other operating incomes (expenses)	(5,566)	(9,782)
3.02.05	Changes in events incurred but not reported	6,375	86
3.03	Gross profit	150,067	128,177
3.04	Operating expenses	(66,336)	(66,112)
3.04.01	Selling	(23,528)	(21,454)
3.04.01.01	Selling expenses	(23,528)	(21,454)
3.04.02	General and administrative	(35,635)	(35,728)
3.04.05	Other operating expenses	(7,533)	(8,846)
3.04.05.01	Stock option plan	(1,210)	(946)
3.04.05.02	Allowance for doubtful accounts	(7,135)	(6,589)
3.04.05.03	Profit sharing	812	(1,311)
3.04.06	Equity in the earnings of subsidiary and associated companies	360	(84)
3.05	Profit before finance income (costs) and taxes	83,731	62,065
3.06	Finance income (cost)	2,577	5,200
3.06.01	Financial income	13,244	7,559
3.06.01.01	Financial income	4,928	7,559
3.06.01.02	Reversal of interest on capital	8,316	-
3.06.02	Financial expenses	(10,667)	(2,359)
3.07	Profit before taxation and profit sharing	86,308	67,265
3.08	Provision for income tax and social contribution	(27,709)	(24,837)
3.08.01	Current	(23,734)	(22,694)
3.08.02	Deferred	(3,975)	(2,143)
3.09	Net results from continuing operations	58,599	42,428
3.11	Consolidated profit/loss for the period	58,599	42,428
3.11.01	Attributable to stockholders of the Parent company	58,584	42,386
3.11.02	Attributable to non-controlling interests	15	42
3.99.01	Basic earnings per share	-	-
3.99.01.01	Common	0.11033	0.08002
3.99.02	Diluted earnings per share	-	-
3.99.02.01	Common	0.10926	0.07913

Odontoprev S.A.

Consolidadet statement of comprehensive income

Quarters ended March 31, 2013 and 2012

(In thousands of Reais)

Code	Description	Current Year 1/01/2013 to 3/31/2013	Prior Year 1/01/2012 to 3/31/2012
4.01	Consolidated net income for the period	58,599	42,428
4.03	Consolidated Comprehensive income for the period	58,599	42,428
4.03.01	Granted to shareholders of parent company	58,584	42,386
4.03.02	Granted to non-controlling shareholders	15	42

Odontoprev S.A.

Consolidadet statement of cash flows - Indirect method

Quarters ended March 31, 2013 and 2012

(In thousands of Reais)

Code	Description	Current Year 1/01/2013 to 3/31/2013	Prior Year 1/01/2012 to 3/31/2012
6.01	Net cash provided by operating activities	28,042	26,408
6.01.01	Cash provided by operations	56,725	49,145
6.01.01.01	Net income for the period	58,599	42,428
6.01.01.02	Depreciation and amortization	1,267	1,556
6.01.01.03	Monetary variations, net	1,075	955
6.01.01.05	Provision for contingencies	(687)	370
6.01.01.06	Disposal of property and equipment and investments	296	3
6.01.01.07	Equity in the losses of subsidiary and associated companies	(360)	84
6.01.01.08	Allowance for doubtful accounts	1,700	2,803
6.01.01.09	Stock option plan	1,210	946
6.01.01.10	Changes in events incurred but not reported	(6,375)	-
6.01.02	Changes in assets and liabilities	(28,683)	(22,737)
6.01.02.01	Financial investments at fair value	(36,030)	(39,478)
6.01.02.02	Healthcare receivables	332	(9,189)
6.01.02.03	Notes receivable	(956)	(339)
6.01.02.04	Inventories	(8)	186
6.01.02.05	Long-term receivables	2,326	2,006
6.01.02.06	Provision for events/ claims to be settled	(4,347)	5,016
6.01.02.07	Unearned premiums reserve	(3,655)	(4,845)
6.01.02.08	Salaries, vacation pay and fees	(270)	2,060
6.01.02.09	Taxes and contributions payable	(475)	(400)
6.01.02.10	Suppliers - Healthcare transactions	1,846	7,573
6.01.02.11	Long-term liabilities	8,601	6,532
6.01.02.13	Income tax and social contribution payable	3,953	8,141
6.02	Net cash used in investing activities	(9,841)	(2,107)
6.02.01	Purchase of property and equipment	(1,196)	(2,296)
6.02.02	System development, software licenses and other	(2,586)	(186)
6.02.03	Deferred selling expenses	(282)	375
6.02.06	Acquisition of investment	(5,777)	-
6.03	Net cash used in financing activities	(17,319)	(25,959)
6.03.01	Dividends and Interest on capital paid	(47)	(16,957)
6.03.02	Acquisition of own shares - in treasury	(17,272)	(9,002)
6.05	Increase (decrease) in cash and cash equivalents	882	(1,658)
6.05.01	Cash and cash equivalents at the beginning of	4,418	8,050
6.05.02	Cash and cash equivalents at the end of the period	5,300	6,392

Odontoprev S.A.

Consolidadet statement of changes in equity

Quartely ended March 31, 2013

(In thousands of Reais)

Code	Description	Paid-up capital	Capital reserves, stock options and treasury stock/	Revenue reserves	Earnings (accumulated deficit)	Other Comprehensive Income	Total equity	Non controlling Interests	Consolidated Equity
5.01	Opening balance	506,557	19,534	173,922	-	-	700,013	1,288	701,301
5.03	Adjusted balance	506,557	19,534	173,922	-	-	700,013	1,288	701,301
5.04	Capital transactions with partners	-	(16,062)	-	(8,316)	-	(24,378)	(46)	(24,424)
5.04.03	Granting of stock options recognized	-	1,210	-	-	-	1,210	-	1,210
5.04.04	Treasury shares acquired	-	(17,272)	-	-	-	(17,272)	-	(17,272)
5.04.07	Interest on capital	-	-	-	(8,316)	-	(8,316)	-	(8,316)
5.04.20	Other	-	-	-	-	-	-	(46)	(46)
5.05	Total comprehensive income	-	-	-	58,584	-	58,584	15	58,599
5.05.01	Profit for the period	-	-	-	58,584	-	58,584	15	58,599
5.07	Closing balance	506,557	3,472	173,922	50,268	-	734,219	1,257	735,476

Odontoprev S.A.

Consolidadet statement of changes in equity

Quartely ended March 31, 2012

(In thousands of Reais)

Code	Description	Paid-up capital	Capital reserves, stock options and treasury stock /	Revenue reserves	Earnings (accumulated deficit)	Other Comprehensive Income	Total equity	Non controlling interests	Consolidated equity
5.01	Opening balance	506,557	24,589	231,460	-	-	762,606	1,434	764,040
5.03	Adjusted balance	506,557	24,589	231,460	-	-	762,606	1,434	764,040
5.04	Capital transactions with partners	-	(8,056)	-	-	-	(8,056)	-	(8,056)
5.04.03	Granting of stock options recognized	-	946	-	-	-	946	-	946
5.04.04	Treasury shares acquired	-	(9,002)	-	-	-	(9,002)	-	(9,002)
5.05	Total comprehensive income	-	-	-	42,386	-	42,386	42	42,428
5.05.01	Profit for the period	-	-	-	42,386	-	42,386	42	42,428
5.07	Closing balance	506,557	16,533	231,460	42,386	-	796,936	1,476	798,412

Odontoprev S.A.

Consolidadet statement of value added

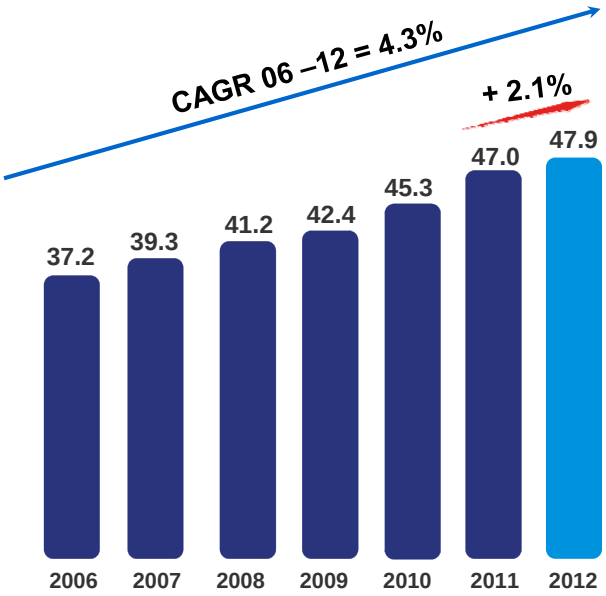
Quarters ended March 31, 2013 and 2012

(In thousands of Reais)

Code	Description	Current Year 1/01/2013 to 3/31/2013	Prior Year 1/01/2012 to 3/31/2012
7.01	Income	259,069	232,385
7.01.01	Sales of goods and services	264,812	237,400
7.01.02	Other incomes	1,392	1,574
7.01.02.02	Sales of goods and services	1,392	1,574
7.01.04	Provision/reversal of impairment of trade receivables	(7,135)	(6,589)
7.02	Inputs acquired from third parties	(132,788)	(127,854)
7.02.01	Costs of goods and services	(97,880)	(83,553)
7.02.02	Materials, energy, outsourced services and other	(2,664)	(2,265)
7.02.04	Others	(32,244)	(42,036)
7.02.04.01	Other operating revenues (expenses)	(1,481)	(6,183)
7.02.04.02	Selling expenses	(23,528)	(21,454)
7.02.04.03	Administrative expenses	(13,610)	(14,485)
7.02.04.04	Changes in events incurred but not reported	6,375	86
7.03	Gross value added	126,281	104,531
7.04	Retentions	(1,267)	(1,556)
7.04.01	Depreciation, amortization and depletion	(1,267)	(1,556)
7.05	Net value added generated	125,014	102,975
7.06	Value added received through transfer	5,288	7,475
7.06.01	Equity in the results of subsidiaries	360	(84)
7.06.02	Financial income	4,928	7,559
7.07	Total value added to distribute	130,302	110,450
7.08	Distribution of value added	130,302	110,450
7.08.01	Personnel	16,431	17,538
7.08.01.01	Direct remuneration	11,635	13,181
7.08.01.02	Benefits	3,777	3,450
7.08.01.03	FGTS	1,019	907
7.08.02	Taxes and contributions	50,011	45,610
7.08.02.01	Federal	46,068	41,700
7.08.02.02	State	360	233
7.08.02.03	Municipal	3,583	3,677
7.08.03	Remuneration of third-party capital	4,051	3,928
7.08.03.02	Rentals	1,700	1,569
7.08.03.03	Others	2,351	2,359
7.08.03.03.01	Finance costs	2,351	2,359
7.08.04	Remuneration of own capital	58,599	42,428
7.08.04.01	Interest on capital	8,316	-
7.08.04.03	Profits reinvested/loss for the year	50,268	42,386
7.08.04.04	Non-controlling interest on retained earnings	15	42
7.08.05	Others	1,210	946
7.08.05.01	Grating of stock options	1,210	946

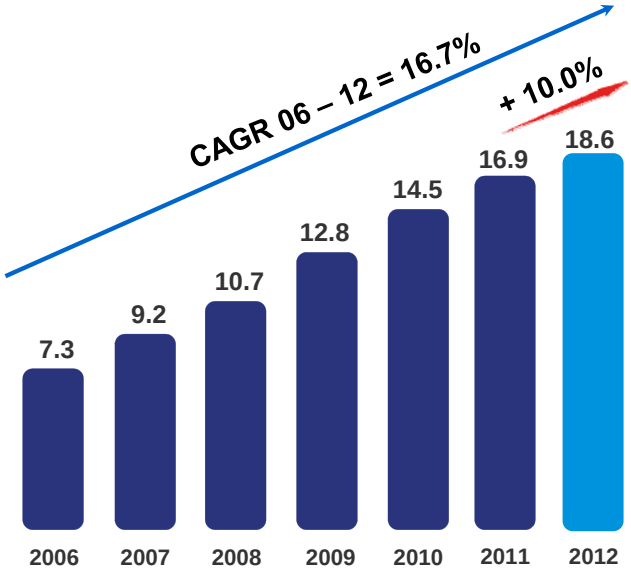
Dental/ medical plan sector and OdontoPrev commercial performance

MEDICAL PLAN SECTOR (million members)



According to the preliminary figures released by ANS, the medical plans market reached a total of 47.9 million members in 2012, 2.1% over 2011**.** From 2006 to 2012, the compounded average annual growth rate (CAGR) of medical plan members was 4.3%.

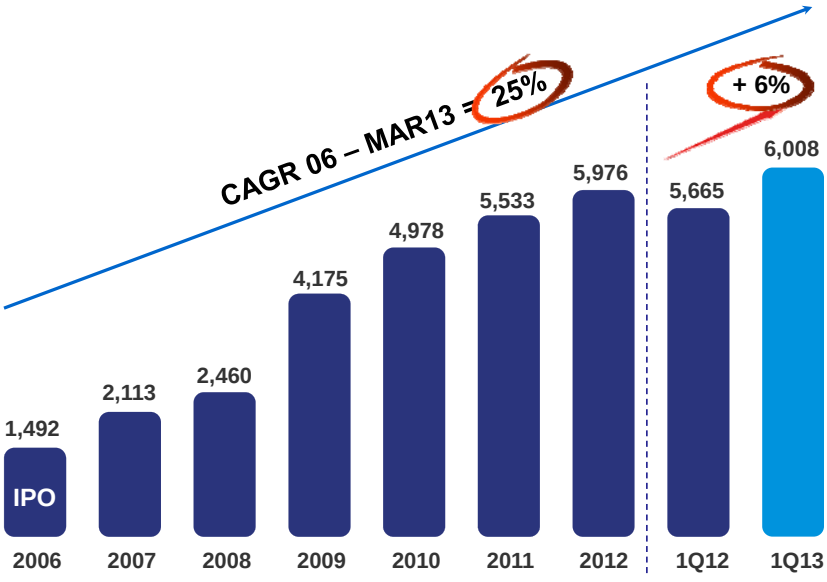
DENTAL PLAN SECTOR (million members)



The dental plans sector posted a growth of 10.0% 2012, reaching 18.6 million members**.** From 2006 to 2012, the compounded average growth rate (CAGR) of dental plan members was 16.7%.

In 1Q13 OdontoPrev reached 6,008,119 members, 6.1% over 1Q12. From 2006 to 1Q13 the compounded average growth rate (CAGR) of OdontoPrev was 25%.

OdontoPrev (thousand members)



OdontoPrev is under a regulated activity, and as such must present financial statements based on the Accounting Rules of the ANS, including accounting lines with names differing from those commonly used by companies from other sectors. ***OdontoPrev's consolidated data on 1Q13, 4Q12 and 1Q12 include Rede Dental; DentalCorp and Care Plus (incorporated in 2008); Sepao; Prontodente and Odonto Serv (incorporated in 2009); Easy Software; Adcon and Dental Partner; and Bradesco Dental (incorporated in 2010).***

Income statement

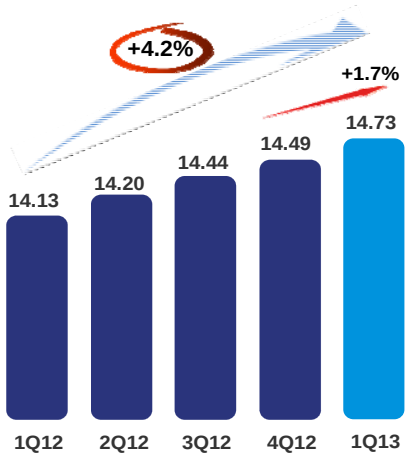
R$000	1Q13	1Q12	4Q12
(+) Payments net	264,812	237,400	256,790
(+) Sales of services and products	1,392	1,574	1,251
Gross operating revenue	**266,204**	**238,974**	**258,041**
(-) Direct taxes on dental care operations	9,405	8,926	7,964
(-) Taxes on sales of services and products	1,744	1,479	1,823
Net operating revenue	**255,055**	**228,569**	**248,254**
(-) Cost of services	**104,988**	**100,392**	**144,468**
Indemnifiable claims, net	97,880	83,553	123,538
Payroll charges on services	6,943	6,461	8,706
Dental materials	974	682	1,306
Incurred but Not Reported Provision (IBNR)	(6,375)	(86)	8,844
Other operating expenses	5,566	9,782	2,074
Gross profit	**150,067**	**128,177**	**103,786**
(-) Selling expenses	**23,528**	**21,454**	**22,824**
(-) Administrative expenses (G&A)	**35,635**	**35,728**	**36,506**
G&A (included adjusted EBITDA base)	**34,067**	**34,172**	**34,848**
Personnel	18,776	17,874	19,205
Rentals and occupancy	7,057	6,269	7,617
Third parties services	3,335	3,049	2,837
Publicity and advertising	2,181	3,221	4,592
Taxes and fees	975	931	991
Travelling, printing and subscriptions	1,447	1,323	1,523
Others	296	1,505	(1,917)
G&A (not included adjusted EBITDA base)	**1,568**	**1,556**	**1,658**
Depreciation and amortization	1,267	1,556	1,284
Acquisition expenses	301	-	325
Joint venture Mexico	-	-	49
(-) Other expenses	**7,135**	**6,589**	**5,173**
Allowance for doubtful receivables	7,135	6,589	5,173
(+) Financial income (expenses), net	**2,577**	**5,200**	**2,494**
(+) Financial income	4,928	7,559	4,709
(-) Financial expenses	10,667	2,359	10,882
(+) Interest on capital (IOC)	8,316	-	8,667
(+) Equity in subsidiaries	**360**	**(84)**	**(184)**
(-) Stock option	**1,210**	**946**	**1,210**
(-) Profit sharing	**(812)**	**1,311**	**1,301**
Income before taxes	**86,308**	**67,265**	**39,082**
(-) Current income and social contribution tax	23,734	22,694	6,485
(-) Deferred income and social contribution tax	3,975	2,143	5,520
Net income before participation of minoritary shareholders	**58,599**	**42,428**	**27,077**
(+) Participation of minoritary shareholders	(15)	(42)	(22)
Net income	**58,584**	**42,386**	**27,055**

Operating revenue

Net operating revenue 1Q13								
	1Q13		1Q12		Δ%	4Q12		Δ%
	R$ 000	% NOR	R$ 000	% NOR		R$ 000	% NOR	
(+) Payments, net	264,812	103.8	237,400	103.9	11.5	256,790	103.4	3.1
(+) Sales of services and products	1,392	0.5	1,574	0.7	(11.6)	1,251	0.5	11.3
Gross operating revenue (GOR)	**266,204**	**104.4**	**238,974**	**104.6**	**11.4**	**258,041**	**103.9**	**3.2**
(-) Direct taxes on dental care operations	9,405	3.7	8,926	3.9	5.4	7,964	3.2	18.1
(-) Taxes on sales of services and products	1,744	0.7	1,479	0.6	17.9	1,823	0.7	(4.3)
Net operating revenue (NOR)	**255,055**	**100.0**	**228,569**	**100.0**	**11.6**	**248,254**	**100.0**	**2.7**

Quarterly Average Ticket (R$/member/month)

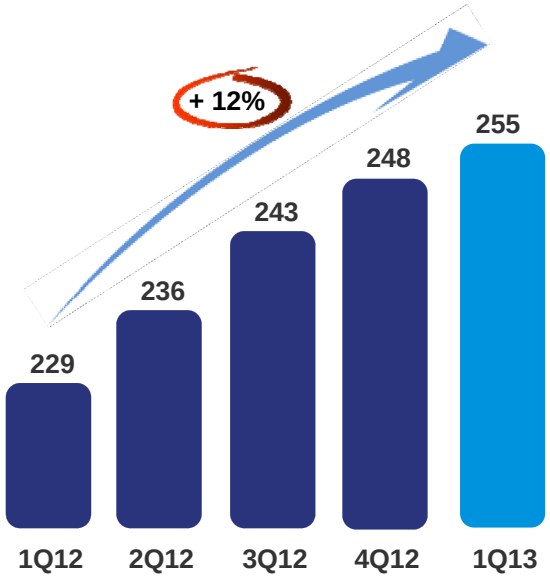
The average ticket came from R$14.49 in 4Q12 to R$14.73 in 1Q13, a growth of 1.7%. **In the annual comparison, the average ticket increased 4.2%, as a result of partial inflationary readjustments on corporate contracts.**



Average ticket (R$000)	1Q13	1Q12	YoY %	4Q12	Q/Q %
Payments, net (A)	264,812	237,400	11.5	256,790	3.1
Average number of members (B)	5,992	5,599	7.0	5,908	1.4
Average ticket (A/B)	**14.73**	**14.13**	**4.2**	**14.49**	**1.7**

The net operating revenue (NOR) in 1Q13 was of R$255 million, 11.6% above 1Q12.

Quarterly net revenues (R$ million)



Cost of services (dental care ratio)

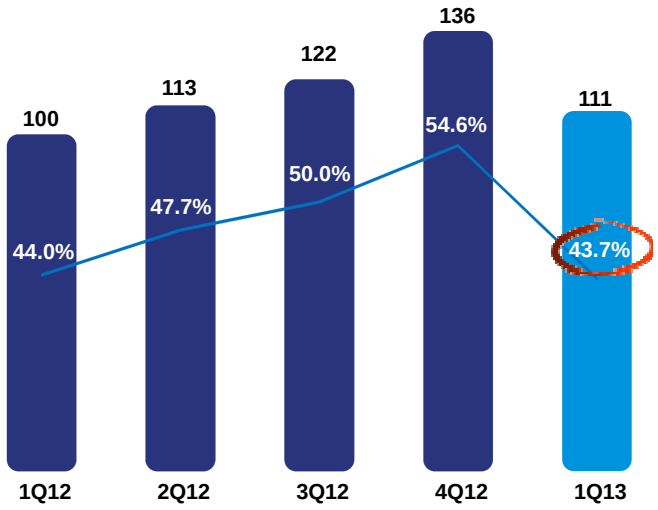
Cost of services (ex IBNR) and dental care ratio (% of NOR)								
	1Q13		1Q12		Δ% NOR	4Q12		Δ% NOR
	R$ 000	% NOR	R$ 001	% NOR		R$ 000	% NOR	
Cost of services	**111,363**	**43.7**	**100,478**	**44.0**	**0.3**	**135,624**	**54.6**	**10.9**
Indemnifiable claims, net	97,880	38.4	83,553	36.6	(1.8)	123,538	49.8	11.4
Payroll charges on services	6,943	2.7	6,461	2.8	0.1	8,706	3.5	0.8
Dental materials	974	0.4	682	0.3	(0.1)	1,306	0.5	0.1
Other operating expenses	5,566	2.2	9,782	4.3	2.1	2,074	0.8	(1.4)

In 1Q13 ANS approved a technical actuarial note of IBNR (Provision for Events Incurred but not Reported), filed by OdontoPrev. In accordance with the note approved for the Company, and the typical seasonality of the first quarter, the Company reverted IBNR provisions of R$6,375 in 1Q13. The IBNR is not included at the Cost of Services to calculate the Dental Care Ratio, same procedure as previous quarters.

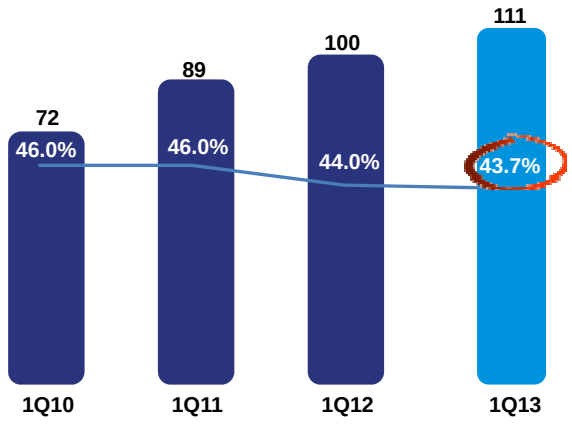
OdontoPrev has not been disbursing the 20% social security taxation (INSS related to individual dentists) since September 2010. All related expenses have been booked accordingly, as payroll charges on services. As of 1Q13, the total cash savings related to INSS reached R$78.9 million.

- **Indemnifiable claims, net:** In 1Q13 represented 38.4% of NOR.
- **Payroll changes on services: 2.7% of NOR in 1Q13, 0.1 p.p. under 1Q12.**
- **Dental materials: R$974 in 1Q13, 0.4% of NOR.**
- **Other operating expenses: 2.2% of NOR in 1Q13, an efficiency gain of 2.1% over 1Q12.**

Cost of services (R$ million) and dental care ratio (%)



Cost of services (R$ million) and dental care ratio (%)



Selling expenses

(R$000)	1Q13	% NOR	1Q12	% NOR	Δ% NOR	4Q12	% NOR	Δ% NOR
Selling expenses	23,528	9.2	21,454	9.4	0.2	22,824	9.2	-

The selling expenses came from R$21,454 (9.4% of NOR) in 1Q12 to R$23,528 (9.2% of NOR) in 1Q13, as a result of the distribution channels mix of the period.

Administrative expenses (G&A)

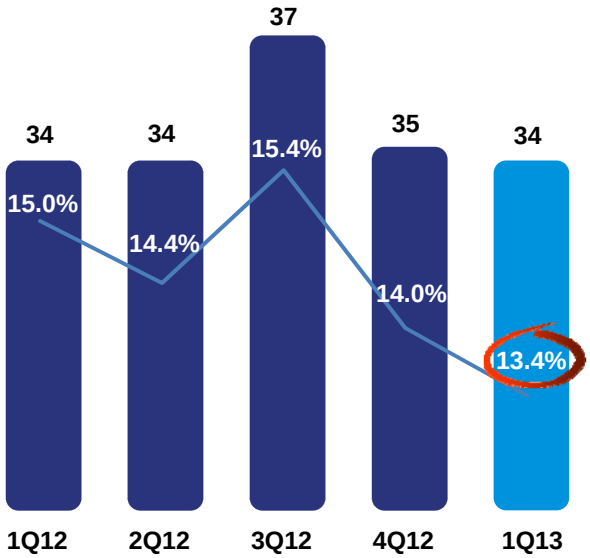
	1Q13		1Q12		Δ% NOR	4Q12		Δ% NOR
	R$ 000	% NOR	R$ 000	% NOR		R$ 000	% NOR	
Personnel	18,776	7.4	17,874	7.8	0.4	19,205	7.7	0.3
Rentals and occupancy	7,057	2.8	6,269	2.7	(0.1)	7,617	3.1	0.3
Third parties services	3,335	1.3	3,049	1.3	-	2,837	1.1	(0.2)
Publicity and advertising	2,181	0.9	3,221	1.4	0.5	4,592	1.8	0.9
Taxes and fees	975	0.4	931	0.4	-	991	0.4	-
Travelling, printing and subscriptions	1,447	0.6	1,323	0.6	-	1,523	0.6	-
Others	296	0.1	1,505	0.7	0.6	(1,917)	(0.8)	(0.9)
G&A (included adjusted EBITDA base)	**34,067**	**13.4**	**34,172**	**15.0**	**1.6**	**34,848**	**14.0**	**0.6**
Depreciation and amortization	1,267	0.5	1,556	0.7	0.2	1,284	0.5	-
Acquisition expenses	301	0.1	-	-	(0.1)	325	0.1	-
Joint venture Mexico	-	-	-	-	-	49	-	-
G&A (not included adjusted EBITDA base)	**1,568**	**0.6**	**1,556**	**0.7**	**0.1**	**1,658**	**0.7**	**0.1**
Total administrative expenses (G&A)	**35,635**	**14.0**	**35,728**	**15.6**	**1.6**	**36,506**	**14.7**	**0.7**

G&A (included in the adjusted EBITDA base)

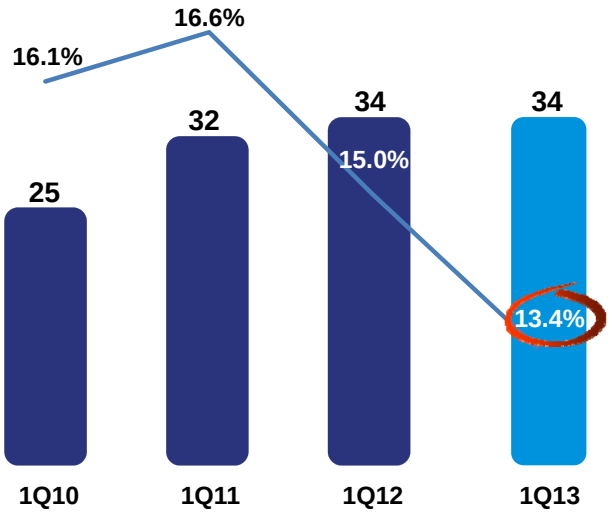
The administrative expenses, those part of the adjusted EBITDA base, were of R$34,067 in 1Q13 (13.4% of NOR) as compared to R$34,375 in 1Q12 (15.0% of NOR), improving 1.6 *p.p.*.

- **Personnel:** 7.4% of NOR in 1Q13, 0.4 *p.p.* below 1Q12 and 0.3 *p.p.* below 4Q12.
- **Rentals and occupancy**: 2.8% of NOR in 1Q13, an increase of 0.1 *p.p.* in relation to 1Q12 and 0.3 *p.p.* better than 4Q12.
- **Third parties services:** in 1Q13 represented 1.3% of NOR, same of 1Q12 and 0.2 *p.p.* over 4Q12.
- **Publicity and advertising:** 0.5 *p.p.* below 1Q12 and 0.9 *p.p.* below 4Q12.
- **Taxes and fees:** in 1Q13 represented 0.4% of NOR, same of 1Q12 and 4Q12.
- **Travelling, printing and subscriptions:** 0.6% of NOR in 1Q13, same of 1Q12 and 4Q12.
- **Others:** in 1Q13 represented 0.1% of NOR.

Administrative expenses (R$ million and % NOR)



Administrative expenses (R$ million and % NOR)



Other expense - allowance for doubtful receivables

In 1Q13 the allowance for doubtful receivables totaled R$7,135 (2.8% of NOR), *versus* R$6,589 (2.9% of NOR) in 1Q12.

The allowance for doubtful receivables is calculated based on historical losses on the Company. Each month OdontoPrev accrues over each type of accounts receivable, due or not, according to CPC 38/IAS 39.

Financial income

	1Q13		1Q12		Δ% NOR	4Q12		Δ% NOR
	R$ 000	% NOR	R$ 000	% NOR		R$ 000	% NOR	
Financial income (expenses), net	**2,577**	**1.0**	**5,200**	**2.3**	**1.3**	**2,494**	**1.0**	**-**
(+) Financial income	4,928	1.9	7,559	3.3	1.4	4,709	1.9	-
(-) Financial expenses	10,667	4.2	2,359	1.0	(3.2)	10,882	4.4	0.2
(+) Interest on capital[1]	8,316	3.3	-	-	(3.3)	8,667	3.5	0.2

[1]*For the purpose of deductibility for the determination of the profit, observing the fiscal year, interests on capital payments are registered as financial expenses.*

The net financial result in 1Q13 was R$2,577 (1.0% of NOR), including the payment of interest on capital in the amount of R$8,316 booked in 1Q13 and paid on April 04, 2013.

OdontoPrev's financial assets are represented by time deposits of prime institutions, as well as mutual funds, almost all of them liquid, excluding technical provisions.

Profit sharing

In 1Q13 the Company has made a reversion of Profit sharing provisions of R$2,333, due to the non-achievement of 2012 corporate goals regarding growth and profitability, therefore reducing the compensation of directors and managers. The profit sharing line, net of 1Q13 provision, became negative in R$812.

Income and social contribution taxes

	1Q13		1Q12		Δ% NOR	4Q12		Δ% NOR
	R$ 000	% NOR	R$ 000	% NOR		R$ 000	% NOR	
Taxes	**27,709**	**10.9**	**24,837**	**10.9**	**-**	**12,005**	**4.8**	**(6.1)**
(-) Current income and social contribution taxes	23,734	9.3	22,694	9.9	0.6	6,485	2.6	(6.7)
(-) Deferred income and social contribution taxes	3,975	1.6	2,143	0.9	(0.7)	5,520	2.2	0.6

The current income and social contribution tax was of R$23,734 in 1Q13 and R$22,694 in 1Q12.

	Effective tax rate (R$000)		
	1Q13	1Q12	4Q12
Income before taxes and profit sharing	**85,496**	**68,576**	**40,383**
(-) Profit sharing	(812)	1,311	1,301
(=) Tax base	**86,308**	**67,265**	**39,082**
Taxes			
(-) Current income and social contribution taxes	23,734	22,694	6,485
(-) Deferred income and social contribution taxes	3,975	2,143	5,520
Total taxes	**27,709**	**24,837**	**12,005**
Total effective tax rate	**27.5%**	**33.7%**	**16.6%**

The current effective tax rate in 1Q13 was of 27.5%.

OdontoPrev uses the amortization of goodwill of acquired companies in the calculation of the income tax and social contribution basis.

Acquisitions: consolidation track record, goodwill and incorporation			
Company	**Date of consolidation**	**Goodwill - R$000**	**Date of incorporation**
DentalCorp	FEB07	24,858	MAR08
Care Plus[1]	JUN08	29,932	DEC08
Sepao	NOV08	9,121	DEC09
Prontodente	JAN09	5,680	DEC09
Odonto Serv[2]	MAR09	20,816	DEC09
Bradesco Dental[3]	DEC09	409,640	JUL10
Total		**500,047**	

[1] Include Biodent, Care Plus and SRJSPE.

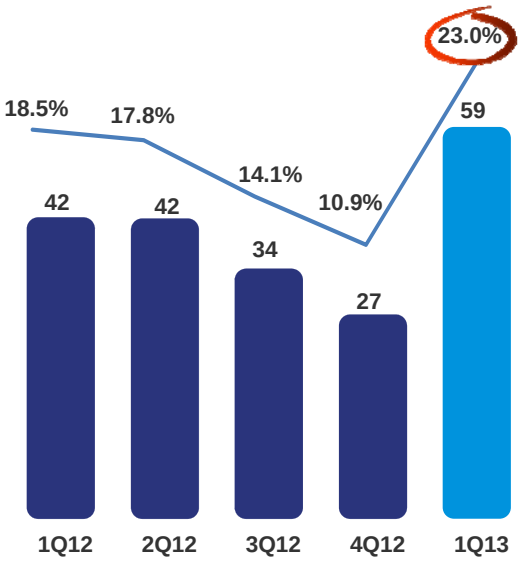
[2] Figures consolidated as of 2Q09. Adcon not incorporated.

[3] Figures consolidated as of 1Q10.

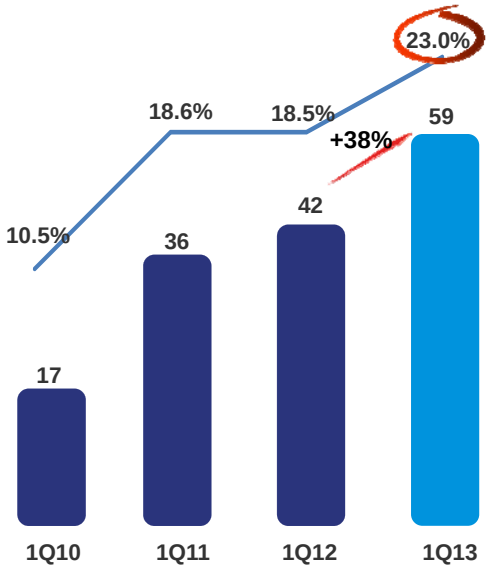
Net Income

The net income came from R$42,386 in 1Q12 to R$58,584 in 1Q13, an increase of 38.2%.

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

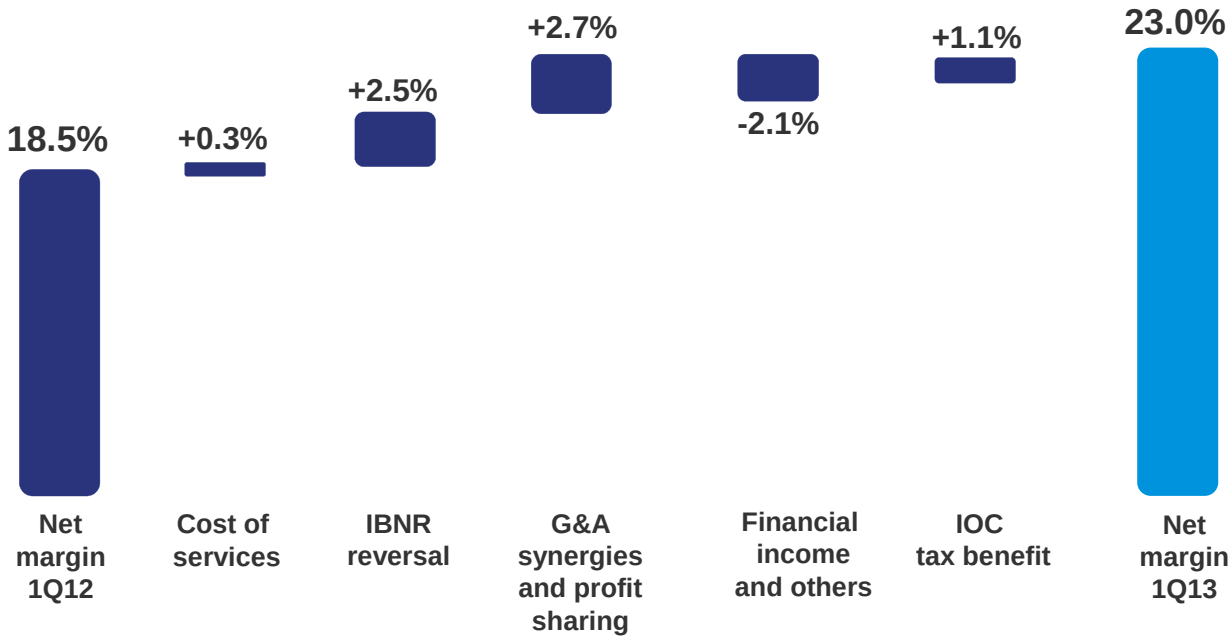


Net income (R$ million) and Margin (%)



The chart below demonstrates the main factors of net margin increase in 1Q13, highlighting the positive effects of IBNR, G&A synergies and senior management profit sharing reversal and the tax benefit of interest on capital.

Main factors of net margin increase (%)



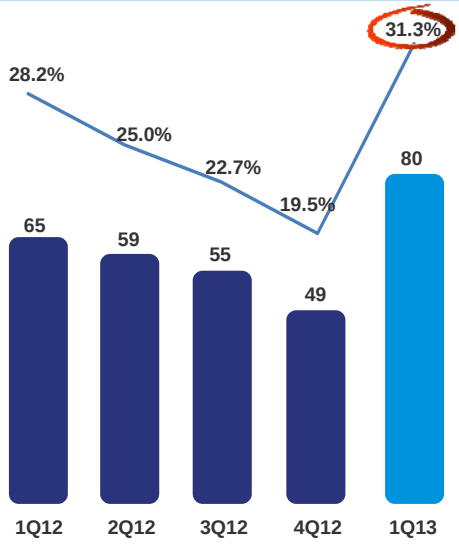
EBITDA and Adjusted EBITDA

The adjusted EBITDA reached R$79,774 in 1Q13, with an adjusted EBITDA margin of 31.3%, 3.1 *p.p.* higher than 1Q12.

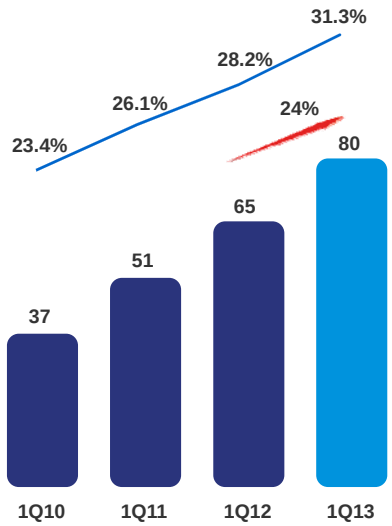
EBITDA and Adjusted EBITDA	1Q13		1Q12		Δ% NOR	4Q12		Δ% NOR
	R$ 000	% NOR	R$ 000	% NOR		R$ 000	% NOR	
Net Income	**58,584**	**23.0**	**42,386**	**18.5**	**4.5**	**27,055**	**10.9**	**12.1**
(+) Income tax	23,734	9.3	22,694	9.9	(0.6)	6,485	2.6	6.7
(+) Social contribution tax	3,975	1.6	2,143	0.9	0.7	5,520	2.2	(0.6)
(-) Financial income (expenses), net	4,928	1.9	7,559	3.3	1.4	4,709	1.9	-
(+) Financial expenses	10,667	4.2	2,359	1.0	3.2	10,882	4.4	(0.2)
(-) Interest on capital (IOC)	8,316	3.3	-	-	(3.3)	8,667	3.5	(0.2)
(+) Stock option	1,210	0.5	946	0.4	0.1	1,210	0.5	-
(-) Participation of minoritary shareholders	(15)	-	(42)	-	-	(22)	-	-
(+) Depreciation and amortization	1,267	0.5	1,556	0.7	(0.2)	1,284	0.5	-
(-) Equity in subsidiaries	360	0.1	(84)	-	0.1	(184)	(0.1)	0.2
EBITDA	**85,848**	**33.7**	**64,651**	**28.3**	**5.4**	**39,266**	**15.8**	**17.9**
(+) Non-recurring expenses	**301**	**0.1**	**-**	**-**	**0.1**	**374**	**0.2**	**(0.1)**
Acquisitions expenses	301	0.1	-	-	0.1	325	0.1	-
Joint venture Mexico	-	-	-	-	-	49	-	-
(+/-) IBNR	**(6,375)**	**(2.5)**	**(86)**	**-**	**(2.5)**	**8,844**	**3.6**	**(6.1)**
Adjusted EBITDA	**79,774**	**31.3**	**64,565**	**28.2**	**3.1**	**48,484**	**19.5**	**11.8**

Adjusted EBITDA components	1Q13		1Q12		Δ% NOR	4Q12		Δ% NOR
	R$ 000	% NOR	R$ 000	% NOR		R$ 000	% NOR	
(+) Payments. net	264,812	103.8	237,400	103.9	(0.1)	256,790	103.4	0.4
(+) Sales of services and products	1,392	0.5	1,574	0.7	(0.2)	1,251	0.5	-
(-) Direct taxes on dental care operations	9,405	3.7	8,926	3.9	0.2	7,964	3.2	0.5
(-) Taxes on sales of services and products	1,744	0.7	1,479	0.6	(0.1)	1,823	0.7	-
(-) Cost of services	111,363	43.7	100,478	44.0	0.3	135,624	54.6	(10.9)
(-) Selling expenses	23,528	9.2	21,454	9.4	0.2	22,824	9.2	-
(-) Administrative expenses	34,067	13.4	34,172	15.0	1.6	34,848	14.0	(0.6)
(-) Allowance for doubtful receivables	7,135	2.8	6,589	2.9	0.1	5,173	2.1	0.7
(-) Profit sharing	(812)	(0.3)	1,311	0.6	0.9	1,301	0.5	(0.8)
Adjusted EBITDA	**79,774**	**31.3**	**64,565**	**28.2**	**3.1**	**48,484**	**19.5**	**11.8**

Adjusted EBITDA (R$ million) and adjusted EBITDA margin (%)

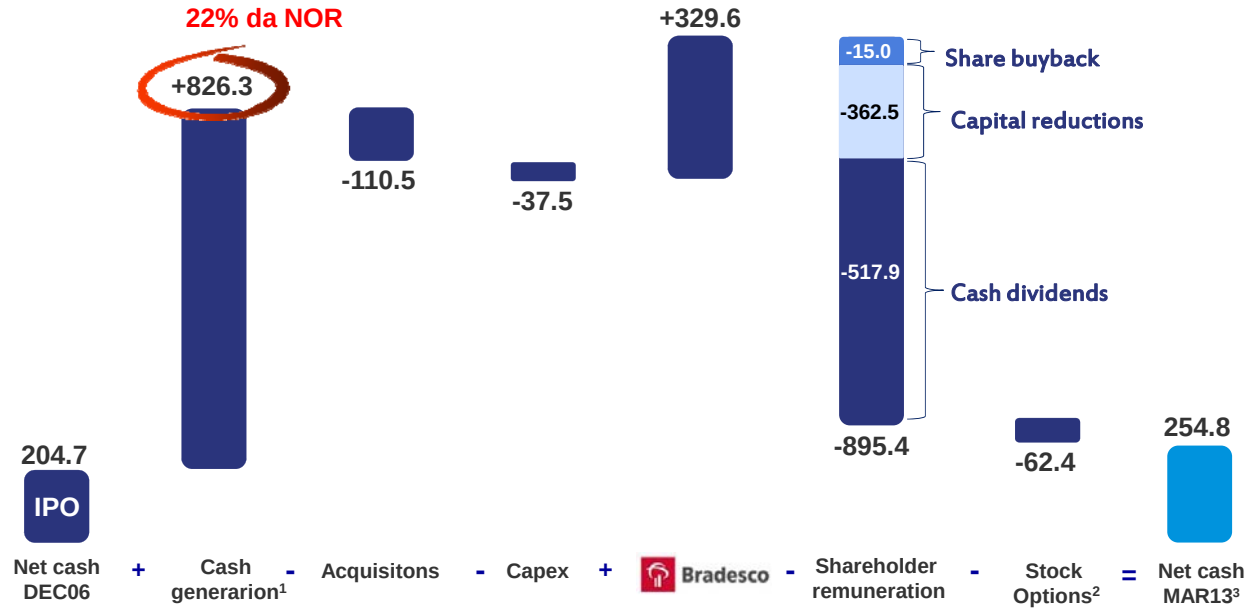


Adjusted EBITDA (R$ million) and adjusted EBITDA margin (%)

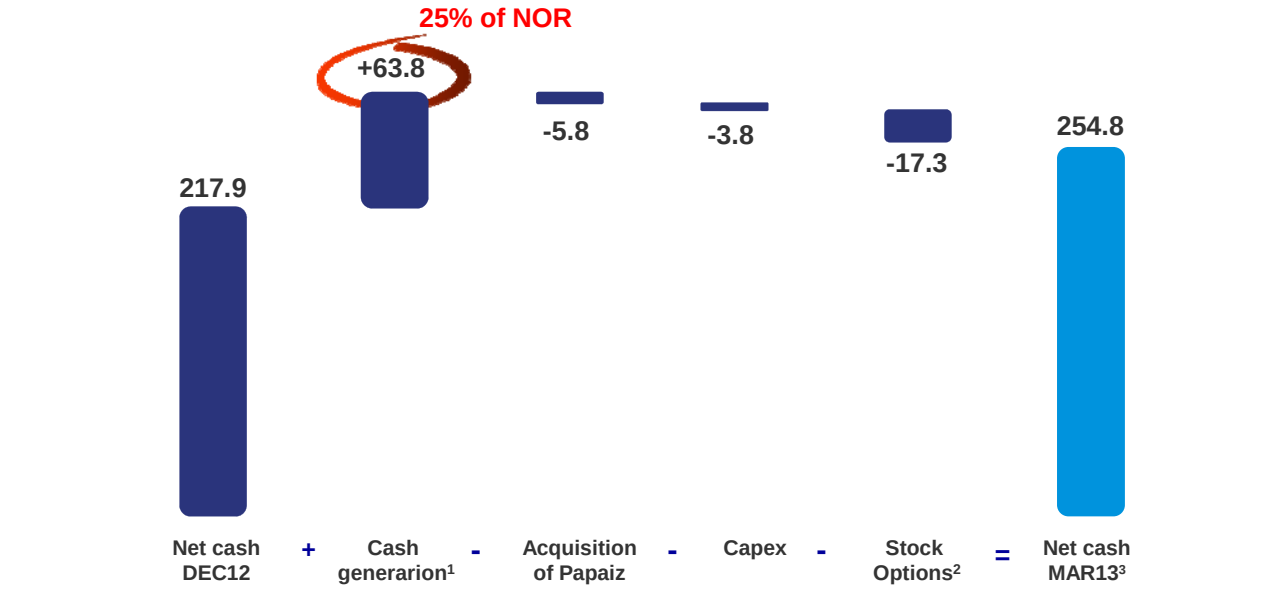


Since the IPO, OdontoPrev has presented a cash generation of R$826.3 million. At the end of March 2013 the net cash position was of R$254 .8 million. At he end of March, the company has no external debt.

Cash-flow since IPO (R$ million)



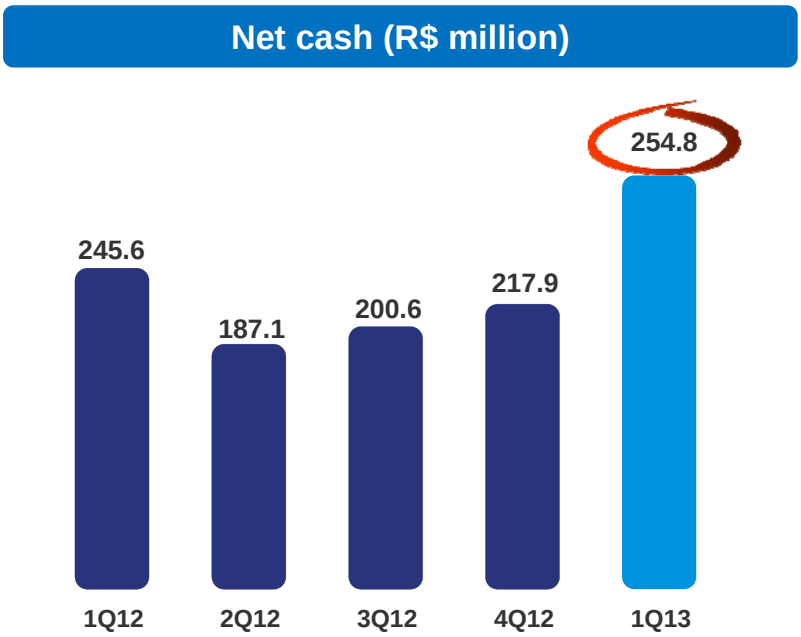
1Q13 Cash-flow (R$ million)



[1] Includes deferred selling expenses.

[2] Share repurchase to cover the Stock Options Plan.

[3] Includes R$69.7 million of technical provisions and R$78.9 million of social security (INSS) for individual dentists, net of escrow deposits.

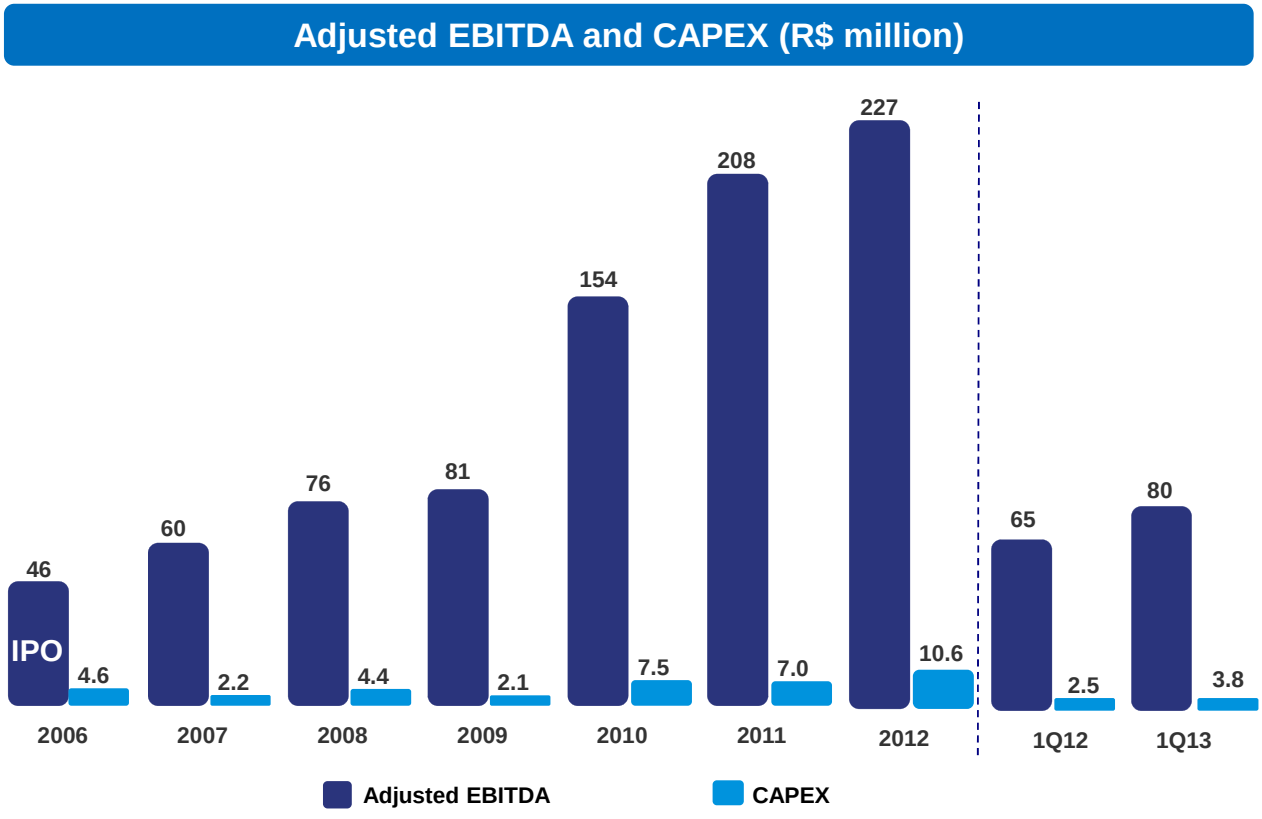


(R$000)	1Q13	1Q12	4Q12
CASH FLOW FROM OPERATIONAL ACTIVITIES			
Net income	**58,584**	**42,386**	**27,055**
Reconciliation of net income with the cash generated by operations	(1,859)	6,759	13,064
	56,725	**49,145**	**40,119**
Decrease (increase) in operational assets	1,694	(7,336)	(2,101)
Increase (decrease) in operational liabitities	5,653	24,077	16,435
NET CASH PROVIDED BY (USED IN) OPERATIONAL ACTIVITIES	**64,072**	**65,886**	**54,453**
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of investments, net of cash acquired (consolidated)	(5,777)	-	(225)
Acquisition of property and equipment	(1,196)	(2,296)	(1,109)
Systems development and acquisition of softwares	(2,586)	(186)	(838)
Deferred selling expenses	(282)	375	(89)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	**(9,841)**	**(2,107)**	**(2,261)**
CASH FLOW FROM FINANCING ACTIVITIES			
Dividends paid	(47)	-	(25,506)
Interest on capital	-	(16,957)	(8,667)
Treasury shares	(17,272)	(9,002)	-
Other	-	-	(700)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	**(17,319)**	**(25,959)**	**(34,873)**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**36,912**	**37,820**	**17,319**
CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
Balance at the beginning of period	217,930	207,851	200,611
Balance at the end of period	254,842	245,671	217,930
INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS	**36,912**	**37,820**	**17,319**

The acquisition/license of software represents the bulk of OdontoPrev's capex:

(R$000)	1Q13	1Q12	4Q12
IT platform, acquisition/license of software	2,586	1,281	838
Computer equipment	507	340	35
Dental plan equipment, furniture and utensils	191	36	83
Installations	48	-	18
Vehicle	-	-	133
Others	450	825	841
Total capex	**3,782**	**2,482**	**1,948**

OdontoPrev's cash generation (adjusted EBITDA) has historically been substantially higher than capex.



Demonstration of added value

(R$000)	1Q13	1Q12	4Q12
Revenues	259,069	232,385	252,868
Inputs purchased from third parties	(132,788)	(127,854)	(170,247)
(=) GROSS VALUE ADDED	**126,281**	**104,531**	**82,621**
Retentions	(1,267)	(1,556)	(1,284)
(=) WEALTH CREATED BY THE COMPANY	**125,014**	**102,975**	**81,337**
Wealth received in transfer	5,288	7,475	4,525
(=) WEALTH CREATED	**130,302**	**110,450**	**85,862**

WEALTH DISTRIBUTED	(130,302)	100%	(110,450)	100%	(85,862)	100%
Personnel and charges	(16,431)	12.6%	(17,538)	15.9%	(18,740)	21.8%
Taxes, fees and contributions	(50,011)	38.4%	(45,610)	41.3%	(34,961)	40.7%
Lenders and lessors	(4,051)	3.1%	(3,928)	3.6%	(3,874)	4.5%
Shareholders	(8,316)	6.4%	-	-	(53,951)	62.8%
Stock options	(1,210)	0.9%	(946)	0.9%	(1,210)	1.4%
Minoritary interest	(15)	0.0%	(42)	0.0%	(22)	0.0%
Retained earnings	(50,268)	38.6%	(42,386)	38.4%	26,896	-31.3%

Stock options

Since the creation of the Stock Options Plan, back in 2007, OdontoPrev has made 6 grants, demonstrated below:

Grant date	Number of options outstanding on 03/31/2013 [1]	Historical grant share price (R$)	Δ % IGP-M since grant date	Current share price updated by inflation	Dividends per share	IOC per share	Capital Reductions per share	Current grant share price
08/03/2007	-	3.74	44.77%	5.41	0.41	0.18	0.85	3.97
02/28/2008	-	2.70	35.23%	3.65	0.42	0.14	0.85	2.24
03/25/2009	-	1.47	24.72%	1.83	0.66	0.24	0.85	0.08
08/11/2010	2,096,121	4.31	18.75%	5.12	0.55	0.26	0.00	4.30
09/20/2011	1,751,445	6.96	9.25%	7.60	0.38	0.11	0.00	7.12
09/20/2012	1,609,097	8.22	1.09%	8.31	0.13	0.03	0.00	8.15
Total	**5,456,663**							

[1] After the share price split of 07/01/2010 and 04/02/2012.

Notes to the quarterly financial statements (company and consolidated)

(In thousands of Reais)

1 Operations and general information

Odontoprev S.A. (**"Company" or "OdontoPrev"**)a public stock corporation, with its head Office at Alameda Tocantins, 125 – 15th° floor, Alphaville - Barueri, São Paulo - Brazil, started to operate on August 28 1987. Its corporate objective is to provide private odontolgoical assistance plans and within this context, the administration, sale or availability of these plans to corporate entities and/or individuals, as well as the participation, as a partner, shareholder or quotaholder in other civil or commercial companies, in commercial enterprises of whatever nature, in Brazil and/or overseas, and the administration of its own assets and/or those of third parties.

The Company holds interests in the following associates and direct and indirect subsidiaries:

	Percentage holding (%)							
	March 31, 2013				December 31, 2012			
	Subsidiaries		Associates		Subsidiaries		Associates	
	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect
Clidec - Clinica Dentária Especializada Cura Dar's Ltda. (Clidec)	99.9	-	-	-	99.9	-	-	-
Odontoprev Serviços Ltda. (OdontoPrev Serviços)	99.9	-	-	-	99.9	-	-	-
Garcia Pedrosa Ltda. (Rede Dental)	99.9	-	-	-	99.9	-	-	-
Easy Software Ltda. (Easy)	-	51.0	-	-	-	51.0	-	-
Adcon Administradora de Convênios Odontológicos Ltda. (Adcon)	99.9	-	-	-	99.9	-	-	-
Dental Partner Comércio de Produtos e Equipamentos Odontológicos Ltda. (Dental Partner)	-	99.9	-	-	-	99.9	-	-
Odontored CV Sociedad Anônima de Capital Variable (Odontored)	-	-	40.0	-	-	-	40.0	-
G2D Serviços Tecnológicos S.A. (G2D)	-	-	-	16.7	-	-	-	16.7

Clidec - A company established on July 2, 1970 with the objective of providing dental care services.

OdontoPrev Serviços - A company established on December 3, 1999, engaged in providing sales assistance, consulting and business management services to companies in general and holding interests in other companies as partner or stockholder.

Rede Dental - A company established on August 31, 1990 to operate private dental care plans and manage, sell or provide these plans to legal entities and/or individuals.

Easy - A company established on November 3, 1993, being controlled by Odontoprev Serviços in 51%, engaged in developing and licensing software and in holding interests in other companies as partner or stockholder.

Adcon - A company established on April 14, 1997, engaged in the management and sale of dental care plans, acting as group dental care plan operator.

Dental Partner - A company established on November 14, 2008, being controlled by Clidec in

99.9%, engaged in retail and wholesale distribution of dental equipment and products, sanitizers, drugs, medicines, pharmaceutical inputs and related items.

Odontored - A company established on August 13, 2009, located in the City of Mexico, Mexico, engaged in developing dental care plans, including their operation, management and sale, as well as to provide direct or indirect (through third-parties) dental care assistance.

G2D - A company associated of Odontoprev Serviços with 16.7% was established on December 19, 2011 and owns a platform offering the online schedule of appointments with health professionals.

In accordance with Collegiate Board of Directors (RDC) 39, issued on October 27, 2000 by the Brazilian Healthcare Regulatory Agency (ANS), the Company and its subsidiaries Rede Dental and Adcon are classified as dental care operators in the tertiary dental care segment.

Papaiz Group

On August 28, 2012, the Company, through its subsidiary Clidec, the Company entered into a purchase agreement of Papaiz (Papaiz Group), in a partnership with the Fleury Group. The acquisition was completed on January 31, 2013, after the approval by the Administrative Council for Economic Defense (CADE).

Under the terms of the contract, upon fulfilling the preceding terms, Fleury acquired 51% of the capital of the Papaiz Group, and Clidec Participações S.A. (Clidec Participações) the remaining 49%. Clidec Participações is an indirect subsidiary of the Company, and its shareholders are Clidec which holds 60% and some of the sellers and existing executives from the Papaiz Group, who hold 40%.

On March 31, 2013 the amount involved to acquire the investment in the Papaiz Group was R$5,286 (R$265 for advances to acquire investments at December 31, 2012).

Banco do Brasil

On August 19, 2010, OdontoPrev agreed a memorandum of understanding, with BB Seguros, Bradesco Seguros and ZNT, for the purpose of creating a strategic alliance to develop and sell products from the odontological sector.

Concluding the operation depends on performing technical, legal and financial studies, the satisfactory negotiation of the definitive documents and compliance with the legal and regulatory formalities applicable.

Approval of the quarterly financial statements

The issue of the financial statements of the Company and its subsidiaries was authorized by the Board of Directors on April 30, 2013.

2 Description of significant accounting policies

The main accounting policies applied in the preparation of this parent company and consolidated financial statements are set out below. These policies have been consistently applied in the periods presented.

2.1 Preparation and presentation

The Company's quarterly financial statements have been prepared in accordance with accounting practices adopted in Brazil issued by the Brazilian Accounting Pronouncements Committee (CPC), and the consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), assuming that the Company will continue to operate as a going concern in Brazil.

The financial statements have been prepared and are presented in accordance with the ANS Chart of Accounts and the requirements of the Brazilian Securities Commission (CVM), as described in note 3.

The financial statements for the year ended December 31, 2012, have been modified for comparison purposes, for the following reasons:

i. Due to regulatory requirement, through RN 322/13, the constitution of the "Unearned premiums reserve (PPCNG)", which until December 31, 2012 was classified as a reduction of the income - anticipated billing, is now stated under the current liabilities.

ii. In 2012, the current tax assets and liabilities were presented separately in the balance sheet, without taking into consideration that the Company has the legal executable right to compensate them. Consequently, given the fact that the Company understands that it has the right to compensate, these balances have been compensated and re-stated in the balance sheet.

The compensation of current tax assets and liabilities as well as the presentation of the PPCNG did not affect the profit and loss, the shareholders' equity or any of the Company's contractual covenants during the year ended December 31, 2012 and these reclassifications are consistent with IAS 8 - Accounting Policies, Changes in Estimates and Errors and IAS 1 - Presentation of Financial Statements.

We present below a summary of the balance sheet and cash flows originally presented, compared to the amended statements:

a. Balance sheet

	Company			Consolidated		
Assets	**December 31, 2012**	**Reclassifications (R)**	**December 31, 2012 (R)**	**December 31, 2012**	**Reclassifications (R)**	**December 31, 2012 (R)**
Current assets	**271,345**	**36,909**	**308,254**	**303,069**	**37,220**	**340,289**
Cash and cash equivalents	3,491	-	3,491	4,418	-	4,418
Financial investments at fair value	199,661	-	199,661	213,512	-	213,512
Receivables from health assistance plans	**17,295**	**78,159**	**95,454**	**18,784**	**81,521**	**100,305**
Healthcare receivables	43,139	78,159	121,298	45,307	81,521	126,828
Invoices/premiums receivable	119,815	-	119,815	125,345	-	125,345
Debit notes	1,483	-	1,483	1,483	-	1,483
Advanced billings	(78,159)	78,159	-	(81,521)	81,521	-
(-) Allowance for doubtful accounts	(25,844)	-	(25,844)	(26,523)	-	(26,523)
Titles and credits receivable	**50,396**	**(41,250)**	**9,146**	**64,859**	**(44,301)**	**20,558**
Current taxes recoverable	43,309	(41,250)	2,059	55,360	(44,301)	11,059
Corporate Income Tax (IRPJ)	30,965	(30,199)	766	38,455	(32,426)	6,029
Social Contribution on Net Income (CSLL)	11,127	(11,051)	76	12,953	(11,875)	1,078
Withholding Income Tax (IRRF)	686	-	686	1,248		1,248
Others	531	-	531	2,704	-	2,704
Advances to suppliers	1,399	-	1,399	1,538	-	1,538
Advances to employees	1,472	-	1,472	2,453	-	2,453
Other receivables	4,216	-	4,216	5,508	-	5,508
Inventories	-	-	-	987	-	987
Other receivables	502	-	502	509	-	509
Non-current assets	**711,317**	**-**	**711,317**	**695,632**	**-**	**695,632**
Long-term receivables	158,781	-	158,781	162,397	-	162,397
Investments	26,601	-	26,601	1,030	-	1,030
Property and equipment	7,174	-	7,174	9,589	-	9,589
Intangible assets	518,761	-	518,761	522,616	-	522,616
Total assets	**982,662**	**36,909**	**1,019,571**	**998,701**	**37,220**	**1,035,921**

	Company			Consolidated		
Liabilities and equity	**December 31, 2012**	**Reclassifications (R)**	**December 31, 2012 (R)**	**December 31, 2012**	**Reclassifications (R)**	**December 31, 2012 (R)**
Current liabilities	**169,056**	**36,909**	**205,965**	**182,031**	**37,220**	**219,251**
Technical reserves	**76,701**	**78,159**	**154,860**	**79,164**	**81,521**	**160,685**
Provision for unsettled claims/events	16,928	-	16,928	17,888	-	17,888
Unearned premiums reserve (PPCNG)	-	78,159	78,159	-	81,521	81,521
Provision for claims/events incurred but not reported	59,773	-	59,773	61,276	-	61,276
Labor charges	6,506	-	6,506	9,588	-	9,588
Social charges	6,703	-	6,703	8,000	-	8,000
Taxes and contributions payable	**48,454**	**(41,250)**	**7,204**	**53,178**	**(44,301)**	**8,877**
Federal tax liabilities	47,318	(41,250)	6,068	51,667	(44,301)	7,366
Income tax (IRPJ)	31,721	(30,199)	1,522	34,202	(32,426)	1,776
social contribution on profit (CSLL)	11,725	(11,051)	674	12,647	(11,875)	772
Other federal tax liabilities	3,872	-	3,872	4,818	-	4,818
State tax liabilities	-	-	-	47	-	47
Municipal tax liabilities	1,136	-	1,136	1,464	-	1,464
Suppliers	9,019	-	9,019	8,916	-	8,916
Other debits	21,673	-	21,673	23,185	-	23,185
Non-current liabilities	**113,593**	**-**	**113,593**	**115,369**	**-**	**115,369**
Deferred income tax and social contribution	2,809	-	2,809	2,809	-	2,809
Contingent liabilities	108,973	-	108,973	110,749	-	110,749
Other liabilities	1,811	-	1,811	1,811	-	1,811
Total liabilities	**282,649**	**36,909**	**319,558**	**297,400**	**37,220**	**334,620**
Capital and reserves attributable to Company shareholders	700,013	-	700,013	700,013	-	700,013
Non-controlling interests	-	-	-	1,288	-	1,288
Consolidated equity	**700,013**	**-**	**700,013**	**701,301**	**-**	**701,301**
Total liabilities and shareholders' equity	**982,662**	**36,909**	**1,019,571**	**998,701**	**37,220**	**1,035,921**

b. Statement of cash flows - Indirect method

	Company			Consolidated		
	Period ended at March, 31			Period ended at March, 31		
	2012	**Reclassifications**	**2012 (R)**	**2012**	**Reclassifications**	**2012 (R)**
Net income for the period	**42,386**	**-**	**42,386**	**42,428**	**-**	**42,428**
Adjustments to reconcile the net profit to cash generated from operational activities:	4,866	-	4,866	6,717	-	6,717
	47,252	**-**	**47,252**	**49,145**	**-**	**49,145**
Decrease (increase) in the operational assets :						
Financial investments at fair value	(37,869)	-	(37,869)	(39,455)	18	(39,437)
Healthcare receivables	(14,537)	4,689	(9,848)	(14,034)	4,845	(9,189)
Titles and credits receivable	(14,457)	13,874	(583)	(14,711)	14,372	(339)
Inventories	-	-	-	186	-	186
Long-term receivables	1,819	-	1,819	2,006	-	2,006
Increase (decrease) in operational liabilities:						
Provision for events/ claims to be settled	4,216	-	4,216	5,016	-	5,016
Unearned premiums reserve (PPCNG)	-	(4,689)	(4,689)	-	(4,845)	(4,845)
Salaries, vacation pay and fees	1,561	-	1,561	2,060	-	2,060
Taxes and contributions payable	-	7,850	7,850	-	8,141	8,141
Taxes and contributions payable and social security liabilities	21,379	(21,724)	(345)	22,113	(22,513)	(400)
Suppliers	9,534	-	9,534	7,548	(20)	7,528
Long-term liabilities	6,636	-	6,636	6,532	-	6,532
Net cash provided by operating activities	**25,534**	**-**	**25,534**	**26,406**	**(2)**	**26,404**
Net cash used in investing activities	**(1,333)**	**-**	**(1,333)**	**(2,107)**	**-**	**(2,107)**
Net cash used in financing activities	**(25,959)**	**-**	**(25,959)**	**(25,959)**	**-**	**(25,959)**
Increase (decrease) in cash and cash equivalents	**(1,758)**	**-**	**(1,758)**	**(1,660)**	**(2)**	**(1,662)**
Cash and cash equivalents						
Cash and cash equivalents at the beginning of the period	7,222	-	7,222	8,050	2	8,052
Cash and cash equivalents at the end of the period	5,464	-	5,464	6,390	-	6,390
Increase (decrease) in cash and cash equivalents	**(1,758)**	**-**	**(1,758)**	**(1,660)**	**(2)**	**(1,662)**

2.2 Consolidated quarterly financial statements

The following accounting policies are applied in the preparation of the consolidated financial statements.

a. Subsidiaries

Subsidiaries are all entities over which the Company has influence and direct or indirect control on the financial and operating management, generally accompanying a shareholding of more than one-half of the voting rights or most of the risks and rewards originated from these investments, in accordance with IFRS. Subsidiaries are fully consolidated from the date on which control is transferred to the OdontoPrev.

The Company applies the acquisition method to account for business combinations, which are recorded at the fair value of transfer of assets, liabilities and equity, calculated on the acquisition date. Acquisition-related costs are expensed as incurred. Non-controlling interests in subsidiaries are recognized proportionally based on the fair value at the acquisition date.

The excess of cost of acquisition over the fair value on the acquisition date of any equity investment is recorded as goodwill after allocation in tangible and/or intangible assets.

Investments in subsidiaries and equity in the results of investees, as well as intercompany asset and liability balances and transactions, have been eliminated in consolidation. Balances receivable and payable and profit (loss) from intercompany transactions have already been eliminated. The consolidated quarterly financial statements include the balances of the Company and its subsidiaries, according to the holding percentage table in Note 1.

The accounting policies of subsidiaries have been changed where necessary to ensure the consistency of the financial statements with IFRS and the application of the accounting policies adopted by the Company.

b. Associates

Associates are all entities over which the Company has significant influence and has the power to take part in decisions related to financial and operating policies, without holding control. Investments in associates are accounted for using the equity method and are initially recognized at cost.

c. Exclusive fund

According to CPC 36 (R3)/IFRS10 we have consolidated the exclusive fund "Bradesco - Fundo de Investimento Renda Fixa OdontoPrev" at March 31, 2013 and December 31, 2012 (March 31, 2012 was also consolidated for comparison purposes).

2.3 Parent company quarterly financial statements

In the parent company's quarterly financial statements, subsidiaries are recorded based on the equity accounting method. The same adjustments are made in the parent company and consolidated quarterly financial statements to obtain the same profit or loss and equity attributable to the owners of the Company. The accounting practices adopted in Brazil applicable to the parent company financial statements determine the evaluation of investments based on the equity accounting method, which differ from IFRS applicable to the separate financial statements, which establish the evaluation of investments in subsidiaries and associates based on cost or fair value.

2.4 Statements of comprehensive income

The Company and its subsidiaries do not have: (i) pension plan; (ii) gains/losses on available-for-sale assets; (iii) hedge transactions; (iv) gains/losses on monetary translations. Accordingly, the statement of comprehensive income corresponds to profit for the presented periods.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating and strategic decision-maker, the Statutory Board, which is responsible for allocating resources and assessing the performance of the operating segments, as disclosed in note 20.

2.6 Foreign currency translation

a. Functional and presentation currency

Items included in the financial statements of the Company and its subsidiaries are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The parent company and consolidated financial statements are presented in Brazilian reais (R$), which is the Company's functional and presentation currency.

b. Translation of balances in foreign currency

Foreign currency transactions are translated into the functional currency of the parent company using the current exchange rate (assets and liabilities) and the exchange rate prevailing at the dates of the transactions (equity). Foreign exchange gains and losses resulting from the settlement of these transactions and from the translation of balances at the reporting date are recognized in the statement of income.

2.7 Financial assets

2.7.1 Classification

The Company and its subsidiaries classify their financial assets, as determined by management, at initial recognition, in the following categories:

a. Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits and other short-term highly liquid investments with original maturities of three months or less, with immaterial risk of change in value. The composition of cash and cash equivalents is shown in note 6.

b. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. All financial assets in this category are classified as current assets, as shown in note 7.

c. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period, which are classified as non-current assets. The loans and receivables of the Company and its subsidiaries comprise trade receivables (healthcare receivables, as disclosed in note 8).

Healthcare receivables correspond to consideration receivable for the sale of collective or individual standardized or personalized dental care plans.

These are reported in the balance sheet at the nominal values of titles that represent these receivables, with the corresponding entry recorded to net consideration (profit and loss) or Unearned premiums reserve (PPCNG in current liabilities), according to the coverage period of the contracts in force at the balance sheet date, and at the amounts receivable from reimbursement of events.

2.7.2 Recognition and measurement

Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the statement of income. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred, and the Company and its subsidiaries have transferred substantially all risks and rewards of ownership.

Gains or losses arising from the changes in the fair value of the “Financial assets at fair value through profit or loss” category are presented in the statement of income in the period in which they arise.

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired, according to note 2.7.5.

2.7.3 Fair value estimation

The Company adopted CPC 40/IFRS 7 for financial instruments that are measured in the balance sheet at fair value; this requires disclosure of fair value measurements by level of the following hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: The discounted cash flow or another methodology is used to determine the asset price based on observable market data.
- Level 3: Inputs for the asset or liability that are not based on observable market data.

The Company's financial risk management policy is to contract financial products available in the Brazilian market, whose market value can be reliably measured, seeking high liquidity to meet its future liabilities and with a prudent liquidity risk management policy. The composition of financial investments, which are classified in level 1 (public bonds) and level 2 (Bank Deposit Certificates (CDBs) and others) is shown in note 7.

2.7.4 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legal right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.7.5 Impairment of financial assets carried at amortized cost

The Company and its subsidiaries assess at the end of each reporting period whether there is evidence that the credit quality of an asset or group of assets is impaired, and impairment losses are incurred as a result of a loss event that has an impact on the estimated future cash flows of the asset or group of financial assets.

The criteria that the Company and its subsidiaries use to determine whether there is objective evidence of impairment loss include:

- Significant financial difficulty of the issuer or debtor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The company, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that it would not otherwise consider;
- Declaration of bankruptcy or reorganization of the service receiver;
- The disappearance of an active market for that financial asset;
- Data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition, including: (i) adverse changes in the payment status of borrowers in the portfolio; and; (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

By assessing the existence of objective evidence of impairment, the Company and its subsidiaries measure the provision. In this circumstance, the carrying amount is reduced to its recoverable value, and the amount of the provision is recognized in the statement of income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the reversal of the loss is recognized in the statement of income, limited to the book value that would have been determined if the devaluation loss had not been recorded in prior periods.

The provision for impairment of trade receivables is set up according to CPC 38/IAS 39 guidelines, which determine the individual assessment of objective evidence of impairment loss for financial assets that are individually material, and individual or collective assessment for financial assets that are not individually material or that have similar credit risk characteristics.

Losses from client receivables were registered to the account "provision for doubtful receivables" to profit and loss. Amounts which areaccounted for as impairment losses provision are generally written off when Management no longer anticipates recovering the financial asset, which generally occurs after 180 days have lapsed.

The other types of financial assets classified as loans and receivables do not include asses classified as *impaired.* The maximum exposure to credit risk at the reporting date of the balance sheet is the book value of each class of accounts receivables stated above.

2.8 Non-current assets

2.8.1 Long-term receivables

These include deferred income tax and social contribution (note 10.1), and other non-current assets (judicial deposits - note 10.2 and other receivables - note 10.3), stated at cost, including, when applicable, accrued earnings and provisions for losses.

Asset and liability items resulting from long or short-term transactions, are adjusted when applicable to present value based on the origin of the transaction. No adjustments resulting from this accounting practice were made at the balance sheet date.

a. Deferred income tax and social contribution (assets)

Deferred tax assets with probable deductibility are recognized in relation to taxable temporary differences, that is, on those differences that will result in amounts to be excluded from the calculation of taxable income tax and social contribution of future years, when the carrying amount of the asset is recovered. They are basically recorded on temporary differences related to: goodwill on expected future profitability from merged subsidiaries (this tax benefit is recorded in conformity with the current accounting standards CPC 32/IAS 12 and is based on future tax benefit generated in the ordinary course of OdontoPrev's business); provision for impairment of trade receivables; tax, social security, civil and labor contingencies; and sundry provisions, as mentioned in note 10.1.
Deferred tax is measured based on the rates anticipated to be used for temporary differences when these are reversed, based on the rates that were decreed or substantially decreed at the reporting date of these financial statements.

Deferred tax assets and liabilities are compensated when there is a legal right to compensate current tax assets and liabilities, and when they refer to taxes charged by the same tax authorityies and on the same entity subject to taxation, or on separate taxable entities but when

there is the intention to liquidate the current tax assets and liabilities on a net basis or when the tax assets and liabilities will be realized simultaneously.

Deferred income tax and social contribution assets are revised at each reporting date for the financial statements and are reduced to the extent that realization is no longer probable.

For purposes of determining deferred and current income tax, the Company takes into consideration the impact of uncertainties related to the tax positions taken and whether additional taxes and interest may be due. The Company believes that the provision for income tax recorded to liabilities is sufficient in relation to all of the tax periods outstanding, based on its assessment of various factors, including interpretations of tax laws and past experience. This assessment is based on estimates and assumptions and may involve a series of judgments regarding future events. New information may become available, which could result in the Company changing its judgment as to the adequacy of the existing provision; any alterations to the provision would affect the income tax expense for the year in which these adjustments are made.

b. ***Judicial deposits***

These refer basically to deposits for lawsuits relating to the payment of the National Institute of Social Security (INSS) contribution of independent contractors and the increase in the Social Contribution on Revenues (COFINS) rate, as mentioned in note 10.2.

2.8.2 Investments

These comprise investments in subsidiaries and associates accounted for using the equity accounting method based on their respective balance sheets at March 31, 2013 and December 31, 2012, as disclosed in note 11.

2.8.3 Property and equipment

Property and equipment are stated at acquisition cost, less accumulated depreciation, calculated on the straight-line method based on the estimated economic useful lives of assets at the annual rates mentioned in note 12.

Property and equipment comprise mainly computer equipment and furniture.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount when the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the amounts obtained with the carrying amount and are recognized in the statement of income.

2.8.4 Intangible assets

a. ***Goodwill on acquisition of investments***

Refers to goodwill based on expected future profitability, paid on the acquisition of investments (investments in subsidiaries) mentioned in note 13.1. Goodwill represents the excess of the cost of an acquisition over the net fair value of assets and liabilities of the acquired entity, including the allocation of intangible assets.

Goodwill is tested annually for impairment, as disclosed in note 13.2, and carried at cost less accumulated impairment losses, which are not reversed.

b. ***System development, software licenses and others***

System development and software license expenses are capitalized on the basis of the costs incurred to acquire and bring them to use. They are amortized on the straight-line method over 60 months, as mentioned in note 13.3.

Costs associated with maintaining computer software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets.

Goodwill attributable to the brand, customer portfolio and agreement for non-competition are grouped in "Intangible assets - OdontoServ". These items are amortized on the straight-line method, using the terms identified in the appraisal report, as mentioned in note 13.3.

c. ***Deferred selling expenses***

The Company recognizes as deferred selling expenses (Deferred Acquisition Costs (DAC)) the expenditures that are directly incremental and related to the origin or renewal of contracts, that is, the amounts paid for agency and that can be reliably measured. Other expenditures are recorded as selling expenses, as incurred. This asset is recognized in profit or loss over a period of twelve months.

2.9 Impairment of non-financial assets

CVM Resolution 639/10, CPC 01 (R1)/IAS 36, requires that companies and their subsidiaries carry out periodic impairment tests of the amounts recorded in property and equipment and intangible assets with the purpose of reviewing and adjusting the criteria utilized to determine the estimated economic useful lives and calculate depreciation and amortization.

Assets are tested for impairment in order to: (i) verify whether there is any loss due to assets impaired; and (ii) measure any impairment loss of existing assets to complement or reverse the provision for impairment of trade receivables, when applicable.

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested annually for impairment. For the purposes of assessing impairment, assets are grouped in business units (active and/or merged companies acquired).

Assets that are subject to amortization are periodically reviewed for impairment or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized when the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

2.10 Dental care plan contracts

When CPC 11/IFRS 4 were first adopted, the Company classified all dental care plan contracts based on the analysis of transfer of significant insurance risk between the parties, also taking into consideration all scenarios with commercial significance in which the insured event occurs, in comparison with the scenarios in which the insured event does not occur. The Company issues dental care plan contracts which transfer financial risk, insurance or dental care cost

fluctuation risk or both. In general, the Company defines significant insurance risk as the possibility of incurring losses at amounts higher than the monthly payments made by the beneficiaries. Investment contracts are those which do not transfer insurance risk or transfer insignificant insurance risk (see notes 5.1 and 5.2).

The Company classified the postpaid collective plans as "Investment contracts" on first-time adoption of CPC 11/IFRS 4.

Technical pronouncement CPC 11/IFRS 4 was not approved by ANS, however, based on CVM guidelines, the Company applied this pronouncement in its financial statements.

a. Deferred selling expenses

See comments in note 2.7.4, item c.

b. Liabilities of dental care plan sale contracts

Contracts that transfer significant insurance risk to the Company are evaluated based on an accounting methodology or model applicable to contracts of this nature. Upon first-time adoption of IFRS, the Company used the rules of CPC 11/IFRS 4 to assess these contracts, based on the minimum rules and procedures established in CPC 11/IFRS 4, which include: (i) the Liability Adequacy Test (LAT) of insurance contracts; (ii) the economic and actuarial classification as insurance or investment contracts; and (iii) the identification of embedded derivatives.

c. Liability Adequacy Test (LAT)

In conformity with CPC 11/IFRS 4, the Company prepared at December 31, 2012 the liability adequacy test of all dental care plan contracts in effect at the testing date. This test is prepared based on the net carrying amount of all liabilities arising from insurance contracts, as permitted by CPC 11/IFRS 4, less intangible assets directly related to insurance contracts.

For this test, the Company prepared a methodology based on its best estimate of all future cash flows, which also include additional and accessory claim settlement expenses, using current assumptions for the test and no insufficiency was identified.

Should any deficiency be identified, the Company immediately recognizes the loss in the statement of income, initially reducing the DAC or the deferred acquisition costs up to the limit of zero (or other intangible assets, such as those arising from exclusivity contracts and those directly related to insurance contracts) and, subsequently, recognizes additional provisions for insurance liabilities already recognized at the testing date, when the loss exceeds the carrying amount of these intangible assets. Any intangible asset, such as DAC, which was written down due to this test, cannot be reinstated by the Company when the test shows favorable results for the Company in future periods.

2.11 Technical reserves

In accordance with ANS Regulatory Resolution (RN) 209/09, amended by RN 227/10, 243/10, 246/11 and 313/12 operators shall record monthly the "Reserve for claims incurred but not reported" (IBNR), actuarially estimated to cover events/claims already occurred but not recorded by the Company in the accounting books (see note 16, item c).

The events pending settlement involving dental care assistance are classified in "Reserve for events/claims to be settled in the group "Technical reserves for dental care operations" in

accordance with Normative Resolution (RN) 290/12, amended by RN 322/13. Costs of services provided are recorded based on claims reported by accredited service providers upon the analysis of the events covered by the plans, with a corresponding entry to the accounts of result of indemnifiable claims, net.

2.12 Taxes and contributions payable

a. Federal tax liabilities

i. **Income tax (IRPJ) and social contribution (CSLL)**: these are calculated based on criteria established by the legislation in force. IRPJ is calculated at the rate of 15% of taxable income, plus a 10% surtax on taxable income exceeding R$240 per year, and includes the tax incentive portion. CSLL is calculated at the rate of 9% of adjusted accounting profit, as established by the current legislation.

ii. **Other federal tax liabilities:** these comprise provisions for Social Integration Program (PIS) and Social Contribution on Revenues (COFINS), which are calculated based on the criteria established by the legislation in force. PIS is calculated at the rate of 0.65% and COFINS at the rate of 3.0%, both on billings less indemnifiable claims paid.

b. Municipal tax liabilities

These comprise the provision for Services Tax (ISS), calculated based on criteria established by the legislation in force. ISS is calculated at rates that vary from 2.0% to 3.0% on billings less indemnifiable claims paid.

2.13 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business, and are classified as current liabilities if payment is due in one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method. In practice, they are recognized at the amount of the related invoice.

2.14 Other current liabilities

These are stated at known or estimated amounts and include, when applicable, the corresponding charges and monetary variations.

2.15 Deferred income tax and social contribution (liability)

Deferred tax liabilities, whose payment is probable, are recognized in relation to the taxable temporary differences, that is, on differences that result in amounts to be added to the calculation of taxable income in future years, when the carrying amount of the asset or liability is recovered or settled.

2.16 Contingent liabilities and legal obligations

The Company and its subsidiaries assess their contingent liabilities based on the requirements of the accounting pronouncement CPC 25/IAS 37, in which for lawsuits classified as “probable losses”, 100% of the estimated amount is accrued. According to the history, for lawsuits classified as “possible losses” involving dental treatments to beneficiaries of the dental plan in which the Company and/or its subsidiaries are parties, 25% of the estimated amount is accrued.

The Company and its subsidiaries also consider material, making individual estimates and recording a related provision, the administrative proceedings with ANS and other consumer protection agencies (e.g.: Procon), especially those in which a pecuniary penalty was applied. The proceedings with ANS, depending on their outcome, may generate impact on the health operators' performance indicators, and the proceedings with the consumer protection agencies may results in damages to the image of the Company and its subsidiaries.

a. Contingent liabilities

After considering the opinion of the internal and external legal counsel, the cause of actions, similarity with previous lawsuits, complexity of the causes and the courts' position, contingent liabilities are recorded whenever it is probable that the loss will result in disbursement of funds to settle the obligations and when the amounts involved are reliably measurable.

b. Legal, tax and social security obligations

Legal, tax and social security obligations arise from lawsuits related to tax obligations, whose legality or constitutionality is being challenged, and are fully recognized in the financial statements and monetarily restated in accordance with current tax legislation (Special System for Settlement and Custody (SELIC)) interest rate.

2.17 Share capital

Common shares are classified as equity.

The Company buys back shares of its own issue to provide shares for the stock option program (note 19.5), which are recorded as deductions from revenue reserves.

2.18 Revenue recognition

a. Effective consideration

Income from consideration derived from operations related to private dental assistance plans in the form of previously agreed prices have to be appropriated for the amount corresponding to the daily allocation - *pro rata die* - for the individual coverage period of each contract, as from the first day of coverage. The installments for the consideration corresponding to the coverage period for the subsequent month are registered to the "Unearned premiums reserve (PPCNG)", in accordance with RN 322/13.

Sales of goods and services

Revenues from sales of goods and services provided by the subsidiaries, as stated in note 20 item (iv), are allocated to the statement of income on the accrual basis.

b. Finance income

This income arises from financial investments and tax credit and judicial deposit restatements.

2.19 Recognition of costs of services

The costs of services provided by accredited professionals and dental clinics are recognized in the statement of income on the accrual basis, when claims covered by the plans are reported and analyzed, together with the recording of IBNR. The costs of operating the company-owned dental care network are recognized as incurred.

2.20 Employee benefits (variable remuneration)

Employee and management profit sharing, even in the form of financial instruments, is classified as profit sharing, in operating expenses. The Company and its subsidiaries adopt the following procedures: (i) employee profit sharing expenses are classified as profit sharing results in operating expenses, according to CPC 33(R1)/IAS 19; and (ii) all the estimated costs of stock options granted under share-based payment contracts existing as from the year ended December 31, 2007, as prescribed by CPC 10(R1)/IFRS 2 are calculated and records as operating expenses. These operating expenses are recorded with a corresponding entry to equity, in "options granted".

The Company grants stock options to be exercised on a future date ad after a vesting period, subject to continuing service by the beneficiary to the Company (vesting condition - CPC 10(R1)/IFRS 2). On the option grant date, the Company calculates the fair value of each option based on the financial method, widely known as Black-& Scholes, taking into consideration several factors on the option grant date, such as volatility of shares, share exercise price, share market price, vesting period, risk-free discount rate, and other factors. Share-based remuneration expense is recorded in accordance with the accrual period and as the beneficiary renders the services to the Company up to the date on which the capital instrument may be acquired by the beneficiary.

2.21 Distribution of dividends and interest on capital

Dividend and interest on capital distribution to the OdontoPrev's srockholders is recognized as a liability in the financial statements based on the Company's bylaws. Any amount that exceeds the minimum required is maintained in equity, in the account "additional dividend proposed", until it is approved by the stockholders at the annual general meeting.

2.22 Earnings per share

The Company's basic earnings per share for the periods ended March 31, 2013 and December 31, 2012, in compliance with CPC 41/IAS 33, were calculated by dividing profit attributable to the Company's stockholders by the weighted average number of common shares outstanding during the period, excluding treasury shares. Earnings per share are also calculated by adjusting the weighted number of common shares outstanding to assume conversion of all potential dilutive common shares. The calculation of basic and diluted earnings per share is presented in note 27.

2.23 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

IFRS 9, "Financial Instruments ", issued in November 2009, is the first step in the process to replace CPC 38/IAS 39 " Financial Instruments - Recognition and Measurement". IFRS 9 has introduced new requirements for classifying and measuring financial assets. The norm is applicable as from January 01, 2015.

Anticipated adoption of this norm is dependent upon approval by CVM.

3 Reconciliation of Brazilian Corporation Law and ANS

Considering that the Company performs a regulated activity in the dental care segment, it is required to present its financial statements based on the ANS Chart of Accounts, which contains accounting items with names that differ from those commonly used by companies of other sectors. Accordingly, to facilitate the understanding of the financial statements, we present below the reconciliation between the items used by Brazilian Corporation Law and those adopted by the

ANS Chart of Accounts:

		Company		Consolidated	
		Period ended at March, 31		Period ended at March, 31	
Corporate Law	**ANS**	**2013**	**2012**	**2013**	**2012**
	Net installments	258,445	231,492	264,812	237,400
	Revenues from sale of products	77	98	1,392	1,574
Tax on sales	Direct taxes on health care plan operations	(9,109)	(8,652)	(9,405)	(8,926)
	Taxes on sales and services	-	-	(1,744)	(1,479)
Net operating revenue		**249,413**	**222,938**	**255,055**	**228,569**
Cost of services	**Cost of services**	**(101,737)**	**(96,903)**	**(104,988)**	**(100,392)**
	Indemnifiable claims, net	(95,890)	(81,459)	(97,880)	(83,553)
	Social charges on services	(6,868)	(6,393)	(6,943)	(6,461)
	Dental care materials	(1,933)	(1,175)	(974)	(682)
	Other operating expenses	(3,421)	(7,962)	(5,566)	(9,782)
	Changes in events incurred but not reported	6,375	86	6,375	86
Gross profit		**147,676**	**126,035**	**150,067**	**128,177**
Selling expenses	**Selling expenses**	**(23,322)**	**(21,267)**	**(23,528)**	**(21,454)**
Administrative expenses	**Administrative expenses**	**(36,500)**	**(36,593)**	**(35,635)**	**(35,728)**
Other expenses	**Other expenses**	**(7,009)**	**(8,867)**	**(7,533)**	**(8,846)**
Granting stock options	Granting stock options	(1,210)	(946)	(1,210)	(946)
Provision for impairment of trade receivables	Provision for impairment of trade receivables	(6,915)	(6,891)	(7,135)	(6,589)
Equity in the result of subsidiaries	Equity in the result of subsidiaries	1,116	(1,030)	812	(1,311)
Finance income (cost), net	**Finance income (cost), net**	**2,290**	**4,890**	**2,577**	**5,200**
Finance income	Finance income	4,658	7,075	4,928	7,559
Finance costs	Finance costs	(10,684)	(2,185)	(10,667)	(2,359)
Reversion of interests on capital	Reversion of interests on capital	8,316	-	8,316	-
Equity in the result of subsidiaries	**Equity in the result of subsidiaries**	**2,191**	**1,910**	**360**	**(84)**
Profit before taxation	**Profit before taxation**	**85,326**	**66,108**	**86,308**	**67,265**
Income tax and social contribution	**Income tax and social contribution**	**(26,742)**	**(23,722)**	**(27,709)**	**(24,837)**
Current	Current	(22,695)	(21,723)	(23,734)	(22,694)
Deferred	Deferred	(4,047)	(1,999)	(3,975)	(2,143)
Profit for the period	**Profit for the period**	**58,584**	**42,386**	**58,599**	**42,428**
Attribu table to:					
Shareholders of the Company		58,584	42,386	58,584	42,386
Non-controlling interests		-	-	15	42
Profit for the period	**Profit for the period**	**58,584**	**42,386**	**58,599**	**42,428**
Earnings per share to the Company's shareholders					
Basic earnings per share (R$)		0.11033	0.08002	0.11033	0.08002
Diluted earnings per share (R$)		0.10926	0.07913	0.10926	0.07913

4 Critical accounting estimates and judgments

The preparation of financial statements in accordance with accounting practices adopted in Brazil and IFRS requires management to use judgment to determine and record accounting estimates. Significant assets and liabilities subject to these estimates and assumptions comprise, among others, deferred income tax and social contribution, impairment of intangible assets, technical reserves and provisions for contingencies. The transactions involving these estimates may be settled at amounts which differ from those estimated due to the inaccuracy inherent to

their determination process. The Company and its subsidiaries review these estimates and assumptions on a periodic basis.

a. Estimates used in the calculation of impairment of financial assets

As required by IFRS, the Company applies the rules for analysis of impairment for financial assets measured at amortized cost. In this respect, the Company uses a high level of judgment to determine the level of uncertainty associated with the realization of estimated contractual flows of financial assets, including consideration receivable from customers.

Currently, losses identified in the impairment test of receivables represent approximately 2.8% of the total revenues of the Company and its subsidiaries, of which approximately 69.7% arises from individual prepaid contracts.

b. Estimates used in the evaluation of tax credits

Deferred tax assets and liabilities are recognized to the extent it is probable that future taxable income is available. This requires a high level of judgment by the Company's management for determination of estimates as to the capacity and timing of future taxable income generation.

These refer basically to the income tax and social contribution effects on temporary differences related to goodwill on expected future profitability from merged subsidiaries (this tax benefit is recorded in accordance with the current accounting standards CPC 32/IAS 12 and is based on future tax benefit generated in the ordinary course of OdontoPrev's business); provision for impairment of trade receivables; tax, social security, civil and labor contingencies; and sundry provisions, as mentioned in note 10.1.

c. Estimates used in the calculation of impairment of non-financial assets

As required by IFRS, the Company applies the rules for analysis and assessment of impairment for non-financial assets. In the calculation of goodwill impairment, the Company uses the income approach through the discounted cash flow methodology.

In the assessment of value in use, management believes that no reasonably possible change in any of the main assumptions mentioned in note 13.2 would make the carrying amount exceed significantly its recoverable value.

d. Estimates and judgments used in evaluation of insurance liabilities

The Company has prepaid dental care plan contracts, which are classified according to similar characteristics as insurance contracts due to the transfer of significant insurance risk to the Company. Estimates used in the recording of insurance liabilities represent an area in which the Company uses critical accounting estimates in the preparation of financial statements in conformity with IFRS. Several sources of uncertainties should be considered in the estimation of the liabilities to be ultimately settled by the Company. The Company uses all available internal and external information sources concerning past experiences and indicators that may affect the decision making of the Company's management and experts to define actuarial assumptions and the best estimate of claim settlement amount for contracts whose insured event has already occurred. Consequently, the provisions may differ from the amounts actually paid in the future for these obligations (see accounting policy disclosed in note 5.2 on insurance risk management and sensitivity analyses of the main assumptions used in the assessment of these liabilities).

e. Estimates and judgments used in the evaluation of provisions for tax, civil and labor contingencies

The Company is a party to labor, tax and civil lawsuits in progress on the date of preparation of the financial statements. The process used by management to determine and record the accounting estimates takes into consideration the legal advice of experts, progress of the lawsuits and judgment status (or court) of each specific case. In addition, the Company uses its best judgment on these cases and historical information about losses, in which there is a high level of judgment used, to record the provisions in accordance with CPC 25/IAS 37.

At March 31, 2013 the Company and its subsidiaries have R$118,841 (R$110,749 at December 31, 2012) in provisions for contingencies, of which R$112,657 (R$103,822 at December 31, 2012) correspond to the questioning of the levy of INSS on remuneration paid to accredited dentists, initially established by Supplementary Law (LC) 84/96 and, subsequently, by Law 9,876/99 (new wording of article 22, item I of Law 8,212/91), at the rate of 20%, alleging that the services are provided to the beneficiaries instead of the operators and, accordingly, they would be outside the scope of the aforementioned contribution, as mentioned in note 18.1.

5 Risk management

The main risks arising from the businesses of the Company and its subsidiaries are related to market (interest rate), credit, liquidity, insurance, dental care cost fluctuation, market of operation (competition) and capital. The management of these risks involves different departments and comprises a series of fund allocation strategies and policies considered appropriate by management.

Polices and strategies are accompanied by the Audit Committee, that was created end installed on March 26, 2010, by the definition of board of directors, in accordance with company bylaws.

5.1 Financial risk factors

5.1.1 Market risk (interest rate)

Considering the Company's market and financial standing, the interest rate risk arises from the possibility that the Company and its subsidiaries are subject to changes in interest rates that may generate impacts on the fair value of the financial investment portfolio.

The Company and its subsidiaries adopt the policy to invest in securities issued by financial institutions (CDBs) and short term funds, complying with internal assessment criteria (Administrative and Financial Directors and Audit Committee) and limits established based on qualitative and quantitative information, including the requirement to allocate resources in compliance with RN159/07 and RN 206/09, from ANS, amended by RNs 208/09 and 290/12 amended by RN 322/13, to guarantee the technical provisions. Almost all of the Company's and its subsidiaries' portfolio of financial investments is exposed to variations in interest rates on the domestic market.

At March 31, 2013, the financial investments of the Company and its subsidiaries, as stated in Note 7, totaled R$249,542 (R$213,512 at December 31, 2012), of which 93.7% (92.5% at December 31, 2012) of the resources are held in investment funds. These funds, the majority of which are exclusive, are affected by variations in remuneration rates for National Treasury government securities (LTN, NTN and LFT).

In compliance with CVM Resolution 475, of December 17, 2008, the Company and its subsidiaries performed a sensitivity analysis of their financial instruments, based on the variation in the Special System of Settlement and Custody (SELIC) rate, as shown below:

		Consolidated			
		31, march de 2013			
	Selic (a.a.)[1]	CDBs	Investment Funds	Federal Securities	Total
Applications		15,788	8,043	225,711	249,542
Forecast profitability for next 12 months:					
Probable	7.92%	1,250	637	17,875	19,762
Overthrow 25%	5.94%	938	478	12,994	14,410
Overthrow 50%	3.96%	625	319	8,498	9,442
Lifting 25%	9.90%	1,563	796	21,991	24,350
Lifting 50%	11.88%	1,876	955	26,490	29,321

(1) Based on future interest rate curves reported by BM&F Bovespa.

a. The distribution of investments in CDBs with financial institutions, as well as their classification by rating agencies:

	Consolidated			
	March 31, 2013	**Average yield - % of CDI**	**December 31, 2012**	**Average yield - % of CDI**
Banco Bradesco S.A.	2,761	99.3%	2,817	100.8%
Banco Industrial e Comercial S.A.	638	105.0%	628	105.0%
Banco Panamericano S.A.	49	104.0%	48	104.0%
Banco Santander Brasil S.A.	3,909	100.5%	4,144	100.5%
Banco Votorantim S.A.	8,431	103.5%	8,418	104.5%
	15,788		**16,055**	

	Ratings of financial institutions					
	Fitch		**Moody's**		**S&P**	
	CP	**LP**	**CP**	**LP**	**CP**	**LP**
Banco Bradesco S.A.	F1+ (bra)	AAA (bra)	BR-1	Aaa.br	brA-1	brAAA
Banco Industrial e Comercial S.A.	F1 (bra)	A+ (bra)	BR-1	Aa1.br	-	brAAA
Banco Panamericano S.A.	F1+ (bra)	AA- (bra)	BR-1	A1.br	-	-
Banco Santander Brasil S.A.	F1+ (bra)	AAA (bra)	BR-1	Aaa.br	brA-1	brAAA
Banco Votorantim S.A.	F1+ (bra)	AA+ (bra)	BR-1	Aaa.br	brA-1	brAAA

b. Composition of the portfolio of the "Bradesco - Fundo de Investimento Renda Fixa OdontoPrev" exclusive fund:

				Consolidated
Paper	**Description**	**Emission**	**Maturity**	**Market**
Committed	National Treasury Notes - NTN	12/22/2010	04/01/2013	82,357
Federal Public Bonds	Financial Treasury Bills - FTB	01/09/2009	09/07/2013	13,845
Federal Public Bonds	Financial Treasury Bills - FTB	07/01/2000	03/07/2014	34,892
Federal Public Bonds	Financial Treasury Bills - FTB	05/09/2008	09/07/2014	21,125
Federal Public Bonds	Financial Treasury Bills - FTB	03/06/2009	03/07/2015	11,080
Federal Public Bonds	Financial Treasury Bills - FTB	07/03/2009	09/07/2015	37,088
Federal Public Bonds	Financial Treasury Bills - FTB	07/15/2011	03/01/2018	8,320
Federal Public Bonds	National Treasury Bills - NTB	12/22/2010	01/01/2015	15,707
Federal Public Bonds	National Treasury Bills - NTB	12/22/2010	01/01/2015	1,124
Federal Public Bonds	National Treasury Bills - NTB	01/06/2012	01/01/2016	173
				225,711

In accordance with CPC 36 (R3) / IFRS10, the Company carried out the consolidation of the exclusive fund "Bradesco - Fundo de Investimento Renda Fixa OdontoPrev" at March 31, 2013 (March 31, 2012 was also consolidated for comparison purposes).

Derivative financial instruments are represented by interest rate forward contracts (DI1) stated at their market value, which are part of the exclusive fund portfolio and are used with the objective to hedge exposures to fixed interest rate risk, transferring them to the CDI floating interest rate. At March 31, 2013, they amounted to R$28 (December 31, 2012 they amounted to

R$7).

5.1.2 Credit risk

This risk arises from the possibility of the Company and its direct and indirect subsidiaries not receiving the amounts arising from consideration and services as they become due. The credit policy takes into consideration the specific characteristics of dental care plan operations and is focused on maintaining the flexibility required by market conditions and customers' needs. Through appropriate internal controls, the Company constantly monitors its receivables. The method adopted to calculate the provision for impairment of trade receivables is described in note 2.7.5.

None of the Company's customer represents 10% or more of the total of the respective class of financial assets. note 20 discloses the contribution margin and the main assets by operating segment, of which the prepaid collective plans are the most significant.

5.1.3 Liquidity risk

The main objective of liquidity risk management is to monitor the settlement terms of the receivables and payables of the Company and its subsidiaries, as well as the liquidity of their financial instruments. The Company and its subsidiaries prepare projected cash flow analyses and periodically review the liabilities assumed and the financial instruments used, mainly those related to assets pledged as guarantee of technical reserves.

The receivables comprising the Company's cash flows arise mainly from prepaid collective contracts, which establish the settlement of monthly payments (mainly at the beginning of each month) for the use of benefits. In turn, the payments to the accredited network and brokers, the main suppliers, occur throughout the month.

5.2 Insurance risk and dental care cost fluctuation risk

At March 31, 2013, the Company has 6,008,119 members (5,975,854 at December 31, 2012) and an accredited network of approximately 25,000 dental surgeons throughout the country.

OdontoPrev's business model is based on the customers' monthly payments, in medium and long-term contracts, and is exposed to a low risk of insurance and dental care cost fluctuation, taking into consideration that in the dental care plan sector the risk is limited to the frequency that the services rendered by the accredited network are used and the low cost of the treatments made.

OdontoPrev operates more than 100 different dental care plans registered in ANS which, together with the dental care plans registered by the medical and hospital plan operators that act with the Company, represent a wide range of options. New dental care plans are constantly developed. The following factors are taken into consideration for the formation of these plans:

Risk model - This refers to the determination of the person responsible for the cost of dental treatment during the effectiveness of the contract (classified as prepaid or postpaid).

The cost of dental treatments can be covered by the Company, the customer or shared by both in several manners. When OdontoPrev defrays part of or all costs, the per capita monthly rate includes their actuarial estimate, as well as other administrative and selling expenses (prepaid). When the customer defrays these costs, the per capita monthly rate includes only administrative and selling expenses, and the dental surgeons' fees are transferred directly to the customer (postpaid).

Most of the customers have opted for the prepaid risk model, since there is the benefit of diluting their individual risk. This type of model is more foreseeable for the customer, avoiding unintended cost oscillations during the effectiveness of the contract, and it is also easier to manage. Note 20, "Operating segments", discloses the contribution margin and composition of the main assets of the products sold by the Company.

Service model - Defines how the member will receive the dental care service contracted: (i) through an accredited network; (ii) with a dental surgeon of the member's choice; or (iii) in company-owned units. In the accredited network, the member receives the necessary dental care services, those covered by the contract, without any additional disbursement, and the beneficiary can also rely on the systems for control of quality and selection of professionals. In the system in which the member can choose the professionals, they must pay directly to the dentist and subsequently request the reimbursement of the costs, under the limits of the contract. When the customer opts for the company-owned units, two types are available: the dental care plan itself, named by ANS as own dental care segment, or the lease of exclusive dental clinics in the customers' facilities. In the first model, the type of coverage and the payment of a per capita monthly rate are defined. In the second model, the Company pays a fixed amount for the dental clinic, without defining a type of coverage, designation of member or per capita rate.

Enrollment model - This determines if the entire group (mandatory enrollment) or part of the group (free enrollment) of members will be included in the plan, and how the payment of the per capita monthly rate will be made, that is, if it will be totally paid by the customer (employer, association, etc.), totally paid by the member, or divided between them, in various proportions.

Types of coverage - This is all the dental care treatments whose costs are totally or partially covered in the dental care plan contracted. The current regulation determines minimum dental care coverage, defined by ANS.

The most contracted type of coverage is the full plan, which is higher than the minimum dental care plan, but does not include prostheses, orthodontics and dental implants.

Factor for moderated use - Rules for use and access to covered dental care services, which contribute to determine costs of these services and avoid the abusive use of the system. The main types used are: (i) co-payment, which comprises the payment by the member of part of the treatments effectively received; (ii) grace periods, which comprise periods in which the member cannot use the services covered by their plan; and (iii) deductibles, which comprise levels of amounts by dental care event which are the sole responsibility of the members, above which the effective coverage of the plan is valid.

The moderation factors are included in several dental care plan structures, mainly for enrollment plans and individual customers.

Fees - Special remuneration is considered for the professionals of our accredited network, as well as several levels of reimbursement to be chosen.

In addition to the insurance risk, the **dental care cost fluctuation risk** also has direct impact on the dental care plan contracts. These costs can be increased due to the frequency of use, legislation and higher prices of dental care materials.

To control costs, the Company has its own system that ensures the individual evaluation of all treatments made, through images and analysis of electronic records, thus monitoring the dental

costs per customer.

The contracts are effective over approximately 24 months, originally with a termination clause establishing a 90-day prior notice and contractual fine for terminations requested out of term. Most of the contracts also have an annual adjustment of the rates adopted through the claims ratio, which consists of the division of the costs incurred over the past twelve months by the net consideration, that is, cost of services divided by sales, and adjustment based on inflation, according to an index established with each customer.

The Company constantly monitors its contracts in order to minimize risks, as well as maintain their financial balance. All the aforementioned procedures are intended to minimize possible losses or decreases in the contribution margin. Currently, the Company considers that a claims ratio of up to 60% permits a margin that supports the Company's administrative expenses.

In the year ended March 31, 2013, according to notes 3 and 20, the consolidated claims ratio was 50.8% and contribution margin (gross profit less selling expenses divided by sales revenues) of 41.2% and the contribution margin (gross income less selling expenses divided by sales income) of 49.6%. If the contribution ratio were 60%, the margin would be 30.8%, a decrease of 18.8 p.p., equivalent to R$48,045. And, in the event of claims ratio decrease to 40%, the margin would be 50.8%, an increase of 1.2 p.p., equivalent to R$2,966.

5.3 Operating risk - Market of operations (competition)

The Company operates in a competitive market and competes with other companies that offer dental care plans with similar benefits, including health care companies, mainly health care insurance and medical and hospital operators, dental care cooperatives, charitable entities and exclusive dental care operators.

OdontoPrev has a diversified selling strategy, which enables that its products be sold to a wide range of potential groups in an efficient manner, and its several distribution channels provide flexibility in satisfying the needs of the entire spectrum of customers. The Company sells dental care plans to companies, associations and individuals by means of:

- An internal sales team, which operates throughout the country;
- An independent network of brokers;
- Commercial associations with medical and hospital plans;
- Distribution channels of Banco Bradesco and Bradesco Seguros.

Currently, the factors that boost the growth in the dental care plan sector are the following: (i) structural imbalance between the supply and demand of services; (ii) lack of alternative in the public system; (iii) growing inclusion of dental care plans in employer benefit programs; (iv) opportunities represented by the increasing interest of new distribution channels; and (v) regulation.

5.4 Capital risk

The Company carries out its capital risk management activities based on a centralized management model, with the main purpose of meeting the requirements of minimum regulatory capital for its segment, in accordance with capital requirements defined by ANS. The

Company's strategy and model consider both “regulatory capital” and “economic capital” in accordance with the capital risk management view adopted by the Company.

The capital risk management strategy is to maximize the Company's capital value through optimization and diversification of available capital sources. The decisions about allocation of capital are made as part of the periodical review of the Company's strategic planning.

The main objectives of the Company's capital management are: (i) maintain levels of capital sufficient to meet the minimum regulatory requirements determined by ANS; and (ii) optimize returns on capital for the stockholders.

During the period presented and prior periods, the Company's capital exceeded the minimum regulatory requirements.

Note 16, “Minimum Capital and Technical Reserves”, describes the rules for determining technical reserves and criteria for maintenance of minimum equity and solvency margin, according to definitions applicable to dental care plan operators.

6 Cash and cash equivalents

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
Cash and deposits in cash in financial institutions	655	39	752	126
Short-term deposits	3,338	3,452	4,548	4,292
	3,993	**3,491**	**5,300**	**4,418**

7 Financial assets at fair value through profit or loss (financial investments)

Financial investments, mostly classified as financial assets at fair value through profit or loss, are highly liquid and have the following composition:

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
Bank Deposits Certificates (CDBs)	15,710	15,580	15,788	16,055
Investment funds (non exclusive)	4,217	4,153	8,043	7,922
Federal Public Bonds (exclusive fund)	221,559	179,928	225,711	189,535
	241,486	**199,661**	**249,542**	**213,512**

CDBs - Refer to floating rate securities indexed to the Interbank deposit certificate (CDI) daily interest rates, mostly of which have daily liquidity. In note 5.1.1 we highlight the financial institutions in which the Company and its subsidiaries maintain investments in CDB.

Investment funds - The investment fund quotas are valued based on the quota value disclosed by the investment funds' administrators.

Federal government bonds - These refer to exclusive funds, which are managed by Banco Bradesco and Bradesco Asset Management, under market conditions.

A portion of the financial investments at March 31, 2013, totaling R$66,166 (R$65,249 at December 31, 2012) in the Company and R$69.701 (R$68,730 at December 31, 2012) in consolidated, is linked to ANS to guarantee the technical reserves, in accordance with RN 206/09, amended by RN 208/09, RN 290/12 and RN 322/13.

Composition of the investment portfolio by maturity:

	Company				
	No maturity date	**Up to 180 days**	**181 to 360 days**	**Over to 360 days**	**Total**
Bank Deposit Certificates	-	49	-	15,661	15,710
Investment funds (non exclusive)	4,217	-	-	-	4,217
Federal Public Bonds (exclusive fund)	-	96,202	34,892	90,465	221,559
At March 31, 2013	**4,217**	**96,251**	**34,892**	**106,126**	**241,486**
At December 31, 2012	**4,153**	**4,712**	**13,668**	**177,128**	**199,661**

	Consolidated				
	No maturity date	**Up to 180 days**	**181 to 360 days**	**Over to 360 days**	**Total**
Bank Deposit Certificates	-	127	-	15,661	15,788
Investment funds (non exclusive)	8,043	-	-	-	8,043
Federal Public Bonds (exclusive fund)	-	96,202	34,892	94,617	225,711
At March 31, 2013	**8,043**	**96,329**	**34,892**	**110,278**	**249,542**
At December 31, 2012	**7,922**	**5,187**	**13,668**	**186,735**	**213,512**

Investments in CDBs are classified in current assets, regardless of their maturity terms, in view of the guarantee of daily liquidity offered by the counterparty or because they are redeemable in up to 12 months and also because they are classified as financial assets at fair value through profit or loss.

8 Healthcare receivables (Loans and receivables - Customers)

These refer to receivables from individuals and legal entities, as follows:

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
Invoices receivable	119,531	119,815	125,140	125,345
Debit notes	1,356	1,483	1,356	1,483
Provision for impairment of trade receivables	(27,422)	(25,844)	(28,223)	(26,523)
	93,465	**95,454**	**98,273**	**100,305**

At March 31, 2013 and December 31, 2012, the composition of the Company and Consolidated health care receivables by maturity is as follows:

	Company				
	Falling due	Overdue			
	No maturity date	Up to 30 days	From 31 to 90 days	Over to 90 days	Total
Invoices and debit notes receivable	77,320	16,875	9,913	16,779	120,887
Provision for impairment of trade receivables	(5,122)	(1,507)	(4,014)	(16,779)	(27,422)
At March 31, 2013	**72,198**	**15,368**	**5,899**	**-**	**93,465**
At December 31, 2012	**73,314**	**15,076**	**7,064**	**-**	**95,454**

	Consolidated				
	Falling due	Overdue			
	No maturity date	Up to 30 days	From 31 to 90 days	Over to 90 days	Total
Invoices and debit notes receivable	81,805	17,212	10,056	17,423	126,496
Provision for impairment of trade receivables	(5,146)	(1,526)	(4,128)	(17,423)	(28,223)
At March 31, 2013	**76,659**	**15,686**	**5,928**	**-**	**98,273**
At December 31, 2012	**77,806**	**15,403**	**7,096**	**-**	**100,305**

Trade receivables are comprised as follows:

	Company		Consolidated	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Invoices receivable	119,531	119,815	125,140	125,345
Debit notes	1,356	1,483	1,356	1,483
(=) Healthcare receivables	**120,887**	**121,298**	**126,496**	**126,828**
Provision for impairment of trade receivables	(27,422)	(25,844)	(28,223)	(26,523)
(=) Trade receivables, net	**93,465**	**95,454**	**98,273**	**100,305**
(-) Advances from customers	(3,064)	(3,022)	(3,118)	(3,043)
(=) Considerations/premiums receivable from customers	**90,401**	**92,432**	**95,155**	**97,262**

Changes in provision for losses on consideration/premiums receivable are shown in the table below:

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
Balance at the beginning of the period	**(25,844)**	**(22,234)**	**(26,523)**	**(23,240)**
Reversals (provisions) recorded in the year, net	(6,915)	(22,744)	(7,135)	(22,566)
Losses with customers	5,337	19,134	5,435	19,283
Balance at the end of the period	**(27,422)**	**(25,844)**	**(28,223)**	**(26,523)**

9 Current taxes recoverable

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
Corporate Income Tax (IRPJ)	776	766	6,047	6,029
Social Contribution on Net Income (CSLL)	77	76	1,107	1,078
Withholding Income Tax (IRRF)	784	686	1,281	1,248
Others	589	531	2,981	2,704
	2,226	**2,059**	**11,416**	**11,059**

10 Long-term receivables

10.1 Deferred income tax and social contribution

These basically refer to the IRPJ and CSLL effects on temporary differences, whose realization is probable, based on projections of future results prepared in accordance with and supported by internal assumptions and economic scenarios that may, therefore, suffer changes. The Company and its subsidiaries record IRPJ and CSLL on all temporary differences.

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
Deferred income tax	87,060	89,934	87,935	90,755
Deferred social contribution	31,342	32,376	31,657	32,672
	118,402	**122,310**	**119,592**	**123,427**

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
Provision for impairment of trade receivables	9,324	8,787	9,594	9,062
Provision for tax, social security, labor and civil contingencies	39,341	36,609	39,491	36,782
Goodwill on expected future profitability - merged subsidiaries	65,240	72,655	65,240	72,655
Other provisions	4,497	4,259	5,267	4,928
	118,402	**122,310**	**119,592**	**123,427**
Recoverable within 12 months	42,354	41,861	43,394	42,805
Recoverable after 12 months	76,048	80,449	76,198	80,622

The Company recorded deferred tax assets on goodwill on expected future profitability arising from merged subsidiaries. This tax benefit is recorded in accordance with the current accounting standards CPC 32/IAS 12 and is based on the future tax benefit generated in the ordinary course of OdontoPrev's business.

Deferred income tax and social contribution, recorded in long-term receivables, have a corresponding entry in the statement of income, under “Deferred income tax” and “Deferred social contribution”.

	Company				
Deferred tax asset	**Provision for impairment of trade receivables**	**Provision for tax, social security, labor and civil contingencies**	**Goodwill on expected future profitability - merged subsidiaries**	**Others provisions**	**Total**
At December 31, 2012	**8,787**	**36,609**	**72,655**	**4,259**	**122,310**
Charged/(credited) to the statement of income	537	2,732	(7,415)	238	(3,908)
At March 31, 2013	**9,324**	**39,341**	**65,240**	**4,497**	**118,402**

	Consolidated				
Deferred tax asset	**Provision for impairment of trade receivables**	**Provision for tax, social security, labor and civil contingencies**	**Goodwill on expected future profitability - merged subsidiaries**	**Others provisions**	**Total**
At December 31, 2012	**9,062**	**36,782**	**72,655**	**4,928**	**123,427**
Charged/(credited) to the statement of income	532	2,709	(7,415)	339	(3,835)
At March 31, 2013	**9,594**	**39,491**	**65,240**	**5,267**	**119,592**

10.2 Judicial deposits

These refer basically to deposits for lawsuits related to the collection of INSS contributions for services provided by independent contractors and to the increase in COFINS, as presented in the following table.

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
Tax	**802**	**691**	**3,086**	**2,975**
COFINS	-	-	2,235	2,235
Other	802	691	851	740
Social security and labor	**33,932**	**33,476**	**34,140**	**33,684**
INSS	33,725	33,313	33,725	33,313
Other	207	163	415	371
Civil	**428**	**397**	**432**	**401**
	35,162	**34,564**	**37,658**	**37,060**

10.3 Other receivables

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
DentalCorp	1,057	1,057	1,057	1,057
Care Plus/Biodent	449	449	449	449
Sepao	107	107	107	107
Prontodente	41	41	41	41
OdontoServ	169	169	169	169
Papaiz Group	-	-	1,323	-
	1,823	**1,823**	**3,146**	**1,823**

As mentioned in note 13.2, ANS approved the acquisition of the shareholding control of the companies listed above. Accordingly, the accounting, tax and labor procedures used by these companies were reviewed, and cases involving potential risks were identified. The total amount identified above has a corresponding entry to the amount recorded under “Other payables” (note 18.2).

As set forth in the Purchase Option Agreement and Other Covenants entered into between the former owners of these companies and the Company, in certain circumstances, the former owners guarantee the reimbursement of any payments the Company is required to make. The amounts recorded in other receivables are deposited in investment funds and CDBs in the name of the former owners, who can only use these funds with the Company's authorization in order to avoid any credit risk related to the acquisition of control of the companies mentioned above.

11 Investments

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
Equity interests – Dental Care	21,837	18,667	-	-
Equity interests - Others	7,597	7,502	-	-
Other equity interests	858	432	2,436	1,030
	30,292	**26,601**	**2,436**	**1,030**

Investments in subsidiaries are classified as follows:

			2013			Equity in the results of		Investment balances	
Subsidiaries	**Share capital**	**Number of quotas/shares held**	**Holding (%)**	**Profit (loss) for the period**	**Equity**	**March 31, 2013**	**March 31, 2012**	**March 31, 2013**	**December 31, 2012**
Rede Dental	1,162	1,162	99.90	1,334	5,388	1,334	1,620	5,388	7,054
Adcon	0,860	0,860	99.80	(51)	318	(51)	84	318	369
		Equity Interests - Dental Care				**1,283**	**1,704**	**5,706**	**7,423**
Clidec	8,290	8,290	99.90	388	16,132	388	116	16,131	11,244
OdontoPrev Serviços	2,278	2,278	99.90	95	7,530	95	226	7,597	7,502
		Equity Interests – Others				**483**	**342**	**23,728**	**18,746**
		Equity Interests				**1,766**	**2,046**	**29,434**	**26,169**

At March 31, 2013, equity interest totaled R$2,191 (R$1,910 at March 31, 2012), being income of R$425 (expense of R$136 as at March 31, 2012) correspondent to investments in the associated companies Odontored CV and G2D.

12 Property, plant and equipment

	Company											
	Computer equipment	**Vehicles**	**Facilities**	**Machinery and equipment**	**Furniture and fittings**	**Communication equipment**	**Dental care equipment**	**Total chattels**	**Leasehold improvements**	**Others**	**Total other property and equipment**	**Total**
Net book value at December 31, 2012	**2,107**	**428**	**126**	**520**	**1,565**	**156**	**56**	**4,958**	**1,133**	**1,083**	**2,216**	**7,174**
Additions and (disposals)	264	-	-	2	(367)	1	(34)	**(134)**	-	111	**111**	**(23)**
Depreciation	(30)	(30)	(8)	(18)	72	(11)	24	**(1)**	(83)	-	**(83)**	**(84)**
At March 31, 2013	**2,341**	**398**	**118**	**504**	**1,270**	**146**	**46**	**4,823**	**1,050**	**1,194**	**2,244**	**7,067**
Acquisition cost	7,609	1,362	539	1,036	2,884	765	422	**14,617**	4,673	1,194	**5,867**	**20,484**
Accumulated depreciation	(5,268)	(964)	(421)	(532)	(1,614)	(619)	(376)	**(9,794)**	(3,623)	-	**(3,623)**	**(13,417)**
Net book value at March 31, 2013	**2,341**	**398**	**118**	**504**	**1,270**	**146**	**46**	**4,823**	**1,050**	**1,194**	**2,244**	**7,067**
Annual depreciation rate (%)	**20**	**20**	**10**	**10**	**10**	**10**	**10**	**-**	**20**	**-**	**-**	**-**

	Consolidated											
	Computer equipment	**Vehicles**	**Facilities**	**Machinery and equipment**	**Furniture and fittings**	**Communicatio n equipment**	**Dental care equipment**	**Total chattels**	**Leasehold improvements**	**Others**	**Total other property and equipment**	**Total**
Net book value at December 31, 2012	**2,217**	**429**	**240**	**592**	**1,932**	**159**	**609**	**6,178**	**1,415**	**1,996**	**3,411**	**9,589**
Additions and (disposals)	275	-	-	22	(297)	1	61	**62**	48	448	**496**	**558**
Depreciation	(34)	(30)	(12)	(22)	54	(11)	(4)	**(59)**	(107)	-	**(107)**	**(166)**
At March 31, 2013	**2,458**	**399**	**228**	**592**	**1,689**	**149**	**666**	**6,181**	**1,356**	**2,444**	**3,800**	**9,981**
Acquisition cost	8,186	1,396	1,945	1,235	3,719	772	2,080	**19,333**	5,885	2,444	**8,329**	**27,662**
Accumulated depreciation	(5,728)	(997)	(1,717)	(643)	(2,030)	(623)	(1,414)	**(13,152)**	(4,529)	-	**(4,529)**	**(17,681)**
Net book value at March 31, 2013	**2,458**	**399**	**228**	**592**	**1,689**	**149**	**666**	**6,181**	**1,356**	**2,444**	**3,800**	**9,981**
Annual depreciation rate (%)	**20**	**20**	**10**	**10**	**10**	**10**	**10**	**-**	**20**	**-**	**-**	**-**

13 Intangible assets

13.1 Goodwill on acquisition of investments

This relates to goodwill based on expected future profitability, paid on acquisition of the investments. Up to December 31, 2008, these amounts were amortized on the straight-line method over 5 years. After that date, they are no longer amortized, being only tested for impairment.

13.2 Impairment tests of goodwill

Goodwill represents the excess of the cost of an acquisition over the net fair value of assets and liabilities of the acquired entity, including the allocation of intangible assets. Goodwill is allocated to the business units which benefited from the business combination from which the goodwill was originated for the purpose of impairment testing, as presented in the following table:

	Historical data relating to the acquisition and/or approval				March 31, 2013			December 31, 2012
	Date	Total value	Asset value	Date of incorporation	Goodwill	Amortization (1)	Net goodwill	Net goodwill
Bradesco Dental	10/18/2009	723,392	313,752	07/01/2010	409,640	-	409,640	409,640
OdontoServ	02/27/2009	30,841	10,025	12/01/2009	20,816	-	20,816	20,816
Prontodente	12/22/2008	5,445	(235)	12/01/2009	5,680	-	5,680	5,680
Sepao	10/24/2008	9,203	82	12/01/2009	9,121	(303)	8,818	8,818
SRJSPE	06/26/2008	13,720	(130)	12/01/2008	13,850	(1,616)	12,234	12,234
Care Plus	06/19/2008	13,113	(230)	12/01/2008	13,343	(1,563)	11,780	11,780
Biodent	06/19/2008	2,837	98	12/01/2008	2,739	(319)	2,420	2,420
Rede Dental	10/08/2007	7,584	(119)	unincorporated	7,703	(1,544)	6,159	6,159
DentalCorp	02/09/2007	25,244	386	03/03/2008	24,858	(9,529)	15,329	15,329
Total - Company		**831,379**	**323,629**		**507,750**	**(14,874)**	**492,876**	**492,876**
Easy	07/08/2008	3,100	456	unincorporated	2,644	(265)	2,379	2,379
G2D[2]	08/09/2012	750	416	unincorporated	334	-	334	334
Group Papaiz[3]	01/31/2013	5,345	780	unincorporated	4,565	-	4,565	-
Total - Consolidated	-	**835,229**	**324,501**	-	**515,293**	**(15,139)**	**500,154**	**495,589**

(1) Accumulated Amortization up to December 31, 2008.

(2) Associated company.

(3) Equivalent to 60% of the investment of the Clidec in Clidec Participações, as reported in note 1.

The goodwill impairment test is applied annually, and the last one was carried out at December 31, 2012. This test used the income approach, through the discounted cash flow methodology. This approach is based on the nature of the cash-generating unit evaluated, the existence of a historical financial and operational control of the business unit, availability of financial projections and discussions with the management. No evidence of impairment was identified in the period for these assets; therefore, the Company considered that the constitution of a provision for impairment was not necessary.

Calculation period:	7 years, being January 01, 2013 to December 31, 2019 and perpetuity
Currency projection:	R$ in nominal terms, considering the inflationary effect
Discount rate:	14,0% according to the methodology WACC[1]
Adjustments:	Non operational assets and liabilities were not considered
Specific assumptions:	(i) financial and management statements of UN and OdontoPrev ; (ii) Management information
Growth rate in perpetuity:	projected inflation of 5%, with no real growth

Macroeconomic assumptions:

Description	2013P	2014P	2015P	2016P	2017P	2018P	2019P
Growth PIB	3.35%	3.77%	3.88%	3.83%	3.83%	3.85%	3.83%
Inflation - IPCA	5.48%	5.38%	5.07%	4.93%	5.13%	5.04%	5.03%
Exchange (BRL/USD)	2.07	2.02	2.05	2.09	2.16	2.22	2.29

(1) WACC - Weighted Average Cost of Capital

13.3 System development, software licenses and others

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
System development (i)	16,097	15,303	16,265	15,458
Software licenses (i)	9,353	7,575	10,797	9,018
Intangible assets - OdontoServ (ii)	9,779	9,779	9,779	9,779
Other	-	-	19	19
Accumulated amortization	(15,815)	(15,060)	(16,294)	(15,535)
	19,414	**17,597**	**20,566**	**18,739**

The amortization period of intangible assets with defined useful lives is: (i) 60 months for system development and software licenses; (ii) intangible assets from OdontoServ, which are amortized on a straight-line basis over the useful lives measured in an appraisal report (brand - 120 months; customer portfolio - 36 months, and non-competition - 60 months).

13.4 Changes in intangible assets

	Consolidated			
	Goodwill on acquisition of investment	**System development, software licenses and other**	**Deferred selling expenses**	**Total**
Cost	510,728	34,274	46,404	591,406
Accumulated amortization and impairment	(15,139)	(15,535)	(38,116)	(68,790)
At December 31, 2012	**495,589**	**18,739**	**8,288**	**522,616**
Additions	4,565	2,586	282	7,433
Amortization	-	(759)	-	(759)
At March 31, 2013	**500,154**	**20,566**	**8,570**	**529,290**
Cost	515,293	36,861	8,570	560,724
Accumulated amortization and impairment	(15,139)	(16,295)	-	(31,434)
Net book amount	**500,154**	**20,566**	**8,570**	**529,290**

14 Trade payables

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
Commissions payable	4,084	4,391	4,115	4,418
Suppliers of goods and services	7,131	4,628	4,090	4,498
	11,215	**9,019**	**8,205**	**8,916**

Commissions payable refer to commitments related to intermediation service providers of the plans, most of which are settled monthly.

Suppliers of goods and services mainly comprise services rendered related to the maintenance and operation of the Company's complementary activities.

15 Taxes and contributions payable

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
Federal tax liabilities	**11,271**	**6,068**	**12,727**	**7,366**
IRPJ	4,478	1,522	4,775	1,776
CSLL	1,612	674	1,726	772
COFINS	1,729	1,103	2,413	1,611
PIS	613	578	764	692
IRRF	2,508	1,857	2,672	2,138
Other	331	334	377	377
State tax liabilities	**-**	**-**	**97**	**47**
Municipal tax liabilities	**927**	**1,136**	**1,268**	**1,464**
	12,198	**7,204**	**14,092**	**8,877**

In accordance with Chapter III - Accounting Manual for operations on the health market, item 8 of RN 314/12 from ANS, as from 2013, the balances for IRPJ and CSLL are presented net of respective anticipations (the same procedure was adopted in 2012 for comparison purposes), as reported in note 2.1.

16 Minimum capital and technical reserves - Company

ANS published, on December 22, 2009, RN 209, amended by RNs 227/10, 243/10, 247/11, 313/12 and IN50/12, which establishes new rules for recognizing technical provisions and minimum capital requirements. The main definitions applicable to dental care operators are as follows:

a. Adjusted minimum equity (AME) represents the minimum amount of equity or net assets, calculated by multiplying the K factor by the capital base of R$5,871. In accordance with this rule, the required minimum equity is R$28, whereas the Company's adjusted equity is R$311,456 at March 31, 2013 (R$281,269 at December 31, 2012).

b. The solvency margin corresponds to the amount of adjusted equity sufficient to cover the higher of 0.20 times the sum of the last 12 months consideration, or 0.33 times the annual average of the last 36 months' net claims. At March 31, 2013, the solvency margin calculated was R$196,152 (R$190,913 at December 31, 2012) based on the consideration.

c. As from January 1, 2011, IBNR is mandatory for operators with more than 20,000 members. Until approval has been obtained for the technical actuarial note, a minimum IBNR must be recorded by operators, based on the higher between 9.5% of total consideration and 12% of total indemnifiable claims for the prior 12 months in the fixed price modality. At December 31, 2012 the Company used this methodology, and at March 31, 2013, it used its own methodology to constitute the PEONA stated in NTA approved on March 14, 2013, according to the register 491/2013/ GGAME (GEHAE)/DIOPE/ANS. The amount calculated based on the NTA has been registered to current liabilities, under "provision for events/claims incurred but not reported".

At March 31, 2013 the Company had a balance of provision for events/claims occurred but not reported amounting to R$53,398 (R$59,773 at December 31, 2012) and Consolidated of R$54,901 (R$61,276 at December 31, 2012).

d. The events pending settlement involving dental care assistance are classified in "Reserve for events/claims to be settled in the group "Technical reserves for dental care operations" in accordance with Normative Instruction (IN) 46/11 revoked by (RN) 290/12, amended by RN 322/13. At March 31, 2013, the balance of the Company totals R$12,697 (R$16,928 at December 31, 2012). In the consolidated, the balance at March 31, 2013 is R$13.541 (R$17,888 at December 31, 2012).

According to CPC 11/IFRS 4, paragraph 37, the changes in reserves related to events (insurance liabilities) are as follows:

	Company	**Consolidated**
At December 31, 2012	**76,701**	**79,164**
Events reported/ incurred in the year	95,890	97,880
Event paid	(100,121)	(102,227)
Provision for events / claims incurred but not reported (IBNR)	(6,375)	(6,375)
At March 31, 2013	**66,095**	**68,442**
Provision for events / claims to be settled	12,697	13,541
Provision for events / claims incurred but not reported (IBNR)	53,398	54,901
At March 31, 2013	**66,095**	**68,442**

e. As from 2013, in accordance with RN 322/13, the Company started to record the "Unearned premiums reserve (PPCNG)", under current liabilities, which requires that income be registered according to the contractual terms. In 2012, we used the account "anticipated billing", registered under current assets, and in March 2013, this was reclassified for comparison purposes, as reported in note 2.1.

17 Other payables

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
Sundry provisions:	**7,622**	**5,947**	**8,730**	**6,873**
Commissions	2,479	2,414	2,479	2,414
IT support and service	531	344	531	344
Telecommunications	591	505	595	505
Services	867	1,216	1,186	1,397
Associations	87	151	87	151
Location	81	171	167	250
Traveling	336	300	376	320
Indemnifiable and charges	2,636	831	2,636	831
Investments to pay	-	-	659	600
Other provisions	14	15	14	61
Credit to identify	**11,642**	**12,089**	**12,898**	**12,520**
Others	**712**	**604**	**878**	**738**
	19,976	**18,640**	**22,506**	**20,131**

18 Long-term liabilities

18.1. Provisions for contingencies

The Company's management sets up provisions based on the opinion of its internal and external legal advisors and considers that the amounts recorded in "Provisions for contingencies", in long-term liabilities, are sufficient to cover potential losses arising from court decisions. The amounts related to possible losses not accrued, referring to 349 civil lawsuits (not related to treatments made to the dental plan beneficiaries) and to 19 labor lawsuits of the Company and its subsidiaries, at March 31, 2013, totaling R$15,313 (R$10,546 at December 31, 2012).

The Company and its subsidiaries are parties to lawsuits involving tax, social security, labor and civil contingencies, as follows:

	Company					
	March 31, 2013			December 31, 2012		
	Provision	Judicial deposits	Net provision	Provision	Judicial deposits	Net provision
Tax	**1,401**	**(802)**	**599**	**1,284**	**(691)**	**593**
Social security and labor	**113,063**	**(33,932)**	**79,131**	**104,227**	**(33,476)**	**70,751**
INSS	112,653	(33,725)	78,928	103,817	(33,313)	70,504
Other	410	(207)	203	410	(163)	247
Civil	**2,664**	**(428)**	**2,236**	**3,462**	**(397)**	**3,065**
	117,128	**(35,162)**	**81,966**	**108,973**	**(34,564)**	**74,409**

	Company	
	March 31, 2013	December 31, 2012
Changes	**Tax**	**Social security and labor**	**Civil**	**Total**	
Opening balance	1,284	104,227	3,462	108,973	70,497
Establishment	117	7,292	1,163	8,572	33,397
Write-offs	-	-	(2,014)	(2,014)	(1,096)
Monetary adjustment	-	1,544	53	1,597	6,175
Closing balance	**1,401**	**113,063**	**2,664**	**117,128**	**108,973**
Number of law suits				103	121

	Consolidated					
	March 31, 2013			December 31, 2012		
	Provision	Judicial deposits	Net provision	Provision	Judicial deposits	Net provision
Tax	**2,588**	**(3,086)**	**(498)**	**2,523**	**(2,975)**	**(452)**
Social security and labor	**113,490**	**(34,139)**	**79,351**	**104,678**	**(33,684)**	**70,994**
INSS	112,657	(33,724)	78,933	103,822	(33,313)	70,509
Other	833	(415)	418	856	(371)	485
Civil	**2,763**	**(433)**	**2,330**	**3,548**	**(401)**	**3,147**
	118,841	**(37,658)**	**81,183**	**110,749**	**(37,060)**	**73,689**

	Consolidated				
	March 31, 2013				December 31, 2012
Changes	**Tax**	**Social security and labor**	**Civil**	**Total**	
Opening balance	2,523	104,678	3,548	110,749	72,438
Establishment	115	7,292	1,166	8,573	34,203
Write-offs	(50)	(24)	(2,014)	(2,088)	(2,098)
Monetary adjustment	-	1,544	63	1,607	6,206
Closing balance	**2,588**	**113,490**	**2,763**	**118,841**	**110,749**
Number of law suits				133	134

a. Tax

Liabilities related to tax contingencies under dispute are maintained up to the rendering of a final and non appealable decision.

The Company and its subsidiary Clidec filed a lawsuit requesting to pay COFINS as established by LC 7/70 rather than in accordance with Law 9,718/98, and to offset the difference in amounts paid at the rate of 3% against social contribution. The Company was partially successful, since the increase in the COFINS calculation basis was determined unconstitutional. Clidec obtained the same partially favorable outcome, with a request to release the judicial deposits made during the proceedings, and a decision is pending.

b. Social security and labor

i. INSS

The Company and its subsidiary Rede Dental are discussing in court the social security contribution levied on the remuneration paid to accredited dentists as set forth by LC 84/96 and subsequently by Law 9,876/99 (new wording provided for in article 22, item I of Law 8,212/91), at the rate of 20%. The Company alleges that because the services are not rendered to the insurance companies but to the insured parties, they would be outside the scope of the mentioned contribution. In August 2010, a preliminary injunction determined the suspension of the payment of the social security contribution, without the obligation of making the judicial deposits, only for accounting provision. It should be aforementioned that Bradesco Dental had already a lawsuit with the same objective, and had made judicial deposits up to July 2010, date of the merger into the Company, and when it became the plaintiff. In consolidated data, these obligations had been fully accounted for and totaled R$112,657 at March 31, 2013 (R$103,822 at December 31, 2012), and for which there are monetarily restated judicial deposits of R$33,724 (R$33,313 at December 31, 2012).

ii. Other

The Company and its subsidiaries are parties to various labor lawsuits, most of them relating to requests for salary adjustment as established in the collective agreement from which the National Union of Group Dental Enterprises (SINOG) union, of which the Company and its

subsidiaries are signatories, the, did not participate. At March 31, 2013, the amount provided for totaled R$833 (R$856 at December 31, 2012).

c. Civil claims

The Company and its subsidiaries are parties to civil lawsuits, mainly involving requests for indemnification for moral and property damages, totaling R$2,763 at March 31, 2013 (R$3,548 at December 31, 2012).

18.2. Other payables

These refer to potential risks identified in due diligence and are guaranteed by deposits in related accounts, as mentioned in Note 10.3.

	Company		Consolidated	
	March 31, 2013	**December 31, 2012**	**March 31, 2013**	**December 31, 2012**
DentalCorp	1,051	1,057	1,051	1,057
Care Plus/Biodent	437	437	437	437
Sepao	107	107	107	107
Prontodente	41	41	41	41
OdontoServ	143	169	143	169
Group Papaiz	-	-	1,323	-
	1,779	**1,811**	**3,102**	**1,811**

19 Equity

19.1 Share capital

At March 31, 2013 and December 31, 2012, the Company's subscribed and paid-up capital was R$506,557 comprising 531,294,792 common shares, with no par value.

According to Article 8 of its bylaws, the Company is authorized to increase its capital up to the limit of 80,000,000 shares, with no changes in the bylaws.

The closing price of the Company's shares (ODPV3 - BM&FBOVESPA) at March 31, 2013 was R$9.25 (R$10.73 per share at December 31, 2012). The book value per share at March 31, 2013 was R$1.38 (R$1.32 per share at December 31, 2012).

19.2 Capital reserves

The Company's capital reserves total R$20,744 at March 31, 2013 (R$19,354 at December 31, 2012), and comprise the following:

	Company and Consolidated	
	March 31, 2013	**December 31, 2012**
Share premium	48,392	48,392
Granting of stock options	14,523	14,523
Granting of deferred stock options	(7,832)	(9,042)
Additional paid-up capital	(34,339)	(34,339)
	20,744	**19,534**

Options granted - Constitution of the amount estimated of the 4th, 5th and 6th grants of options, using the Black & Scholes methodology.

Grant of deferred stock options - Balance of the 4th, 5th and 6th grants of options to be appropriated into the vesting period.

Additional paid-up capital - Amount of the difference between the constitution estimated by the Black & Scholes methodology and the exercise amount of the 1st, 2nd and 3rd grants of options.

19.3 Revenue reserves

The Company's revenue reserves total R$156,650 at March 31, 2013 (R$173,922 at December 31, 2012), and comprise the following:

	Company and Consolidated	
	March 31, 2013	**December 31, 2012**
Legal reserve	36,447	36,447
Statutory reserve	96,330	96,330
Tax incentive	129	129
Additional proposed dividends	41,016	41,016
Treasury share	(17,272)	-
Revenue reserves	**156,650**	**173,922**

Legal reserve - This reserve must be recorded by the Company through the allocation of 5% of the profit for the year, up to 20% of the capital.

Statutory reserve - Pursuant to the Company's bylaws, profit is allocated as follows: i) deduction of losses, if any; ii) 5% for recognition of the legal reserve up to 20% of the subscribed capital; iii) mandatory dividend of 50% on profit, complying with the following adjustments: a) decrease of amounts allocated to the legal and contingency reserves for the year; b) increase of amounts resulting from reversal, for the year, of contingency reserve previously recorded; and iv) recognition of the statutory reserve (profit retention), including the remaining balance, with the distribution of interest on capital and dividends exceeding the mandatory dividends subject to approval.

Treasury shares - On July 26, 2012, the Board of Directors authorized the acquisition of up to 1,928,280 shares of the Company, through the use of funds consigned in a statutory reserve for the purpose of guaranteeing the 4th stock option grants, and this program concluded on March 14, 2013, after the acquisition of 1,896,318 shares.

At March 31, 2013, the treasury balance was R$17.272, which represents 1,896,318 shares, in order to tie 100% of the share purchase options granted in 2010 that currently existed (as at December 31, 2012, the Company reported a balance of 0 shares in treasury, after exercising 2,220,108 shares, which referred to the 3rd option granted, in May and August 2012).

Additional dividends - According to the OGM, held on April 02, 2013, the distribution of R$41,016, was approved, which was above the rate of 50% provided in the Company's Statutes, as the minimum compulsory dividends, and consisted of R$19,778 for net profit and R$21,238 of the existing balance for the statutory reserve.

19.4 Retained earnings

In compliance with CPC 26(R1)/IAS 1 (R), the changes in retained earnings from December 31, 2012 to March 31, 2013 are as follows:

At December 31, 2012	**-**
Profit for the period	58,584
Proposed profit allocation:	**(8,316)**
Interest on capital (0,01571 for share)	(8,316)
At March 31, 2013	**50,268**

19.5 Stock option plan

At the General Meeting held on April 19, 2007, stockholders approved the creation of the stock option plan (the "Plan") pursuant to article 19 - XVIII of the Company's bylaws, designated for the employees and officers of the Company and its subsidiaries. The Plan is managed by the Board of Directors, which has powers to take the required actions for its maintenance, according to the approved guidelines. Options granted under the Plan are limited to 5% of capital.

Presented below are the six stock option plans granted between 2007 and 2012, which, together,

represented 2.9% of the Company's capital at March 31, 2013:

					Concession			
					Original		After unfolding[2]	
Nº	Year	Date of approval	Recommendation[1]	Approval	Amount	Option value	Amount[3]	Option value
1ª	2007	08/02/2007	CEO	Board of Directors	221.859	44,85	2.662.308	3,74
2ª	2008	02/28/2008	CEO	Board of Directors	353.494	32,42	4.241.928	2,70
3ª	2009	03/25/2009	CEO	Board of Directors	255.002	17,60	3.060.024	1,47
4ª	2010	08/11/2010	Human Resources Committee	Board of Directors	698.707	12,93	2.096.121	4,31
5ª	2011	09/20/2011	Human Resources Committee	Board of Directors	583.815	20,87	1.751.445	6,96
6ª	2012	09/20/2012	Human Resources Committee	Board of Directors	1.609.097	8,22	1.609.097	8,22
					3.721.974		**15.420.923**	

[1] In the six grants the CEO is not entitled voluntarily.
[2] Splits from July 1, 2010 and April 2, 2012.
[3] The total amount granted of 15,420,923 shares representing 2.9% of the capital of 531,294,792 shares.

The exercise price will be monetarily adjusted based on the General Market Price Index (IGPM) variation, released by Fundação Getulio Vargas, in the period between the stock option agreement date and the option exercise date, after deduction of the remuneration paid to stockholders during this period.

The option vesting period is three years from the Stock Option Agreement date.

Beneficiaries may exercise their options, totally or partially, provided that they inform the Company in writing, observing the six-year exercise deadline and each vesting period. The exercise notice shall only be valid and effective if submitted to the Company's management one month before each Annual Meeting of the Company's Board of Directors, the dates of which are disclosed in the corporate events calendar, unless another term is set by the Board of Directors and communicated in advance to the beneficiary.

During a period of three years from the option exercise date, beneficiaries cannot sell and/or offer a number of shares calculated based on the following formula:

N = 0.5 x Q x (1 - Pe/Pm), where:

- N = number of share held for sale after three years from exercise date.
- Q = number of vested options.
- Pm = market price of the share on exercise date (closing price on the prior day).
- Pe = exercise price of the option.

The fair value of the stock option plan benefit was estimated based on the Black & Scholes stock option valuation model, considering the following weighted average assumptions:

	Year of stock option					
	2012	**2011**	**2010**	**2009**	**2008**	**2007**
Risk-free rate	3.4%	5.3%	6.0%	9.3%	11.4%	11.3%
Expected annualized volatility - %	36.1%	30.1%	26.6%	40.6%	24.3%	33.9%
Exercise price of the option at the time of stock-option	**8.22**	**20.87**	**12.93**	**17.60**	**32.42**	**44.85**
Exercise price of the option at the time of stock-option after split of July 01, 2010 and April 02, 2012	8.22	6.96	4.31	1.47	2.70	3.74
Fair value of the benefit on grant date (per share)	5.01	13.23	7.00	14.17	19.72	20.18
Fair value of the benefit on grant date after split of July 01, 2010 and April 02, 2012 (per share)	**5.01**	**4.41**	**2.33**	**1.18**	**1.64**	**1.68**

The maximum compensation cost of these stock option plans on the date they were granted was R$35,731 as follows, as shown on the following table, that summarizes the stock option plan benefit on March 31, 2013.

	Beginning of the period				Cancellations		Options exercised		End of period	
Year	Eligible beneficiaries	Options	Fair value of option	Maximum cost	Eligible beneficiaries terminated	Cancelled options	Eligible options	Exercised Options	Eligible options	Existing options
2007	31	2,662,308	1.68	4,477	10	989,304	21	1,673,004	-	-
2008	46	4,241,928	1.64	6,971	9	977,544	37	3,264,384	-	-
2009	51	3,060,024	1.18	3,613	10	839,916	41	2,220,108	-	-
2010	47	2,096,121	2.33	4,891	7	199,803	-	-	40	1,896,318
2011	45	1,751,445	4.41	7,724	2	24,709	-	-	43	1,726,736
2012	51	1,609,097	5.01	8,055	-	-	-	-	51	1,609,097
		15,420,923		**35,731**		**3,031,276**		**7,157,496**		**5,232,151**

In compliance with CPC 10 (R1)/IFRS 2, based on the grace periods of the programs, an expense was recognized from the stock option plans, as a result of the vesting period, with the corresponing entry made to shareholders' equtiy, to a specific capital reserve account, for the amount of R$1,210 at March 31, 2013 (R$3,624 at December 31, 2012).

The Board of Directors approved the sale of 7,157,496 shares, as a result of the call option by the Plan's beneficiaries, referring to the Grant Program of 2007 (first grant), of 2008 (second grant), and of 2009 (third grant).

20 Operating segments

Management has determined the operating segments of the Company and its subsidiaries based on the reports approved by the Executive Board that are used to make strategic decisions.

The activities of the Company and its subsidiaries are organized in the following business segments:

i. Prepaid individual plans: the costs with beneficiaries dental care service, all aspects related to the management of the plan and the population's dental health are assumed by the Company, in exchange for a per capita monthly payment;

ii. Collective post-paid plans: the customer assumes the entire risk of the actuarial contract, bearing the cost of services. The administrative services, support and health management are basically the same products offered in our prepaid products. In this model, Odontoprev receives a fixed monthly tax per capita for management services as well as reimbursement of the cost of dental services provided in the reference month;

iii. Individual prepaid plans: the costs with beneficiaries´ dental care services, all aspects related to plan administration and management of oral health are considered made by the company in exchange for a monthly stipend per capita;

iv. Other: include several less significant segments to the Company's total revenue, as follows:

- Dental care service in the Company's dental clinics: include the installation of dental clinics in the facilities of specific customers (in company), and the units available for all beneficiaries (through Clidec).

- Acquisition and distribution of dental care materials for the accredited network (through Dental Partner).

- Software development (through Easy).

	Company									
	Collective				Individual					
	Prepayment		Post payment		Prepayment		Other		Total	
	Period ended at March 31,		Period ended at March 31,		Period ended at March 31,		Period ended at March 31,		Period ended at March 31,	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net installments	223,765	208,173	6,170	4,662	28,510	18,657	-	-	258,445	231,492
Direct taxes on healthcare plan operations	(7,908)	(7,766)	(166)	(177)	(1,035)	(709)	-	-	(9,109)	(8,652)
Sales of goods and services	-	-	-	-	-	-	77	98	77	98
Taxes on sales of goods and services	-	-	-	-	-	-	-	-	-	-
Sales of good	**215,857**	**200,407**	**6,004**	**4,485**	**27,475**	**17,948**	**77**	**98**	**249,413**	**222,938**
Cost of services	(92,882)	(91,837)	(2,607)	(2,094)	(6,248)	(2,972)	-	-	(101,737)	(96,903)
Operating result	**122,975**	**108,570**	**3,397**	**2,391**	**21,227**	**14,976**	**77**	**98**	**147,676**	**126,035**
Selling expenses	(16,059)	(15,432)	(214)	(45)	(7,049)	(5,790)	-	-	(23,322)	(21,267)
Contribution margin	**106,916**	**93,138**	**3,183**	**2,346**	**14,178**	**9,186**	**77**	**98**	**124,354**	**104,768**
Margin sales (%)	**49.5%**	**46.5%**	**53.0%**	**52.3%**	**51.6%**	**51.2%**	**100.0%**	**100.0%**	**49.9%**	**47.0%**
Margin total (%)	**86.0%**	**88.9%**	**2.6%**	**2.2%**	**11.4%**	**8.8%**	**0.1%**	**0.1%**	**100.0%**	**100.0%**
Other assets allocated by segment:										
Invoices / premiums receivable	89,755	91,343	4,895	5,322	24,881	18,702	-	-	119,531	115,367
Debit notes	-	-	1,356	676	-	-	-	-	1,356	676
Provision for impairment of trade receivables	(15,887)	(16,011)	(888)	(536)	(10,647)	(8,799)	-	-	(27,422)	(25,346)
Assets allocated by segment	**73,868**	**75,332**	**5,363**	**5,462**	**14,234**	**9,903**	**-**	**-**	**93,465**	**90,697**
Assets not allocated by segment:										
Cash and cash equivalents	-	-	-	-	-	-	-	-	3,993	5,464
Financial assets at fair value	-	-	-	-	-	-	-	-	241,486	221,318
Notes and credits receivable	-	-	-	-	-	-	-	-	2,589	41,237
Inventories	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	6,938	19,764
Long-term receivables	-	-	-	-	-	-	-	-	155,471	175,802
Investments	-	-	-	-	-	-	-	-	30,292	29,895
Property and equipment	-	-	-	-	-	-	-	-	7,067	10,517
Intangible assets	-	-	-	-	-	-	-	-	520,860	511,924
Assets not allocated	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**968,696**	**1,015,921**
Total assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,062,161**	**1,106,618**

	Consolidated									
	Collective				Individual					
	Pre-payment		Post-payment		Pre-payment		Other		Total	
	Period ended at March 31,		Period ended at March 31,		Period ended at March 31,		Period ended at March 31,		Period ended at March 31,	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net installments	229,038	213,660	6,170	4,662	29,604	19,078	-	-	264,812	237,400
Direct taxes on healthcare plan operations	(8,153)	(8,024)	(166)	(177)	(1,086)	(725)	-	-	(9,405)	(8,926)
Sales of goods and services	-	-	-	-	-	-	1,392	1,574	1,392	1,574
Taxes on sales of goods and services	-	-	-	-	-	-	(1,744)	(1,479)	(1,744)	(1,479)
Sales of good	**220,885**	**205,636**	**6,004**	**4,485**	**28,518**	**18,353**	**(352)**	**95**	**255,055**	**228,569**
Cost of services	(96,133)	(95,113)	(2,607)	(2,094)	(6,248)	(3,185)	-	-	(104,988)	(100,392)
Operating result	**124,752**	**110,523**	**3,397**	**2,391**	**22,270**	**15,168**	**(352)**	**95**	**150,067**	**128,177**
Selling expenses	(16,081)	(15,520)	(214)	(45)	(7,233)	(5,889)	-	-	(23,528)	(21,454)
Contribution margin	**108,671**	**95,003**	**3,183**	**2,346**	**15,037**	**9,279**	**(352)**	**95**	**126,539**	**106,723**
Margin sales (%)	**49.2%**	**46.2%**	**53.0%**	**52.3%**	**52.7%**	**50.6%**	**100.0%**	**100.0%**	**49.6%**	**46.7%**
Margin total (%)	**85.9%**	**89.0%**	**2.5%**	**2.2%**	**11.9%**	**8.7%**	**-0.3%**	**0.1%**	**100.0%**	**100.0%**
Other assets allocated by segment:										
Invoices / premiums receivable	92,060	93,368	4,895	5,322	28,185	21,635	-	-	125,140	120,325
Debit notes	-	-	1,356	676	-	-	-	-	1,356	676
Provision for impairment of trade receivables	(16,509)	(16,527)	(888)	(536)	(10,826)	(8,980)	-	-	(28,223)	(26,043)
Assets allocated by segment	**75,551**	**76,841**	**5,363**	**5,462**	**17,359**	**12,655**	**-**	**-**	**98,273**	**94,958**
Assets not allocated by segment:										
Cash and cash equivalents	-	-	-	-	-	-	-	-	5,300	6,390
Financial assets at fair value	-	-	-	-	-	-	-	-	249,542	239,236
Notes and credits receivable	-	-	-	-	-	-	-	-	11,791	52,229
Inventories	-	-	-	-	-	-	-	-	995	598
Other assets	-	-	-	-	-	-	-	-	11,671	22,083
Long-term receivables	-	-	-	-	-	-	-	-	159,160	179,334
Investments	-	-	-	-	-	-	-	-	2,436	353
Property and equipment	-	-	-	-	-	-	-	-	9,981	12,674
Intangible assets	-	-	-	-	-	-	-	-	529,290	515,289
Assets not allocated	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**980,166**	**1,028,186**
Total assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,078,439**	**1,123,144**

21 Sales revenue

Health care payments consist of net consideration, according to the ANS chart of accounts, plus the gross revenue from sales and/or services and taxes, and are equivalent to the sales as established by the Brazilian Corporation Law. The contra-entry to these payments is the account "Health care receivables" and "Other receivables", in current assets, respectively, as follows:

	Company		Consolidated	
	Period ended at March 31,		Period ended at March 31,	
	2013	2012	2013	2012
Net installments	258,445	231,492	264,812	237,400
Direct taxes on healthcare plan operations	(9,109)	(8,652)	(9,405)	(8,926)
Sales of goods and services	77	98	1,392	1,574
Taxes on sales of goods and services	-	-	(1,744)	(1,479)
	249,413	**222,938**	**255,055**	**228,569**

The net consideration includes at March 31, 2013, R$6,170 and R$6,170 (R$4,662 and R$3,411 at March 31, 2012) for the Company and on consolidation, respectively, which refer to the administered plans, different from CPC11/IFRS 4 which defines it as service income.

The Company and its subsidiaries: (i) do not have customers representing more than 10% of all sales; and (ii) generated all revenues in Brazil.

22 Indemnifiable claims, net (cost of goods and/or services sold)

These refer to costs of dental services, according to the contractual terms agreed with our network of dentists and the compensation established in the table of procedures in force. It also includes reimbursements made to members for the use of dental benefits outside the accredited network of dentists. The amounts are recorded with a corresponding entry to the account "Health care events payable", in current liabilities.

By adding to the events total social charges on services, dental care material and other operating expenses, we calculated the cost of services, as shown below:

	Company		Consolidated	
	Period ended at March 31,		Period ended at March 31,	
	2013	2012	2013	2012
Indemnifiable claims, net	(95,890)	(81,459)	(97,880)	(83,553)
Social charges on services	(6,868)	(6,393)	(6,943)	(6,461)
Dental care materials	(1,933)	(1,175)	(974)	(682)
Other operating expenses	(3,421)	(7,962)	(5,566)	(9,782)
Change in provision for incurred but not reported events (IBNR)	6,375	86	6,375	86
	(101,737)	**(96,903)**	**(104,988)**	**(100,392)**

23 Selling expenses

Selling expenses refer to commissions incurred due to independent brokers and other distribution channels. At March 31, 2013, these expense balances totaled R$23,322 and R$23,528 (R$21,267 and R$21,454 at March 31, 2012), in the Company and Consolidated, respectively.

24 General and administrative expenses

	Company		Consolidated	
	Period ended at March 31,		Period ended at March 31,	
	2013	**2012**	**2013**	**2012**
Personnel and third-party services	(25,302)	(23,334)	(22,459)	(20,889)
Rentals and occupancy	(6,007)	(5,360)	(7,057)	(6,269)
Charges and fees	(918)	(890)	(1,127)	(931)
Publicity and advertising	(1,934)	(2,991)	(2,184)	(3,221)
Travelling, printing materials and subscriptions	(1,328)	(1,152)	(1,447)	(1,323)
Depreciation and amortization	(1,181)	(1,468)	(1,267)	(1,556)
Other expenses	170	(1,398)	(94)	(1,539)
	(36,500)	**(36,593)**	**(35,635)**	**(35,728)**

25 Finance result

Finance result comprises the finance income generated by investments and adjustments of judicial deposits, less the finance costs generated by adjustments to the provision for legal contingencies and expenses with bank fees.

	Company		Consolidated	
	Period ended at March 31,		Period ended at March 31,	
	2013	**2012**	**2013**	**2012**
Proceeds from financial investments	3,565	5,131	3,761	5,547
Monetary restatement of judicial deposits	412	640	412	640
Reversion of interests on capital	8,316	-	8,316	-
Other	681	1,304	755	1,372
Financial revenue	**12,974**	**7,075**	**13,244**	**7,559**
Bank fees	(532)	(422)	(608)	(504)
Monetary restatement of provision of contingencies	(1,600)	(1,639)	(1,601)	(1,639)
Interests on capital	(8,316)	-	(8,316)	-
Other costs	(236)	(124)	(142)	(216)
Financial expenses	**(10,684)**	**(2,185)**	**(10,667)**	**(2,359)**
Net financial income	**2,290**	**4,890**	**2,577**	**5,200**

26 Income tax and social contribution calculation

Income tax and social contribution are reconciled to the amounts recorded as expenses for the year as follows:

	Company		Consolidated	
	Period ended at March 31,		Period ended at March 31,	
	2013	**2012**	**2013**	**2012**
IRPJ and CSLL calculation basis	**85,326**	**66,108**	**86,308**	**67,265**
(x) Current rate (%)	34	34	34	34
Expected income tax and social contribution expenses at the effective rate	**(29,011)**	**(22,477)**	**(29,345)**	**(22,870)**
Effect of income tax and social contribution on permanent/temporary differences:				
Equity in the results of subsidiaries	530	649	-	-
Tax losses	-	-	47	28
Provision for contingencies	(2,733)	(2,836)	(2,709)	(2,830)
Other provisions	(238)	(2,883)	(370)	(2,746)
Provision for impairment of trade receivables	(595)	(825)	(612)	(829)
Amortization of goodwill	7,415	7,585	7,415	7,585
Adjustments arising from adoption of Law 11,638/07	-	(411)	22	(401)
Interest on capital	2,828	-	2,828	-
Granting of stock options	(412)	(321)	(412)	(321)
Other	(479)	(204)	(598)	(310)
IRPJ and CSLL calculation basis	**(22,695)**	**(21,723)**	**(23,734)**	**(22,694)**
Effective rate income IRPJ and CSLL	26.6%	32.9%	27.5%	33.7%
Deferred IRPJ and CSLL	**(4,047)**	**(1,999)**	**(3,975)**	**(2,143)**

27 Earnings per share

According to CPC 41/IAS 33, detailed in Note 2.21, we present the calculation of basic and diluted earnings per share, considering the split in April 2012:

a. Basic

	Period ended at March 31,	
	2013	**2012**
Profit attributable to the Company's shareholders (R$ thousands)	58,584	42,386
Weighted average number of common shares outstanding (thousands)	530,979	529,673
Basic earnings per share (R$)	**0.11033**	**0.08002**

b. Diluted

	Period ended at March 31,	
	2013	**2012**
Profit attributable to the Company's shareholders (R$ thousands)	**58,584**	**42,386**
Common shares (in thousands)		
Weighted average number of share outstanding	530,979	529,673
Adjustment of share option scheme	5,232	5,994
Weighted average number of share for diluted earnings per share	**536,211**	**535,667**
Diluted earnings per share (R$)	**0.10926**	**0.07913**

28 Dividends and interest on capital

The dividends and interest on capital are as follows:

		Decision			Company Year	
Approval	**Type**	**Date**	**Earnings per share (R$)**	**Payment date**	**2013**	**2012**
RCA	Interest on capital	4/26/2012	0.02789	5/23/2012	-	14,761
RCA	Interim dividends	4/26/2012	0.05221	5/23/2012	-	27,625
RCA	Interest on capital	7/26/2012	0.01735	8/22/2012	-	9,216
RCA	Interim dividends	7/26/2012	0.06161	8/22/2012	-	32,735
RCA	Interest on capital	10/25/2012	0.01631	11/21/2012	-	8,667
RCA	Interim dividends	10/25/2012	0.04801	11/21/2012	-	25,506
AGO	Dividends	4/02/2013	0.07748	5/03/2013	-	41,016
RCA	Interest on capital	3/26/2013	0.01571	4/10/2013	8,316	-
RCA	Dividends	4/30/2013	0.09495	6/04/2013	50,268	-
					58,584	**159,526**

RCA = Meeting of the Board of Directors
AGO = Annual General Meeting

29 Commitments

At March 31, 2013, the Company and its subsidiaries had commitments related to agreements for lease of their offices and dental clinics, with the following maturities:

	Company	**Consolidated**
Up to one year	2,120	4,553
From one to five years	339	4,334
	2,459	**8,887**

All agreements can be canceled with a termination penalty.

30 Related parties

Transactions between the Company and its subsidiaries consist of agreements for the rendering of administrative services and accreditation as service providers, rendering of dental care services, information technology services and supply of dental products, whose amounts, terms and rates were agreed and applied under the same conditions as those agreed with unrelated parties, as follows:

Assets / (liabilities)	Nature	OdontoPrev	Clidec	OdontoPrev Serviços	Easy	Dental Partner	Rede Dental
Other receivables	Administrative services	-	709	2,416	27	753	-
Current taxes recoverable	Administrative services			158			-
Suppliers of goods and services	Administrative services	(4,024)	-	-	-	-	-
Other federal tax liabilities	Administrative services	(39)	-	-	-	-	-
Period ended at March 31, 2013		**(4,063)**	**709**	**2,574**	**27**	**753**	**-**
Period ended at December 31, 2012		**(1,452)**	**774**	**-**	**-**	**678**	**-**
Revenue / (expenses)							
Plans premiums	Dental care plans	23	-	-	-	-	-
Net installments sales of goods and services	Administrative services	-	2,684	7,177	79	1,972	-
Indemnifiable claims, net	Dental care services	(448)	-	-	-	-	-
Dental care materials	Dental care materials	(1,972)	-	-	-	-	-
Administrative	Administrative services	(9,376)	-	(16)	(31)		(86)
Cost of internal units	Administrative services	-	(6)	-	-	-	-
Period ended at March 31, 2013		**(11,773)**	**2,678**	**7,161**	**48**	**1,972**	**(86)**
Period ended at December 31, 2012		**(46,356)**	**8,797**	**30,879**	**233**	**6,447**	**-**

The Company has transactions with companies of the Bradesco Group, of which Bradesco Saúde, stockholder of OdontoPrev, is part. These operations are listed below:

Assets / (liabilities)	Bradesco Group
Cash and deposits in cash in financial institutions	2,903
Financial investments	3,052
Healthcare receivables	4,116
Advanced billings	(4,517)
Suppliers of goods and services	(467)
Revenue / (expenses)	
Plan premiums	13,483
Other expenses	(467)
Financial income	47
Financial expenses	(363)
Period ended at March 31, 2013	**12,700**

The Company also has a contract for distribution of dental care plans with Banco Bradesco effective for 10 years. Banco Bradesco is the accounting agent of its shares. Up to March 31, 2013, R$8 was paid for the accounting services.
In addition to these transactions, the Company also has the following: (i) accreditation contract for the provision of dental care assistance over an undetermined period with Mrs. Raquel Virgínia Zanetti and Mrs. Anete Scharfstein Zanetti, respectively sister and spouse of the CEO, which totaled R$0 and R$0 at March 31, 2013; (ii) through its direct subsidiary Clidec, a commercial lease agreement for an undetermined period of a property located at Av. Paulista, No. 2,444, set 151, with Mr. Artemio Luiz Zanetti, father of the CEO, which totaled R$9 at March 31, 2013.

The Company and its subsidiaries pay profit sharing to their employees and officers, subject to the achievement of operational goals and specific objectives, established and approved at the beginning of each year. At March 31, 2013, amounts that referred to the provisions registered in 2012 were reversed, the balance for income registered on this date was R$1,116 (expense of R$1,030 at December 31, 2012) and R$812 (expense of R$1,311 at December 31, 2012), in the Company and on consolidation, respectively.

Annual compensation attributed to the Board of Directors, Statutory Audit Board and Statutory Directors, segregated into fixed and variable components, is as follows:

	Period ended at March 31, 2013	
	2013	**2012**
Statutory Board	**728**	**678**
Pro-labore and fees	672	640
Benefits	56	38
Board of Directors	**305**	**288**
Pro-labore and fees	305	288
Statutory Audit Committee	**71**	**67**
Pro-labore	71	67
	1,104	**1,033**

As mentioned below, the Statutory Directors hold stock options in accordance with stock option plan (long-term benefits) detailed in note 19.5.

	Beginning of the period		**Cancellations**		**Exercised options**		**End of the period**	
Year	Eligible beneficiaries	Options	Eligible beneficiaries terminated	Canceled options	Eligible beneficiaries	Exercised options	Eligible beneficiaries	Existing options
2007	6	1,285,488	3	584,424	3	701,064	-	-
2008	5	1,397,592	2	488,916	3	908,676	-	-
2009	7	1,378,356	3	678,084	4	700,272	-	-
2010	5	787,521	-	-	-	-	5	787,521
2011	5	533,829	-	-	-	-	5	533,829
2012	6	635,885	-	-	-	-	6	635,885
		6,018,671		**1,751,424**		**2,310,012**		**1,957,235**

The Board of Directors and Statutory Audit Board do not have variable compensation, and the Company does not sponsor any complementary pension plan or other post-employment or termination benefit.

31 Insurance (not audited)

The Company maintains insurance coverage in an amount considered sufficient to cover the risks involved.

32 Derivative financial instruments

The Company does not carry out transactions with derivatives for speculative purposes. At March 31, 2013, the Company and its subsidiaries did not directly operate or maintain receiving or paying positions related to derivative financial instruments.

33 Subsequent events

On April 17, 2013, CADE approved, unnamimously, and without restriction, the Assocation Agreement and Other Terms (Association Agreement) agreed between the Company and Bradesco Dental S.A., according to the terms previously disclosed in a Relevant Fact, dated October 18, 2009.

The Management Board Meeting held on April 30, 2013 approved the distribution of R$50,268 in dividends to be paid on June 04, 2013.

Commentary on the performance of business forecasts

The company's practice not to disclose financial projections.

Other relevant information

i. Shareholders with more than 5%

Shareholders holding more than 5% of the company's shares

Position at 3/31/2013 (considering the split in 4/02/2012)

	Common shares		Preferred shares		Total	
Shareholder	**Number**	**%**	**Number**	**%**	**Number**	**%**
Bradesco Saúde S.A.	231,113,232	43.50	-	-	231,113,232	43.50
Randal Luiz Zanetti	112,068	0.02	-	-	112,068	0.02
Aberdeen Asset Managers Limited	26,708,600	5.03			26,708,600	5.03
ZNT Emp. Com. Particip. S.A.	40,053,708	7.54	-	-	40,053,708	7.54
Others	233,307,184	43.91	-	-	233,307,184	43.91
Total	**531,294,792**	**100.00**	-	-	**531,294,792**	**100.00**

Distribution of the company's capital (company shareholders) down to individual holdings

Name: Bradesco Saúde S.A.

					Position at 3/31/2013	
	Common shares		Preferred shares		Total	
Shareholder	**Number**	**%**	**Number**	**%**	**Number**	**%**
Bradesco SegPrev Investimentos Ltda.	11,911,941	100.00	-	-	11,911,941	100.00

Distribution of the company's capital (company shareholders) down to individual holdings

Name: Bradesco SegPrev Investimentos Ltda.

					Position at 3/31/2013	
	Common shares		Preferred shares		Total	
Shareholder	**Number**	**%**	**Number**	**%**	**Number**	**%**
Bradesco Seguros S.A.	2,276,502,959	100.00	-	-	2,276,502,959	100.00

Distribution of the company's capital (company shareholders) down to individual holdings

Name: Bradesco Seguros S.A.

	Position at 3/31/2013					
	Common shares		Preferred shares		Total	
Shareholder	Number	%	Number	%	Number	%
Bradseg Participações S.A.	750,693	100.00	-	-	750,693	100.00

Distribution of the company's capital (company shareholders) down to individual holdings

Name: Bradseg Participações S.A.

	Position at 3/31/2013					
	Common shares		Preferred shares		Total	
Shareholder	Number	%	Number	%	Number	%
Banco Bradesco S.A. (1)	7,456,226,262	100.00	-	-	7,456,226,262	100.00

(1) The Banco Bradesco S.A. is a listed company

Distribution of the company's capital (company shareholders) down to individual holdings

Name: ZNT Emp. Com. Particip. S.A.

	Position at 3/31/2013					
	Common shares		Preferred shares		Total	
Shareholder	Number	%	Number	%	Number	%
Santa Rita de Cássia Emp Com e Part S.A.	19,687,062	99.97	-	-	19,687,062	99.97
Other	5,908	0.03	-	-	5,908	0.03
Total Shareholders of ZNT	**19,692,970**	**100.00**	-	-	**19,692,970**	**100.00**
Randal Luiz Zanetti	29,994,000	99.98	-	-	29,994,000	99.98
Other	6,000	0.02	-	-	6,000	0.02
Total Shareholders of Santa Rita de Cássia Com e Part S.A.	**30,000,000**	**100.00**	-	-	**30,000,000**	**100.00**

ii. Shareholding position: 3/31/2013

Consolidated shareholding position of controlling shareholders and management and outstanding shares
Position at 3/31/13 (considering the split in 4/02/2012)

Shareholder	Number of common shares (in units)	%	Number of preferred shares	%	Total number of shares (in units)	%
Controlling shareholders	**271,279,008**	**51.06**	**-**	**-**	**271,279,008**	**51.06**
Non-controlling shareholders	**3,184,017**	**0.60**	**-**	**-**	**3,184,017**	**0.60**
Board of Directors	169,412	0.03	-	-	169,412	0.03
Executive Board	3,019,005	0.57	-	-	3,019,005	0.57
Statutory audit committee	-	-	-	-	-	-
Treasury shares	1,896,318	0.36	-	-	1,896,318	0,36
Other	**254,931,049**	**47.98**	**-**	**-**	**254,931,049**	**47.98**
Total	**531,294,792**	**100.00**	**-**	**-**	**531,294,792**	**100.00**
Outstanding shares	**254,931,049**	**47.98**	**-**	**-**	**254,931,049**	**47.98**

iii. Shareholding position: 3/31/2012

a. Not considering the split in 4/02/2012

Consolidated shareholding position of controlling shareholders and management and outstanding shares

Position at 3/31/12 (not considering the split in 4/02/2012)

Shareholder	Number of common shares (in units)	%	Number of preferred shares	%	Total number of shares (in units)	%
Controlling shareholders	**90,426,336**	**51.06**	**-**	**-**	**90,426,336**	**51.06**
Non-controlling shareholders	**1,464,649**	**0.83**	**-**	**-**	**1,464,649**	**0.83**
Board of Directors	90,648	0.05	-	-	90,648	0.05
Executive Board	1,374,001	0.78	-	-	1,374,001	0.78
Statutory audit committee	-	-	-	-	-	-
Treasury shares	**740,036**	**0.42**	**-**	**-**	**740,036**	**0.42**
Other	**84,467,243**	**47.70**	**-**	**-**	**84,467,243**	**47.70**
Total	**177,098,264**	**100.00**	**-**	**-**	**177,098,264**	**100.00**
Outstanding shares	**84,467,243**	**47.70**	**-**	**-**	**84,467,243**	**47.70**

b. Considering the split in 4/02/2012

Consolidated shareholding position of controlling shareholders and management and outstanding shares

Position at 3/31/12 (considering the split in 4/02/2012)

Shareholder	Number of common shares (in units)	%	Number of preferred shares	%	Total number of shares (in units)	%
Controlling shareholders	**271,279,008**	**51.06**	**-**	**-**	**271,279,008**	**51.06**
Non-controlling shareholders	**4,393,947**	**0.83**	**-**	**-**	**4,393,947**	**0.83**
Board of Directors	271,944	0.05	-	-	271,944	0.05
Executive Board	4,122,003	0.78	-	-	4,122,003	0.78
Statutory audit committee	-	-	**-**	**-**	-	-
Treasury shares	**2,220,108**	**0,42**	**-**	**-**	**2,220,108**	**0,42**
Other	**253,401,729**	**47.70**	**-**	**-**	**253,401,729**	**47.70**
Total	**531,294,792**	**100.00**	**-**	**-**	**531,294,792**	**100.00**
Outstanding shares	**253,401,729**	**47.70**	**-**	**-**	**253,401,729**	**47.70**

iv. Commitment Clause

The Arbitration Commitment Clause is mentioned in chapter VI - Arbitration, contained in the Bylaws (approved at the Special Meeting of 4/02/12).

"**Article 41** - The Company, its shareholders, management and members of the Statutory Audit Committee are committed to resolve, through arbitration, any and all disputes that may arise between them, relating to or originating, especially, from the application, validity, efficacy, interpretation, violation, and their effects, of the provisions comprised in Brazilian Corporation Law, in these bylaws, in the regulations issued by the National Monetary Council, the Brazilian Central Bank and the Brazilian Securities Commission, as well as other regulations applicable to the functioning of capital markets in general, besides those comprised in the Regulations of the New Market Listing, the Contract for Participation in the New Market and the Arbitration Regulations of the Market Arbitration Chamber."

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Independent auditors' review report

(A free translation of the original report in Portuguese)

To
Shareholders and Management of
Odontoprev S.A.
Barueri - SP

Introduction

We have reviewed the interim financial information, individual and consolidated, of Odontoprev S.A ("the Company"), included in the Quarterly Financial Information - ITR for the quarter ended March 31, 2013, which comprise the balance sheet as of March 31, 2013 and the related statements of income, comprehensive income, changes in shareholders' equity, and cash flows, for the three-month period then ended, including explanatory notes.

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

Review

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

Conclusion on the individual interim financial information

Based on our review, we are not aware of any matter that make us to believe that the individual interim financial information included in the Quarterly Financial Information above mentioned were not prepared, in all material respects, in accordance with CPC 21(R1) applicable to the preparation of the Quarterly Financial Information - ITR, and presented in accordance with the rules issued by the Brazilian Securities Exchange Commission (CVM).

KPMG Auditores Independentes, uma sociedade simples brasileira e firma-membro da rede KPMG de firmas-membro independentes e afiliadas à KPMG International Cooperative ("KPMG International"), uma entidade suíça.

KPMG Auditores Independentes, a Brazilian entity and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Conclusion on the consolidated interim financial information
Based on our review, we are not aware of any matter that make us to believe that the consolidated interim financial information included in the Quarterly Financial Information above mentioned were not prepared, in all material respects, in accordance with CPC 21(R1) and IAS 34 applicable to the preparation of the Quarterly Financial Information - ITR, and presented in accordance with the rules issued by the Brazilian Securities Exchange Commission (CVM).

Other matters

Interim statements of added value
We have also reviewed the interim statements of added value (DVA), individual and consolidated, for the three-month period ended March 31, 2013, which are the responsibility of its Management, which presentation in the interim financial information is required by the regulation issued by the Brazilian Securities Exchange Commission (CVM) applicable to the preparation of the Quarterly Financial Information - ITR, and is considered an additional information by IFRS, which do not require the presentation of the DVA. These additional statements were submitted to the same review procedures previously described, and, based on our review, we are not aware of any matter that could make us to believe that they were not prepared, in all material respects, in accordance with the individual and consolidated interim financial information taken as a whole.

Audit and review of the comparative figures
The individual and consolidated comparative figures, correspondent to the balance sheet at December 31, 2012 and the quarterly financial information in the statements of income, comprehensive income, changes in shareholders' equity, cash flows and added value (supplementary information), for the three months ended March 31 2012, presented for comparison purposes, herein re-presented as a result of the issues described in Note 2.1, were audited and revised, respectively, by other independent auditors, who issued their report dated on April 30, 2013, without any modification.

São Paulo, April 30, 2013

KPMG Auditores Independentes
CRC 2SP014428/O-6
The original report in Portuguese was signed by
Luciene Teixeira Magalhães
Accountant CRC RJ-079849/O-3