

Closing Price
VLID3 R\$38.80

Market Cap
R\$2,163.1

Shareholder Base
Total Shares: 55,750,000
Free Float: 97,9%

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Valid announces EBITDA¹ of R\$221.3 million in 2012, 10.4% higher than in 2011

Rio de Janeiro, March 27, 2013 - Valid (BM&FBovespa: VLID3 - ON) announces its results for the fourth quarter (4Q12) and full year 2012. Except where stated otherwise, the financial and operating data herein are presented on a consolidated basis, in accordance with international financial reporting standards (IFRS).

Highlights

- Net revenue totaled R\$937.1 million in 2012, 7.2% up on 2011;
- Annual EBITDA moved up by 10.4%, already including the losses of Digital Certification, which came to R\$10.1 million, considering 1Q12 as non-recurring;
- Identification Systems: net revenue climbed 10.5% between 4Q11 and 4Q12;
- Digital Certification: agreement with an important partner ensures the necessary penetration for digital certificate distribution;
- Valid acquires operating assets from the U.S.-based VMark, Inc and its associated companies;
- Funding of R\$130.0 million in debentures;
- Payment of R\$109.7 million in dividends and interest on equity in 2012.

¹ EBITDA adjusted for non-recurring expenses.

EARNINGS RELEASE						
	4Q11	4Q12	Δ%	2011	2012	Δ%
Financial Results (R\$ million)						
Net Revenue	227.7	231.4	1.6%	873.9	937.1	7.2%
EBITDA¹	56.2	56.3	0.2%	200.4	221.3	10.4%
<i>EBITDA margin²</i>	<i>23.8%</i>	<i>23.7%</i>	<i>-0.1p.p.</i>	<i>22.3%</i>	<i>22.9%</i>	<i>0.6p.p.</i>
Net Income³	36.4	13.8	-62.1%	128.7	113.5	-11.8%
<i>Net margin</i>	<i>16.0%</i>	<i>6.0%</i>	<i>-10.0p.p.</i>	<i>14.7%</i>	<i>12.1%</i>	<i>-2.6p.p.</i>
Sales Volume (millions of units)						
Payment Means	41.3	35.7	-13.5%	185.9	155.5	-16.3%
Identification	3.7	4.0	8.1%	14.3	15.7	9.8%
Telecom	28.4	17.4	-38.7%	80.5	82.1	1.9%
Digital Certificates (thousands)		11.7			37.4	
EBITDA Reconciliation (R\$ million)						
Income (loss) before taxes on income	37.4	26.0		145.4	152.5	
Financial expenses/(income)	1.6	4.1		10.3	13.7	
Depreciation and amortization	6.9	8.7		27.2	33.2	
Other operating income/expenses	2.0	16.8		3.2	16.8	
Equity income	1.5	1.0		3.8	4.1	
EBITDA	49.4	56.6		189.9	220.3	
Depreciation and amortization ⁴	0.4	0.2		1.3	-1.9	
Depreciation, amortization, expenses and taxes over Multidisplay equity income	-1.0	-0.5		-2.1	-1.9	
Non-recurring expenses ⁵	7.4	-		11.3	4.8	
ADJUSTED EBITDA	56.2	56.3		200.4	221.3	
Payment Means (R\$ million)						
Net revenue	99.4	105.2	5.8%	402.6	407.7	1.3%
<i>% of Net revenue</i>	<i>43.7%</i>	<i>45.5%</i>	<i>1.8p.p.</i>	<i>46.1%</i>	<i>43.5%</i>	<i>-2.6p.p.</i>
EBITDA	15.2	12.5	-17.8%	62.5	57.6	-7.8%
EBITDA margin	<i>15.3%</i>	<i>11.9%</i>	<i>-3.4p.p.</i>	<i>15.5%</i>	<i>14.1%</i>	<i>-1.4p.p.</i>
<i>% of total EBITDA</i>	<i>27.0%</i>	<i>22.2%</i>	<i>-4.8p.p.</i>	<i>31.2%</i>	<i>26.0%</i>	<i>-5.2p.p.</i>
Sales volume (million)	41.3	35.7	-13.6%	185.9	155.5	-16.3%
Identification Systems (R\$ million)						
Net revenue	69.6	76.9	10.5%	258.7	297.5	15.0%
<i>% of Net revenue</i>	<i>30.6%</i>	<i>33.2%</i>	<i>2.6p.p.</i>	<i>29.6%</i>	<i>31.8%</i>	<i>2.2p.p.</i>
EBITDA	31.4	32.2	2.5%	97.3	118.6	21.9%
EBITDA margin	<i>45.1%</i>	<i>41.9%</i>	<i>-3.2p.p.</i>	<i>37.6%</i>	<i>39.9%</i>	<i>2.3p.p.</i>
<i>% of total EBITDA</i>	<i>55.9%</i>	<i>57.2%</i>	<i>1.3p.p.</i>	<i>48.6%</i>	<i>53.6%</i>	<i>5.0p.p.</i>
Sales volume (million)	3.7	4.0	8.1%	14.3	15.7	9.8%
Telecom (R\$ million)						
Net revenue	58.7	47.9	-18.4%	212.6	224.9	5.8%
<i>% of Net revenue</i>	<i>25.8%</i>	<i>20.7%</i>	<i>-5.1p.p.</i>	<i>24.3%</i>	<i>24.0%</i>	<i>-0.3p.p.</i>
EBITDA	9.6	13.9	44.8%	40.6	55.2	36.0%
EBITDA margin ²	<i>12.9%</i>	<i>26.1%</i>	<i>13.2p.p.</i>	<i>19.1%</i>	<i>21.7%</i>	<i>2.6p.p.</i>
<i>% of total EBITDA</i>	<i>17.0%</i>	<i>24.7%</i>	<i>7.7p.p.</i>	<i>20.2%</i>	<i>25.0%</i>	<i>4.8p.p.</i>
Sales volume (million)	28.4	17.4	-38.7%	80.5	82.5	1.9%
* Equity income	2.0	1.4		5.5	6.3	
Valid Certificadora (R\$ million)						
Net revenue		1.4			7.0	
<i>% of Net revenue</i>		<i>0.6%</i>			<i>0.7%</i>	
Adjusted EBITDA		-2.3			-10.1	

EBITDA margin <i>% of total EBITDA</i>	-4.1%	-4.6%
Sales volume (million)	11.7	37.4

¹ EBITDA adjusted for non-recurring expenses

² EBITDA margin excluding equity income

³ Net Income adjusted for deferred income tax and social contribution obligation and non-recurring expenses

⁴ Management Depreciation

⁵ Valid Certificadora 1Q's EBITDA considered as non-recurring

MANAGEMENT COMMENTS

THE BEGINNING OF A NEW CYCLE

We are here once again to report our results to Valid's shareholders and the market.

Adjusted EBITDA totaled R\$56.3 million in 4Q12 and R\$221.3 million in 2012, 10.4% up on 2011, despite losses of R\$10.1 million from the start-up of Valid Certificadora, as we considered only 1Q12 as non-recurring.

Excluding Valid Certificadora's results for comparative purposes, organic growth came to 15.4%.

In 2012, we experienced many challenges, opportunities and achievements that are worth noting:

2012 was marked by many doubts as to the banking market: lower spreads, increased provision expenses and uncertainties concerning the expansion of economic activity forced our major clients to go through a transitional period, which caused a reduction in demand for our services, impacting the results of the Payment Means division. Nevertheless, the Company once again proved its resilience, maintaining solid double-digit growth despite these oscillations thanks to the efficient implementation of its development strategy, reinforcing the consistency of our results over the years

2012 was also marked by the approval of Valid as a Certification Authority and, although it has not achieved the proposed results for the year, the Company has entered into an important partnership with a company that has the desired penetration for distributing digital certificates in Brazil, which is an essential step for achieving our goals.

The main highlight in 2012 was Valid's strategic entry into the U.S. market. In 2Q12, we invested in the acquisition of the U.S.-based PPI Secure Solution, LLC in order to have a platform in the United States to offer Valid solutions to the world's largest consumer market. Seven months later, in November, proceeding with its U.S. positioning strategy, Valid completed the liability-free acquisition of the assets of VMark, Inc, a renowned leader in the production of cards and banking solutions, and its associated companies, for US\$49.4 million, reinforcing our strategy of growth in other geographic markets, expanding our operations and adding value to our shareholders and stakeholders.

As a result of these acquisitions, Valid was ranked the world's 4th largest plastic card producer*, with operations in key growing markets, including EMV smart card payments, whose debut will take place in the United States in the coming years. The entry into this market is an investment consistent with in our long-term growth strategy, as evidence suggests that the U.S. market will play an important role in the development of our business in the coming years.

With the acquisition of VMark, our workforce comprises more than 6,000 people from Brazil, Spain, Argentina and the United States working with the same goal: to offer our customers the best and most complete services in the market.

* Source: The Nilson Report – October 2012 edition

The Company paid R\$109.7 million in dividends and interest on equity in 2012, while maintaining its commitment to its shareholders to seek a fair and efficient capital structure, without compromising its future results.

Finally, we will continue concentrating our efforts on the strategy of innovation and growth, both organic and via acquisitions, always focusing on strengthening our core business and working to create value to our shareholders and the market in general. Once again we thank you for the trust placed in our team.

Management

FINANCIAL PERFORMANCE

NET REVENUE

Consolidated net revenue reached R\$231.4 million in 4Q12, 1.6% higher than the R\$227.7 million recorded in 4Q11. In 2012, net revenue moved up by 7.2%, from R\$873.9 million in 2011 to R\$937.1 million.

This upturn was led by the Identification Systems division, whose revenue grew by 10.5% in 4Q12 over 4Q11 and by 15.0% between 2011 and 2012, totaling R\$297.5 million.

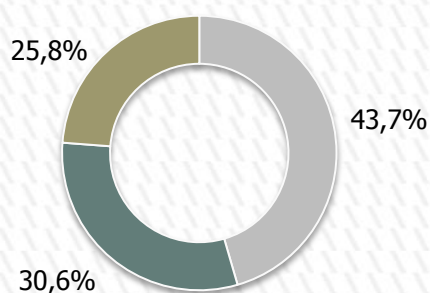
Net revenue from the Payment Means division moved up by 5.8% in 4Q12 over 4Q11 and by 1.3% between 2011 and 2012, totaling R\$407.7 million.

Net revenue from the Telecom division dropped by 18.4% between 4Q11 and 4Q12, but grew by 5.8% in 2012 over 2011, totaling R\$224.9 million.

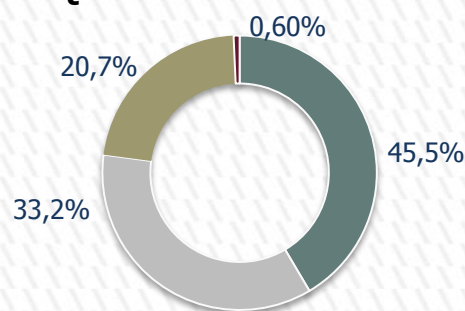
Valid Certificadora Digital reported net revenue of R\$1.4 million in 4Q12 and R\$7 million in 2012.

(R\$ MILLION)	4Q11	4Q12	Δ%	2011	2012	Δ%
NET REVENUE	227.7	231.4	1.6%	873.9	937.1	7.2%

4Q11 Revenue Breakdown



4Q12 Revenue Breakdown



■ Means of Payment ■ Identification System ■ Telecom ■ Digital Certification

EBITDA

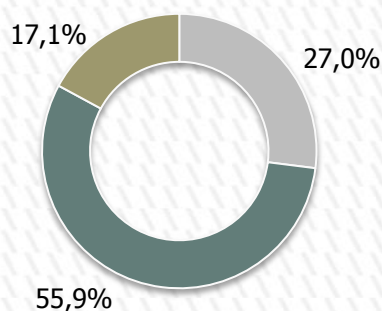
Adjusted EBITDA totaled R\$56.3 million in 4Q12, 0.2% up on 4Q11. Annual EBITDA grew by 10.4% over the previous year, from R\$200.4 million to R\$221.3 million, already including losses of R\$10.1 million from Digital Certification. At the beginning of 2012 we made a commitment to report the results of Digital Certification as non-recurring only in 1Q12 (R\$4.8 million), and that is what we have done.

The EBITDA margin came to 23.7% in 4Q12, 0.1 p.p. lower than in 4Q11. In 2012, the EBITDA margin increased by 0.6 p.p. over 2011, mainly due to the excellent results of the Identification Systems division.

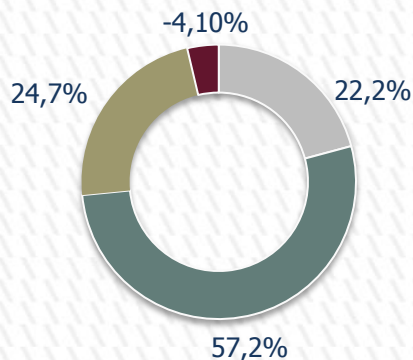
Payment Means accounted for 22.2% of consolidated EBITDA in 4Q12, 4.8 p.p. down on 4Q11, while Identification Systems represented 57.2%, 1.3 p.p. up on 4Q11, and Telecom significantly increased its share to 24.7% in 4Q12, 7.7 p.p. higher than in the same period last year.

(R\$ MILLION)	4Q11	4Q12	Δ%	2011	2012	Δ%
EBITDA ¹	56.2	56.3	0.2%	200.4	221.3	10.4%
EBITDA MARGIN ²	23.8%	23.7%	0.1p.p.	22.3%	22.9%	0.6p.p.

4Q11 EBITDA Breakdown



4Q12 EBITDA Breakdown



■ Means of Payment
 ■ Identification System
 ■ Telecom
 ■ Digital Certification

¹ Adjusted EBITDA

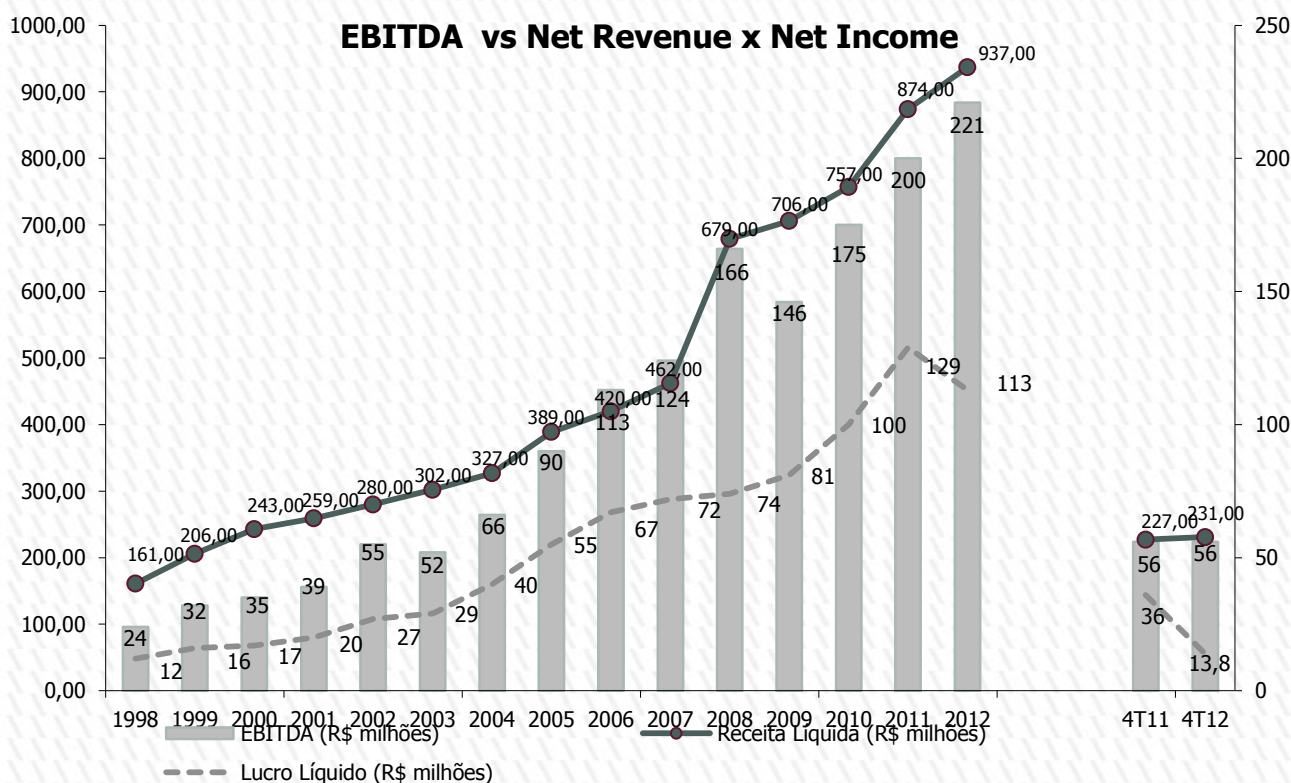
² Excluding equity income

NET INCOME

Adjusted net income fell by 62.1%, from R\$36.4 million in 4Q11 to R\$13.8 million in 4Q12. Adjusted annual net income decreased by 11.8% (from R\$128.7 million in 2011 to R\$113.5 million in 2012).

We observed a more significant drop in net income due to three reasons: (i) in 2011, Valid Certificadora's losses were considered as non-recurring by adjusting net income in the period by R\$9.2 million. In 2012, we only considered the 1Q12 results as non-recurring; (ii) no interest on equity were resolved on in 3Q12 and 4Q12, with a R\$4.2 million impact on net income in the period; and (iii) R\$14 million expenses from the acquisition of VMark.

(R\$ MILLION)	4Q11	4Q12	Δ%	2011	2012	Δ%
NET INCOME ³	36.4	13.8	-62.1%	128.7	113.5	-11.8%



³ Net income adjusted for deferred income tax and social contribution liabilities and non-recurring expenses.

PERFORMANCE OF BUSINESS DIVISIONS

PAYMENT MEANS

Net revenue from the division totaled R\$407.7 million in 2012, 1.3% up on 2011. In 4Q12, net revenue increased by 5.8% over 4Q11, already incorporating revenue from Valid U.S., which totaled approximately R\$15.0 million in the period.

EBITDA fell by 7.8% between 2011 and 2012 and by 17.8% in 4Q12 over 4Q11, still pressured by the slowdown in demand from banks.

The Brazilian banking sector underwent a transition, reviewing portfolios, especially those relating to the granting of credit to individuals and, throughout the year, we observed a higher-than-expected decline in orders for magnetic cards in Brazil, which was not accompanied by an increase in the volume of smart cards issued, impacting the results of this division and affecting our historical growth.

Despite the lower results from this division, we expect an improvement as of 2Q13, with the market and clients already projecting a recovery in credit growth and lower default levels, whose provisions contributed to the weaker results in 2012 and stagnation in demand.

Another point to be considered is the fact that around 35% of the magnetic cards have yet to migrate to EMV technology and we believe this process will be resumed in 2013 and completed in 2014.

We continue monitoring and already prepared for the mobile transactions segment, with the necessary expertise and partnerships to transform smartphones into mobile wallets. Our clients will increasingly use mobile technologies to access their clients and Valid has the ability to offer them a more complete package of solutions every day.

(R\$ MILLION)	4Q11	4Q12	Δ%	2011	2012	Δ%
NET REVENUE	99.4	105.2	5.8%	402.6	407.7	1.3%
EBITDA	15.2	12.5	-17.8%	62.5	57.6	-7.8%
EBITDA MARGIN	<i>15.3%</i>	<i>11.9%</i>	<i>-3.4p.p.</i>	<i>15.5%</i>	<i>14.1%</i>	<i>-1.4p.p.</i>
VOLUME	41.3	35.7	-13.6%	185.9	155.5	-16.3%

U.S. MARKET

VMark, Inc., (www.vmarkusa.com), established in 1969, consists of nine subsidiaries and is the leader in the production of financial plastic cards, gift cards and paper solutions for the banking market. It has approximately 1,200 employees located in Chicago and New Jersey.

The acquisition of VMark's assets in the United States expanded Valid's worldwide reach to key growing markets, including EMV smart card payments, ID cards/driver's licenses and secure mobile telecommunications solutions connecting brands and clients, in which Valid has become one of the leaders in South America. The Company is now preparing to support the upcoming migration of bank cards in the U.S. to microchip smart cards, which Valid has successfully transitioned with its South American clients.

EMV chip cards, globally used to replace magnetic stripe cards, significantly reduce frauds in transactions, and, as a result, American Express, MasterCard and Visa have announced their plan of migrating to a EMV payment structure in the USA, with implementation expected to start in early 2014.

The magnetic stripe card market in the USA is estimated at US\$1.5 billion and Vmark, currently Valid US, is the provider of these cards for four of the main US banks, which have already announced their plans of migrating to EMV in early 2014, following the timetable established by the credit card flags.

In 2013 we will take advantage of our expertise acquired in Brazil with the transition from magnetic to EMV cards to prepare our US unit for this new technology, where we should invest approximately US\$10.0 million of CAPEX for this purpose. We will also concentrate efforts to get our clients' confidence, presenting to them our culture of best solutions and services providers, which is widely recognized in the markets where we operate.

IDENTIFICATION SYSTEMS

The Identification Systems division recorded the highest growth throughout the quarters, even when compared with the previous period. In the year, we were not affected by the problems we faced in 2011 and the Identification Systems division strongly contributed to the Company's consolidated results.

The volume of driver's licenses issued increased by 8.1% in 4Q12 over 4Q11 and by 9.8% between 2011 and 2012. In 2Q12, São Paulo state launched a campaign to remind drivers whose licenses either had expired or were close to expiring of that fact, and thus a higher volume of driver's licenses were issued. Given the success of the campaign, other state transport departments have adopted this strategy, which we believe has contributed to the increase in volumes during the year.

The division's net revenue climbed 10.5% between 4Q11 and 4Q12. In 2012, net revenue totaled R\$297.5 million in 2012, 15.0% higher than the R\$258.7 million recorded in 2011.

The increase in revenue was due to a more favorable mix in the states where we added more services to the contracts, including biometrics in the collection of user information, ensuring greater efficiency, reducing fraud and improving the reliability of the information stored.

EBITDA came to R\$32.2 million in 4Q12, 2.5% up on the R\$31.4 million recorded in 4Q11, and R\$118.6 million in 2012, 21.9% higher than in 2011.

The EBITDA margin came to 41.9% in 4Q12, 3.2 p.p. lower than the 45.1% recorded in 4Q11, and 39.9% in 2012, 2.3 p.p. up on 2011.

(R\$ MILLION)	4Q11	4Q12	Δ%	2011	2012	Δ%
NET REVENUE	69.6	76.9	10.5%	258.7	297.5	15%
EBITDA	31.4	32.2	2.5%	97.3	118.6	21.9%
EBITDA MARGIN	45.1%	41.9%	3.2 p.p.	37.6%	39.9%	2.3 p.p.
VOLUME	3.7	4.0	8.1%	14.3	15.7	9.8%

TELECOMMUNICATIONS

The division's net revenue totaled R\$47.9 million in 4Q12, versus R\$58.7 million in 4Q11, and R\$224.9 million in 2012, a 5.8% increase over R\$ 212.6 million in 2011.

In 4Q12, EBITDA amounted to R\$13.9 million, 44.8% higher than the R\$9.6 million recorded in 4Q11. In 2012, EBITDA came to R\$55.2 million, 36.0% up on the R\$40.6 million recorded in 2011.

In 4Q12, the EBITDA margin stood at 26.1%, 13.2 p.p. higher than in 4Q11. In 2012, the EBITDA margin increased by 2.6 p.p., from 19.1% to 21.7%.

We observed progress in digital convergence with the adoption of Near Field Communication (NFC) technology for mobile payment transactions and government pressure to adapt the 4G LTE signal infrastructure, stimulating sales of differentiated 4G-chip smartphones. We do not know yet when these technologies will generate revenue for the Company, but we are getting prepared for the changes and will be ready with various solutions for our clients, as innovation, flexibility and adaptability have always been part of Valid's DNA.

(R\$ MILLION)	4Q11	4Q12	Δ%	2011	2012	Δ%
NET REVENUE	58.7	47.9	-18.4%	212.6	224.9	5.8%
EBITDA	9.6	13.9	44.8%	40.6	55.2	36.0%
EBITDA MARGIN	12.9%	26.1%	13.2.p.p.	19.1%	21.7%	2.6p.p.
VOLUME	28.4	17.4	-38.7%	80.5	82.1	1.9%

DIGITAL CERTIFICATION

As of 2Q12, this division's results were no longer reported as non-recurring and, although it reported negative EBITDA in the remaining quarters of the year, due to the greenfield nature of the business. As of 3Q12, we have been noticing an improvement in the results of this division. In 2012, 37,400 certificates were issued, which represents an estimated market share of 3%, generating net revenue of R\$7 million.

On December 20, 2012 we announced an important partnership with Boa Vista Serviços for the nationwide distribution of digital certificates. In accordance with this agreement, Valid Certificadora will provide all its technology, fully ratified and accredited by ICP-Brazil, to Boa Vista Serviços, which will rely on the penetration of its national distribution system to sell certificates, carry out compulsory validation in person, deliver digital certificates and serve its clients directly through its network.

With this partnership, Valid's corporate solutions offers and the market trend of increasingly using this technology to ensure the reliability of digital transactions, we are very confident that our market share will grow.

The division reported still negative EBITDA of R\$2.3 million in 4Q12, which, however, is significantly better than in 3Q12, when a R\$4.3 million loss was reported.

(R\$ MILLION)	1Q12	2Q12	3Q12	4Q12	2012
NET REVENUE	0.4	2.4	2.8	1.4	7.0
EBITDA	-4.8*	-3.5	-4.3	-2.3	-10.1
VOLUME	1.5	10.2	14.0	11.7	37.4

*1Q12 EBITDA considered as non-recurring.

CASH FLOW

Operating cash generation totaled R\$155.6 million in 2012, 25.6% up on 2011.

Investments totaled R\$250.45 million, and the main changes were:

- the acquisition of property and equipment: R\$43.1 million;
- the acquisition of PPI: R\$2.1 million;
- the acquisition of VMark's assets: R\$104.2 million;
- financial investments to guarantee the loan taken out by Valid U.S. with DB London: R\$102.9 million; and
- receipt of dividends from M4U: R\$1.8 million.

Financing activities totaled R\$36.4 million in the quarter, and the main changes were:

- the payment of R\$109.7 million in dividends and interest on equity;
- the payment of the 3rd and 4th installments related to the Company's first debenture issue, plus proportional interest totaling R\$91.9 million;
- the loan taken out by Valid U.S. with DB London used to acquire VMark's assets, totaling R\$100.1 million (US\$49 million);
- the raising of R\$130.0 million through debentures, used to guarantee the loan taken out by Valid U.S. with DB London;
- the R\$12.0 million financing raised by Valid Certificadora with the BNDES; and
- other: R\$4.0 million.

Position in 2012	R\$ MILLION
Opening cash balance	171.8
Operating cash flow	155.6
Capex	(43.1)
Payment of dividends and interest on equity	(109.7)
Financial investments	(102.9)
Acquisitions	(106.3)
Payment of debentures (Principal + Interest)	(91.9)
Funding	242.1
M4U dividends	1.80
Other	0.20
Closing Cash Balance	117.7

DIVIDENDS

Earnings	Date	Fiscal Year	Shareholding Position	Payment Date	Gross Amount per Share	No. of Shares	Net Amount	Income Tax	Gross Amount
Dividends	12/13/2011	2011	12/13/2011	1/9/2012	0.0552	55,332,310	3,058,819.39		3,058,819.39
IOE	12/13/2011	2011	12/13/2011	1/9/2012	0.1519	55,332,310	7,739,691.05	665,336.00	8,405,027.05
Dividends	4/26/2012	2011	4/26/2012	5/10/2012	1.1872	55,513,853	65,910,757.57		65,910,757.57
Dividends	8/14/2012	2012	8/14/2012	8/24/2012	0.0845	55,524,853	4,691,847.06		4,691,847.06
IOE	8/14/2012	2012	8/14/2012	8/24/2012	0.2300	55,524,853	11,632,692.60	1,138,023.59	12,770,716.19
Dividends	11/7/2012	2012	11/7/2012	11/27/2012	0.2800	55,524,853	15,546,958.84		15,546,958.84
Total IOE	-		-	-	0.0845	-	19,372,383.65	1,803,359.59	21,175,743.24
Total Dividends	-		-	-	1.7525	-	89,208,382.86		89,208,382.86

During the year, R\$108,580,766.50 million (net of income tax) were distributed between interest on equity and dividends, totaling a net amount per share of R\$1.96.

On January 21, 2013, the Company paid R\$11,224,601.26 in interest on equity (net of income tax).

On March 27, 2013, the Board of Directors approved the proposal to be submitted to the Annual Shareholders' Meeting to be held on April 30, 2013 for the payment of dividends of R\$ 18,486,393.48 relating to the results for 2012, corresponding to 50% of adjusted net income in 2012.

Due to the current low financial leverage and solid cash generation expected for the coming months and in order to optimize our capital structure, we remain committed to distributing at least 50% of our adjusted net income for 2013, without jeopardizing our policy of growth through acquisitions and the development of new businesses.

DEBT

Valid's gross debt totaled R\$402.8 million in 4Q12, R\$139.0 million of which was short-term debt and R\$263.8 million long-term debt. Net debt stood at R\$184.9 million.

The Company's gross debt comprises, primarily:

The 1st debenture issue, held in 2008, amounting to R\$180 million, for a term of five years, with a grace period of three years, half-yearly interest payments and yield of the CDI interbank rate+ 1.50% p.a. The outstanding balance of interests+princial will be settled in April 2013;

The 2nd debenture issue, held in October 2011, amounting to R\$100.0 million, for a term of two years and full amortization in October 2013, with yield of the CDI interbank rate+ 0.93%;

The 3rd debenture issue, held in December 2012, amounting to R\$130.0 million, for a term of one (1) year and six (6) months, with half-yearly interest payments and yield of the CDI interbank rate+ 1.20% p.a. This funding will be amortized through the 4th debenture issue, at the CDI interbank rate + 0.97%, in accordance with the minutes of the Board of Directors' Meeting published on the CVM on 02/25/2012.

A loan taken out by the subsidiary Valid U.S. with Deutsche Bank London in October 2012, in the amount of US\$49.0 million (corresponding to R\$100.0 million) at USD +2.64%, allocated to the acquisition of VMark's assets. This financing is guaranteed by CDB certificates of deposit with Deutsche Bank Brazil, in the same month, in the amount of R\$102.9 million, at the CDI interbank rate + 100%. A swap transaction was carried out for this investment and the Company maintains an active position in US dollar + 2.24% and a passive position in 100% of CDI. Eventual losses resulting from this instrument are fully offset by the variation of the loan to be paid at the US subsidiary. Financing taken out by the subsidiary Valid Certificadora, in September 2012, in the amount of R\$12.0 million (total approved financing amount: R\$29.0 million), at the TJLP long-term interest rate + 1.5% p.a. The outstanding balance will be settled in four years, with quarterly interest and a grace period of two years for the amortization. In February 2013, other R\$ 9.5 million were raised, totaling US\$ 21.5 million of total approved amount.

The Group have leased printing equipment used for manufacture or rendering of services at the amount of approximately R\$27 million for an average period of 6 years, with a call option of these assets at the end of the leasing contract. Interest rate for all obligations taken is 10.85% p.a.. Additionally, installements amounting to R\$ 18.1 million were paid in advance and will be deducted from future rendering of services.

Valid's financial indicators in 2012 remained well below the covenants of the Issues (1st Issue: Net Debt/EBITDA \leq 2.00x and EBITDA/Financial Expenses \geq 1.75x, 2nd Issue: Net Debt/EBITDA \leq 3.00x and EBITDA/Financial Expenses \geq 1.75x, 3rd Issue: Net Financial Debt/EBITDA \leq 3.00; and EBITDA/Net Financial Expenses \geq 1,75.).

	R\$ Million
Gross debt	402.8
Cash + restricted cash	220.6
Net debt	182.2
Net debt/* EBITDA	0.82
* EBITDA/* Financial expenses	17,3

* 12 months.

CAPITAL MARKETS

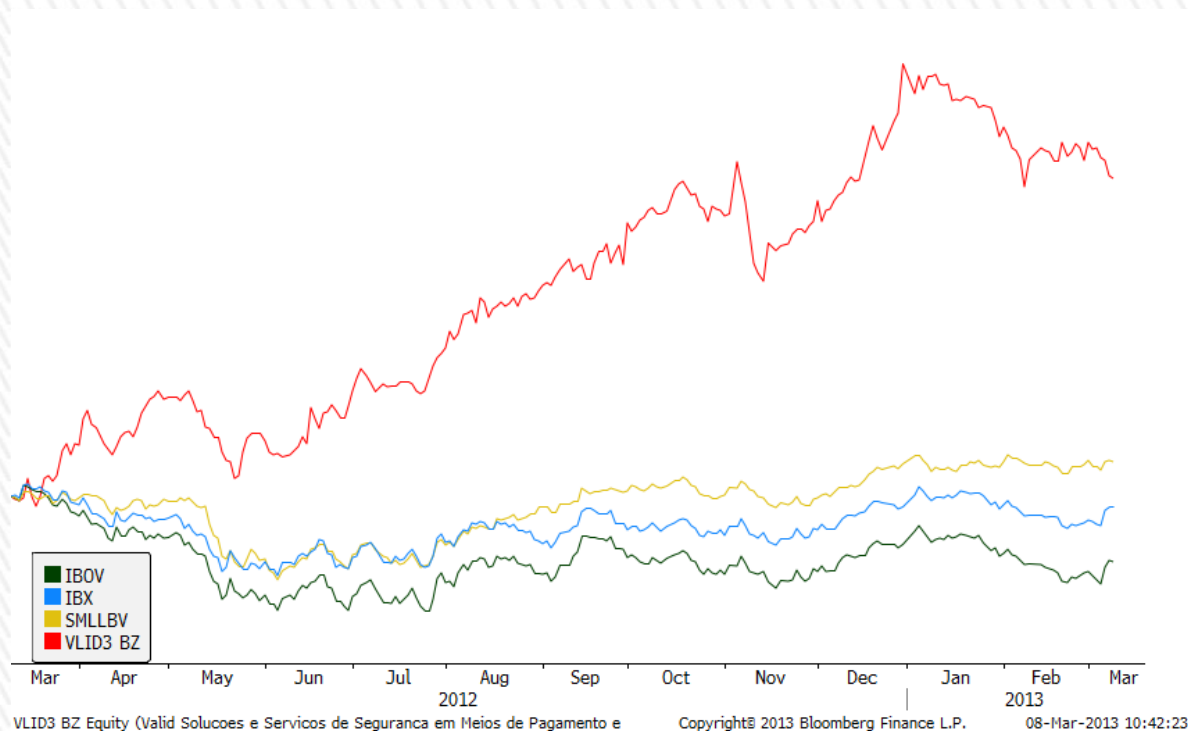
Valid's shares (VLID3) have been listed on the Novo Mercado special corporate governance segment of the São Paulo Stock Exchange (BM&FBovespa) since April 2006. Average daily trading volume was R\$8.3 million in 4Q12, 261% up on the R\$2.3 million recorded in 4Q11.

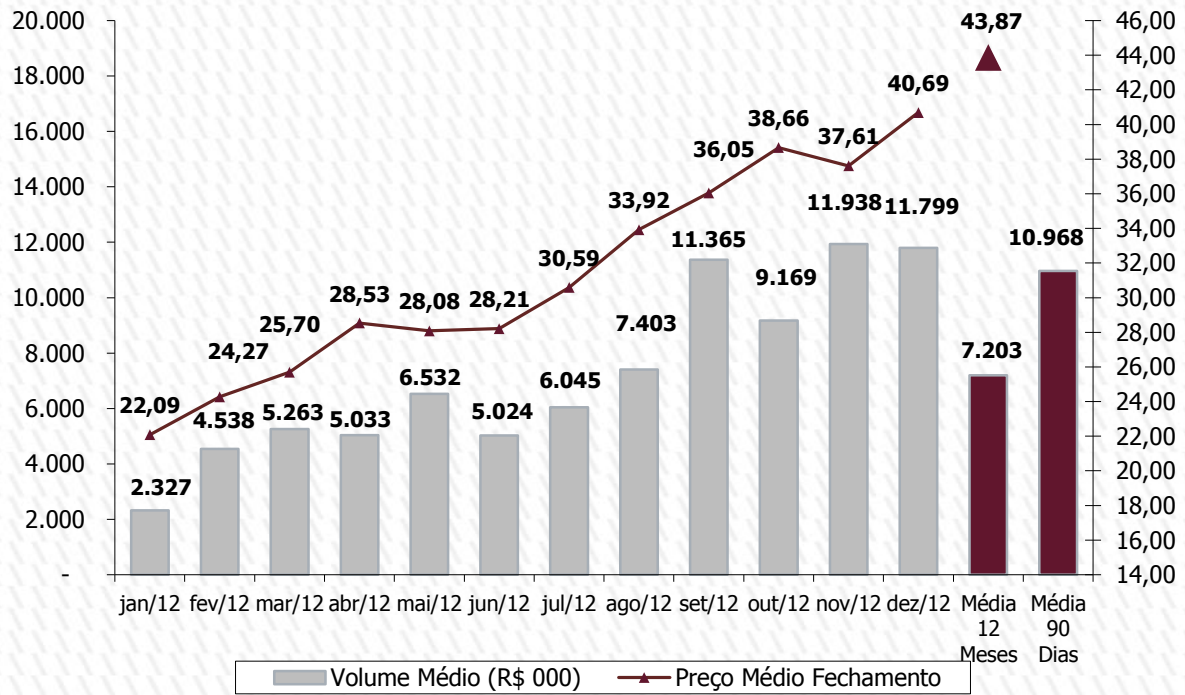
In 2012, Valid's shares appreciated 121%, while the Ibovespa index climbed 4%.

On December 28, 2012, VLID3 shares closed at R\$45.50, equivalent to a market cap of R\$2.6 billion.

2012 PERFORMANCE

VALID VS IBOVESPA VS SMALL CAPS VS IBX





Source: Bloomberg

EVENTS COVERING THE 4Q12 and 2012 RESULTS

Valid announces its 4Q12 and 2012 earnings release agenda:

4Q12 Conference Call/Webcast

March 28, 2013 - Wednesday

English:

12:00 p.m. (Brazil) / 11:00 a.m. (US ET) / 03:00 p.m. London

Number: +1 (412) 317-6776

Code: **Valid**

Replay*: +1 (412) 317-0088

Code: 10023708

Portuguese:

10:00 a.m. (Brazil) / 9:00 a.m. (US ET) / 01:00 p.m. London

Number: +55 (11) 2188-0155

Code: **Valid**

Replay*: +55 (11) 2188-0155

Code: Valid

**The conference call replay will be available for one week.*

Live webcast at www.valid.com.br/ir or

English:

<http://webcast.mzvaluemonitor.com/Home/Login/780>

Portuguese:

<http://webcast.mzvaluemonitor.com/Home/Login/776>

BALANCE SHEET
 (in R\$ million)

ASSETS	COMPANY		CONSOLIDATED	
	Dec 2011	Dec 2012	Dec 2011	Dec 2012
Current assets				
Cash and cash equivalents	124,2	30,7	171,8	117,6
Trade accounts receivable	88,3	89,9	153,5	177,0
Allowance for doubtful accounts	-0,6	-0,6	-1,0	-1,2
Receivables from related parties	2,7	0,1	-	-
Recoverable taxes	19,2	4,0	32,2	10,7
Inventories	73,6	72,2	100,3	107,6
Dividends receivable	4,6	25,1	-	1,1
Other receivables	5,2	14,1	4,3	21,6
Investments – restricted cash	-	2,7	-	2,7
Prepaid expenses	3,3	1,4	6,2	4,8
Total current assets	320,5	239,6	467,3	441,9
Non-current assets				
Judicial deposits	8,6	16,3	12,3	21,0
Recoverable taxes	-	5,1	3,6	8,5
Deferred tax assets	10,5	3,8	13,2	15,1
Other receivables	-	4,7	-	4,9
Receivables from related parties	-	8,6	-	-
Investments – restricted cash	-	100,3	-	100,3
Investments	307,7	297,0	3,4	4,6
Property and equipment	172,2	200,0	246,8	340,1
Intangible	6,3	7,7	169,0	172,2
Total non-current assets	505,3	643,5	448,3	666,7
Total Assets	825,8	883,1	915,6	1.108,6

BALANCE SHEET
 (in R\$ million)

	COMPANY		CONSOLIDATED	
	Dec 2011	Dec 2012	Dec 2011	Dec 2012
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Suppliers	36.0	29.1	63.0	66.5
Payable to related parties	-	0.1	-	-
Loans and financing	77.0	138.6	77.7	139.0
Debentures – interest	31.7	34.0	38.9	47.5
Payroll and related accruals and charges	14.2	5.8	28.2	12.6
Taxes, fees and contributions payable	-	-	0.6	0.5
Tax debt installments	10.8	-	10.8	-
Dividends and interest on equity payable	1.7	2.1	3.7	16.7
Total current liabilities	171.4	209.7	222.9	282.8
Non-current liabilities				
Suppliers	1.5	-	2.5	0.1
Loans, financing, debentures and leasing to pay	136.0	151.7	136.0	263.8
Tax debt installments	-	-	1.6	-
Provisions	11.5	8.4	22.3	13.5
Deferred taxes liabilities	-	-	20.0	29.8
Accounts payable – acquisition	-	-	4.0	4.0
Others accounts payable	2.1	0.2	3.0	1.5
Derivatives	-	0.6	-	0.6
Total non-current liabilities	151.1	160.9	189.4	313.3
Shareholders' equity				
Capital	360.0	360.0	360.0	360.0
Treasury shares	-7.5	-4.3	-7.5	-4.3
Capital reserve	6.1	6.7	6.1	6.7
Income reserve	79.3	130.6	79.3	130.6
Cumulative translation adjustment	-0.5	1.0	-0.5	1.0
Dividends and interest on equity capital additional	65.9	18.5	65.9	18.5
Total Shareholders' Equity	503.3	512.5	503.3	512.5
Total liabilities and shareholders' equity	825.8	883.1	915.6	1,108.6

QUARTERLY STATEMENTS OF INCOME
(In R\$ million)

	COMPANY		CONSOLIDATED	
	4Q11	4Q12	4Q11	4Q12
Gross revenue from sales and services	171.1	162.4	262.3	264.7
Taxes and returns	-24.8	-23.0	-34.6	-33.3
Net operating revenue	146.3	139.4	227.7	231.4
Cost of goods sold and services rendered	-116.1	-106.2	-163.0	-165.6
Gross profit	30.2	33.2	64.7	65.8
Operating income (expenses)				
Selling expenses	-9.8	-4.3	-17.2	-10.9
General and administrative expenses	-7.5	-7.6	-8.2	-9.0
Other net expenses	-0.8	-1.8	-1.9	-16.8
Equity pick-up	20.6	1.3	1.5	1.0
Earnings before financial income and expenses	32.7	20.8	38.9	30.1
Financial income	3.2	3.1	5.9	3.9
Financial expenses	-6.6	-5.1	-7.4	-8.0
Earnings before income and social contribution taxes	29.3	18.8	37.4	26.0
Current	0.2	-2.6	-6.2	-11.3
Deferred	-0.3	-4.4	-2.0	-2.9
Net income for the period	29.2	11.8	29.2	11.8

**ACCUMULATED STATEMENTS
OF INCOME**
(In R\$ million)

	COMPANY		CONSOLIDATED	
	2011	2012	2011	2012
Gross revenue from sales and services	691.3	698.2	1,016.1	1,078.7
Taxes and returns	-97.9	-98.3	-142.2	-141.6
Net operating revenue	593.4	599.9	873.9	937.1
Cost of goods sold and services rendered	-463.5	-448.8	-628.8	-659.6
Gross profit	129.9	151.1	245.1	277.5
Operating income (expenses)				
Selling expenses	-35.1	-33.4	-56.4	-59.3
General and administrative expenses	-30.7	-35.8	-33.7	-39.3
Other net expenses	-0.6	1.0	-3.1	-16.8
Equity pick-up	67.7	52.3	3.8	4.1
Earnings before financial income and expenses	131.2	135.2	155.7	166.2
Financial income	8.3	8.8	15.3	13.5
Financial expenses	-22.9	-20.6	-25.6	-27.2
Earnings before income and social contribution taxes	116.6	123.4	145.4	152.5
Current	-8.9	-13.9	-29.2	-41.8
Deferred	4.1	-6.7	-4.4	-7.9
Net income for the period	111.8	102.8	111.8	102.8
Number of shares	55.3	55.5	55.3	55.5
Net earnings per share at the end of the year – R\$	2.02	1.85	2.02	1.85

STATEMENTS OF CASH FLOW
(In R\$ million)

	COMPANY		CONSOLIDATED	
	4Q11	4Q12	4Q11	4Q12
Cash flows from operating activities	21.3	20.7	41.1	18.6
Net income for the year	29.2	11.8	29.2	11.8
Adjustments for reconciling income to cash and equivalents generated (applied) by operational activities				
Depreciation	4.6	5.1	6.0	7.8
Amortization	0.9	0.8	0.9	0.9
Provisions	1.0	(3.7)	(1.3)	(6.8)
Allowance for doubtful accounts, net	(0.1)	-	(0.1)	(0.1)
Deferred income and social contribution taxes	0.3	4.4	1.9	2.9
Gain on advantageous acquisition	-	-	-	(1.0)
Equity pickup	(20.6)	(1.3)	(1.5)	(0.9)
Interest expenses on debentures	6.0	3.0	6.0	3.4
Derivative operations	-	0.6	-	0.6
Changes in assets and liabilities	(0.0)	(5.5)	(10.0)	33.5
Trade accounts receivable	3.8	15.0	(3.2)	24.4
Recoverable taxes	(2.8)	0.1	(3.3)	4.8
Inventories	(0.8)	(4.3)	(8.1)	3.0
Judicial deposits	(2.5)	1.3	(2.9)	0.8
Restrictec cash investments	-	(7.3)	-	(3.1)
Other receivables	(3.3)	(2.7)	(0.3)	0.5
Suppliers	9.5	(5.2)	15.1	(2.1)
Payroll and related accruals and charges	(2.7)	6.0	(2.4)	7.6
Taxes, fees and contributions payable	2.4	(6.1)	5.8	(11.7)
Income tax and social contributions payable	(3.3)	(2.3)	(9.0)	9.3
Others liabilities	(0.3)	-	(1.7)	-
Net cash generated by operating activities	21.3	15.2	31.1	52.1
Cash flows from investing activities				
Acquisition and write-off of property and equipment	(10.4)	(7.4)	(13.6)	(6.9)
Acquisition and write-off of investment and intangible assets	10.7	(1.3)	(0.3)	(1.3)
Acquisition and write-off of shares held in Treasury	-	-	-	-
Dividends received	25.2	44.5	1.8	-
Investments - restricted cash	-	(102.9)	-	(102.9)
Vmark - assets acquisition	-	-	-	(104.2)
PPI acquisition less net cash acquired	-	-	-	(0.1)
Net cash used in investing activities	25.5	(67.1)	(12.1)	(215.4)
Cash flows from financing activities				
Dividends paid	(2.8)	(15.5)	(2.8)	(15.6)
Interest on own capital paid	(8.4)	-	(8.4)	-
Treasury shares	0.8	-	0.8	-
Leasing prepayment	-	(5.3)	-	(5.3)
Debentures	100.0	130.0	100.0	130.0
Payment of debentures	(36.0)	(36.0)	(36.0)	(36.0)
Interest payment over debentures	(9.6)	(7.9)	(9.6)	(7.9)
Financings	-	-	-	12.0
Interest payment over financings	-	-	-	(0.1)
Loans	-	-	-	100.1
Net cash used in financing activities	44.0	65.3	44.0	177.2
Accumulated translation adjustment	-	-	(1.0)	2.5
Net increase (decrease) in cash and cash equivalents	90.8	13.4	62.0	16.4
Cash and cash equivalents				
Cash and cash equivalents at the beginning of the year	33.4	17.3	109.8	101.2
Cash and cash equivalents at the end of the year	124.2	30.7	171.8	117.6
Net increase (decrease) in cash and cash equivalents	90.8	13.4	62.0	16.4

STATEMENTS OF CASH FLOW
(In R\$ million)

	COMPANY		CONSOLIDATED	
	2011	2012	2011	2012
Cash flows from operating activities	83.0	98.9	157.0	152.4
Net income for the year	111.8	102.8	111.8	102.8
Depreciation	17.6	19.9	23.8	30.1
Amortization	3.4	2.9	3.4	3.1
Provisions	0.6	(3.1)	(4.0)	(8.8)
Allowance for doubtful accounts, net	(0.1)	0.1	(0.1)	0.1
Provisions for obsolescence	-	4.2	-	4.2
Deferred income and social contribution taxes	(4.1)	6.7	4.4	7.9
Gain on advantageous acquisition	-	-	-	(1.0)
Equity pickup	(67.7)	(52.3)	(3.8)	(4.1)
Interest expenses on debentures	21.5	17.1	21.5	17.5
Grant options recognized	-	0.6	-	0.6
Changes in assets and liabilities	(25.7)	(30.0)	(33.1)	3.2
Trade accounts receivable	(20.2)	1.0	(27.7)	4.1
Recoverable taxes	(5.4)	10.1	(7.3)	16.5
Inventories	(4.9)	2.8	(15.3)	7.2
Judicial deposits	(3.3)	(7.7)	(4.5)	(8.7)
Investments - restricted cash	-	(20.9)	-	(17.8)
Other receivables	(8.3)	(10.0)	(7.1)	(0.7)
Suppliers	15.7	4.6	26.1	10.7
Payroll and related accruals and charges	5.1	9.9	6.9	24.1
Taxes, fees and contributions payable	10.1	(18.3)	31.9	(39.7)
Income tax and social contributions payable	(11.5)	(1.5)	(32.2)	7.5
Others liabilities	(3.0)	-	(3.9)	-
Net cash generated by operating activities	57.3	68.9	123.9	155.6
Cash flows from investing activities				
Acquisition and write-off of property and equipment	(28.3)	(24.0)	(38.5)	(37.3)
Acquisition and write-off of investment and intangible	8.7	(4.4)	(2.4)	(5.8)
Dividends received	35.2	44.5	2.7	1.8
Investments - restricted cash	-	(102.9)	-	(102.9)
Vmark assets acquisitions	-	-	-	(104.2)
PPI acquisition less net cash acquired	-	-	-	(2.1)
Net cash used in investing activities	15.6	(86.8)	(38.2)	(250.5)
Cash flows from financing activities				
Dividends paid	(12.0)	(89.2)	(12.0)	(89.2)
Interest on equity capital paid	(28.7)	(20.5)	(28.7)	(20.5)
Shares held in treasury	(23.1)	1.3	(23.1)	1.3
Leasing prepayment	-	(5.3)	-	(5.3)
Debentures	100.0	130.0	100.0	130.0
Debentures payment	(72.0)	(72.0)	(72.0)	(72.0)
Debentures interest payment	(20.6)	(19.9)	(20.6)	(19.9)
Financing	-	-	-	12.0
Financing interest payments	-	-	-	(0.1)
Loans	-	-	-	100.1
Net cash used in financing activities	(56.4)	(75.6)	(56.4)	36.4
Accumulated translation adjustment	-	-	2.8	4.3
Net increase (decrease) in cash and cash equivalents	16.5	(93.5)	32.1	(54.2)
Cash and cash equivalents				
Cash and cash equivalents at the beginning of the year	107.7	124.2	139.7	171.8
Cash and cash equivalents at the end of the year	124.2	30.7	171.8	117.6
Net increase (decrease) in cash and cash	16.5	(93.5)	32.1	(54.2)