Odontoprev S.A.

Quarterly Information Form - ITR
As of June 30, 2013 and 2012

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Capital's breakdown

Number of shares (units)	Current period 6/30/2013
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	3/26/2013	Interests on Capital	4/10/2013	Common	0,01571
Board of Directors' Meeting	4/02/2013	Dividends	5/03/2013	Common	0,07748
Board of Directors' Meeting	4/30/2013	Dividends	6/04/2013	Common	0,09495
Board of Directors' Meeting	6/25/2013	Interests on Capital	7/10/2013	Common	0,01556

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Balance sheets at June 30, 2013 and December 31, 2012

(In thousands of Reais)

Code	Description	Current Year 6/30/2013	Prior Year 12/31/2012
1	Total assets	1.016.311	1.019.571
1.01	Current assets	300.686	308.254
1.01.01	Cash and cash equivalents	3.456	3.491
1.01.02	Financial investments	195.767	199.661
1.01.02.01	Financial investments at fair value	195.767	199.661
1.01.02.01.01	Trading securities	195.767	199.661
1.01.03	Receivables	97.904	102.541
1.01.03.01	Trade accounts receivable	91.409	95.454
1.01.03.01.01	Healthcare receivables	122.366	121.298
1.01.03.01.02	(-) Allowance for doubtful accounts	(30.957)	(25.844)
1.01.03.02	Sundry receivables	6.495	7.087
1.01.03.02.01	Advances to suppliers	1.424	1.399
1.01.03.02.02	Advances to employees	305	1.472
1.01.03.02.03	Other receivables	4.766	4.216
1.01.06	Taxes recoverable	3.241	2.059
1.01.06.01	Current taxes recoverable	3.241	2.059
1.01.07	Prepaid expenses	318	502
1.02	Non-current assets	715.625	711.317
1.02.01	Long-term receivables	154.540	158.781
1.02.01.06	Deferred taxes	116.863	122.310
1.02.01.06.01	Deferred income tax and social contribution	116.863	122.310
1.02.01.09	Other non-current assets	37.677	36.471
1.02.01.09.03	Judicial deposits	35.770	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	32.110	26.601
1.02.02.01	Equity interests	32.110	26.601
1.02.02.01.02	Investments in subsidiaries	31.335	26.169
1.02.02.01.04	Other equity interests	775	432
1.02.03	Property and equipment	6.748	7.174
1.02.03.01	Property and equipment in use	6.748	7.174
1.02.03.01.01	Chattels	14.701	14.749
1.02.03.01.02	Other	5.883	5.756
1.02.03.01.03	(-) Accumulated depreciation	(13.836)	(13.331)
1.02.04	Intangible assets	522.227	518.761
1.02.04.01	Intangible assets	522.227	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	20.847	17.597
1.02.04.01.04	Deferred selling expenses	8.504	8.288

The notes are an integral part of the Quarterly Information Form - ITR.

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Balance sheets at June 30, 2013 and December 31, 2012

(In thousands of Reais)

Code	Description	Current Year 6/30/2013	Prior Year 12/31/2012
2	Total liabilities and shareholders' equity	1.016.311	1.019.571
2.01	Current liabilities	209.586	205.965
2.01.01	Social and labor charges	12.433	13.209
2.01.01.01	Social charges	5.977	6.703
2.01.01.02	Labor charges	6.456	6.506
2.01.01.02.01	Salaries, vacation pay and fees	6.456	6.506
2.01.02	Suppliers	9.094	9.019
2.01.02.01	Local suppliers	9.094	9.019
2.01.02.01.01	Commissions payable	3.915	4.391
2.01.02.01.02	Suppliers of goods and services	5.179	4.628
2.01.03	Tax liabilities	9.316	7.204
2.01.03.01	Federal tax liabilities	8.241	6.068
2.01.03.01.01	Tax and social contribuition payable	3.252	2.196
2.01.03.01.02	Other federal tax liabilities	4.989	3.872
2.01.03.03	Municipal tax liabilities	1.075	1.136
2.01.05	Other liabilities	33.558	21.673
2.01.05.02	Other	33.558	21.673
2.01.05.02.01	Dividends and interest on capital payable	7.087	-
2.01.05.02.02	Minimum mandatory dividend payable	11	11
2.01.05.02.04	Advances from customers	4.099	3.022
2.01.05.02.05	Other accounts payable	22.361	18.640
2.01.06	Provisions	145.185	154.860
2.01.06.02	Other provisions	145.185	154.860
2.01.06.02.04	Provision for unsettled claims/events	13.003	16.928
2.01.06.02.05	Provision for claims/events incurred but not reported	57.660	59.773
2.01.06.02.06	Unearned premiums reserve	74.522	78.159
2.02	Non-current liabilities	131.465	113.593
2.02.02	Other liabilities	1.760	1.811
2.02.02.02	Other	1.760	1.811
2.02.02.02.03	Other liabilities	1.760	1.811
2.02.03	Deferred taxes	3.099	2.809
2.02.03.01	Deferred income tax and social contribution	3.099	2.809
2.02.04	Provisions	126.606	108.973
2.02.04.01	Provision for tax, social security, labor and civil lawsuits	126.606	108.973
2.02.04.01.01	Provision for taxes	1.400	1.284
2.02.04.01.02	Provisions for social security and labor lawsuits	122.758	104.227
2.02.04.01.04	Provision for civil lawsuits	2.448	3.462
2.03	Equity	675.260	700.013
2.03.01	Capital	506.557	506.557
2.03.02	Capital reserves	21.955	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	(6.621)	(9.042)
2.03.02.08	Additional paid-up capital	(34.339)	(34.339)
2.03.04	Revenue reserves	115.634	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
2.03.04.09	Treasury stock	(17.272)	-
2.03.05	Retained earnings/Accumulated deficit	31.114	-

The notes are an integral part of the Quarterly Information Form - ITR.

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Statements of income

Six and three month periods ended June 30, 2013 and 2012

(In thousands of Reais)

Code	Description	Current Quarter 4/01/2013 to 6/30/2013	Six-Month Current Period 1/01/2013 to 6/30/2013	Quarter from Prior Period 4/01/2012 to 6/30/2012	Six-Month Prior Period 1/01/2012 to 6/30/2012
3.01	Gross sales and/or services revenues	257.655	507.068	230.241	453.179
3.01.01	Net installments	266.209	524.654	237.597	469.089
3.01.02	Revenues of Sales and services	3	80	131	229
3.01.04	Taxes on healthcare plan operations	(8.557)	(17.666)	(7.487)	(16.139)
3.02	Cost of sales and/or services	(130.203)	(231.940)	(109.832)	(206.735)
3.02.01	Indemnifiable claims, net	(111.785)	(207.675)	(108.333)	(189.792)
3.02.02	Social charges on services	(7.987)	(14.855)	(7.013)	(13.406)
3.02.03	Dental materials	(1.937)	(3.870)	(1.310)	(2.485)
3.02.04	Other operating incomes (expenses)	(4.232)	(7.653)	8.279	317
3.02.05	Changes in events incurred but not reported	(4.262)	2.113	(1.455)	(1.369)
3.03	Gross profit	127.452	275.128	120.409	246.444
3.04	Operating expenses	(74.273)	(138.913)	(66.285)	(131.102)
3.04.01	Selling	(23.098)	(46.420)	(21.480)	(42.747)
3.04.01.01	Selling expenses	(23.098)	(46.420)	(21.480)	(42.747)
3.04.02	General and administrative	(40.588)	(77.088)	(37.310)	(73.903)
3.04.05	Other operating expenses	(12.405)	(19.414)	(8.880)	(17.747)
3.04.05.01	Stock option plan	(1.211)	(2.421)	(733)	(1.679)
3.04.05.02	Allowance for doubtful accounts	(9.359)	(16.274)	(5.876)	(12.767)
3.04.05.03	Profit sharing	(1.835)	(719)	(2.271)	(3.301)
3.04.06	Equity in the earnings of subsidiary and associated companies	1.818	4.009	1.385	3.295
3.05	Profit before finance income (costs) and taxes	53.179	136.215	54.124	115.342
3.06	Finance income (cost)	2.520	4.810	2.710	7.600
3.06.01	Financial income	13.302	26.276	19.656	26.731
3.06.01.01	Financial income	5.064	9.722	4.895	11.970
3.06.01.02	Reverting of interest on capital	8.238	16.554	14.761	14.761
3.06.02	Financial expenses	(10.782)	(21.466)	(16.946)	(19.131)
3.07	Profit before taxation and profit sharing	55.699	141.025	56.834	122.942
3.08	Provision for income tax and social contribution	(16.347)	(43.089)	(14.883)	(38.605)
3.08.01	Current	(14.657)	(37.352)	(5.955)	(27.678)
3.08.02	Deferred	(1.690)	(5.737)	(8.928)	(10.927)
3.09	Net results from continuing operations	39.352	97.936	41.951	84.337
3.11	Net income for the period	39.352	97.936	41.951	84.337
3.99.01	Basic earnings per share	-	-	-	-
3.99.01.01	Common	0,07433	0,18465	0,07914	0,15921
3.99.02	Diluted earnings per share	-	-	-	-
3.99.02.01	Common	0,07362	0,18288	0,07856	0,15805

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Statements of comprehensive income

Six and three month periods ended June 30, 2013 and 2012

(In thousands of Reais)

Code	Description	Current Quarter 4/01/2013 to 6/30/2013	Six-Month Current Period 1/01/2013 to 6/30/2013	Quarter from Prior Period 4/01/2012 to 6/30/2012	Six-Month Prior Period 1/01/2012 to 6/30/2012
4.01	Net income for the period	39.352	97.936	41.951	84.337
4.03	Comprehensive income for the period	39.352	97.936	41.951	84.337

The notes are an integral part of the Quarterly Information Form - ITR.

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Statements of cash flows - Indirect method

Six-month periods ended June 30, 2013 and 2012

(In thousands of Reais)

Code	Description	Six-Month Current Period 1/01/2013 to 6/30/2013	Six-Month Prior Period 1/01/2012 to 6/30/2012
6.01	Net cash provided by operating activities	124.045	142.929
6.01.01	Cash provided by operations	103.520	93.798
6.01.01.01	Net income for the period	97.936	84.337
6.01.01.02	Depreciation and amortization	2.375	2.503
6.01.01.03	Monetary variations, net	2.472	1.332
6.01.01.05	Provision for contingencies	(971)	554
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	(4.009)	(3.295)
6.01.01.08	Allowance for doubtful accounts	5.113	5.319
6.01.01.09	Stock option plan	2.421	1.679
6.01.01.10	Changes in events incurred but not reported	(2.113)	1.369
6.01.02	Changes in assets and liabilities	20.525	49.131
6.01.02.01	Financial investments at fair value	3.894	18.860
6.01.02.02	Healthcare receivables	(1.068)	(5.646)
6.01.02.03	Notes receivable	(385)	(414)
6.01.02.05	Long-term receivables	5.094	10.777
6.01.02.06	Provision for events/ claims to be settled	(3.925)	10.167
6.01.02.07	Unearned premiums reserve	(3.637)	(3.586)
6.01.02.08	Salaries, vacation pay and fees	(50)	469
6.01.02.09	Taxes and contributions payable	(695)	1.576
6.01.02.10	Suppliers - Healthcare transactions	4.873	4.167
6.01.02.11	Long-term liabilities	15.368	12.761
6.01.02.13	Income tax and social contribution payable	1.056	-
6.02	Net cash used in investing activities	(2.711)	(5.474)
6.02.01	Purchase of property and equipment	(715)	(685)
6.02.02	System development, software licenses and other	(4.780)	(4.950)
6.02.03	Deferred selling expenses	(216)	801
6.02.06	Acquisition of investments	-	(640)
6.02.07	Dividends received from subsidiaries	3.000	-
6.03	Net cash used in financing activities	(121.369)	(140.024)
6.03.01	Dividends and Interest on capital paid	(99.597)	(131.343)
6.03.02	Acquisition of own shares - in treasury	(17.272)	(9.002)
6.03.03	Reimbursement capital paid	(4.500)	-
6.03.04	Receiving the grant of stock options	-	321
6.05	Increase (decrease) in cash and cash equivalents	(35)	(2.569)
6.05.01	Cash and cash equivalents at the beginning of period	3.491	7.222
6.05.02	Cash and cash equivalents at the end of the period	3.456	4.653

The notes are an integral part of the Quarterly Information Form - ITR.

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Statement of changes in shareholders' equity

Six-month period ended June 30, 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	-	(14.851)	(41.016)	(66.822)	-	(122.689)
5.04.03	Granting of stock options recognized	-	2.421	-	-	-	2.421
5.04.04	Treasury shares acquired	-	(17.272)	-	-	-	(17.272)
5.04.06	Dividends	-	-		(50.268)	-	(50.268)
5.04.07	Interest on Capital	-	-	-	(16.554)	-	(16.554)
5.04.12	Additional Proposed Dividend and Interest on Capital	-	-	(41.016)	-		(41.016)
5.05	Total comprehensive income	-	-	-	97.936	-	97.936
5.05.01	Profit for the period	-	-	-	97.936	-	97.936
5.07	Closing balance	506.557	4.683	132.906	31.114	-	675.260

The notes are an integral part of the Quarterly Information Form - ITR.

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Statement of changes in shareholders'equity

Six-month period ended June 30, 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	-	(7.002)	(84.594)	(42.386)	-	(133.982)
5.04.03	Granting of stock options recognized	-	1.679	-	-	-	1.679
5.04.04	Treasury shares acquired	-	(9.002)	-	-	-	(9.002)
5.04.05	Treasury shares sold	-	321	-	-	-	321
5.04.06	Dividens	-	-	-	(27.625)		(27.625)
5.04.07	Interest on Capital	-	-	-	(14.761)	-	(14.761)
5.04.12	Additional Proposed Dividend and Interest on Capital	-	-	(12.594)	-	-	(12.594)
5.04.13	Additional Proposed Dividend (Complement)	-	-	(72.000)	-	-	(72.000)
5.05	Total comprehensive income	-	-	-	84.337	-	84.337
5.05.01	Profit for the period	-	-	-	84.337	-	84.337
5.07	Closing balance	506.557	17.587	146.866	41.951	-	712.961

The notes are an integral part of the Quarterly Information Form - ITR.

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Statements of value added

Six-month periods ended June 30, 2013 and 2012

(In thousands of Reais)

Code	Description	Six-Month Current Period 1/01/2013 to 6/30/2013	Six-Month Prior Period 1/01/2012 to 6/30/2012
7.01	Income	508.460	456.551
7.01.01	Sales of goods and services	524.654	469.089
7.01.02	Other incomes	80	229
7.01.02.02	Sales of goods and services	80	229
7.01.04	Provision/reversal of impairment of trade receivables	(16.274)	(12.767)
7.02	Inputs acquired from third parties	(307.191)	(277.819)
7.02.01	Costs of goods and services	(207.675)	(189.792)
7.02.02	Materials, energy, outsourced services and other	(7.030)	(5.994)
7.02.04	Others	(92.486)	(82.033)
7.02.04.01	Other operating revenues (expenses)	(3.377)	5.579
7.02.04.02	Selling expenses	(46.420)	(42.747)
7.02.04.03	Administrative expenses	(44.802)	(43.496)
7.02.04.04	Changes in events incurred but not reported	2.113	(1.369)
7.03	Gross value added	201.269	178.732
7.04	Retentions	(2.375)	(2.503)
7.04.01	Depreciation, amortization and depletion	(2.375)	(2.503)
7.05	Net value added generated	198.894	176.229
7.06	Value added received through transfer	13.731	15.265
7.06.01	Equity in the results of subsidiaries	4.009	3.295
7.06.02	Financial income	9.722	11.970
7.07	Total value added to distribute	212.625	191.494
7.08	Distribution of value added	212.625	191.494
7.08.01	Personnel	23.765	25.094
7.08.01.01	Direct remuneration	17.411	19.318
7.08.01.02	Benefits	5.069	4.482
7.08.01.03	FGTS	1.285	1.294
7.08.02	Taxes and contributions	81.749	74.269
7.08.02.01	Federal	75.767	68.569
7.08.02.02	State	18	28
7.08.02.03	Municipal	5.964	5.672
7.08.03	Remuneration of third-party capital	6.754	6.115
7.08.03.02	Rentals	1.842	1.745
7.08.03.03	Others	4.912	4.370
7.08.03.03.01	Finance costs	4.912	4.370
7.08.04	Remuneration of own capital	97.936	84.337
7.08.04.01	Interest on capital	16.554	14.761
7.08.04.02	Dividends	50.268	27.625
7.08.04.03	Profits reinvested/loss for the year	31.114	41.951
7.08.05	Others	2.421	1.679
7.08.05.01	Granting of stock options	2.421	1.679

The notes are an integral part of the Quarterly Information Form - ITR.

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Consolidated balance sheets at June 30, 2013 and December 31, 2012

(In thousands of Reais)

Code	Description	Current Year 6/30/2013	Prior Year 12/31/2012
1	Total assets	1.035.148	1.035.921
1.01	Current assets	332.377	340.289
1.01.01	Cash and cash equivalents	4.938	4.418
1.01.02	Financial investments	207.583	213.512
1.01.02.01	Financial investments at fair value	207.583	213.512
1.01.02.01.01	Trading securities	207.583	213.512
1.01.03	Receivables	105.646	109.804
1.01.03.01	Trade accounts receivable	95.951	100.305
1.01.03.01.01	Healthcare receivables	127.645	126.828
1.01.03.01.02	(-) Allowance for doubtful accounts	(31.694)	(26.523)
1.01.03.02	Sundry receivables	9.695	9.499
1.01.03.02.01	Advances to suppliers	1.586	1.538
1.01.03.02.02	Advances to employees	916	2.453
1.01.03.02.03	Other receivables	7.193	5.508
1.01.04	Inventories	716	987
1.01.06	Taxes recoverable	13.154	11.059
1.01.06.01	Current taxes recoverable	13.154	11.059
1.01.07	Prepaid expenses	340	509
1.02	Non-current assets	702.771	695.632
1.02.01	Long-term receivables	159.138	162.397
1.02.01.06	Deferred taxes	117.816	123.427
1.02.01.06.01	Deferred income tax and social contribution	117.816	123.427
1.02.01.09	Other non-current assets	41.322	38.970
1.02.01.09.03	Judicial deposits	38.089	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	2.941	1.030
1.02.02.01	Equity interests	2.941	1.030
1.02.02.01.04	Other equity interests	2.941	1.030
1.02.03	Property and equipment	9.944	9.589
1.02.03.01	Property and equipment in use	9.944	9.589
1.02.03.01.01	Chattels	19.437	19.270
1.02.03.01.02	Other	8.695	7.832
1.02.03.01.03	(-) Accumulated depreciation	(18.188)	(17.513)
1.02.04	Intangible assets	530.748	522.616
1.02.04.01	Intangible assets	530.748	522.616
1.02.04.01.02	Goodwill in acquisition of investments (Goodwill)	500.250	495.589
1.02.04.01.03	System development, software licenses and other	21.994	18.739
1.02.04.01.04	Deferred selling expenses	8.504	8.288

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Consolidated balance sheets at June 30, 2013 and December 31, 2012

(In thousands of Reais)

Code	Description	Current Year 6/30/2013	Prior Year 12/31/2012
2	Total liabilities and shareholders' equity	1.035.148	1.035.921
2.01	Current liabilities	223.507	219.251
2.01.01	Social and labor charges	17.114	17.588
2.01.01.01	Social charges	7.407	8.000
2.01.01.02	Labor charges	9.707	9.588
2.01.01.02.01	Salaries, vacation pay and fees	9.707	9.588
2.01.02	Suppliers	8.707	8.916
2.01.02.01	Local suppliers	8.707	8.916
2.01.02.01.01	Commissions payable	3.945	4.418
2.01.02.01.02	Suppliers of goods and services	4.762	4.498
2.01.03	Tax liabilities	11.506	8.877
2.01.03.01	Federal tax liabilities	9.986	7.366
2.01.03.01.01	Tax and social contribuition payable	3.658	2.548
2.01.03.01.02	Other federal tax liabilities	6.328	4.818
2.01.03.02	State tax liabilities	81	47
2.01.03.03	Municipal tax liabilities	1.439	1.464
2.01.05	Other liabilities	35.463	23.185
2.01.05.02	Other	35.463	23.185
2.01.05.02.01	Dividends and interest on capital payable	7.087	-
2.01.05.02.02	Minimum mandatory dividend payable	11	11
2.01.05.02.04	Advances from customers	4.113	3.043
2.01.05.02.05	Other accounts payable	24.252	20.131
2.01.06	Provisions	150.717	160.685
2.01.06.02	Other provisions	150.717	160.685
2.01.06.02.04	Provision for unsettled claims/events	13.861	17.888
2.01.06.02.05	Provision for claims/events incurred but not reported	59.269	61.276
2.01.06.02.06	Unearned premiums reserve	77.587	81.521
2.02	Non-current liabilities	134.502	115.369
2.02.02	Other liabilities	3.083	1.811
2.02.02.02	Other	3.083	1.811
2.02.02.02.03	Other liabilities	3.083	1.811
2.02.03	Deferred taxes	3.100	2.809
2.02.03.01	Deferred income tax and social contribution	3.100	2.809
2.02.04	Provisions	128.319	110.749
2.02.04.01	Provision for tax, social security, labor and civil lawsuits	128.319	110.749
2.02.04.01.01	Provision for taxes	2.585	2.523
2.02.04.01.02	Provisions for social security and labor lawsuits	123.183	104.678
2.02.04.01.04	Provision for civil lawsuits	2.551	3.548
2.03	Consolidated equity	677.139	701.301
2.03.01	Capital	506.557	506.557
2.03.02	Capital reserves	21.955	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	(6.621)	(9.042)
2.03.02.08	Additional paid-up capital	(34.339)	(34.339)
2.03.04	Revenue reserves	115.634	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
2.03.04.09	Treasury stock	(17.272)	-
2.03.05	Retained earnings/Accumulated deficit	31.114	-
2.03.09	Non-controlling interests	1.879	1.288

The notes are an integral part of the Quarterly Information Form - ITR.

Odontoprev S.A.

Consolidated statements of income

Six and three month periods ended June 30, 2013 and 2012

(In thousands of Reais)

Code	Description	Current Quarter 4/01/2013 to 6/30/2013	Six-Month Current Period 1/01/2013 to 6/30/2013	Quarter from Prior Period 4/01/2012 to 6/30/2012	Six-Month Prior Period 1/01/2012 to 6/30/2012
3.01	Gross sales and/or services revenues	262.959	518.014	235.552	464.121
3.01.01	Net installments	272.420	537.232	243.677	481.077
3.01.02	Revenues of Sales and services	1.270	2.662	1.417	2.991
3.01.04	Taxes on healthcare plan operations	(8.842)	(18.247)	(7.782)	(16.708)
3.01.05	Taxes on sales of goods and services	(1.889)	(3.633)	(1.760)	(3.239)
3.02	Cost of sales and/or services	(133.904)	(238.892)	(113.759)	(214.151)
3.02.01	Indemnifiable claims, net	(113.868)	(211.748)	(110.977)	(194.530)
3.02.02	Social charges on services	(8.054)	(14.997)	(7.096)	(13.557)
3.02.03	Dental materials	(1.139)	(2.113)	(698)	(1.380)
3.02.04	Other operating incomes (expenses)	(6.475)	(12.041)	6.467	(3.315)
3.02.05	Changes in events incurred but not reported	(4.368)	2.007	(1.455)	(1.369)
3.03	Gross profit	129.055	279.122	121.793	249.970
3.04	Operating expenses	(74.957)	(141.293)	(66.616)	(132.728)
3.04.01	Selling	(23.309)	(46.837)	(21.751)	(43.205)
3.04.01.01	Selling expenses	(23.309)	(46.837)	(21.751)	(43.205)
3.04.02	General and administrative	(38.971)	(74.606)	(35.216)	(70.944)
3.04.05	Other operating expenses	(12.662)	(20.195)	(9.333)	(18.179)
3.04.05.01	Stock option plan	(1.211)	(2.421)	(733)	(1.679)
3.04.05.02	Allowance for doubtful accounts	(9.559)	(16.694)	(5.915)	(12.504)
3.04.05.03	Profit sharing	(1.892)	(1.080)	(2.685)	(3.996)
3.04.06	Equity in the earnings of subsidiary and associated companies	(15)	345	(316)	(400)
3.05	Profit before finance income (costs) and taxes	54.098	137.829	55.177	117.242
3.06	Finance income (cost)	2.692	5.269	2.729	7.929
3.06.01	Financial income	13.671	26.915	20.028	27.587
3.06.01.01	Financial income	5.433	10.361	5.267	12.826
3.06.01.02	Reversal of interest on capital	8.238	16.554	14.761	14.761
3.06.02	Financial expenses	(10.979)	(21.646)	(17.299)	(19.658)
3.07	Profit before taxation and profit sharing	56.790	143.098	57.906	125.171
3.08	Provision for income tax and social contribution	(17.337)	(45.046)	(15.893)	(40.730)
3.08.01	Current	(15.410)	(39.144)	(6.777)	(29.471)
3.08.02	Deferred	(1.927)	(5.902)	(9.116)	(11.259)
3.09	Net results from continuing operations	39.453	98.052	42.013	84.441
3.11	Consolidated profit/loss for the period	39.453	98.052	42.013	84.441
3.11.01	Attributable to stockholders of the Parent company	39.352	97.936	41.951	84.337
3.11.02	Attributable to non-controlling interests	101	116	62	104
3.99.01	Basic earnings per share	-	-	-	-
3.99.01.01	Common	0,07433	0,18465	0,07914	0,15921
3.99.02	Diluted earnings per share	-	-	-	-
3.99.02.01	Common	0,07362	0,18288	0,07856	0,15805

The notes are an integral part of the Quarterly Information Form - ITR.

Odontoprev S.A.

Consolidated statements of comprehensive income

Six and three month periods ended June 30, 2013 and 2012

(In thousands of Reais)

Code	Description	Current Quarter 4/01/2013 to 6/30/2013	Six-Month Current Period 1/01/2013 to 6/30/2013	Quarter from Prior Period 4/01/2012 to 6/30/2012	Six-Month Prior Period 1/01/2012 to 6/30/2012
4.01	Consolidated net income for the period	39.453	98.052	42.013	84.441
4.03	Consolidated Comprehensive income for the period	39.453	98.052	42.013	84.441
4.03.01	Granted to shareholders of parent company	39.352	97.936	41.951	84.337
4.03.02	Granted to non-controlling shareholders	101	116	62	104

The notes are an integral part of the Quarterly Information Form - ITR.

Odontoprev S.A.

Consolidated statements of cash flows - Indirect method

Six-month periods ended June 30, 2013 and 2012

(In thousands of Reais)

Code	Description	Six-Month Current Period 1/01/2013 to 6/30/2013	Six-Month Prior Period 1/01/2012 to 6/30/2012
6.01	Net cash provided by operating activities	130.194	144.306
6.01.01	Cash provided by operations	107.532	97.281
6.01.01.01	Net income for the period	98.052	84.441
6.01.01.02	Depreciation and amortization	2.555	2.673
6.01.01.03	Monetary variations, net	2.352	1.239
6.01.01.05	Provision for contingencies	(963)	460
6.01.01.06	Disposal of property and equipment and investments	296	5
6.01.01.07	Equity in the losses of subsidiary and associated companies	(345)	400
6.01.01.08	Allowance for doubtful accounts	5.171	5.015
6.01.01.09	Stock option plan	2.421	1.679
6.01.01.10	Changes in events incurred but not reported	(2.007)	1.369
6.01.02	Changes in assets and liabilities	22.662	47.025
6.01.02.01	Financial investments at fair value	5.929	18.151
6.01.02.02	Healthcare receivables	(817)	(5.317)
6.01.02.03	Notes receivable	(3.262)	(2.462)
6.01.02.04	Inventories	271	215
6.01.02.05	Long-term receivables	5.436	10.937
6.01.02.06	Provision for events/ claims to be settled	(4.027)	11.257
6.01.02.07	Unearned premiums reserve	(3.934)	(3.554)
6.01.02.08	Salaries, vacation pay and fees	119	655
6.01.02.09	Taxes and contributions payable	(101)	1.809
6.01.02.10	Suppliers - Healthcare transactions	5.367	(81)
6.01.02.11	Long-term liabilities	16.571	12.546
6.01.02.13	Income tax and social contribution payable	1.110	2.869
6.02	Net cash used in investing activities	(12.758)	(6.846)
6.02.01	Purchase of property and equipment	(1.666)	(1.708)
6.02.02	System development, software licenses and other	(4.795)	(4.957)
6.02.03	Deferred selling expenses	(216)	801
6.02.06	Acquisition of investment	(6.081)	(640)
6.02.07	Dividends paid by subsidiaries (minority)	-	(342)
6.03	Net cash used in financing activities	(116.916)	(140.024)
6.03.01	Dividends and Interest on capital paid	(99.644)	(131.343)
6.03.02	Acquisition of own shares - in treasury	(17.272)	(9.002)
6.03.04	Receiving the grant of stock options	-	321
6.05	Increase (decrease) in cash and cash equivalents	520	(2.564)
6.05.01	Cash and cash equivalents at the beginning of period	4.418	8.050
6.05.02	Cash and cash equivalents at the end of the period	4.938	5.486

The notes are an integral part of the Quarterly Information Form - ITR.

Odontoprev S.A.

Consolidated statement of changes in equity

Six-month period ended June 30, 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	-	(14.851)	(41.016)	(66.822)	-	(122.689)	475	(122.214)
5.04.03	Granting of stock options recognized	-	2.421	-	-	-	2.421	-	2.421
5.04.04	Treasury shares acquired	-	(17.272)	-	-	-	(17.272)	-	(17.272)
5.04.06	Dividends	-	-	-	(50.268)	-	(50.268)	-	(50.268)
5.04.07	Interest on capital	-	-	-	(16.554)	-	(16.554)	-	(16.554)
5.04.12	Additional Proposed Dividend and Interest on Capital	-	-	(41.016)	-	-	(41.016)	-	(41.016)
5.04.20	Other	-	-	-	-	-	-	475	475
5.05	Total comprehensive income	-	-	-	97.936	-	97.936	116	98.052
5.05.01	Profit for the period	-	-	-	97.936	-	97.936	116	98.052
5.07	Closing balance	506.557	4.683	132.906	31.114	-	675.260	1.879	677.139

The notes are an integral part of the Quarterly Information Form - ITR.

Odontoprev S.A.

Consolidated statement of changes in equity

Six-month period ended June 30, 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	-	(7.002)	(84.594)	(42.386)	-	(133.982)	(342)	(134.324)
5.04.03	Granting of stock options recognized	-	1.679	-	-	-	1.679	-	1.679
5.04.04	Treasury shares acquired	-	(9.002)	-	-	-	(9.002)	-	(9.002)
5.04.05	Treasury shares sold		321	-	-	-	321	-	321
5.04.06	Dividends		-	-	(27.625)	-	(27.625)	-	(27.625)
5.04.07	Interest on Capital		-	-	(14.761)	-	(14.761)	-	(14.761)
5.04.12	Additional Proposed Dividend and Interest on Capital		-	(12.594)	-	-	(12.594)	-	(12.594)
5.04.13	Additional Proposed Dividend (Complement)		-	(72.000)	-	-	(72.000)	-	(72.000)
5.04.20	Others		-	-	-	-	-	(342)	(342)
5.05	Total comprehensive income	-	-	-	84.337	-	84.337	104	84.441
5.05.01	Profit for the period	-	-	-	84.337	-	84.337	104	84.441
5.07	Closing balance	506.557	17.587	146.866	41.951	-	712.961	1.196	714.157

The notes are an integral part of the Quarterly Information Form - ITR.

Odontoprev S.A.

Consolidated statements of value added

Six-month periods ended June 30, 2013 and 2012

(In thousands of Reais)

Code	Description	Six-Month Current Period 1/01/2013 to 6/30/2013	Six-Month Prior Period 1/01/2012 to 6/30/2012
7.01	Income	523.200	471.564
7.01.01	Sales of goods and services	537.232	481.077
7.01.02	Other incomes	2.662	2.991
7.01.02.02	Sales of goods and services	2.662	2.991
7.01.04	Provision/reversal of impairment of trade receivables	(16.694)	(12.504)
7.02	Inputs acquired from third parties	(295.631)	(267.727)
7.02.01	Costs of goods and services	(211.748)	(194.530)
7.02.02	Materials, energy, outsourced services and other	(5.288)	(4.916)
7.02.04	Others	(78.595)	(68.281)
7.02.04.01	Other operating revenues (expenses)	(3.869)	5.203
7.02.04.02	Selling expenses	(46.837)	(43.205)
7.02.04.03	Administrative expenses	(29.896)	(28.910)
7.02.04.04	Changes in events incurred but not reported	2.007	(1.369)
7.03	Gross value added	227.569	203.837
7.04	Retentions	(2.555)	(2.673)
7.04.01	Depreciation, amortization and depletion	(2.555)	(2.673)
7.05	Net value added generated	225.014	201.164
7.06	Value added received through transfer	10.706	12.426
7.06.01	Equity in the results of subsidiaries	345	(400)
7.06.02	Financial income	10.361	12.826
7.07	Total value added to distribute	235.720	213.590
7.08	Distribution of value added	235.720	213.590
7.08.01	Personnel	36.284	36.949
7.08.01.01	Direct remuneration	26.529	28.085
7.08.01.02	Benefits	7.671	6.923
7.08.01.03	FGTS	2.084	1.941
7.08.02	Taxes and contributions	90.376	82.510
7.08.02.01	Federal	82.456	75.040
7.08.02.02	State	719	462
7.08.02.03	Municipal	7.201	7.008
7.08.03	Remuneration of third-party capital	8.587	8.011
7.08.03.02	Rentals	3.495	3.114
7.08.03.03	Others	5.092	4.897
7.08.03.03.01	Finance costs	5.092	4.897
7.08.04	Remuneration of own capital	98.052	84.441
7.08.04.01	Interest on capital	16.554	14.761
7.08.04.02	Dividends	50.268	27.625
7.08.04.03	Profits reinvested/loss for the year	31.114	41.951
7.08.04.04	Non-controlling interest on retained earnings	116	104
7.08.05	Others	2.421	1.679
7.08.05.01	Grating of stock options	2.421	1.679

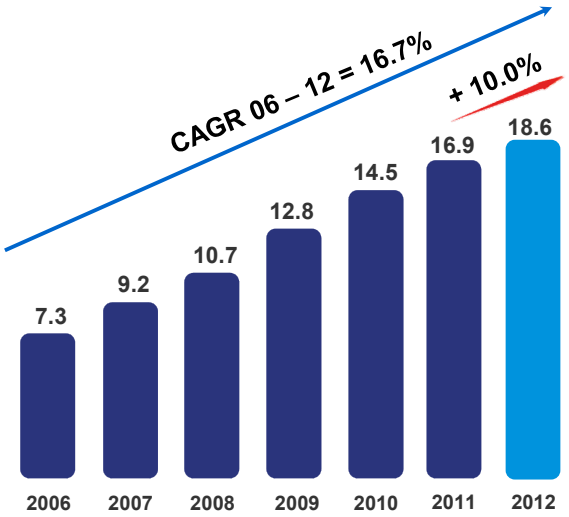
The notes are an integral part of the Quarterly Information Form - ITR.

Dental/Medical plan sector and the OdontoPrev commercial performance

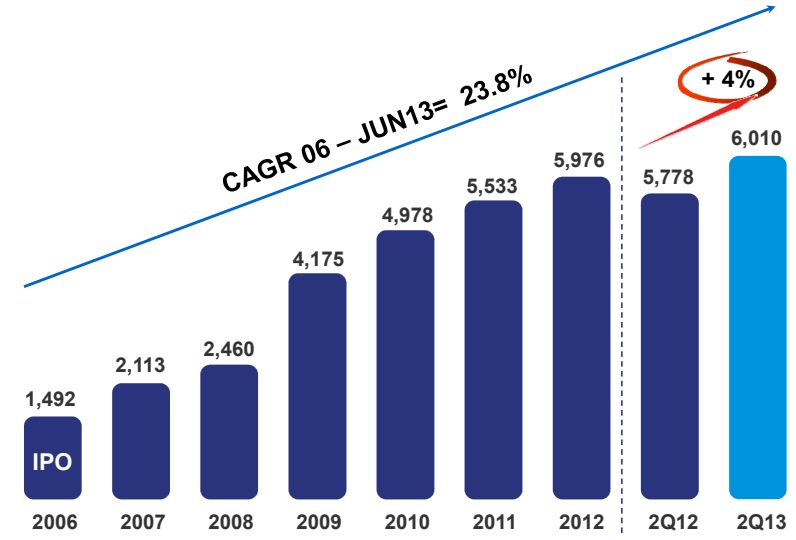
According to ANS, the medical plans market reached a total of 47.9 million members in 2012, 2.1% over 2011**.** From 2006 to 2012, the compounded average annual growth rate (CAGR) of medical plan members was 4.3%

For its part, 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%.**

DENTAL PLAN SECTOR (million members)

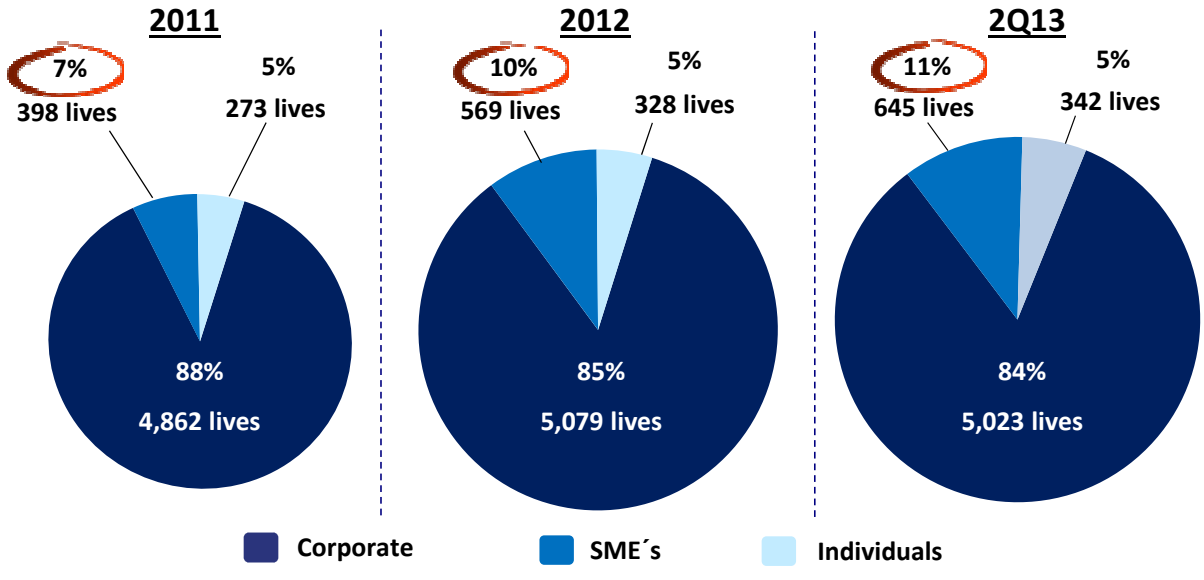


OdontoPrev (thousand members)



In 2Q13 OdontoPrev reached 6,009,670 members, 4.0% over 2Q12. From 2006 to 1Q13 the compounded average growth rate (CAGR) of OdontoPrev was 23.8%. **Over the last 18 months, the SME and Individuals portfolio came up by 47%.**

OdontoPrev membership portfolio (thousand members)



OdontoPrev performs 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 2Q12 and 2Q13 include Rede Dental; DentalCorp and Care Plus (incorporated in 2008); Sepao; Prontodente and OdontoServ (incorporated in December of 2009); Bradesco Dental (incorporated in 2010), Easy Software; Adcon; Dental Partner; Clidec; Clidec Participações; OdontoPrev Serviços and Papaiz.***

Income statement

R$000	2Q13	2Q12	6M13	6M12
(+) Payments net	272,420	243,677	537,232	481,077
(+) Sales of services and products	1,270	1,417	2,662	2,991
Gross operating revenue	**273,690**	**245,094**	**539,894**	**484,068**
(-) Direct taxes on dental care operations	8,842	7,782	18,247	16,708
(-) Taxes on sales of services and products	1,889	1,760	3,633	3,239
Net operating revenue	**262,959**	**235,552**	**518,014**	**464,121**
(-) Cost of services	**133,904**	**113,759**	**238,892**	**214,151**
Indemnifiable claims, net	113,868	110,977	211,748	194,530
Payroll charges on services	8,054	7,096	14,997	13,557
Dental materials	1,139	698	2,113	1,380
Incurred but Not Reported Provision (IBNR)	4,368	1,455	(2,007)	1,369
Other operating expenses	6,475	(6,467)	12,041	3,315
Gross profit	**129,055**	**121,793**	**279,122**	**249,970**
(-) Selling expenses	**23,309**	**21,751**	**46,837**	**43,205**
(-) Administrative expenses (G&A)	**38,971**	**35,216**	**74,606**	**70,944**
G&A (included adjusted EBITDA base)	**36,634**	**34,005**	**70,701**	**68,177**
Personnel	19,505	18,754	38,281	36,628
Rentals and occupancy	7,062	7,041	14,119	13,310
Third parties services	3,762	3,575	7,097	6,624
Publicity and advertising	3,542	1,764	5,723	4,985
Taxes and fees	950	953	1,925	1,884
Travelling, printing and subscriptions	1,356	1,668	2,803	2,991
Others	457	250	753	1,755
G&A (not included adjusted EBITDA base)	**2,337**	**1,211**	**3,905**	**2,767**
Depreciation and amortization	1,288	1,117	2,555	2,673
Acquisition expenses	1,019	94	1,320	94
Joint venture Mexico	30	-	30	-
(-) Other expenses	**9,559**	**5,915**	**16,694**	**12,504**
Allowance for doubtful receivables	9,559	5,915	16,694	12,504
(+) Financial income (expenses), net	**2,692**	**2,729**	**5,269**	**7,929**
(+) Financial income	5,433	5,267	10,361	12,826
(-) Financial expenses	10,979	17,299	21,646	19,658
(+) Interest on capital (IOC)	8,238	14,761	16,554	14,761
(+) Equity in subsidiaries	**(15)**	**(316)**	**345**	**(400)**
(-) Stock option	**1,211**	**733**	**2,421**	**1,679**
(-) Profit sharing	**1,892**	**2,685**	**1,080**	**3,996**
Income before taxes	**56,790**	**57,906**	**143,098**	**125,171**
(-) Current income and social contribution tax	15,410	6,777	39,144	29,471
(-) Deferred income and social contribution tax	1,927	9,116	5,902	11,259
Net income before participation of minoritary shareholders	**39,453**	**42,013**	**98,052**	**84,441**
(+) Participation of minoritary shareholders	(101)	(62)	(116)	(104)
Net income	**39,352**	**41,951**	**97,936**	**84,337**

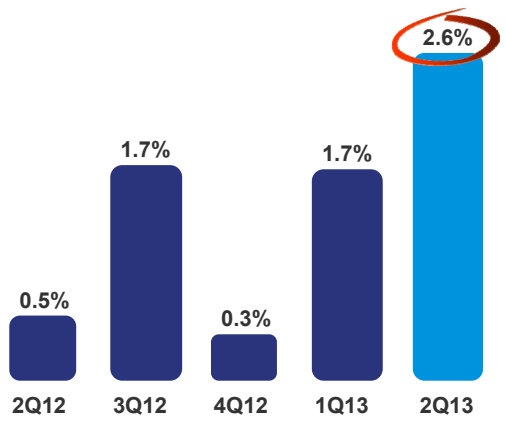
Operating revenue

	Net operating revenue (NOR)									
	2Q13		2Q12		Δ%	6M13		6M12		Δ%
	R$ 000	% NOR	R$ 000	% NOR		R$ 000	% NOR	R$ 000	% NOR	
(+) Contraprestações líquidas	272,420	103.6	243,677	103.4	11.8	537,232	103.7	481,077	103.7	11.7
(+) Receita de vendas de bens e serviços	1,270	0.5	1,417	0.6	(10.4)	2,662	0.5	2,991	0.6	(11.0)
Receita operacional bruta (ROB)	**273,690**	**104.1**	**245,094**	**104.1**	**11.7**	**539,894**	**104.2**	**484,068**	**104.3**	**11.5**
(-) Tributos diretos de operações com planos de assistência à saúde	8,842	3.4	7,782	3.3	13.6	18,247	3.5	16,708	3.6	9.2
(-) Impostos sobre vendas de bens e serviços	1,889	0.7	1,760	0.7	7.3	3,633	0.7	3,239	0.7	12.2
Receita operacional líquida (ROL)	**262,959**	**100.0**	**235,552**	**100.0**	**11.6**	**518,014**	**100.0**	**464,121**	**100.0**	**11.6**

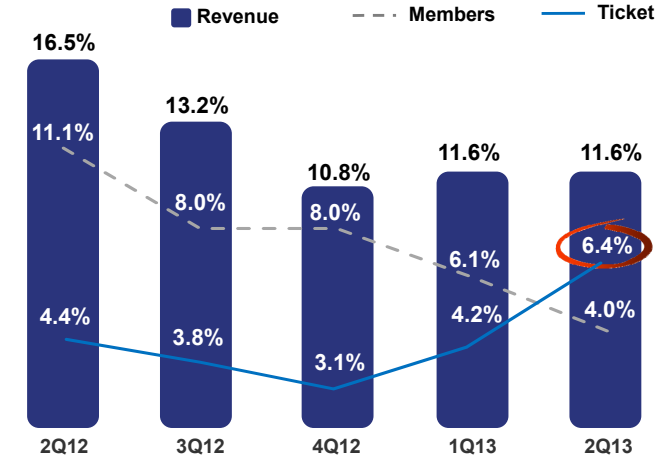
The average ticket came from R$14.73 in 1Q13 to R$15.11 in 2Q13, a **growth of 2.6%**. **YoY, the average ticket increased 6.4%**, as a result of price readjustments of corporate customers, clean-up of high loss ratio contracts and, to a lesser extent, the sales mix of the period. The growth in net operating revenue (NOR) in 2Q13 was 11.6%, reaching R$263 million.

Average ticket calculation	2Q13	1Q13	2Q12	Q/Q %	Y/Y %	6M13	6M12	Δ%
Payments, net R$000 (A)	272,420	264,812	243,677	2.9	11.8	537,232	481,077	11.7
Average number of members (B)	6,009	5,992	5,722	0.3	5.0	5,993	5,656	6.0
Average ticket R$/live/month (A/B)	**15.11**	**14.73**	**14.20**	**2.6**	**6.4**	**14.94**	**14.18**	**5.4**

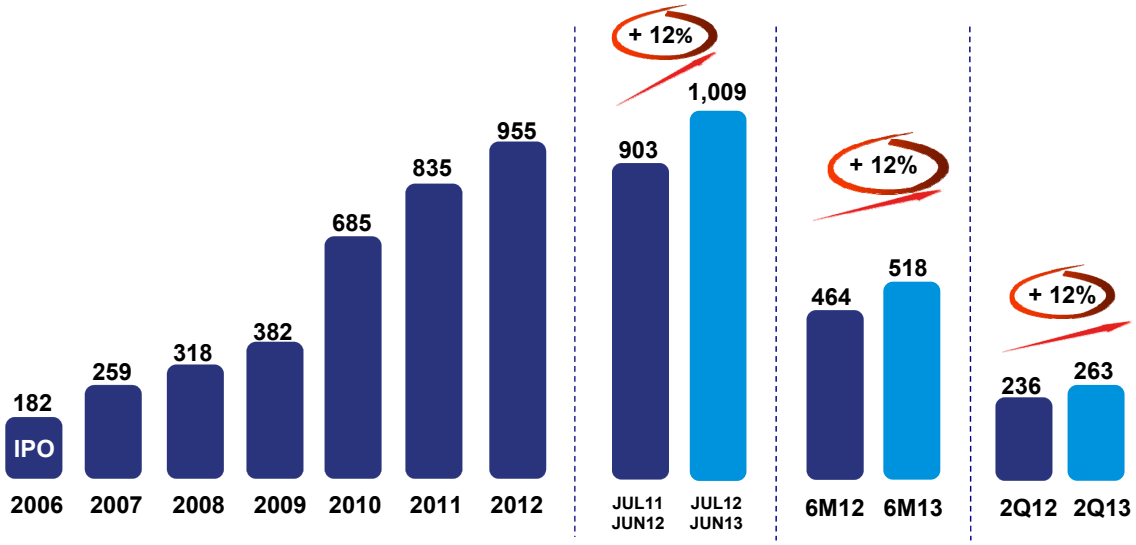
Quarterly average ticket increase



Annual increase of Revenue, Members, and Average Ticket (%)



Net Revenues (R$ million)



Cost of services (dental care ratio)

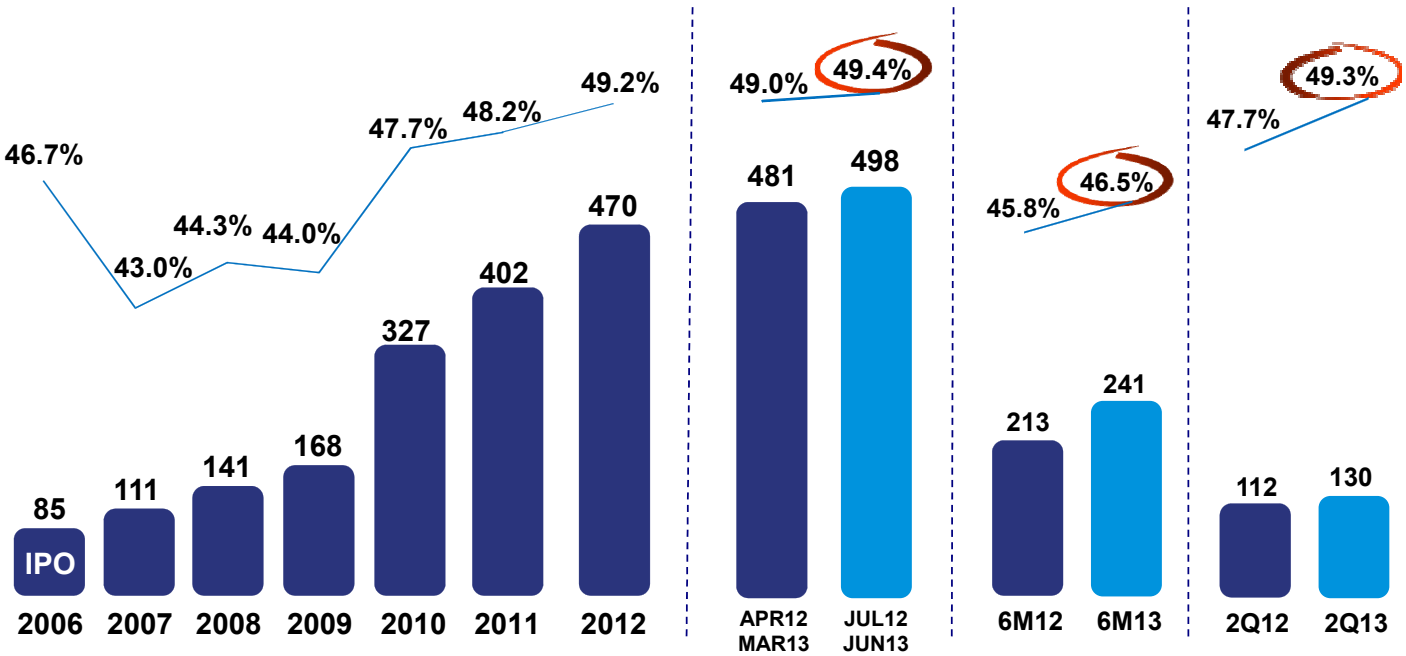
	2Q13		2Q12		Δ% NOR	6M13		6M12		Δ% NOR
	R$ 000	% NOR	R$ 000	% NOR		R$ 000	% NOR	R$ 000	% NOR	
Cost of services	**129,536**	**49.3**	**112,304**	**47.7**	**(1.6)**	**240,899**	**46.5**	**212,782**	**45.8**	**(0.7)**
Indemnifiable claims, net	113,868	43.3	110,977	47.1	3.8	211,748	40.9	194,530	41.9	1.0
Payroll charges on services	8,054	3.1	7,096	3.0	(0.1)	14,997	2.9	13,557	2.9	-
Dental materials	1,139	0.4	698	0.3	(0.1)	2,113	0.4	1,380	0.3	(0.1)
Other operating expenses	6,475	2.5	(6,467)	(2.7)	(5.2)	12,041	2.3	3,315	0.7	(1.6)

OdontoPrev recorded IBNR additional provisions of R$4,368 in 2Q13, in accordance with the technical actuarial note of IBNR (Incurred but not Reported Events) approved by ANS for the Company in 1Q13.

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 06/30/2013, the total cash savings related to INSS reached R$88.2 million***.

- **Indemnfiable claims, net:** In 2Q13 represented 43.3% of NOR and 40.9% of NOR in 6M13.
- **Payroll changes on services:** 3.1% of NOR in 2Q13, basically the same of 2Q12.
- **Dental materials:** R$1,139 in 2Q13, 0.4% of NOR, similar to 2Q12.
- **Other operating expenses:** 2.5% of NOR in 2Q13. In 2Q12 OdontoPrev reverted provisions made back in 4Q11 and 1Q12.

Cost of services (R$ million) and dental care ratio (% of NOR)



Selling expenses

(R$000)	2Q13	% NOR	2Q12	% NOR	Δ% NOR	6M13	% NOR	6M12	% NOR	Δ% NOR
Selling expenses	23,309	8.9	21,751	9.2	0.3	46,837	9.0	43,205	9.3	0.3

The selling expenses came from R$21,751 (9.2% of NOR) in 2Q12 to R$23,309 (8.9% of NOR) in 2Q13, as a result of the slower commercial pace of the quarter and the sales mix during the period. In 6M13, represented 9.0% of NOR, below the 9.3% of 6M12.

Administrative expenses (G&A)

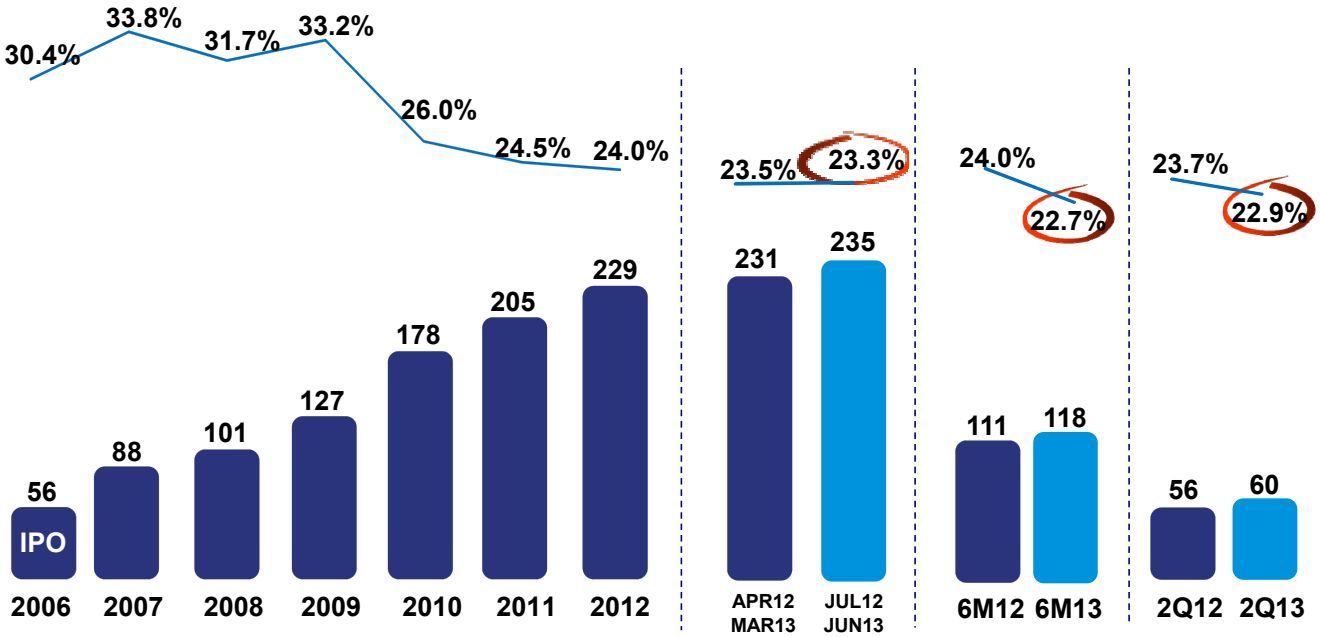
	2Q13		2Q12		Δ% NOR	6M13		6M12		Δ% NOR
	R$ 000	% NOR	R$ 000	% NOR		R$ 000	% NOR	R$ 000	% NOR	
Personnel	19,505	7.4	18,754	8.0	0.6	38,281	7.4	36,628	7.9	0.5
Rentals and occupancy	7,062	2.7	7,041	3.0	0.3	14,119	2.7	13,310	2.9	0.2
Third parties services	3,762	1.4	3,575	1.5	0.1	7,097	1.4	6,624	1.4	-
Publicity and advertising	3,542	1.3	1,764	0.7	(0.6)	5,723	1.1	4,985	1.1	-
Taxes and fees	950	0.4	953	0.4	-	1,925	0.4	1,884	0.4	-
Travelling, printing and subscriptions	1,356	0.5	1,668	0.7	0.2	2,803	0.5	2,991	0.6	0.1
Others	457	0.2	250	0.1	(0.1)	753	0.1	1,755	0.4	0.3
G&A (included adjusted EBITDA base)	**36,634**	**13.9**	**34,005**	**14.4**	**0.5**	**70,701**	**13.6**	**68,177**	**14.7**	**1.1**
Depreciation and amortization	1,288	0.5	1,117	0.5	-	2,555	0.5	2,673	0.6	0.1
Acquisition expenses	1,019	0.4	94	-	(0.4)	1,320	0.3	94	-	(0.3)
Joint venture Mexico	30	-	-	-	-	30	-	-	-	-
G&A (not included adjusted EBITDA base)	**2,337**	**0.9**	**1,211**	**0.5**	**(0.4)**	**3,905**	**0.8**	**2,767**	**0.6**	**(0.2)**
Total administrative expenses (G&A)	**38,971**	**14.8**	**35,216**	**15.0**	**0.2**	**74,606**	**14.4**	**70,944**	**15.3**	**0.9**

G&A (included in the adjusted EBITDA base)

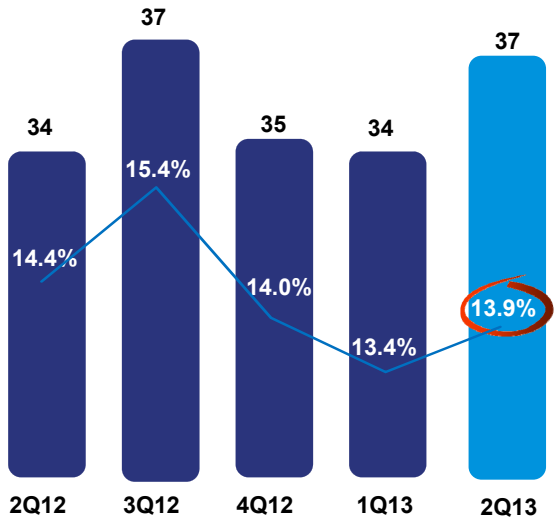
The administrative expenses, those part of the adjusted EBITDA base, were of R$36,634 in 2Q13 (13.9% of NOR) as compared to R$34,005 in 2Q12 (14.4% of NOR), an **efficiency gain** of 0.5 *p.p.*. In 6M13 was R$70,701 (13.6% of NOR), compared to R$68,177 (14.7% of NOR) in 6M12, an **improvement** of 1.1 *p.p.*.

- **Personnel:** 7.4% of NOR in 2Q13, 0.6 *p.p.* better than 2Q12 and 0.5 *p.p.* more efficient in the semester.
- **Rentals and occupancy**: 2.7% of NOR in 2Q13 and in 6M13, an improvement of 0.3 *p.p.* QoQ and 0.2 *p.p.* in the semester.
- **Third parties services:** in 2Q13 represented 1.4% of NOR, same of 2Q12, 6M13 and 6M12.
- **Publicity and advertising:** Increased 0.6 *p.p.* QoQ and stable in the semiannual comparison.
- **Taxes and fees:** in 2Q13 represented 0.4% of NOR, same percentage of 2Q12, 6M13 and 6M12.
- **Travelling, printing and subscriptions:** 0.5% of NOR in 2Q13, 0.2 *p.p.* better than 2Q12. In the semester, from R$2,991 to R$2,803, 0.1 *p.p.* more efficient than 6M12.
- **Others:** in 2Q13 represented 0.2% of NOR and 0.1 % of NOR in 6M13.

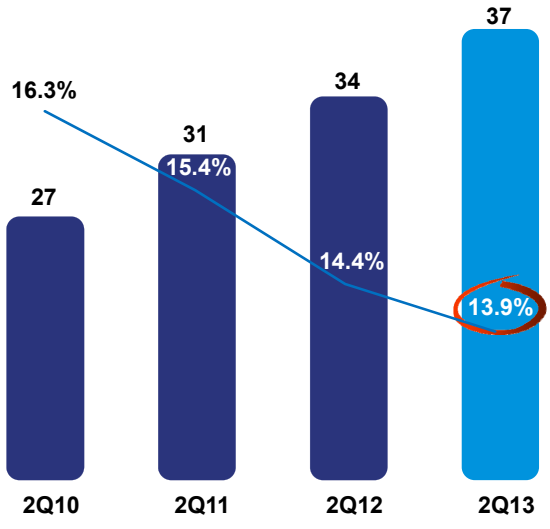
Administrative and selling expenses (R$ million and % of NOR)



Administrative expenses (R$ million and % NOR)



Administrative expenses (R$ million and % NOR)



Other expense - allowance for doubtful receivables

In 2Q13 the allowance for doubtful receivables totaled R$9,559 (3.6% of NOR), *versus* R$5,915 (2.5% of NOR) in 2Q12.

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

	2Q13		2Q12		Δ%	6M13		6M12		Δ%
	R$ 000	% NOR	R$ 000	% NOR		R$ 000	% NOR	R$ 000	% NOR	
Financial income (expenses), net	**2,692**	**1.0**	**2,729**	**1.2**	**(1.4)**	**5,269**	**1.0**	**7,929**	**1.7**	**(33.5)**
(+) Financial income	**5,433**	**2.1**	**5,267**	**2.2**	**3.2**	**10,361**	**2.0**	**12,826**	**2.8**	**(19.2)**
(-) Financial expenses	**10,979**	**4.2**	**17,299**	**7.3**	**(36.5)**	**21,646**	**4.2**	**19,658**	**4.2**	**10.1**
(-) Financial expenses with IOC[1]	8,238	3.1	14,761	6.3	(44.2)	16,554	3.2	14,761	3.2	12.1
(-) Bank fees	593	0.2	526	0.2	12.7	1,201	0.2	1,030	0.2	16.6
(-) Monetary restatement of provisions	1,891	0.7	1,595	0.7	18.6	3,492	0.7	3,234	0.7	8.0
(-) Others costs	257	0.1	417	0.2	(38.4)	399	0.1	633	0.1	(37.0)
(+) Interest on capital[1]	**8,238**	**3.1**	**14,761**	**6.3**	**(44.2)**	**16,554**	**3.2**	**14,761**	**3.2**	12.1

[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 2Q13 was R$2,692 (1.0% of NOR), including the payment of interest on capital in the amount of R$8,238, booked in the quarter and paid on 07/10/2013. In 6M13 was R$5,269, 1.0% of NOR.

OdontoPrev's financial assets are represented by time deposits of prime institutions, as well as mutual funds, almost all of them 100% liquid.

Income and social contribution taxes

	2Q13		2Q12		Δ%	6M13		6M12		Δ%
	R$ 000	% NOR	R$ 000	% NOR		R$ 000	% NOR	R$ 000	% NOR	
Taxes	**17,337**	**6.6**	**15,893**	**6.7**	**9.1**	**45,046**	**8.7**	**40,730**	**8.8**	**10.6**
(-) Current income and social contribution taxes	15,410	5.9	6,777	2.9	127.4	39,144	7.6	29,471	6.3	32.8
(-) Deferred income and social contribution taxes	1,927	0.7	9,116	3.9	(78.9)	5,902	1.1	11,259	2.4	(47.6)

	Effective tax rate (R$000)			
	2Q13	2Q12	6M13	6M12
Income before taxes and profit sharing	**58,682**	**60,591**	**144,178**	**129,167**
(-) Profit sharing	1,892	2,685	1,080	3,996
(=) Tax base	**56,790**	**57,906**	**143,098**	**125,171**
Taxes				
(-) Current income and social contribution taxes	15,410	6,777	39,144	29,471
(-) Deferred income and social contribution taxes	1,927	9,116	5,902	11,259
Total taxes	**17,337**	**15,893**	**45,046**	**40,730**
Effective tax rate	**27.1%**	**11.7%**	**27.4%**	**23.5%**

The current effective tax rate in 2Q13 was of 27.1% and 27.4% in 6M13.

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

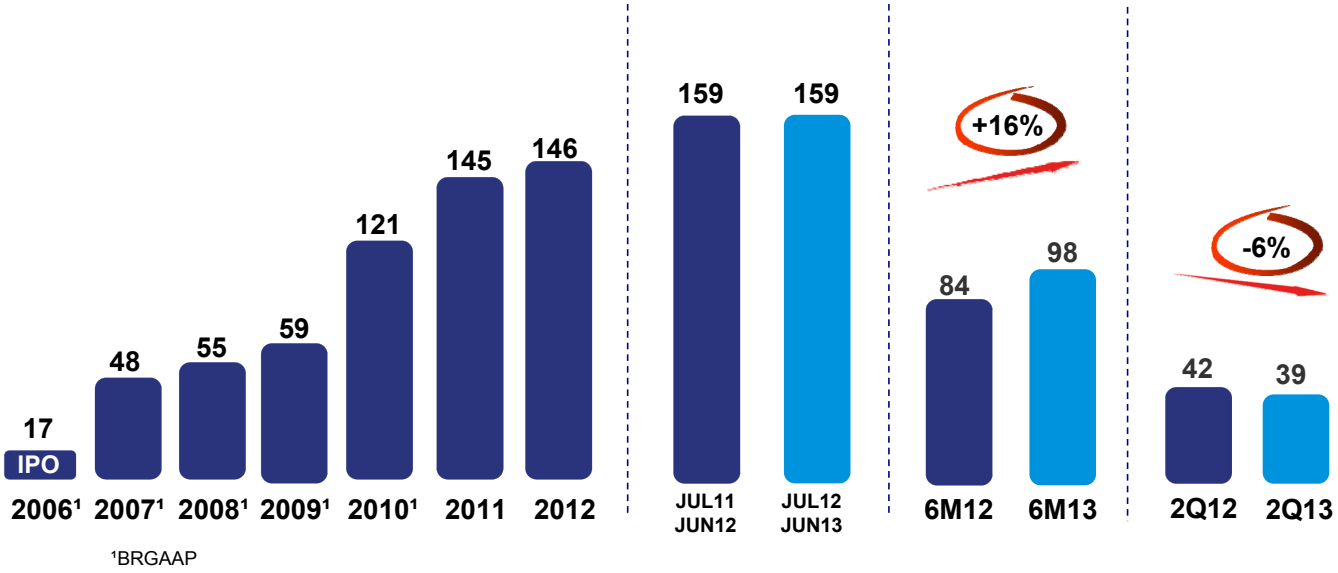
Acquisitions: consolidation track record, goodwill and incorporation			
Company	**Date of consolidation**	**Goodwill - R$000**	**Date of incorporation**
DentalCorp	FEB07	24,858	MAR08
Care Plus[1]	JUN08	29,932	DEC08
Sepao	NOV08	9,121	DEC09
Prontodente	JAN09	5,680	DEC09
Odonto Serv[2]	MAR09	20,816	DEC09
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$41,951 in 2Q12 to R$39,352 in 2Q13.
In 6M13, the net income reached R$97,936, an increase of 16.1%.

Net Income (R$ million)



¹BRGAAP

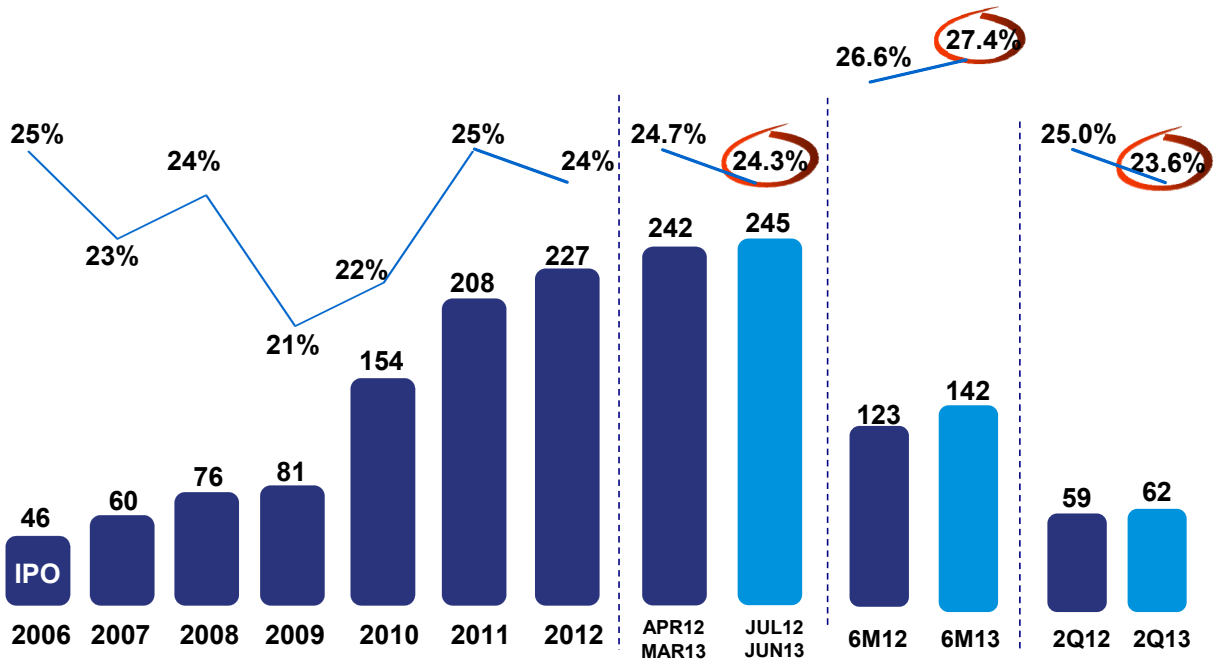
EBITDA and Adjusted EBITDA

The adjusted EBITDA was R$62,029 in 2Q13, with an adjusted EBITDA margin of 23.6%. In 6M13 reached R$141,803, with an adjusted EBITDA margin of 27.4%, **0.8 *p.p.* over 6M12**. For purposes of adjusted EBITDA, the IBNR (Provision for Events Incurred but not Reported) is excluded from the cost of services, according to the procedure adopted in previous quarters.

	2Q13		2Q12		Δ%	6M13		6M12		Δ%
	R$ 000	% NOR	R$ 000	% NOR	NOR	R$ 000	% NOR	R$ 000	% NOR	NOR
Net Income	**39,352**	**15.0**	**41,951**	**17.8**	**(2.8)**	**97,936**	**18.9**	**84,337**	**18.2**	**0.7**
(+) Income tax	15,410	5.9	6,777	2.9	3.0	39,144	7.6	29,471	6.3	1.3
(+) Social contribution tax	1,927	0.7	9,116	3.9	(3.2)	5,902	1.1	11,259	2.4	(1.3)
(-) Financial income (expenses), net	5,433	2.1	5,267	2.2	0.1	10,361	2.0	12,826	2.8	0.8
(+) Financial expenses	10,979	4.2	17,299	7.3	(3.1)	21,646	4.2	19,658	4.2	-
(-) Interest on capital (IOC)	8,238	3.1	14,761	6.3	3.2	16,554	3.2	14,761	3.2	-
(+) Stock option	1,211	0.5	733	0.3	0.2	2,421	0.5	1,679	0.4	0.1
(-) Participation of minoritary shareholders	(101)	-	(62)	-	-	(116)	-	(104)	-	-
(+) Depreciation and amortization	1,288	0.5	1,117	0.5	-	2,555	0.5	2,673	0.6	(0.1)
(-) Equity in subsidiaries	(15)	-	(316)	(0.1)	0.1	345	0.1	(400)	(0.1)	(0.2)
EBITDA	**56,612**	**21.5**	**57,343**	**24.3**	**(2.8)**	**142,460**	**27.5**	**121,994**	**26.3**	**1.1**
(+) Non-recurring expenses	**1,049**	**0.4**	**94**	**-**	**0.4**	**1,350**	**0.3**	**94**	**-**	**0.3**
Acquisitions expenses	1,019	0.4	94	-	0.4	1,320	0.3	94	-	0.3
Joint venture Mexico	30	-	-	-	-	30	-	-	-	-
(+/-) New accounting rules ANS	**4,368**	**1.7**	**1,455**	**0.6**	**1.1**	**(2,007)**	**(0.4)**	**1,369**	**0.3**	**(0.7)**
Cost of service - IBNR	4,368	1.7	1,455	0.6	1.1	(2,007)	(0.4)	1,369	0.3	(0.7)
Adjusted EBITDA	**62,029**	**23.6**	**58,892**	**25.0**	**(1.4)**	**141,803**	**27.4**	**123,457**	**26.6**	**0.8**

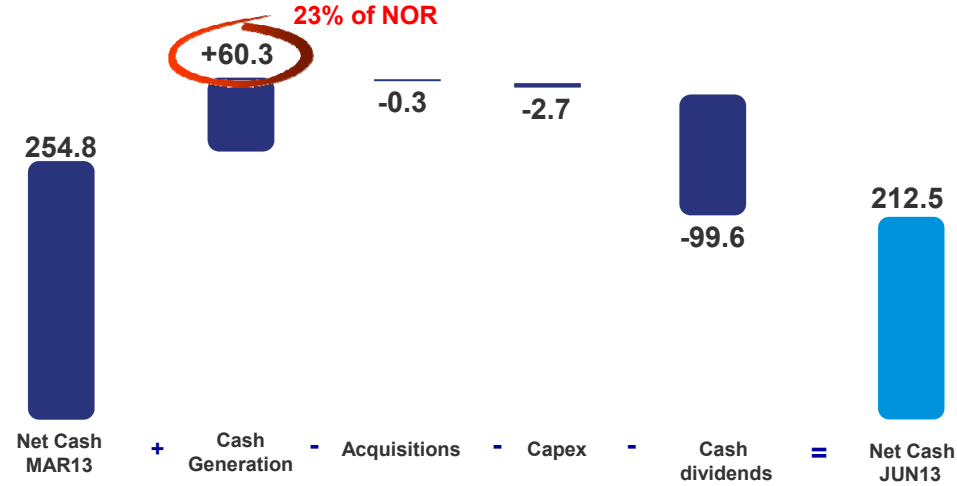
Adjusted EBITDA components	2Q13		2Q12		Δ% NOR	4Q12		Δ% NOR
	R$ 000	% NOR	R$ 000	% NOR		R$ 000	% NOR	
(+) Payments. net	272,420	103.6	243,677	103.4	0.2	256,790	103.4	0.2
(+) Sales of services and products	1,270	0.5	1,417	0.6	(0.1)	1,251	0.5	-
(-) Direct taxes on dental care operations	8,842	3.4	7,782	3.3	(0.1)	7,964	3.2	0.2
(-) Taxes on sales of services and products	1,889	0.7	1,760	0.7	-	1,823	0.7	-
(-) Cost of services	129,536	49.3	112,304	47.7	(1.6)	135,624	54.6	(5.3)
(-) Selling expenses	23,309	8.9	21,751	9.2	0.3	22,824	9.2	(0.3)
(-) Administrative expenses	36,634	13.9	34,005	14.4	0.5	34,848	14.0	(0.1)
(-) Allowance for doubtful receivables	9,559	3.6	5,915	2.5	(1.1)	5,173	2.1	1.5
(-) Profit sharing	1,892	0.7	2,685	1.1	0.4	1,301	0.5	0.2
Adjusted EBITDA	**62,029**	**23.6**	**58,892**	**25.0**	**(1.4)**	**48,484**	**19.5**	**4.1**

Adjusted EBITDA (R$ million) e Adjusted EBITDA Margin (%)

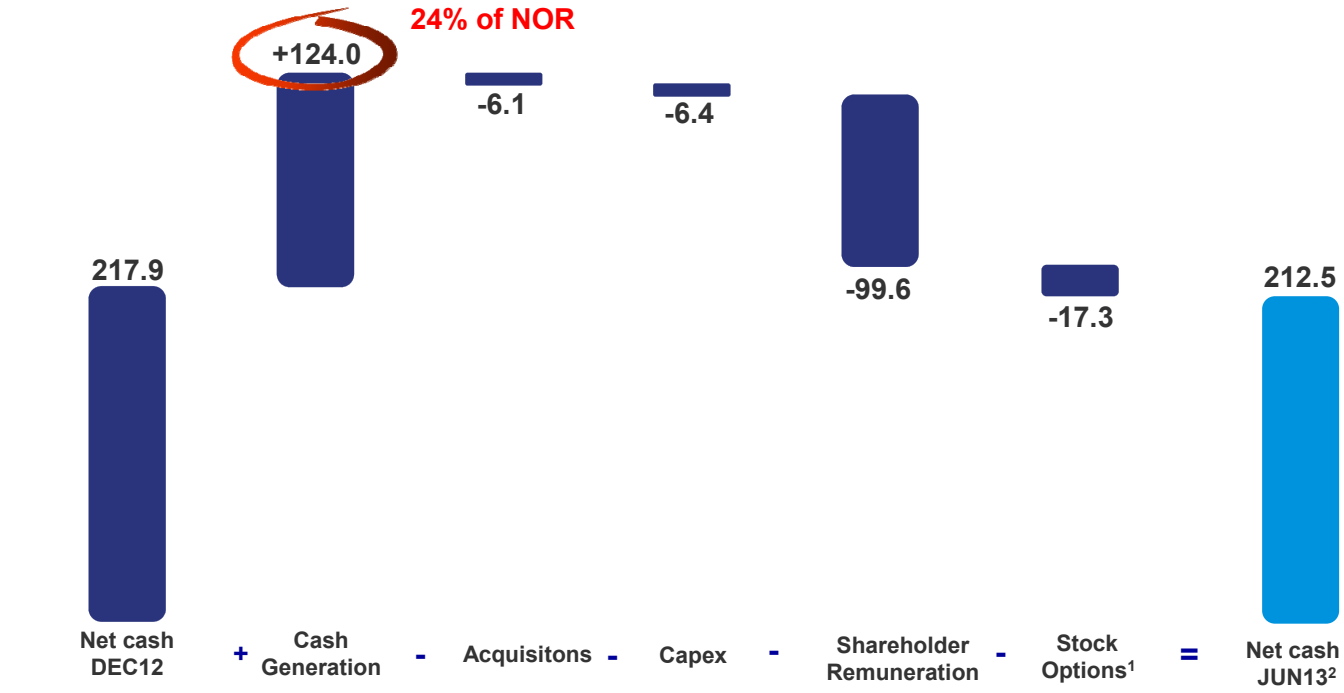


Cash flow

2Q13 Cash Flow (R$ million)

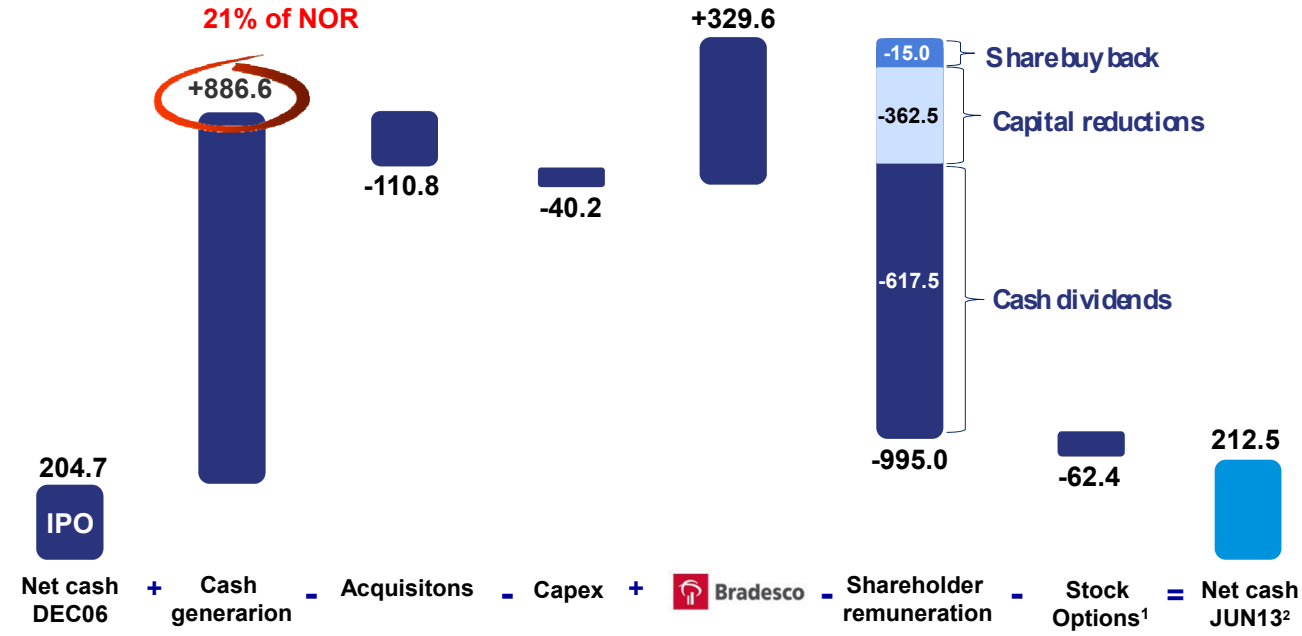


6M13 Cash-flow (R$ million)



Since the IPO, OdontoPrev has presented a cash generation of R$886.6 million. At the end of June 2013 the net cash position was of R$212.5 million, without any leverage.

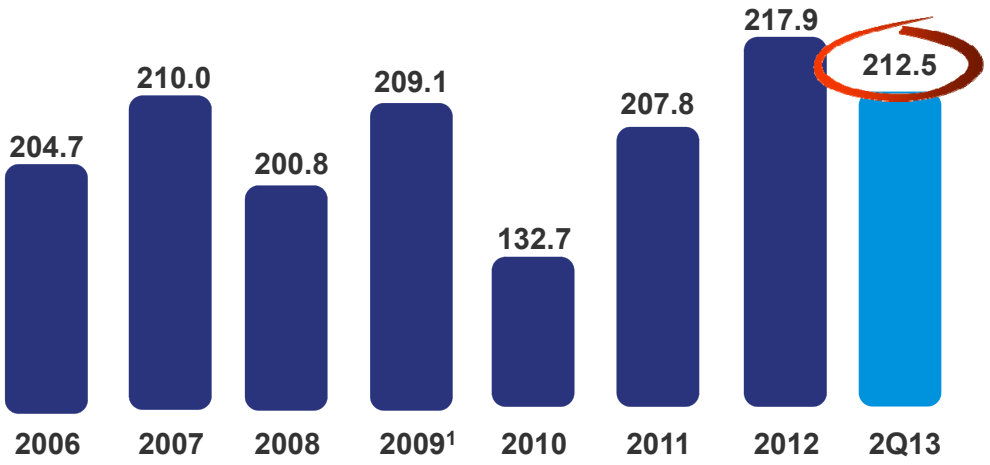
Cash-flow since IPO (R$ million)



[1] Share repurchase to cover the Stock Options Plan, net of strike price.

[2] Includes R$70.9 million of technical provisions and R$88.2 million of social security (INSS) for individual dentists, net of escrow deposits.

Net Cash (R$ million)



[1] Do not include Bradesco´s contribution.

(R$000)	2Q13	2Q12	6M13	6M12
CASH FLOW FROM OPERATIONAL ACTIVITIES				
Net income	**39,453**	**42,013**	**98,052**	**84,441**
Reconciliation of net income with the cash generated by operations	11,354	6,123	9,480	12,840
	50,807	**48,136**	**107,532**	**97,281**
Decrease (increase) in operational assets	(66)	10,709	1,628	3,373
Increase (decrease) in operational liabitities	9,452	1,449	15,321	25,481
NET CASH PROVIDED BY (USED IN) OPERATIONAL ACTIVITIES	**60,193**	**60,294**	**124,265**	**126,135**
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of investments, net of cash acquired (consolidated)	(304)	(640)	(6,081)	(640)
Acquisition of property and equipment	(470)	588	(1,666)	(1,708)
Systems development and acquisition of softwares	(2,209)	(4,771)	(4,795)	(4,957)
Deferred selling expenses	66	426	(216)	801
Dividends paid by subsidiaries (minority)	-	(342)	-	(342)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	**(2,917)**	**(4,739)**	**(12,758)**	**(6,846)**
CASH FLOW FROM FINANCING ACTIVITIES				
Dividends paid	(91,237)	(99,625)	(91,284)	(99,625)
Interest on capital	(8,360)	(14,761)	(8,360)	(31,718)
Treasury shares	-	-	(17,272)	(9,002)
Stock Options Program vesting reimbursements	-	321	-	321
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	**(99,597)**	**(114,065)**	**(116,916)**	**(140,024)**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(42,321)**	**(58,510)**	**(5,409)**	**(20,735)**
CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS				
Balance at the beginning of period	254,842	245,626	217,930	207,851
Balance at the end of period	212,521	187,116	212,521	187,116
INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS	**(42,321)**	**(58,510)**	**(5,409)**	**(20,735)**

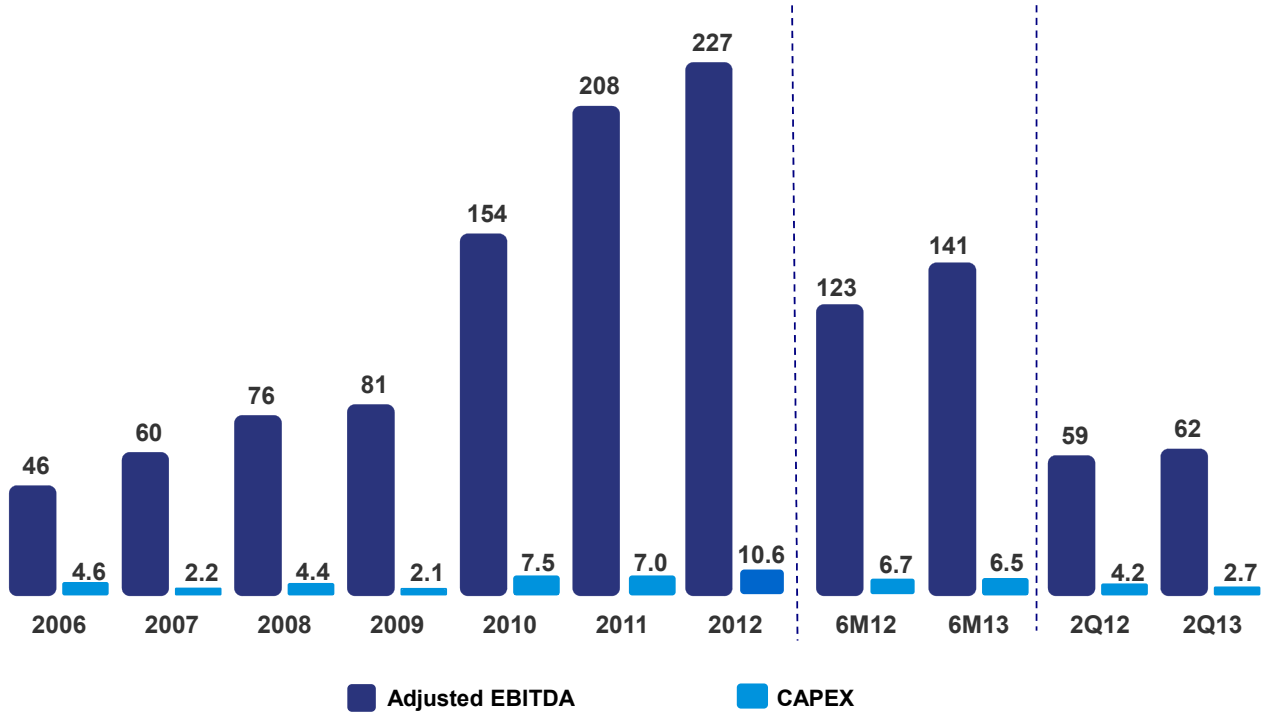
Capex

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

(R$000)	2Q13	2Q12	6M13	6M12
IT platform, acquisition/license of software	2,209	3,676	4,795	4,957
Computer equipment	83	8	589	349
Dental plan equipment, furniture and utensils	22	282	213	318
Installations	45	29	94	29
Others	321	187	770	1,012
Total capex	**2,679**	**4,183**	**6,461**	**6,665**

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

Adjusted EBITDA and CAPEX (R$ million)



Demonstration of value added

(R$000)	2Q13	2Q12	6M13	6M12
Revenues	264,131	239,179	523,200	471,564
Inputs purchased from third parties	(162,843)	(139,873)	(295,631)	(267,727)
(=) GROSS VALUE ADDED	**101,288**	**99,306**	**227,569**	**203,837**
Retentions	(1,288)	(1,117)	(2,555)	(2,673)
(=) WEALTH CREATED BY THE COMPANY	**100,000**	**98,189**	**225,014**	**201,164**
Wealth received in transfer	5,418	4,951	10,706	12,426
(=) WEALTH CREATED	**105,418**	**103,140**	**235,720**	**213,590**

WEALTH DISTRIBUTED	(105,418)	100%	(103,140)	100%	(235,720)	100%	(213,590)	100%
Personnel and charges	(19,853)	18.8%	(19,411)	18.8%	(36,284)	15.4%	(36,949)	17.3%
Taxes, fees and contributions	(40,365)	38.3%	(36,900)	35.8%	(90,376)	38.3%	(82,510)	38.6%
Lenders and lessors	(4,536)	4.3%	(4,083)	4.0%	(8,587)	3.6%	(8,011)	3.8%
Shareholders	(58,506)	55.5%	(42,386)	0	(66,822)	28.3%	(42,386)	19.8%
Stock options	(1,211)	1.1%	(733)	0.7%	(2,421)	1.0%	(1,679)	0.8%
Minoritary interest	(101)	0.1%	(62)	0.1%	(116)	0.0%	(104)	0.0%
Retained earnings	19,154	-18.2%	435	-0.4%	(31,114)	13.2%	(41,951)	19.6%

Stock options

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

			June 28th, 2013 (R$/share)					
Grant date	Number of options outstanding on 03/31/2013 [1]	Historical grant share price (R$)	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	46.69%	5.48	0.41	0.18	0.85	4.05
02/28/2008	-	2.70	37.02%	3.70	0.42	0.14	0.85	2.29
03/25/2009	-	1.47	26.38%	1.85	0.66	0.24	0.85	0.11
08/11/2010	2,096,121	4.31	20.33%	5.19	0.65	0.28	0.00	4.26
09/20/2011	1,751,445	6.96	10.70%	7.70	0.47	0.12	0.00	7.11
09/20/2012	1,609,097	8.22	2.43%	8.42	0.22	0.05	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 (%)							
	June 30, 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)	-	-	49.0	-	-	-	40.0	-
G2D Serviços Tecnológicos S.A. (G2D)	-	-	-	16.7	-	-	-	16.7
Clínicas Radiológicas Papaiz (Grupo Papaiz)	-	-	-	49.0	-	-	-	-
Clidec Participações S.A. (Clidec Participações)	-	-	-	60.0	-	-	-	-

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 and Clidec Participações

On August 28, 2012, the Company, through its subsidiary Clidec, the Company entered into a purchase agreement of 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 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 June 30, 2013 the amount involved to acquire the investment in the Papaiz Group was R$5,441 (R$265 for advances to acquire investments at December 31, 2012).

Brasildental

On June 11, 2013, in addition to the relevant fact of August 19, 2010, OdontoPrev and its subsidiary OdontoPrev Serviços, Banco do Brasil (BB), BB Seguros Participações S.A. (BB Seguros) and BB Corretora de Seguros e Administradora de Bens S.A. (BB Corretora), signed the Association Agreement with the aim of, through a new corporation, Brasildental Operadora de Planos de Saúde S.A. (Brasildental), develop and disseminate, and through BB Corretora, distribute and sell market dental plans under the brand BB Dental, uniquely in all BB channels in national territory.

Brasildental will have its initial capital of $ 5 million, distributed in 100,000 common shares (ON) and 100,000 preferred shares (PN), where: (i) BB Seguros will hold 49.99% of the common shares and 100% of preferred shares, representing 74.99% share of the total capital, and (ii) OdontoPrev will hold 50.01% of the common shares, representing 25.01% of total share capital.

The agreement will be valid for 20 years, renewable for equal periods, subject to examination and approval of relevant government authorities, regulators, supervisors and inspectors.

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 July 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)
Trade account 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 June, 30			Period ended June, 30		
	2012	Reclassifications	2012 (R)	2012	Reclassifications	2012 (R)
Net income for the period	**84,337**	**-**	**84,337**	**84,441**	**-**	**84,441**
Adjustments to reconcile the net profit to cash generated from operational activities:	9,461	-	9,461	12,840	-	12,840
	93,798	**-**	**93,798**	**97,281**	**-**	**97,281**
Decrease (increase) in the operational assets :						
Financial investments at fair value	18,860	-	18,860	18,151		18,151
Healthcare receivables	(9,232)	3,586	(5,646)	(8,871)	3.554	(5,317)
Trade account receivables	5,547	(5,961)	(414)	4,811	(7.273)	(2,462)
Inventories	-	-	-	215	-	215
Long-term receivables	10,777	-	10,777	10,937	-	10,937
Increase (decrease) in operational liabilities:						
Provision for events/ claims to be settled	10,167	-	10,167	11,257	-	11,257
Unearned premiums reserve (PPCNG)	-	(3,586)	(3,586)	-	(3.554)	(3,554)
Salaries, vacation pay and fees	469	-	469	655	-	655
Taxes and contributions payable	-	-	-	-	2.869	2,869
Taxes and contributions payable and social security	(4,385)	5,961	1,576	(2,595)	4.404	1,809
Suppliers	4,167	-	4,167	(81)		(81)
Long-term liabilities	12,761	-	12,761	12,546	-	12,546
Net cash provided by operating activities	**142,929**	**-**	**142,929**	**144,306**	**-**	**144,306**
Net cash used in investing activities	**(5,474)**	**-**	**(5,474)**	**(6,846)**	**-**	**(6,846)**
Net cash used in financing activities	**(140,024)**	**-**	**(140,024)**	**(140,024)**	**-**	**(140,024)**
Increase (decrease) in cash and cash equivalents	**(2,569)**	**-**	**(2,569)**	**(2,564)**	**-**	**(2,564)**
Cash and cash equivalents						
Cash and cash equivalents at the beginning of the period	7,222	-	7,222	8,050	-	8,050
Cash and cash equivalents at the end of the period	4,653	-	4,653	5,486	-	5,486
Increase (decrease) in cash and cash equivalents	**(2,569)**	**-**	**(2,569)**	**(2,564)**	**-**	**(2,564)**

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 interest 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 June 30, 2013 and December 31, 2012.

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 break 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 June 30, 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 2.8.4, 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 the lawsuits assessed as "probable losses", based on the internal and external legal attorneys, the similarity of previous disputes, in the complexity of the lawsuit and the opinion ot the legal courts, 100% of the claimed 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 claimed amount is accrued. Disputes involving dental treatments are directly related to the activity of the Company and / or its subsidiaries, depending on its outcome, may: a) demonstrate a failure in the operation, b) indicate possible deficiency in the service rendered, c) affect the image of the Company and / or its subsidiaries. We consider it relevant enough to accounting for.

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.

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.

b. 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.

c. 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 provides that a dividend mandatory minimum of 50%. 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, 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 June, 30		Period ended June, 30	
Corporate Law	**ANS**	**2013**	**2012**	**2013**	**2012**
	Net installments	524,654	469,089	537,232	481,077
	Revenues from sale of products	80	229	2,662	2,991
Tax on sales	Direct taxes on health care plan operations	(17,666)	(16,139)	(18,247)	(16,708)
	Taxes on sales and services	-	-	(3,633)	(3,239)
Net operating revenue		**507,068**	**453,179**	**518,014**	**464,121**
Cost of services	**Cost of services**	**(231,940)**	**(206,735)**	**(238,892)**	**(214,151)**
	Indemnfiable claims, net	(207,675)	(189,792)	(211,748)	(194,530)
	Social charges on services	(14,855)	(13,406)	(14,997)	(13,557)
	Dental care materials	(3,870)	(2,485)	(2,113)	(1,380)
	Other operating expenses	(7,653)	317	(12,041)	(3,315)
	Changes in events incurred but not reported	2,113	(1,369)	2,007	(1,369)
Gross profit		**275,128**	**246,444**	**279,122**	**249,970**
Selling expenses	**Selling expenses**	**(46,420)**	**(42,747)**	**(46,837)**	**(43,205)**
Administrative expenses	**Administrative expenses**	**(77,088)**	**(73,903)**	**(74,606)**	**(70,944)**
Other expenses	**Other expenses**	**(19,414)**	**(17,747)**	**(20,195)**	**(18,179)**
Granting stock options	Granting stock options	(2,421)	(1,679)	(2,421)	(1,679)
Provision for impairment of trade receivables	Provision for impairment of trade receivables	(16,274)	(12,767)	(16,694)	(12,504)
Equity in the result of subsidiaries	Equity in the result of subsidiaries	(719)	(3,301)	(1,080)	(3,996)
Finance income (cost), net	**Finance income (cost), net**	**4,810**	**7,600**	**5,269**	**7,929**
Finance income	Finance income	9,722	11,970	10,361	12,826
Finance costs	Finance costs	16,554	14,761	16,554	14,761
Reversion of interests on capital	Reversion of interests on capital	(21,466)	(19,131)	(21,646)	(19,658)
Equity in the result of subsidiaries	**Equity in the result of subsidiaries**	**4,009**	**3,295**	**345**	**(400)**
Profit before taxation	**Profit before taxation**	**141,025**	**122,942**	**143,098**	**125,171**
Income tax and social contribution	**Income tax and social contribution**	**(43,089)**	**(38,605)**	**(45,046)**	**(40,730)**
Current	Current	(37,352)	(27,678)	(39,144)	(29,471)
Deferred	Deferred	(5,737)	(10,927)	(5,902)	(11,259)
Profit for the period	**Profit for the period**	**97,936**	**84,337**	**98,052**	**84,441**
Attibutable to:					
Shareholders of the Company		97,936	84,337	97,936	84,337
Non-controlling interests		-	-	116	104
Profit for the period	**Profit for the period**	**97,936**	**84,337**	**98,052**	**84,441**
Earnings per share to the Company's shareholders					
Basic earnings per share		0.18465	0.15921	0.18465	0.15921
Diluted earnings per share		0.18288	0.15805	0.18288	0.15805

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 3.2% of the total revenues of the Company and its subsidiaries, of which approximately 69.3% 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 June 30, 2013 the Company and its subsidiaries have R$128,319 (R$110,749 at December 31, 2012) in provisions for contingencies, of which R$122,351 (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 June 30, 2013, the financial investments of the Company and its subsidiaries, as stated in Note 7, totaled R$207,583 (R$213,512 at December 31, 2012), of which 92.3% (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 (NTB, NTN and FTB).

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			
		30, june de 2013			
	Selic (p.y.)[1]	CDBs	Investment Funds	Federal Securities	Total
Investments		16,078	8,141	183,364	207,583
Forecast profitability for next 12 months					
Probable	9.39%	1,510	764	17,218	19,492
Overthrow 25%	7.04%	1,132	573	12,909	14,614
Overthrow 50%	4.70%	756	382	8,618	9,756
Lifting 25%	11.74%	1,888	956	21,527	24,371
Lifting 50%	14.09%	2,265	1,147	25,836	29,248

(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				Ratings of financial institutions					
					Fitch		Moody's		S&P	
	June 30, 2013	Average yield - % of CDI	31 de dezembro de 2012	Average yield - % of CDI	CP	LP	CP	LP	CP	LP
Banco Bradesco S.A.	2,810	98.5%	2,817	100.8%	F1+ (bra)	AAA (bra)	BR-1	Aaa.br	brA-1	brAAA
Banco Industrial e Comercial S.A.	651	107.0%	628	105.0%	F1 (bra)	A+ (bra)	BR-1	Aa1.br	-	brAA-
Banco Panamericano S.A.	50	100.0%	48	104.0%	F1+ (bra)	AA- (bra)	BR-1	A1.br	-	-
Banco Santander Brasil S.A.	3,980	101.0%	4,144	100.5%	F1+ (bra)	AAA (bra)	BR-1	Aaa.br	brA-1	brAAA
Banco Votorantim S.A.	8,587	103.5%	8,418	104.5%	F1+ (bra)	AA+ (bra)	BR-1	Aaa.br	brA-1	brAAA
	16,078		**16,055**							

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

				Consolidated
Asset	Description	Issuance	Maturity	Market
Committed	National Treasury Notes - NTN	5/09/2007	7/01/2013	43,488
Federal Public Bonds	Financial Treasury Bills - FTB	1/09/2009	9/07/2013	14,098
Federal Public Bonds	Financial Treasury Bills - FTB	7/01/2000	3/07/2014	35,532
Federal Public Bonds	Financial Treasury Bills - FTB	5/09/2008	9/07/2014	21,516
Federal Public Bonds	Financial Treasury Bills - FTB	3/06/2009	3/07/2015	11,286
Federal Public Bonds	Financial Treasury Bills - FTB	7/03/2009	9/07/2015	39,751
Federal Public Bonds	Financial Treasury Bills - FTB	7/15/2011	3/01/2018	16,395
Federal Public Bonds	Nacional Treasury Bills - NTB	12/22/2010	1/01/2015	1,298
				183,364

In accordance with CPC 36 (R3) / IFRS10, the Company carried out the consolidation of the exclusive fund "Bradesco - Fundo de Investimento Renda Fixa OdontoPrev" on June 30, 2013 and December 31, 2012.

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 June 30, 2013, they amounted to R$2 (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 June 30, 2013, the Company has 6,009,670 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 June 30, 2013, according to notes 3 and 20, the consolidated claims ratio (gross profit less selling expenses divided by sales revenues) was 46.1% and contribution margin (gross income less selling expenses divided by sales income) of 44.8%. If the contribution ratio were 60%, the margin would be 30.9%, a decrease of 13.9 p.p., equivalent to R$71,916. And, in the event of claims ratio decrease to 40%, the margin would be 50.9%, an increase of 6.1 p.p., equivalent to R$31,686.

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	
	June 30, 2013	December 31, 2012	June 30, 2013	December 31, 2012
Cash and deposits in cash in financial institutions	92	39	187	126
Short-term deposits	3,364	3,452	4,751	4,292
	3,456	**3,491**	**4,938**	**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	
	June 30, 2013	**December 31, 2012**	**June 30, 2013**	**December 31, 2012**
Bank Deposits Certificates (CDBs)	15,999	15,580	16,078	16,055
Investment funds	4,269	4,153	8,141	7,922
Federal Public Bonds (exclusive fund)	175,499	179,928	183,364	189,535
	195,767	**199,661**	**207,583**	**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 (a) 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 June 30, 2013, totaling R$67,349 (R$65,249 at December 31, 2012) in the Company and R$70.927 (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	-	50	3,382	12,567	15,999
Investment funds (non exclusive)	4,269	-	-	-	4,269
Federal Public Bonds (exclusive fund)	-	57,585	35,532	82,382	175,499
At June 30, 2013	**4,269**	**57,635**	**38,914**	**94,949**	**195,767**
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	-	129	3,382	12,567	16,078
Investment funds (non exclusive)	8,141	-	-	-	8,141
Federal Public Bonds (exclusive fund)	-	57,585	35,532	90,247	183,364
At June 30, 2013	**8,141**	**57,714**	**38,914**	**102,814**	**207,583**
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	
	June 30, 2013	December 31, 2012	June 30, 2013	December 31, 2012
Invoices receivable	120,573	119,815	125,852	125,345
Debit notes	1,793	1,483	1,793	1,483
Provision for impairment of trade receivables	(30,957)	(25,844)	(31,694)	(26,523)
	91,409	**95,454**	**95,951**	**100,305**

At June 30, 2013 and December 31, 2012, the composition of the Company and Consolidated health care receivables by maturity is as follows:

	Company				
		Overdue			
	Outstanding	Up to 30 days	From 31 to 90 days	Over to 90 days	Total
Invoices and debit notes receivable	75,464	15,940	10,334	20,628	122,366
Provision for impairment of trade receivables	(4,773)	(1,576)	(3,980)	(20,628)	(30,957)
At June 30, 2013	**70,691**	**14,364**	**6,354**	**-**	**91,409**
At December 31, 2012	**73,314**	**15,076**	**7,064**	**-**	**95,454**

	Consolidated				
		Overdue			
	Outstanding	Up to 30 days	From 31 to 90 days	Over to 90 days	Total
Invoices and debit notes receivable	79,636	16,317	10,426	21,266	127,645
Provision for impairment of trade receivables	(4,815)	(1,575)	(4,038)	(21,266)	(31,694)
At June 30, 2013	**74,821**	**14,742**	**6,388**	**-**	**95,951**
At December 31, 2012	**77,806**	**15,403**	**7,096**	**-**	**100,305**

Trade receivables are comprised as follows:

	Company		Consolidated	
	June 30, 2013	December 31, 2012	June 30, 2013	December 31, 2012
Invoices receivable	120,573	119,815	125,852	125,345
Debit notes	1,793	1,483	1,793	1,483
(=) Healthcare receivables	**122,366**	**121,298**	**127,645**	**126,828**
Provision for impairment of trade receivables	(30,957)	(25,844)	(31,694)	(26,523)
(=) Trade receivables, net	**91,409**	**95,454**	**95,951**	**100,305**
(-) Advances from customers	(4,099)	(3,022)	(4,113)	(3,043)
(=) Considerations/premiums receivable from customers	**87,310**	**92,432**	**91,838**	**97,262**

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

	Company		Consolidated	
	June 30, 2013	**December 31, 2012**	**June 30, 2013**	**December 31, 2012**
Balance at the beginning of the period	**(25,844)**	**(22,234)**	**(26,523)**	**(23,240)**
Reverals (provisions) recorded in the year, net	(16,274)	(22,744)	(16,694)	(22,566)
Losses with customers	11,161	19,134	11,523	19,283
Balance at the end of the period	**(30,957)**	**(25,844)**	**(31,694)**	**(26,523)**

9 Current taxes recoverable

	Company		Consolidated	
	June 30, 2013	**December 31, 2012**	**June 30, 2013**	**December 31, 2012**
IRPJ	787	766	6,004	6,029
CSLL	99	76	1,270	1,078
IRRF	1,724	707	2,381	1,269
PIS and COFINS	318	310	3,105	2,351
ISS	313	200	321	208
INSS	-	-	73	124
	3,241	**2,059**	**13,154**	**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	
	June 30, 2013	**December 31, 2012**	**June 30, 2013**	**December 31, 2012**
Deferred income tax	85,929	89,934	86,629	90,755
Deferred social contribution	30,934	32,376	31,187	32,672
	116,863	**122,310**	**117,816**	**123,427**

	Company		Consolidated	
	June 30, 2013	**December 31, 2012**	**June 30, 2013**	**December 31, 2012**
Provision for impairment of trade receivables	10,526	8,787	10,811	9,062
Provision for tax, social security, labor and civil contingencies	42,564	36,609	42,714	36,782
Goodwill on expected future profitability - merged subsidiaries	58,107	72,655	58,107	72,655
Other provisions	5,666	4,259	6,184	4,928
	116,863	**122,310**	**117,816**	**123,427**
Recoverable within 12 months	44,770	41,861	45,573	42,805
Recoverable after 12 months	72,093	80,449	72,243	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".

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	
	June 30, 2013	**December 31, 2012**	**June 30, 2013**	**December 31, 2012**
TAX	**918**	**691**	**3,025**	**2,975**
COFINS	-	-	2,084	2,235
Other	918	691	941	740
Social security and labor	**34,419**	**33,476**	**34,627**	**33,684**
INSS	34,167	33,313	34,167	33,313
Other	252	163	460	371
Civil	**433**	**397**	**437**	**401**
	35,770	**34,564**	**38,089**	**37,060**

10.3 Other receivables

	Company		Consolidated	
	June 30, 2013	**December 31, 2012**	**June 30, 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, the acquisition of the shareholding control of the companies listed above was approved. 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	
	June 30, 2013	**December 31, 2012**	**June 30, 2013**	**December 31, 2012**
Equity Interests - dental care	6,824	7,423	-	-
Equity Interests - others	24,511	18,746	-	-
Other equity interests	775	432	2,941	1,030
	32,110	**26,601**	**2,941**	**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	Percentege Interest (%)	Profit (loss) for the period	Equity	June 30, 2013	June 30, 2012	June 30, 2013	December 31, 2012
Rede Dental	1,162	1,162	99.9	2,296	6,350	2,295	2,298	6,350	7,054
Adcon	43	0,860	99.9	104	474	104	(243)	474	369
		Equity Interests - Dental Care				**2,399**	**2,055**	**6,824**	**7,423**
Clidec	8,290	8,290	99.9	678	16,423	678	404	16,422	11,244
OdontoPrev Serviços	2,278	2,278	99.9	587	7,992	587	1,236	8,089	7,502
		Equity Interests - Others				**1,265**	**1,640**	**24,511**	**18,746**
		Equity Interests				**3,664**	**3,695**	**31,335**	**26,169**

At June 30, 2013, equity interest totaled R$4,009 (R$3,295 at June 30, 2012), being income of R$345 (expense of R$400 as at June 30, 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)	340	-	-	9	(366)	1	(34)	**(50)**	16	111	**127**	**77**
Depreciation	(238)	(58)	(17)	(36)	12	(22)	21	**(338)**	(165)	-	**(165)**	**(503)**
At June 30, 2013	**2,209**	**370**	**109**	**493**	**1.211**	**135**	**43**	**4,570**	**984**	**1,194**	**2,178**	**6,748**
Acquisition cost	7,685	1,363	538	1,043	2.885	765	422	**14,701**	4,689	1,194	**5,883**	**20,584**
Accumulated depreciation	(5,476)	(993)	(429)	(550)	(1,674)	(630)	(379)	**(10,131)**	(3,705)	-	**(3,705)**	**(13,836)**
Net book value at June 30, 2013	**2,209**	**370**	**109**	**493**	**1,211**	**135**	**43**	**4,570**	**984**	**1,194**	**2,178**	**6,748**
Annual depreciation rate (%)	**20**	**20**	**10**	**10**	**10**	**10**	**10**	**-**	**20**	**-**	**-**	**-**

	Consolidated											
	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	**2,217**	**429**	**240**	**592**	**1,932**	**159**	**609**	**6,178**	**1,415**	**1,996**	**3,411**	**9,589**
Additions and (disposals)	358	-	-	34	(294)	1	68	**167**	93	769	**862**	**1,029**
Depreciation	(246)	(59)	(25)	(45)	(24)	(22)	(35)	**(456)**	(218)	-	**(218)**	**(674)**
At June 30, 2013	**2,329**	**370**	**215**	**581**	**1,614**	**138**	**642**	**5,889**	**1,290**	**2,765**	**4,055**	**9,944**
Acquisition cost	8,269	1,396	1,945	1,246	3,722	772	2,087	**19,437**	5,930	2,765	**8,695**	**28,132**
Accumulated depreciation	(5,940)	(1,026)	(1,730)	(665)	(2,108)	(634)	(1,445)	**(13,548)**	(4,640)	-	**(4,640)**	**(18,188)**
Net book value at June 30, 2013	**2,329**	**370**	**215**	**581**	**1,614**	**138**	**642**	**5,889**	**1,290**	**2,765**	**4,055**	**9,944**
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. 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				June 30, 2013			December 31, 2012
	Date	Total value	Asset value	Date of the merge	Goodwill	Amortization (1)	Net goodwill	Net goodwill
Bradesco Dental	10/18/2009	723,392	313,752	7/01/2010	409,640	-	409,640	409,640
OdontoServ	2/27/2009	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	6/26/2008	13,720	(130)	12/01/2008	13,850	(1,616)	12,234	12,234
Care Plus	6/19/2008	13,113	(230)	12/01/2008	13,343	(1,563)	11,780	11,780
Biodent	6/19/2008	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	2/09/2007	25,244	386	3/03/2008	24,858	(9,529)	15,329	15,329
Total - Company		**831,379**	**323,629**		**507,750**	**(14,874)**	**492,876**	**492,876**
Easy	7/08/2008	3,100	456	unincorporated	2,644	(265)	2,379	2,379
G2D[2]	8/09/2012	750	416	unincorporated	334	-	334	334
Group Papaiz[3]	1/31/2013	5,441	780	unincorporated	4,661	-	4,661	-
Total - Consolidated		**840,670**	**325,281**		**515,389**	**(15,139)**	**500,250**	**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.

Following are the assumptions used to perform the impairment test:

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
PIB growth	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%

(1) WACC - Weighted Average Cost of Capital

13.3 System development, software licenses and others

	Company		Consolidated	
	June 30, 2013	December 31, 2012	June 30, 2013	December 31, 2012
System development (i)	18,302	15,303	18,469	15,458
Software licenses (i)	9,357	7,575	10,802	9,018
Intangible assets - OdontoServ (ii)	9,779	9,779	9,779	9,779
Other	-	-	19	19
Accumulated amortization	(16,591)	(15,060)	(17,075)	(15,535)
	20,847	**17,597**	**21,994**	**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.

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	8,288	553,290
Accumulated amortization and impairment	(15,139)	(15,535)	-	(30,674)
At December 31, 2012	**495,589**	**18,739**	**8,288**	**522,616**
Additions	4,661	4,795	216	9,672
Amortization	-	(1,540)	-	(1,540)
At June 30, 2013	**500,250**	**21,994**	**8,504**	**530,748**
Cost	515,389	39,069	8,504	562,962
Accumulated amortization and impairment	(15,139)	(17,075)	-	(32,214)
Net book amount	**500,250**	**21,994**	**8,504**	**530,748**

14 Trade payables

	Company		Consolidated	
	June 30, 2013	**December 31, 2012**	**June 30, 2013**	**December 31, 2012**
Comissions payable	3,915	4,391	3,945	4,418
Suppliers of goods and services	5,179	4,628	4,762	4,498
	9,094	**9,019**	**8,707**	**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	
	June 30, 2013	**December 31, 2012**	**June 30, 2013**	**December 31, 2012**
Federal tax liabilities	**8,241**	**6,068**	**9,986**	**7,366**
IRPJ	2,564	1,522	2,844	1,776
CSLL	688	674	814	772
COFINS	1,303	1,103	2,182	1,611
PIS	649	578	842	692
IRRF	2,711	1,857	2,926	2,138
Other	326	334	378	377
State tax liabilities	**-**	**-**	**81**	**47**
Municipal tax liabilities	**1,075**	**1,136**	**1,439**	**1,464**
	9,316	**7,204**	**11,506**	**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), as reported in note 2.1 (ii).

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, where as the Company's adjusted equity is R$246,248 at June 30, 2013 (R$281,237 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 June 30, 2013, the solvency margin calculated was R$201,635 (R$190,913 at December 31, 2012) based on the consideration, of which 36.5% equivalent to R$73,597 (35.0%, R$66,819 at December 31, 2012) are requerid in the period.

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 IBNR 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 June 30, 2013 the Company had a balance of provision for events/claims occurred but not reported amounting to R$57,660 (R$59,773 at December 31, 2012) and Consolidated of R$59,269 (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 June 30, 2013, the balance of the Company totals R$13,003 (R$16,928 at December 31, 2012). In the consolidated, the balance at June 30, 2013 is R$13.861 (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	207,675	211,748
Event paid	(211,600)	(215,775)
Provision for events / claims incurred but not reported (IBNR)	(2,113)	(2,007)
At June 30, 2013	**70,663**	**73,130**
Provision for events / claims to be settled	13,003	13,861
Provision for events / claims incurred but not reported (IBNR)	57,660	59,269
At June 30, 2013	**70,663**	**73,130**

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 (i).

17 Other payables

	Company		Consolidated	
	June 30, 2013	**December 31, 2012**	**June 30, 2013**	**December 31, 2012**
Sundy provisions:	**10,375**	**5,947**	**10,871**	**6,873**
Comissions	2,552	2,414	2,552	2,414
IT support and service	331	344	331	344
Telecommunications	506	505	511	505
Services	985	1,216	1,208	1,397
Associations	-	151	-	151
Location	92	171	179	250
Traveling	285	300	316	320
Indemnifiable and charges	5,611	831	5,611	831
Investments to pay	-	-	150	600
Other provisions	13	15	13	61
Credit to identify	**11,212**	**12,089**	**12,449**	**12,520**
Others	**774**	**604**	**932**	**738**
	22,361	**18,640**	**24,252**	**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 427 civil lawsuits (not related to treatments made to the dental plan beneficiaries) and to 20 labor lawsuits of the Company and its subsidiaries, at June 30, 2013, totaling R$16,663 (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					
	June 30, 2013			**December 31, 2012**		
	Provision	**Judicial deposits**	**Net provision**	**Provision**	**Judicial deposits**	**Net provision**
Tax	**1,400**	**(918)**	**482**	**1,284**	**(691)**	**593**
Social secutity and labor	**122,758**	**(34,419)**	**88,339**	**104,227**	**(33,476)**	**70,751**
INSS	122,348	(34,167)	88,181	103,817	(33,313)	70,504
Other	410	(252)	158	410	(163)	247
Civil	**2,448**	**(433)**	**2,015**	**3,462**	**(397)**	**3,065**
	126,606	**(35,770)**	**90,836**	**108,973**	**(34,564)**	**74,409**

	Company	
	June 30, 2013	December 31, 2012
Number of law suits	142	121

	Social security and labor					
Changes	**Tax**	**INSS**	**Others**	**Civil**	**Total**	
Opening balance	1,284	103,817	410	3,462	108,973	70,497
Establishment	118	15,216	-	1,500	16,834	33,397
Write-offs	(2)	-	-	(2,685)	(2,687)	(1,096)
Monetary adjustment	-	3,315	-	171	3,486	6,175
Closing balance	**1,400**	**122,348**	**410**	**2,448**	**126,606**	**108,973**

	Consolidated					
	June 30, 2013			December 31, 2012		
	Provision	Judicial deposits	Net provision	Provision	Judicial deposits	Net provision
Tax	**2,585**	**(3,025)**	**(440)**	**2,523**	**(2,975)**	**(452)**
Social secutity and labor	**123,183**	**(34,627)**	**88,556**	**104,678**	**(33,684)**	**70,994**
INSS	122,351	(34,167)	88,184	103,822	(33,313)	70,509
Other	832	(460)	372	856	(371)	485
Civil	**2,551**	**(437)**	**2,114**	**3,548**	**(401)**	**3,147**
	128,319	**(38,089)**	**90,230**	**110,749**	**(37,060)**	**73,689**

	Consolidated					
					June 30, 2013	December 31, 2012
	Social security and labor					
Changes	**Tax**	**INSS**	**Others**	**Civil**	**Total**	
Opening balance	2,523	103,822	856	3,548	110,749	72,438
Establishment	117	15,216	-	1,503	16,836	34,203
Write-offs	(55)	-	(24)	(2,684)	(2,763)	(2,098)
Monetary adjustment	-	3,313	-	184	3,497	6,206
Closing balance	**2,585**	**122,351**	**832**	**2,551**	**128,319**	**110,749**
Number of law suits					155	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$122,351 at June 30, 2013 (R$103,822 at December 31, 2012), and for which there are monetarily restated judicial deposits of R$34,167 (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 June 30, 2013, the amount provided for totaled R$832 (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$2,551 at June 30, 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	
	June 30, 2013	**December 31, 2012**	**June 30, 2013**	**December 31, 2012**
DentalCorp	1,032	1,057	1,032	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	-
	1,760	**1,811**	**3,083**	**1,811**

19 Equity

19.1 Share capital

At June 30, 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 June 30, 2013 was R$9.20 (R$10.73 per share at December 31, 2012). The book value per share at June 30, 2013 was R$1.27 (R$1.32 per share at December 31, 2012).

19.2 Capital reserves

The Company's capital reserves total R$21,955 at June 30, 2013 (R$19,534 at December 31, 2012), and comprise the following:

	Company and Consolidated	
	June 30, 2013	**December 31, 2012**
Share premium	48,392	48,392
Granting of stock options	14,523	14,523
Granting of deferred stock options	(6,621)	(9,042)
Additional paid-up capital	(34,339)	(34,339)
	21,955	**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$115,634 at June 30, 2013 (R$173,922 at December 31, 2012), and comprise the following:

	Company and Consolidated	
	June 30, 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
Treasury share	(17,272)	-
Revenue reserves	**115,634**	**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 June 30, 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 Jubne 30, 2013 are as follows:

At December 31, 2012	-
Profit for the period	97,936
Proposed profit allocation:	**(66,822)**
Interest on capital (0,01571 for share)	(8,316)
Interest on capital (0,01556 for share)	(8,238)
Interim dividens (0,09495 for share)	(50,268)
At June 30, 2013	**31,114**

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 June 30, 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 June 30, 2013.

	Beginning of the period				Cancellations		Option exercised		End of period	
Year	Eligible beneficiaries	Options	Fair value 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	3	41,447	-	-	42	1,709,998
2012	51	1,609,097	5.01	8,055	4	87,494	-	-	47	1,521,603
		15,420,923		**35,731**		**3,135,508**		**7,157,496**		**5,127,919**

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$2,421 at June 30, 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		**Postpayment**		**Prepayment**		**OTHER**		**TOTAL**	
	Period ended at June 30,		Period ended at June 30,		Period ended at June 30,		Period ended at June 30,		Period ended at June 30,	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net installments	453,380	419,316	12,342	8,372	58,932	41,401	-	-	524,654	469,089
Direct taxes on healthcare plan operatins	(15,253)	(13,943)	(377)	(298)	(2,036)	(1,898)	-	-	(17,666)	(16,139)
Sales of good and services	-	-	-	-	-	-	80	229	80	229
Taxes on sales of good and services	-	-	-	-	-	-	-	-	-	-
SALES OF GOOD	**438,127**	**405,373**	**11,965**	**8,074**	**56,896**	**39,503**	**80**	**229**	**507,068**	**453,179**
Cost of services	(212,564)	(192,667)	(4,228)	(3,530)	(15,148)	(10,538)	-	-	(231,940)	(206,735)
OPERATING RESULT	**225,563**	**212,706**	**7,737**	**4,544**	**41,748**	**28,965**	**80**	**229**	**275,128**	**246,444**
Selling expenses	(30,998)	(30,191)	(1,886)	(313)	(13,536)	(12,243)	-	-	(46,420)	(42,747)
CONTRIBUTION MARGIN	**194,565**	**182,515**	**5,851**	**4,231**	**28,212**	**16,722**	**80**	**229**	**228,708**	**203,697**
Margin x Sales revenue (%)	**44.4%**	**45.0%**	**48.9%**	**52.4%**	**49.6%**	**42.3%**	**100.0%**	**100.0%**	**45.1%**	**44.9%**
Margin x Total (%)	**85.1%**	**89.6%**	**2.6%**	**2.1%**	**12.3%**	**8.2%**	**0.0%**	**0.1%**	**100.0%**	**100.0%**
Main assests allocated by segment:										
Invoices / Premiums receivable	89,028	85,528	5,449	4,468	26,096	20,960	-		120,573	110,956
Debit notes	-	-	1,793	885	-	-	-	-	1,793	885
Provision for impairment of trade receivables	(17,902)	(16,950)	(1,410)	(937)	(11,645)	(9,666)	-	-	(30,957)	(27,553)
Assets allocated by segment	**71,126**	**68,578**	**5,832**	**4,416**	**14,451**	**11,294**	**-**	**-**	**91,409**	**84,288**
Assets not allocated by segment:										
Cash and cash equivalents	-	-	-	-	-	-	-	-	3,456	4,653
Financial assets at faur value	-	-	-	-	-	-	-	-	195,767	164,589
Notes and credits receivable	-	-	-	-	-	-	-	-	9,736	14,373
Inventories	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	318	539
Long-term receivables	-	-	-	-	-	-	-	-	154,540	167,638
Investments	-	-	-	-	-	-	-	-	32,110	31,920
Property and equipment	-	-	-	-	-	-	-	-	6,748	6,592
Intangible assets	-	-	-	-	-	-	-	-	522,227	518,315
Assets not allocated	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**924,902**	**908,619**
TOTAL ASSETS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,016,311**	**992,907**

Consolidated

	COLLECTIVE				INDIVIDUAL					
	Prepayment		**Postpayment**		**Prepayment**		**OTHER**		**TOTAL**	
	Period ended at June 30,		Period ended at June 30,		Period ended at June 30,		Period ended at June 30,		Period ended at June 30,	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net installments	463,762	430,158	12,342	8,372	61,128	42,547	-	-	537,232	481,077
Direct taxes on healthcare plan operatins	(15,771)	(14,443)	(377)	(303)	(2,099)	(1,962)	-	-	(18,247)	(16,708)
Sales of good and services	-	-	-	-	-	-	2,662	2,991	2,662	2,991
Taxes on sales of good and services	-	-	-	-	-	-	(3,633)	(3,239)	(3,633)	(3,239)
SALES OF GOOD	**447,991**	**415,715**	**11,965**	**8,069**	**59,029**	**40,585**	**(971)**	**(248)**	**518,014**	**464,121**
Cost of services	(218,680)	(199,413)	(4,228)	(3,530)	(15,984)	(11,208)	-	-	(238,892)	(214.151)
OPERATING RESULT	**229,311**	**216,302**	**7,737**	**4,539**	**43,045**	**29,377**	**(971)**	**(248)**	**279,122**	**249,970**
Selling expenses	(31,057)	(30,340)	(1,886)	(313)	(13,894)	(12,552)	-	-	(46,837)	(43,205)
CONTRIBUTION MARGIN	**198,254**	**185,962**	**5,851**	**4,226**	**29,151**	**16,825**	**(971)**	**(248)**	**232,285**	**206,765**
Margin x Sales revenue (%)	**44.3%**	**44.7%**	**48.9%**	**52.4%**	**49.4%**	**41.5%**	**100.0%**	**100.0%**	**44.8%**	**44.5%**
Margin x Total (%)	**85.3%**	**89.9%**	**2.5%**	**2.0%**	**12.5%**	**8.1%**	**(0.4%)**	**(0.1%)**	**100.0%**	**100.0%**
Main assests allocated by segment:										
Invoices / Premiums receivable	91,215	87,699	5,449	4,468	29,188	24,077	-		125,852	116,244
Debit notes	-	-	1,793	885	-	-	-	-	1,793	885
Provision for impairment of trade receivables	(18,564)	(17,497)	(1,410)	(937)	(11,720)	(9,821)	-	-	(31,694)	(28,255)
Assets allocated by segment	**72,651**	**70,202**	**5,832**	**4,416**	**17,468**	**14,256**	**-**	**-**	**95,951**	**88,874**
Assets not allocated by segment:										
Cash and cash equivalents	-	-	-	-	-	-	-	-	4,938	5,486
Financial assets at faur value	-	-	-	-	-	-	-	-	207,583	181,630
Notes and credits receivable	-	-	-	-	-	-	-	-	22,849	27,991
Inventories	-	-	-	-	-	-	-	-	716	569
Other assets	-	-	-	-	-	-	-	-	340	542
Long-term receivables	-	-	-	-	-	-	-	-	159,138	170,972
Investments	-	-	-	-	-	-	-	-	2,941	678
Property and equipment	-	-	-	-	-	-	-	-	9,944	8.919
Intangible assets	-	-	-	-	-	-	-	-	530,748	521,682
Assets not allocated	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**939,197**	**918,469**
TOTAL ASSETS	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,035,148**	**1,007,343**

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 June 30,		Period ended at June 30,	
	2013	2012	2013	2012
Net installments	524,654	469,089	537,232	481,077
Direct taxes on healthcare plan operatins	(17,666)	(16,139)	(18,247)	(16,708)
Sales of good and services	80	229	2,662	2,991
Taxes on sales of good and services	-	-	(3,633)	(3,239)
	507,068	**453,179**	**518,014**	**464,121**

The net consideration includes at June 30, 2013, R$12,342 (R$8,372 at June 30, 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 June 30,		Period ended at June 30,	
	2013	2012	2013	2012
Indemnifiable claims, net	(207,675)	(189,792)	(211,748)	(194,530)
Social charges on services	(14,855)	(13,406)	(14,997)	(13,557)
Dental care materials	(3,870)	(2,485)	(2,113)	(1,380)
Other operating expenses	(7,653)	317	(12,041)	(3,315)
Change in provision for incurred but not reported events (IBNR)	2,113	(1,369)	2,007	(1,369)
	(231,940)	**(206,735)**	**(238,892)**	**(214,151)**

23 Selling expenses

Selling expenses refer to commissions incurred due to independent brokers and other distribution channels. At June 30, 2013, these expense balances totaled R$46,420 and R$46,837 (R$42,747 and R$43,205 at June 30, 2012), in the Company and Consolidated, respectively.

24 General and administrative expenses

	Company		Consolidated	
	Period ended at June 30,		Period ended at June 30,	
	2013	2012	2013	2012
Personnel and third-party services	(53,116)	(49,735)	(46,728)	(43,346)
Rentals and occupancy	(11,853)	(11,533)	(14,119)	(13,310)
Charges and fees	(1,847)	(1,786)	(1,926)	(1,884)
Publicity and advertising	(5,316)	(4,542)	(5,723)	(4,985)
Travelling, printing materials and subscriptions	(2,567)	(2,609)	(2,802)	(2,991)
Depreciation and amortization	(2,375)	(2,503)	(2,555)	(2,673)
Other expenses	(14)	(1,195)	(753)	(1,755)
(77,088)	**(73,903)**	**(74,606)**	**(70,944)**	

25 Financial 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 June 30,		Period ended June 30,	
	2013	2012	2013	2012
Proceeds from financial investments	7,560	9,014	7,918	9,751
Monetary restatement of judicial deposits	853	1,210	853	1,210
Revertion of interests on capital	16,554	14,761	16,554	14,761
Other	1,309	1,746	1,590	1,865
Financial revenue	**26,276**	**26,731**	**26,915**	**27,587**
Bank fees	(1,048)	(866)	(1,201)	(1,030)
Monetary restatement of provision of contingencies	(3,488)	(3,234)	(3,492)	(3,234)
Interests on capital	(16,554)	(14,761)	(16,554)	(14,761)
Other costs	(376)	(270)	(399)	(633)
Financial expenses	**(21,466)**	**(19,131)**	**(21,646)**	**(19,658)**
Net financial income	**4,810**	**7,600**	**5,269**	**7,929**

26 Income tax and social contribution calculation

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

	Company		Consolidated	
	Period ended at June 30,		Period ended at June 30,	
	2013	**2012**	**2013**	**2012**
IRPJ and CSLL calculation basis	**141,025**	**122,942**	**143,098**	**125,171**
(x) Current rate (%)	34	34	34	34
Expected income tax and social contribution (expenses) at the effective rate	**(47,948)**	**(41,800)**	**(48,653)**	**(42,558)**
Effect of income tax and social contribution on permanent/temporary differences:				
Equity in the results of subsidiaries	1,363	1,120	117	(136)
Tax losses	-	-	74	48
Provision for contingencies	(5,956)	(5,530)	(5,932)	(5,476)
Other provisions	(1,407)	1,596	(1,286)	1,852
Provision for impairment of trade receivables	(1,887)	(1,363)	(1,907)	(1,377)
Amortization of goodwill	14,548	15,170	14,548	15,170
Adjustments arising from adoption of Law 11.638/07	33	(681)	42	(684)
Interest on capital	(823)	(571)	(823)	(571)
Granting of stock options	5,628	5,019	5,628	5,019
Other	(903)	(638)	(952)	(758)
IRPJ and CSLL calculation basis	**(37,352)**	**(27,678)**	**(39,144)**	**(29,471)**
Effective rate income IRPJ and CSLL	26.5%	22.5%	27.4%	23.5%
Deferred IRPJ and CSLL	**(5,737)**	**(10,927)**	**(5,902)**	**(11,259)**

27 Earnings per share

According to CPC 41/IAS 33, detailed in Note 2.22, we present the calculation of basic and diluted earnings per share:

a. Basic

	Period			
	april to june,		january to june,	
	2013	**2012**	**2013**	**2012**
Profit attibutable to the Company's shareholders (R$ thousands)	39,352	41,951	97,936	84,337
Weighted average number of common shares outstanding (thousands)	529,398	530,078	530,392	529,723
Basic earnings per share (R$)	**0.07433**	**0.07914**	**0.18465**	**0.15921**

b. Diluted

	Period			
	april to june,		january to june,	
	2013	**2012**	**2013**	**2012**
Profit attibutable to the Company's shareholders (R$ thousands)	**39,352**	**41,951**	**97,936**	**84,337**
Common shares (in thousands)				
Weighted average number of share outstanding	529,398	530,078	530,392	529,723
Adjustment of share option scheme	5,128	3,894	5,128	3,894
Weighted average number of share for diluted earnings per share	**534,526**	**533,972**	**535,520**	**533,617**
Diluted earnings per share (R$)	**0.07362**	**0.07856**	**0.18288**	**0.15805**

28 Dividends and interest on capital

The dividends and interest on capital are as follows:

					Company	
			Decision			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	Interim dividends	4/30/2013	0.09495	6/04/2013	50,268	-
RCA	Interest on capital	6/25/2013	0.01556	7/10/2013	8,238	-
					66,822	**159,526**

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

29 Commitments

At June 30, 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	1,941	3,654
From one to five years	177	2,233
	2,118	**5,887**

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	-	782	133	-	622	
Current taxes recoverable	Administrative services	-	-	9	-	-	
Suppliers of goods and services	Administrative services	(1,527)	-	-	-	-	(10)
Other federal tax liabilities	Administrative services	(9)	-	-	-	-	-
Period ended at June 30, 2013		**(1,536)**	**782**	**142**	**-**	**622**	**(10)**
Period ended at December 31, 2012		**(1,452)**	**774**	**-**	**-**	**678**	**-**
Revenue / (Expenses)							
Plans premiums	Dental care plans	46	-	-	-	-	-
Net installments sales of good and services	Administrative services	-	5,427	15,121	106	3,911	-
Indemnifiable claims, net	Dental care services	(909)	-	-	-	-	-
Dental care materials	Dental care materials	(3,911)	-	-	-	-	-
Administrative	Administrative services	(19,571)	-	(32)	(61)	-	(114)
Cost of internal units	Serviços administrativos	-	(12)	-	-	-	(1)
Period ended at June 30, 2013		**(24,345)**	**5,415**	**15,089**	**45**	**3,911**	**(115)**
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:

	Bradesco Group
Assets / (Liabilities)	
Cash and deposits in cash in financial institutions	2,703
Financial investments	3,102
Healthcare receivables	4,530
Advanced billings	(4,517)
Suppliers of goods and services	(505)
Revenue / (Expenses)	
Plan premiums	27,112
Other expenses	(971)
Financial income	103
Financial expenses	(730)
Period ended at June 30, 2013	**25,514**

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 June 30, 2013, R$17 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$1 at June 30, 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$17 at June 30, 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 June 30, 2013, were appropriate, the title of profit sharing, the amounts of R $ 719 (R $ 3,301 at June 31, 2012) and R $ 1,080 (R $ 3,996 at June 30, 2012), the Company and consolidated, 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 June 30, 2013	
	2013	**2012**
Statutory Board	**1,585**	**2,125**
Pro-labore and fees	1,366	1,302
Benefits	111	77
Board of Directors	108	746
Pro-labore and fees	**611**	**588**
Fiscal Counsel	611	588
Pro-labore	**143**	**137**
	143	137
	2,339	**2,850**

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 option**	**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	587,288	-	-	-	-	6	587,288
		5,970,074		**1,751,424**		**2,310,012**		**1,908,638**

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 June 30, 2013, the Company and its subsidiaries did not directly operate or maintain receiving or paying positions related to derivative financial instruments.

33 Subsequent events

The Management Board Meeting held on July 30, 2013 approved the distribution of R$31,114 in dividends to be paid on September 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 6/30/2013

	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 6/30/2013	
	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 6/30/2013	
	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 6/30/2013					
	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 6/30/2013					
	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 6/30/2013					
	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: 6/30/2013

Consolidated shareholding position of controlling shareholders and management and outstanding shares *Position at 6/30/13*						
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	**3,188,417**	**0.60**	**-**	**-**	**3,188,417**	**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: 6/30/2012

Consolidated shareholding position of controlling shareholders and management and outstanding shares						
Position at 6/30/12						
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	**3,053,288**	**0.57**	**-**	**-**	**3,053,288**	**0.57**
Board of Directors	128,412	0.02	-	-	128,412	0.02
Executive Board	2,924,876	0.55	-	-	2,924,876	0.55
Statutory audit committee	-	-	-	-	-	-
Treasury shares	**214,308**	**0.04**	**-**	**-**	**214,308**	**0.04**
Other	**256,748,188**	**48.32**	**-**	**-**	**256,748,188**	**48.32**
Total	**531,294,792**	**100.00**	**-**	**-**	**531,294,792**	**100.00**
Outstanding shares	**256,748,188**	**48,32**	**-**	**-**	**256,748,188**	**48,32**

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."

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 June 30, 2013, which comprise the balance sheet as of June 30, 2013 and the related statements of income and comprehensive income for the three and six-month period then ended, and changes in shareholders' equity, and cash flows, for the six-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, nothing has come to our attention that cause us to believe that the individual interim financial information included in the Quarterly Financial Information – ITR referred to above has not been 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).

Conclusion on the consolidated interim financial information
Based on our review, nothing has come to our attention that cause us to believe that the consolidated interim financial information included in the Quarterly Financial Information – ITR referred to above has not been 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 six-month period ended June 30, 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, nothing has come to our attention that cause us to believe that it has not been 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 and comprehensive income for the three and six months ended June 30 2012, changes in shareholders' equity, cash flows and added value (supplementary information), for the six months ended June 30 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 and July 30, 2013, respectively, which did not include any modification.

São Paulo, July 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