

Earnings 1Q19

Conference call:

April 26th | 11AM (10AM EDT)

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Code: Fleury

Webcast: www.fleury.com.br/ri

In March 29th, 2018:

Total shares

316,113,442

Market cap

R\$ 6,449MM | US\$ 1,655MM

Share price

R\$ 20.40 /US\$ 5.24

Fleury ON

B3: FLRY3

Bloomberg: FLRY3 BZ

Thomson Reuters: FLRY3-BR

Debentures

BRFLRYDBS023

BRFLRYDBS031

BRFLRYDBS049

BRFLRYDBS056



Investor Relations

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São Paulo, April 25th, 2019 – Grupo Fleury announces today its 1st quarter 2019 (1Q19) results. All figures are compared to the same period of the previous year, unless otherwise stated, and are rounded to the nearest thousand, but may have differences when compared to the financial statements due to decimal digits.

Highlights

- Net Revenue of R\$ 700.6 MM (+7.2%)
- Cancellations represented 1.4%, maintaining stability compared to the same period of the last year.
- EBITDA of R\$ 196.7 MM (+5.8%), with margin of 28.1%.
- Net Income of R\$ 96.9 MM (+0.5%%).
- Return on Invested Capital (ROIC¹), excluding goodwill, reached 45.2%.
- First place in the ranking of the most hospitable companies in Brazil, according to the Brazilian Business Hospitality Institute (IBHE)
- Our NPS reached 75.6%, maintaining for one more quarter the stability of the high level of differentiation in our services.
- 95% of the new area launched in less than 24 months and 43% with less than 12 months.
- Launch of a dedicated structure to drug infusion in Morumbi PSC.
- Implementation of IFRS 16 - Leasing. For comparison purposes the following numbers are presented without the effect of IFRS 16. On pages 17 to 19 we detail the impacts with the adoption of this rule.

¹ Excludes the goodwill of the stockholder's equity. ² Considers the closing value of March 29th, 2019.

Financial Indicators

Indicadores Financeiros (R\$ milhões)	1T19	1T18	Variação
Receita Bruta	757.9	706.3	7.3%
Receita Líquida	700.6	653.3	7.2%
Lucro Bruto	216.3	213.4	1.4%
EBITDA	196.7	185.9	5.8%
Lucro Líquido	96.9	96.4	0.5%
Lucro Líquido Caixa ¹	98.8	104.3	-5.3%
Geração de Caixa Operacional	69.8	103.9	-32.8%
Glosas (% Receita Bruta)	-1.4%	-1.3%	-7.0 bps
Margem Bruta %	30.9%	32.7%	-179.0 bps
Margem EBITDA %	28.1%	28.5%	-39.0 bps
Taxa efetiva (IR/CSLL)	-27.0%	-26.6%	-41.0 bps
Margem Líquida %	13.8%	14.8%	-93.0 bps
Lucro Líquido Caixa / Receita Líquida	14.1%	16.0%	-187.0 bps
Ger. Caixa Operacional / EBITDA	35.5%	55.9%	-2039.0 bps
ROE (LTM)	20.5%	21.3%	-77.0 bps
ROIC (LTM)	15.8%	15.5%	36.0 bps
ROIC sem ágio (LTM)	45.2%	43.6%	159.0 bps

¹ "Net Cash Income": excludes the impact of deferred income tax

Management Comments

We started 2019 with a network enhanced by our expansion project to capture market and improve the profitability of our portfolio of brands.

Since the implementation of this growth front, we have completed 73% of the minimum range of the Expansion Plan announced in December 2016, which estimates the opening of 73 to 90 PSC's by 2021. This percentage corresponds to 53 new PSC's, or 19.4 thousand square meters of service area.

In 2019, it will be launched a fewer number of new PSC's than in recent years. We will work throughout this year to ensure that the new PSC's, which currently correspond to about 30% of the Company's total units, continue to capture the market and improve the profitability of our portfolio of brands.

The technical, medical and customer service excellence continues to be one of our pillars of market share expansion.

With a continued growth in the face of a reduction in the number of lives in recent years in the supplementary healthcare market, which is beginning to show signs of recovery, the Company's excellence and differentiation position continues to be reflected in the recognition of the public opinion.

In the quarter, the Weinmann brand was awarded as the most remembered and preferred in the Clinical Laboratory category for the 21st time in Rio Grande do Sul through the Brands of Who Decides survey.

For the 7th consecutive time, the Fleury brand won the first position in the ranking of the five most hospitable companies in Brazil promoted by the Brazilian Business Hospitality Institute (IBHE).

These recognitions are also reflected in the high level of Net Promoter Score (NPS) of our entire portfolio of brands, which reached 75.6%.

Conquests and relevant expansion have been registered in personalized medicine and precision.

Over the past few quarters, we have made significant strides towards putting the Fleury Genomics testing portfolio as the largest and most complete of Brazil. Through strategic partnerships, there was a considerable increase in the number of exams offered, covering practically all clinical conditions of relevance within genomics. At the same time, we have seen a significant growth in the Genomic business, especially the www.fleurygenomica.com.br site, an online platform that is responsible for approximately 10% of total revenues. It is worth mentioning that 80% of revenues are originated in regions where the Fleury Group does not have service units.

Our team of medical geneticists participated in the Annual Meeting of Clinical Genetics (ACMG 2019), organized annually by the American College of Medical Genetics and Genomics, which brings together researchers and physicians of various specialties, in order to discuss the latest scientific publications and the future of genetics. At the event, the medical team representing the Fleury Genomics presented two studies in the field of rare syndromes and medical genetics.

Innovation, Digital Transformation and Health Business Platform of the Fleury brand continues to accelerate.

With the objective of further improving our customers' experience in the utilization of our services and increasing our efficiency, we have created a dedicated space for the development of projects with our own teams, called Fleury Lab.

In the face of open innovation, we maintain 20 projects with startups in various initiatives such as integration and productivity via artificial intelligence; collection and laboratory of the future and intelligence of clinical data.

We launched in February 2019 a dedicated structure for the infusion of drugs at the Morumbi PSC, an initiative that integrates the Health Business Platform of the Fleury brand. The space has boxes for treatments, staff and pharmacy with complete structure. There are already two PSC's with infusion center services (Morumbi and Itaim), and other units of the brand have the structure to expand the offering, which should occur with the growth of demand, without the need for new investments.

Driven by growth in all the company's brands, 1Q19 results showed a growth of 7.3% in Gross Revenue and 7.2% in Net Revenue.

EBITDA increased by 5.8% to R\$ 196.7 million, with margin of 28.1%. Net Income increased 0.5%, reaching R\$ 96.9 million.

In capital markets, the number of individual investors increased from 21 thousand to 48 thousand in the quarter (+128%).

Prospects for strengthening the portfolio of brands and developing the new Fleury brand business.

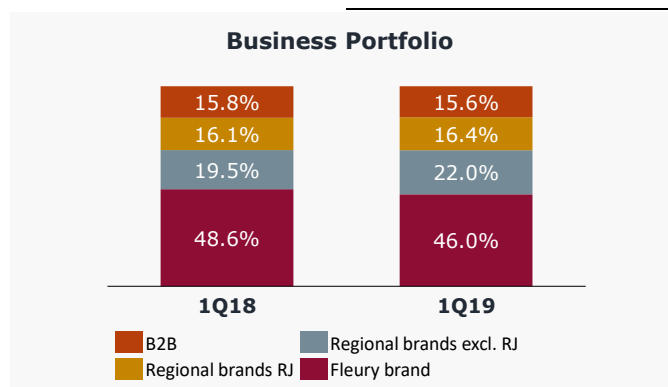
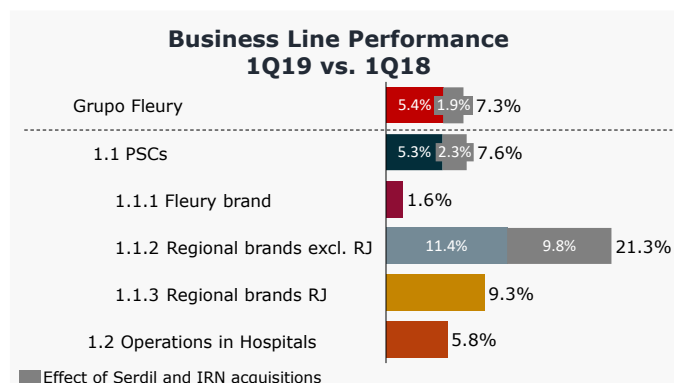
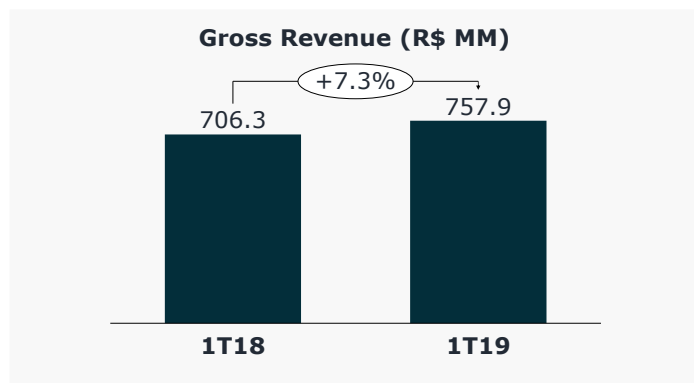
Throughout 2019, we will continue to deliver sustainable growth of our brand portfolio in diagnostic medicine, with the maturity of the profitability of the new units. In the Fleury brand, we remain confident with our *premium* positioning and our ability to increase our participation in this market, both in diagnostic medicine and in the initiatives that make up the Health Business Platform.

Financial Performance

Gross Revenue

Revenue reached R\$ 757.9 million in the quarter, an increase of 7.3%. The expansion of Regional Brands excluding Rio de Janeiro (+21.3%) and brands of Rio de Janeiro (+9.3%) was noteworthy.

Disregarding the PSCs from the acquisition of the Instituto de Radiologia de Natal (IRN), consolidated as of 2Q18, Gross Revenue in the quarter showed an organic growth of 5.4%.



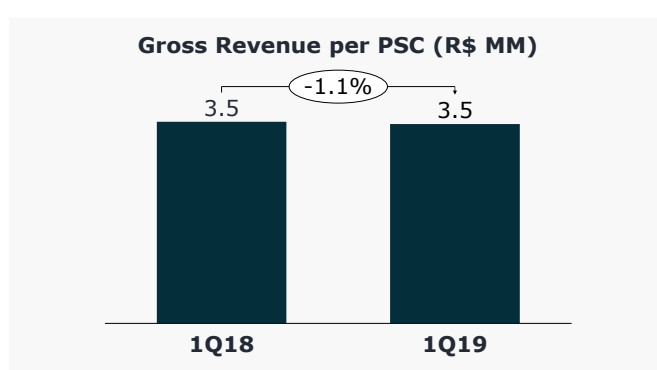
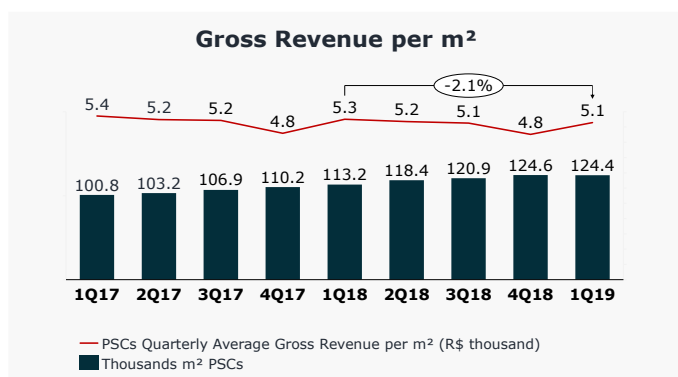
Gross Revenue and Asset Efficiency from Patient Service Center (PSC's)

The Gross Revenue of PSCs reached R\$ 640.0 million in 1Q19, an increase of 7.6%.

Excluding the PSCs from the acquisition of IRN, consolidated as of 2Q18, Gross Revenue of the PSCs in the quarter showed an organic growth of 5.3%.

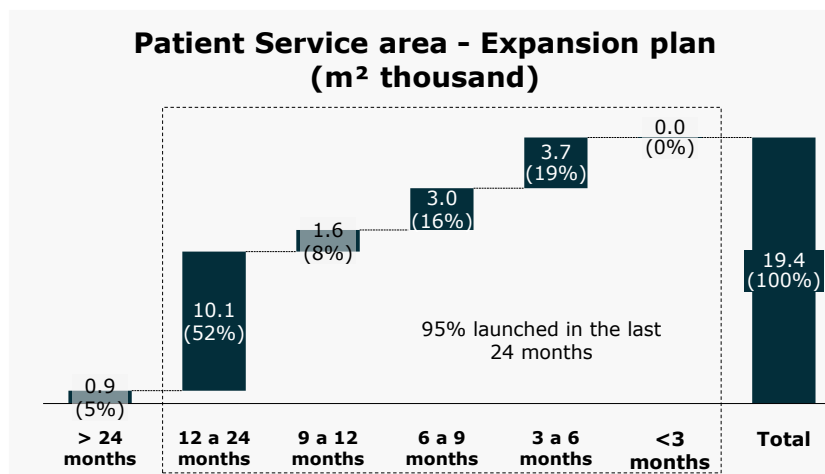
The efficiency indicators, measured by Gross Revenue per square meter and number of PSCs, reflect the Expansion Plan, which added a significant service area to our portfolio of brands. The new PSCs continue to advance in the maturation curves established in our planning to reach the potential of revenue and profitability.

In 1Q19, asset efficiency measured by the Gross Revenue per square meter decreased by 2.1% compared to the same period of 2018, while the efficiency of the Gross Revenue per PSC decreased by 1.1%, reaching R\$ 3.5 million per PSC in the quarter.



Since the announcement of our Expansion Plan in the last quarter of 2016 until March 2019, we have inaugurated 53 PSCs, corresponding to a gross increase of 19.4 thousand square meters of patient service area. Of this area, 95% were inaugurated less than 24 months ago. This means that most of these PSCs are still advancing on the maturation curve.

In addition to the PSCs inaugurated by the Expansion Plan, we added five new PSCs through acquisitions, of which one in the Serdil brand (Porto Alegre) and 4 in the IRN brand (Natal), representing 4,800 square meters of service area.



Gross Revenue per Test

The Gross Revenue per Test for the Fleury Group presented an increase of 0.6% in the quarter. This growth reflects the mix of tests, brands and segments carried out in the period, as well as the new price table resulting from the annual readjustment, based on the Broad Consumer Price Index (IPCA).

- PSC's: Gross Revenue per test remained stable in the quarter, reflecting mix of tests and brands in the period, as well as the annual price readjustment;
- Hospital Operations: Gross Revenue per test recorded growth of 0.7% in the quarter. The increase is a result of the process of maturation of the mix of tests of the new hospital operations, which has been observed in the previous quarters;
- Lab-to-Lab: presented a reduction of 6.0% in the quarter, impacted by the mix of tests in the period.

Gross Revenue per test	1Q19	1Q18	Variation
Grupo Fleury	38.6	38.3	0.6%
- Patient Service Centers	54.4	54.5	-0.1%
- Hospital Operations	14.2	14.1	0.7%
- Lab to Lab	34.5	36.7	-6.0%

Gross Revenue from PSCs

In 1Q19, PSC's grew 7.6% and 5.3% excluding PSCs from acquisitions. In the period Same Store Sales (SSS) increased 2.7%.

The calendar for the quarter was challenging as the Carnival holiday took place in March (versus February in 1Q18), which is historically the strongest month of the quarter.

Fleury Brand

Fleury's gross revenue presented an increase of 1.6% in the quarter. Given the economic scenario, the premium segment has shown a reduction in the number of beneficiaries in previous periods, this effect has reflected in the performance of the Fleury brand. Even in view of this scenario, we understand that the brand has expanded its market share in the premium segment, especially in the regions where we launched new PSCs.

We continue with the offering of new product and services to broaden our participation in the healthcare market and increase the occupancy of existing assets, as well as capture new customers with the current product and service portfolio, in a design of a differentiated healthcare platform.

Regional Brands excluding Rio de Janeiro



The Gross Revenue of the Regional Brands, excluding Rio de Janeiro, increased by 21.3% (+11.4% organic), mainly due to the increase in Gross Revenue in the a+ brand in São Paulo (+19.9%) and the Pernambuco Regional (+9.9%), both of which all growth is organic. Besides the calendar effect, we highlight:

In the regular process of expansion of the brand a+ in São Paulo, which represents 60% of the revenues of regional brands excl. RJ, we noticed that the PSC's inaugurated before 2017, already present a high level of occupancy and, therefore, we expect that most of the growth of the brand comes from the new PSC's inaugurated in the Expansion Plan. In 1Q19, the units inaugurated in 2017 and 2018 accounted for 75% of the brand's revenue growth.

In this quarter we began to consider the Serdil brand, acquired in 4Q17, in the organic basis of the regional brands.

Rio de Janeiro Brands



The Gross Revenue of Rio de Janeiro Brands grew 9.3% in the quarter.

The growth is the result of a number of factors, among which we have listed: (i) increased attendance in clinical analysis, (ii) expansion and optimization of the offer with an expanded scheduling for image tests, (iii) accreditation of new operators initiated since 4Q of the previous year, (iv) expansion of mobile attendance services routes, (v) relationship with physicians, and (vi) increase of penetration in the current healthcare operators portfolio.

It should be noted that during 2018 we presented a strong growth in volume in the Labs a+ and Felipe Mattoso brands and, consequently, the PSC's prior to the expansion plan already present a high level of occupancy. We note that the new PSCs have increased their share in the brands' growth, a trend we expect to see in the coming quarters.

Gross Revenue Indicators 1Q19 vs. 1Q18	Fleury Brand	Regional Brands excl. RJ	Brands RJ	Total (PSCs)
Indicators				
- Gross Revenue	1.6%	21.3%	9.3%	7.6%
- SSS	-0.1%	6.6%	6.4%	2.7%
- Gross Revenue / m ² *	1.6%	1.7%	-1.3%	-2.1%
- Gross Revenue / PSC*	1.6%	13.3%	-1.0%	-1.1%

* The Gross Revenue per sqm and Gross Revenue per PSC indicators are impacted by the Expansion Plan since the new PSCs are at the beginning of the maturation curve.

Gross Revenue from B2B

Hospital Operations

The Gross Revenue from Operations in Hospitals reached R\$ 107.4 million in the quarter, an increase of 5.8%. Growth in Same Hospital Sales (SHS) was 3.2% on the same period.

As mentioned in the previous quarter, in January 2019 we started the diagnostic operation at Casa de Saúde São José hospital in Rio de Janeiro, with an approximate volume of 400,000 tests per year and, in February 2019, we started a diagnostic operation at the recently inaugurated Sírio Libanês Hospital in Brasília.

Lab-to-lab

Gross Revenue was R\$ 9.0 million in the quarter, an increase of 0.1%.

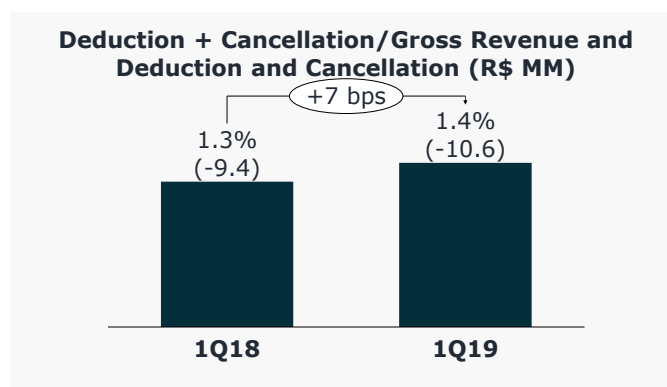
Preventive medicine

Gross Revenue reached R\$ 1.5 million in the quarter, with an increase of 40.9% compared to the same period of last year.

Revenue Tax and Cancellations/Deductions

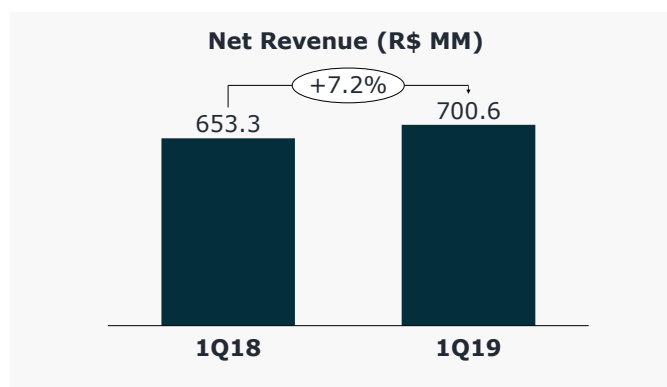
Taxes on Gross Revenue represented 6.2% in the quarter, a stable percentage compared to 1Q18.

In the quarter, the cancellations and deductions accounted for 1.4% of gross revenue, R\$ -10.6 million, and presented small increase of 7 *bps* versus 1Q18.



Net Revenue

Net Revenue totaled R\$ 700.6 million in the quarter, growth of 7.2%.



Cost of Services

Cost of Services in 1Q19 totaled R\$ 484.3 million, showing an increase of 10.1%. In relation to Net Revenue, costs represented 69.1%, an increase of 179 bps compared to the same period of the previous year.

Cost of Services breakdown	1Q19		1Q18		Variation	
	R\$ MM	% Net Revenue	R\$ MM	% Net Revenue	▲ %	▲ bps
Personnel and medical services	239.0	34.1%	224.4	34.4%	6.5%	-24 bps
General services, rentals and utilities	136.6	19.5%	122.5	18.7%	11.5%	75 bps
Materials and Test Intermediation	67.7	9.7%	59.8	9.1%	13.2%	51 bps
Depreciation and Amortization	39.5	5.6%	31.7	4.9%	24.6%	78 bps
General Expenses	1.5	0.2%	1.5	0.2%	-1.1%	-2 bps
Cost of Services	484.3	69.1%	439.9	67.3%	10.1%	179 bps

Below is the analysis of the main Cost of Service in 1Q19 compared to 1Q18:

- **Personnel and Medical Services (+6.5%)** are the main cost of the company and accounted for 34.1% of Net Revenue, a reduction of 24 bps. The efficiency gain of this line is related to the cost reduction with Profit Sharing Program (PLR) and with costs of our employees' health plans, through internal corporate health and care coordination programs.
- **General Services, Rentals and Utilities (+11.5%)** corresponded to 19.5% of Net Revenue, an increase of 75 bps. Part of the observed impact is explained by the shift from hiring IT support services, which changed from the personnel account to outsourced services. We also had a higher growth of the electricity bill and rentals account, impacted by the launch of 19 new PSC in the period.
- **Materials and Tests Intermediation (+13.2%)** accounted for 9.7% of Net Revenue, an increase of 51 bps. The increase in the relation with Net Revenue is associated with the growth in the volume of intermediation of genomic tests, where the cost matrix is more concentrated in this line.
- **Depreciation and Amortization (+24.6%)** amounted to 5.6% of Net Revenue, an increase of 78 bps in comparison with the previous period. The growth is the result of the Company's Expansion Plan with the opening of new service units and consequent impact on the increase of the depreciation with medical equipment and improvements in the new units.
- **General Expenses (-1.1%)** represented 0.2% of Net Revenue, a reduction of 2 bps.

Gross Profit

Gross Profit reached R\$ 216.3 million, which represents growth of 1.4%. The gross margin in turn reached 30.9%, a reduction of 179 bps versus the same period of the last year.

Operating Expenses and Equity in Subsidiaries

Operating Expenses totaled R\$ 72.3 million in the quarter, which represents an increase of 1.3%. Related to Net Revenue, this line represented 10.3%, a decrease of 60 bps compared to the same period of 2018.

Operating Expenses breakdown and Equity in Subsidiaries	1Q19		1Q18		Variation	
	R\$ MM	% Net Revenue	R\$ MM	% Net Revenue	▲ %	▲ bps
G&A	57.6	8.2%	56.8	8.7%	1.5%	-47 bps
Depreciation and Amortization	13.0	1.9%	12.5	1.9%	4.1%	-6 bps
Other Operating (Income) Expenses	0.1	0.0%	1.4	0.2%	-95.4%	-20 bps
Provision (Reversal) for Contingency	1.5	0.2%	1.0	0.2%	49.7%	6 bps
Equity in Subsidiaries	0.1	0.0%	(0.3)	0.0%	-132.9%	6 bps
Operating Expenses and Subsidiaries'	72.3	10.3%	71.3	10.9%	1.3%	-60 bps

Below, the analysis of the main lines of operating expenses in 1Q19 compared to 1Q18:

- **General and Administrative Expenses (+1.5%)** accounted for 8.2% of Net Revenue, a reduction of 47 bps. The improvement was driven by the reduction of expenses with Consultancy and Profit Sharing Program (PLR).
- **Depreciation and Amortization (+4.1%)** amounted to 1.9% of Net Revenue, a reduction of 6 bps.
- **Other operational Income/Revenues (-95.4%)** accounted for a reduction of 20 bps related to Net Revenue.
- **Provision for Contingencies (+49.7%)** represented 0.2% of Net Revenue, an increase of 6 bps.

Equity in Subsidiaries

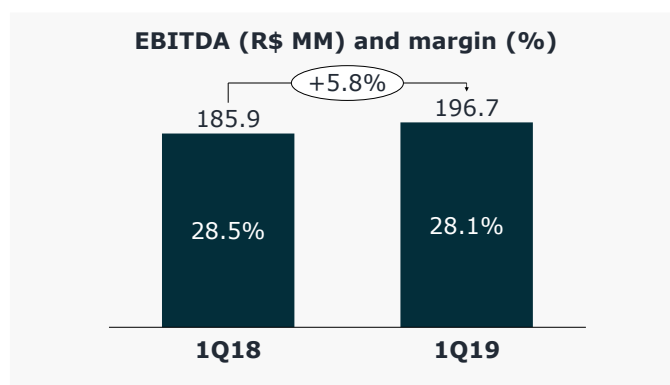
Grupo Papaiz, a dental diagnostics company in São Paulo, was acquired by the Fleury and Odontoprev at the end of 2012. The figures have been reported by equity equivalence method, considering the form of a Joint Venture in which Grupo Fleury holds a 51% stake of the business. Below is the performance in the 1Q19:

Equity in Subsidiaries Papaiz	1Q19		1Q18		Variation	
	R\$ thousand	% Net Revenue	R\$ thousand	% Net Revenue	▲ %	▲ bps
Net Revenue	6,338.9		5,571.8		13.8%	
EBITDA	1,305.9	20.6%	1,315.6	23.6%	-0.7%	-301 bps
Net Income	480.8	7.6%	628.7	11.3%	-23.5%	-370 bps
Net Income attributed to Grupo Fleury (51%)	245.2		320.7		-23.5%	

EBITDA

EBITDA reached R\$ 196.7 million in the quarter, an increase of 5.8%. The EBITDA margin reached 28.1% versus 28.5% in 1Q18, a reduction of 39 bps, despite impacts related to the expansion of new units.

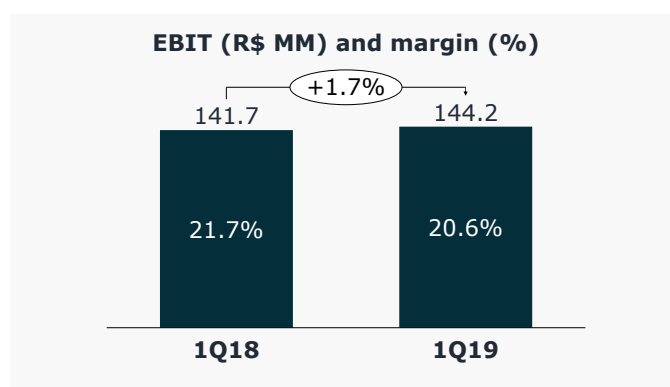
The strong performance of Regional Brands, which contributed with 38% of participation in the gross revenue resulted in improvements of EBITDA margin in most of the brands, that mitigated the effects of the new PSCs ramp up, as well as changes in the brands mix in the revenues.



EBITDA	1Q19		1Q18		Variation	
	R\$ MM	% Net Revenue	R\$ MM	% Net Revenue	▲ %	▲ bps
Net Income	96.9	13.8%	96.4	14.8%	0.5%	-93 bps
Financial Result	11.3	1.6%	10.7	1.6%	5.3%	-3 bps
Depreciation and Amortization	52.5	7.5%	44.2	6.8%	18.8%	73 bps
Income Tax and Social Contribution	35.8	5.1%	34.9	5.3%	2.7%	-23 bps
Equity in Subsidiaries	0.1	0.0%	(0.3)	0.0%	-132.9%	6 bps
EBITDA	196.7	28.1%	185.9	28.5%	5.8%	-39 bps

EBIT (Operational Income)

EBIT reached R\$ 144.2 million in the quarter, showing an increase of 1.7% versus 1Q18. The margin was 20.6%, a reduction of 112 bps.



Financial Result

The financial result reached R\$ -11.3 million, representing an increase of 5.3%. Financial revenues increased 19.1%, while financial expenses increased 12.0%.

Financial Result (R\$ MM)	1Q19	1Q18	Variation
Net financial income	(11.3)	(10.7)	5.3%
Financial income	12.1	10.2	19.1%
Earnings on financial investments	10.8	9.3	15.5%
Interest and inflation adjustment	1.3	0.8	59.6%
Financial expenses	(23.4)	(20.9)	12.0%
Interest on debentures and financing	(18.7)	(16.0)	16.4%
Interest and inflation adjustment	(4.7)	(4.9)	-2.6%

Indebtedness

In the quarter, the net debt/LTM EBITDA ratio reached 0.8x compared to 0.7x in the same period of 2018.

Composition of Net Debt (R\$ MM)	1Q18	4Q18	1Q19	Next 12 months
Gross Debt (Debentures and Borrowings and Acquisitions)	919.7	1,305.8	1,131.9	230.8
Cash, Cash Equivalents and Marketable Securities	(470.5)	(808.9)	(602.0)	
Net Debt	449.2	497.0	529.8	
Net Debt / EBITDA LTM	0.7x	0.7x	0.8x	
EBITDA LTM / Financial Result LTM	14.7x	13.3x	13.3x	

In the quarter, we amortized R\$ 166.7 million referred to the second debentures issuance and R\$ 7.3 million related to financing, payment of R\$ 13.0 million of interest, related to debentures and financing.

In 1Q19, we paid our shareholders R\$ 40.1 million through interest on shareholders' equity for the year 2018.

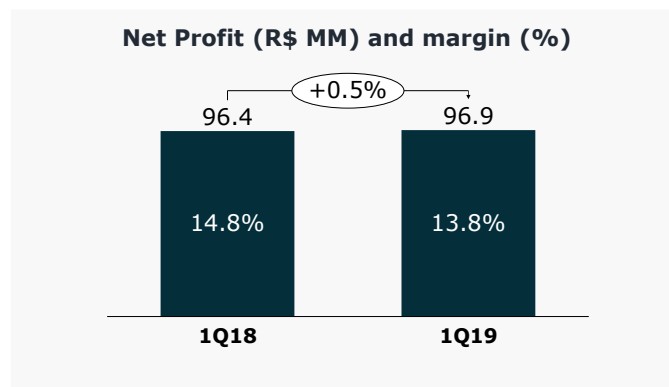
Income Tax and Social Contribution

In the quarter, income tax and social contribution on net income totaled R\$ 35.8 million. The effective rate was 27.0%.

Income Tax and Social Contribution (R\$ MM)	1Q19	1Q18	Variation
Earnings Before Tax (EBIT)	132.8	131.3	1.1%
Expected taxes	(45.1)	(44.7)	1.1%
Non-deductible expenses and incentives	(1.6)	2.4	-166.0%
Effective taxes linearization	10.9	7.3	49.6%
Subsidiaries' share of profits	(0.0)	0.0	-820.0%
Income tax and social contribution	(35.8)	(34.9)	2.7%
% EBIT (Effective Tax Rate)	27.0%	26.6%	41 bps
Current	(33.9)	(27.0)	25.7%
Deferred	(1.9)	(7.9)	-76.0%

Net Income

Net Income totaled R\$ 96.9 million, an increase of 0.5%. The Net Margin was 13.8%, a decrease of 93 bps.



Cash Flow

In the quarter, the Operating Cash Flow recorded R\$ 69.8 million, which represents a decrease of 32.8%. The conversion (Operating Cash/EBITDA) was 35.5%, compared to 55.9% in 1Q18.

The accounts receivables presented an increase of 13.4%, with the improvement of the average collection period, that reached 67 days versus 72 days in 1Q18. We also show in the cash flow negative effects on suppliers as a result of the cash effect of the strong concentration of investments in 4Q18. The average payment term reached 50 days (vs. 46 days in 1Q18).

In the quarter, Investment activities recorded R\$ 105.8 million compared to R\$ -11.1 million in 1Q18. Excluding the effect of investments in marketable securities, we presented a reduction in investment activities of 21.9% as a result of lower acquisition payments.

In 1Q19, financing activities recorded R\$ -224.8 million compared to R\$ -238.7 million in the same period of last year.

Cash Flow (R\$ MM)	1Q19	1Q18	Variation
Net Income	96.9	96.4	0.5%
Items not affecting cash:			
Financial revenues and expenses	19.1	12.6	52.0%
Depreciation and amortization	52.5	44.2	18.8%
Income tax and social contribution	35.8	34.9	2.8%
Provisions (Reversals)	19.9	21.9	-9.0%
Others	1.8	0.6	217.4%
Net Income before non-cash effects	226.1	210.5	7.4%
Δ Working capital:			
Accounts receivables	(61.0)	(53.8)	-13.4%
Inventories	3.6	4.9	-26.3%
Taxes recoverable	(11.4)	(7.9)	-43.6%
Suppliers	(27.1)	(6.7)	-305.1%
Salaries / Charges	(22.3)	(14.0)	-58.8%
Others Assets and Liabilities	(15.2)	(11.3)	-35.2%
Other Operating Cash Flow:			
Income tax and social contribution	(22.9)	(17.8)	-28.7%
Cash Flow from Operating Activities	69.8	103.9	-32.8%
Investment Activities:			
Acquisition of fixed and intangible assets	(48.1)	(32.5)	-47.7%
Interest income and dividends received	0.0	5.0	-99.6%
Marketable Securities	157.6	55.3	185.2%
Acquisitions Payments	(3.8)	(39.8)	90.5%
Others Investment Activities	0.0	1.0	-100.0%
Cash Flow from Investing Activities	105.8	(11.1)	1051.9%
Financing Activities			
Others Financing Activities	(191.5)	(197.2)	2.9%
Dividends and/or interest on capital	(35.0)	(41.4)	15.6%
Capital increase	1.6	0.0	0.0%
Cash Flow from Financing Activities	(224.8)	(238.7)	5.8%
Cash Flow	(49.2)	(145.9)	66.3%
Cash Flow Adjusted by Marketable Securities	(206.9)	(201.1)	-2.8%
Conversion (Operating Cash Flow / EBITDA)	35.5%	55.9%	-2039 bps

Account Receivables

In 1Q19, outstanding balances on total receivables reached 87.7%, compared to 88.9% in 1Q18. The amount overdue over 121 days increased from 5.2% in 1Q18 to 6.1% in 1Q19 and Accounts Receivable (CR) provisions over 121 days accounted for 68.5% of this amount (71.3% in 1Q18).

Aging Account Receivable R\$ MM	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19
Trade Receivables	520.3	495.0	508.7	531.5	579.8	552.9	574.0	529.2	580.1
- Current	439.0	427.7	437.1	464.6	515.3	481.3	505.8	465.2	508.6
- Up to 120 days past due	31.6	34.1	42.1	35.9	34.6	44.1	37.7	30.2	35.9
- 121 to 360 days past due	26.6	22.1	20.7	24.8	26.0	22.1	21.4	24.4	23.5
- Over 361 days past due	23.1	11.2	8.8	6.1	4.0	5.4	9.1	9.5	12.1
Sales Deductions Provisions	(40.6)	(28.0)	(23.0)	(19.2)	(21.4)	(19.5)	(23.4)	(23.8)	(24.4)
Total	479.7	467.0	485.7	512.2	558.5	533.3	550.6	505.4	555.7
Current / Trade Receivables	84.4%	86.4%	85.9%	87.4%	88.9%	87.1%	88.1%	87.9%	87.7%
Up to 120 days past due/ Trade Receivables	6.1%	6.9%	8.3%	6.8%	6.0%	8.0%	6.6%	5.7%	6.2%
Over 121 days past due / Trade Receivables	9.5%	6.7%	5.8%	5.8%	5.2%	5.0%	5.3%	6.4%	6.1%
Provisions / Over 121 days past due	81.7%	84.2%	77.9%	62.0%	71.3%	71.2%	76.6%	70.2%	68.5%

Expansion Plan

Since the beginning of the Company's expansion plan, in October 2016 and until March 2019, 53 service PSCs were inaugurated. These inaugurations correspond to 73% of the minimum and 59% of the maximum ranges of the Company's Expansion Plan guidance, which foresees the inauguration of 73 to 90 PSCs by 2021.

PSCs inaugurated by brand					
	Fleury Brand	Complexity	Patient Service Area (sqm)	State	Date
1	Fleury Santo André	Medium	587	São Paulo	feb/18
2	Fleury Carlos Weber	Medium	681	São Paulo	oct/17
3	Fleury Alameda Jaú	Fast site	380	São Paulo	set/17
4	Fleury Morumbi	Large	1,988	São Paulo	jul/17
5	Fleury Anália Franco	Large	1,214	São Paulo	jun/17
6	Fleury Heitor Penteado	Fast site	183	São Paulo	jun/17
7	Fleury São Caetano do Sul	Fast site	411	São Paulo	may/17
8	Fleury Cerro Corá	Fast site	233	São Paulo	apr/17
9	Fleury Ipiranga	Fast site	206	São Paulo	mar/17
10	Fleury Brasil	Fast site	235	São Paulo	jan/17
11	Fleury Moema	Fast site	126	São Paulo	dec/16
	Regional South	Complexity	Patient Service Area (sqm)	State	Date
1	a+ João Bettega	Small	128	Paraná	dec/17
2	a+ Água Verde	Small	171	Paraná	may/17
3	Weinmann General Vitorino	Small	113	Rio Grande do Sul	may/17
4	a+ Ecoville	Small	47	Paraná	feb/17
5	a+ Champagnat	Small	81	Paraná	feb/17
6	a+ Centro	Small	29	Paraná	feb/17
7	a+ Batel	Small	134	Paraná	dec/16
8	a+ Nossa Saúde	Small	79	Paraná	oct/16
	a+ São Paulo	Complexity	Patient Service Area (sqm)	State	Date
1	a+ Chácara Flora	Fast site	299	São Paulo	dec/18
2	a+ Verbo Divino	Fast site	196	São Paulo	dec/18
3	a+ Berrini	Fast site	199	São Paulo	dec/18
4	a+ São Bernardo do Campo	Fast site	517	São Paulo	sep/18
5	a+ Granja Viana	Fast site	231	São Paulo	aug/18
6	a+ Tatuapé	Large	1,483	São Paulo	aug/18
7	a+ Vila Andrade	Fast site	234	São Paulo	jul/18
8	a+ Brasil	Fast site	348	São Paulo	jul/18
9	a+ Alphaville Rio Negro	Fast site	230	São Paulo	jul/18
10	a+ Ipiranga	Medium	359	São Paulo	jun/18
11	a+ Funchal	Fast site	239	São Paulo	may/18
12	a+ Guarulhos	Large	832	São Paulo	apr/18
13	a+ Pedroso de Morais	Medium	421	São Paulo	dec/17
14	a+ Leôncio Magalhães	Medium	544	São Paulo	nov/17
15	a+ Queiroz Filho	Medium	673	São Paulo	oct/17
16	a+ Santo André	Medium	437	São Paulo	jul/17
17	a+ Augusto Tolle	Fast site	392	São Paulo	jul/17
18	a+ Itaim Bibi	Fast site	207	São Paulo	may/17
	Regional RJ	Complexity	Patient Service Area (sqm)	State	Date
1	Felippe Mattoso Mena Barreto	Fast site	276	Rio de Janeiro	dec/18
2	Felippe Mattoso Av. das Américas	Grande	1009	Rio de Janeiro	nov/18
3	Labs a+ Carioca	Fast site	559	Rio de Janeiro	nov/18
4	Labs a+ Posto 6	Média	318	Rio de Janeiro	nov/18
5	Labs a+ Freguesia	Média	363	Rio de Janeiro	nov/18
6	Labs a+ Flamengo	Média	478	Rio de Janeiro	nov/18
7	Felippe Mattoso Ipanema	Fast site	239	Rio de Janeiro	dec/17
8	Labs a+ Catete	Fast site	145	Rio de Janeiro	dec/17
9	Labs a+ Shopping Santa Cruz	Fast site	131	Rio de Janeiro	dec/17
10	Labs a+ Mariz e Barros	Fast site	134	Rio de Janeiro	dec/17
11	Labs a+ Uruguai	Fast site	129	Rio de Janeiro	nov/17
12	Labs a+ Santa Rosa	Fast site	148	Rio de Janeiro	oct/17
13	Labs a+ Campo Grande	Fast site	281	Rio de Janeiro	set/17
	Regional Brasília	Complexity	Patient Service Area (sqm)	State	Date
1	a+ Asa Sul	Fast site	58	Brasília	aug/17
2	a+ Sudoeste	Fast site	119	Brasília	aug/17
	Regional Pernambuco	Complexity	Patient Service Area (sqm)	State	Date
1	a+ Casa Forte	Small	151	Pernambuco	may/18
Total 53 PSCs			19,405 sqm		

Additionally, we listed below the five PSCs from the acquisitions, being four PSCs of the Institute of Radiology of Natal (IRN) and one of Serdil.

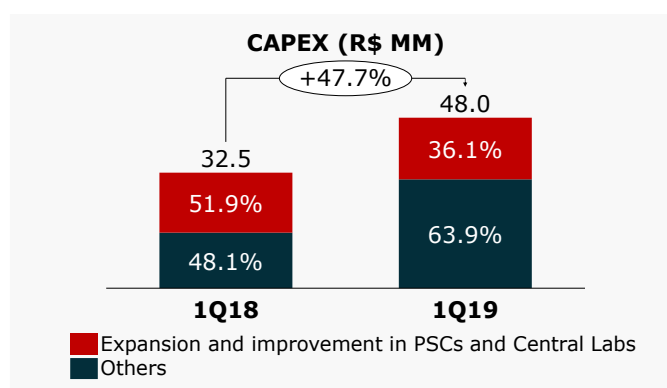
PSC	Complexity	Patient Service Area (sqm)	State	Date
1 IRN - Instituto de Radiologia Matriz	NA	1,697	Rio Grande do Norte	NA
2 IRN - Instituto de Radiologia Parnamirim	NA	477	Rio Grande do Norte	NA
3 IRN - Instituto de Radiologia Zona Sul	NA	1,317	Rio Grande do Norte	NA
4 IRN - Harmony Center	NA	98	Rio Grande do Norte	NA
5 Serdil	NA	1,213	Rio Grande do Sul	NA
Total 5 PSCs by acquisition		4,801		

Investments

Investments (additions to fixed and intangible assets) totaled R\$ 48.0 million in the quarter, of which 36.1% were concentrated in the Expansion Plan and improvements in PSCs. The group "Others" composed by IT, infrastructure, digital projects and equipment renovation accounted for 63.9%.

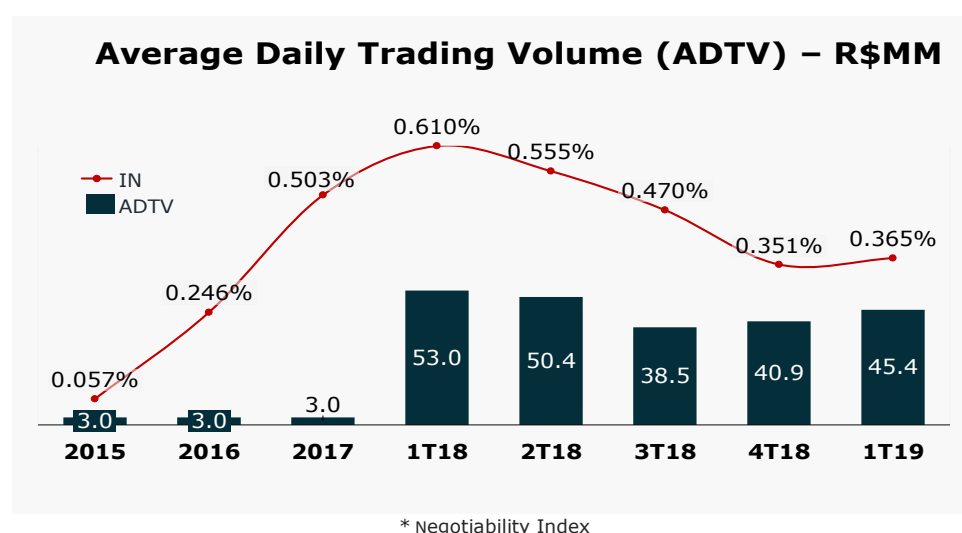
In 1Q19, investments grew by 47.7% compared to 1Q18. In Expansions there were investments in the expansion of imaging tests offering in the regional brands, expansion of the technical area of Rio Grande do Sul, carry over of investments made in the launched service units in the previous quarter.

In The group "Others", the main investments were concentrated in the remodeling of the service units related to infrastructure, replacement of imaging equipment, digital projects and IT.



Stock Market Performance

Fleury shares (B3: FLRY3) at the end of 1Q19 were quoted at R\$ 20.40. The Average Daily Trading Volume (ADTV) for the period was R\$ 45.4 million, an amount 14.3% lower than the registered in the same period of 2018.



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Performance Indicators

Operational Indicators	Description	Unit	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19
Income Statement											
Gross Revenue	Gross Revenue	R\$ MM	642.1	646.5	667.7	630.2	706.3	728.1	738.5	706.8	757.9
Net Revenue	Gross Revenue - Tax (ISS and PIS/COFINS) - Cancellations	R\$ MM	587.8	597.6	615.6	582.0	653.3	673.4	683.0	654.8	700.6
COGS	Personnel and Medical Services + Materials and Outsourcing + General Services, Rent and Utilities + General Expenses + Depreciation and Amortization	R\$ MM	-385.2	-410.9	-422.4	-428.5	-439.9	-460.1	-473.7	-482.2	-484.3
SG&A	Does not include Other Operating Expenses / Revenues, Contingency Provisions and Equity in Subsidiaries	R\$ MM	-58.5	-67.2	-65.5	-65.3	-69.3	-74.7	-72.0	-79.7	-70.6
EBIT	Earnings Before Interest and Taxes	R\$ MM	139.7	117.5	127.5	91.2	141.7	134.3	135.0	91.3	144.2
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization	R\$ MM	173.2	151.4	163.4	130.7	185.9	178.8	181.5	145.4	196.7
Net Finance Income	Interest Revenue - Interest Expenses	R\$ MM	-16.9	-12.7	-11.2	-8.3	-10.7	-14.8	-11.2	-15.3	-11.3
Net Income	Net Income	R\$ MM	81.6	87.9	86.6	64.6	96.4	86.6	90.3	58.2	96.9
Net Cash Income	Net Income - Deferred income tax	R\$ MM	105.6	92.2	112.7	82.2	104.3	85.7	106.1	63.7	98.8
Result Indicators											
Cancellation Index	Cancellations / Gross Revenue	%	-2.3%	-1.4%	-1.7%	-1.5%	-1.3%	-1.3%	-1.4%	-1.2%	-1.4%
Gross Margin	Gross Profit / Net Revenue	%	34.5%	31.3%	31.4%	26.4%	32.7%	31.7%	30.6%	26.3%	30.9%
EBIT Margin	Earnings Before Interest and Tax / Net Revenue	%	23.8%	19.7%	20.7%	15.7%	21.7%	19.9%	19.8%	13.9%	20.6%
EBITDA Margin	Earnings Before Interest, Tax, Depreciation and Amortization / Net Revenue	%	29.5%	25.3%	26.5%	22.4%	28.5%	26.6%	26.6%	22.2%	28.1%
Effective Tax Rate	Current Tax / Earnings Before Tax	%	-33.8%	-16.4%	-25.8%	-21.8%	-26.6%	-27.6%	-27.2%	-23.5%	-27.0%
Net Margin	Net Profit / Net Revenue	%	13.9%	14.7%	14.1%	11.1%	14.8%	12.9%	13.2%	8.9%	13.8%
Net Cash Income Margin	(Net Income - Deferred income tax) / Net Revenue	%	18.0%	15.4%	18.3%	14.1%	16.0%	12.7%	15.5%	9.7%	14.1%
Financial Debt											
Cash & Equivalents	Cash, Equivalents and Marketable Securities	R\$ MM	337.2	433.8	482.7	671.8	470.5	883.6	889.8	808.9	602.0
Gross Debt	Short and Long Term Debts (Borrowings and Debentures)	R\$ MM	825.4	837.5	858.4	1,069.6	919.7	1,418.1	1,422.3	1,305.8	1,131.9
Net Debt	Gross Debt - Cash and Cash equivalents	R\$ MM	488.2	403.7	375.7	397.7	449.2	534.5	532.6	497.0	529.8
Net Debt / EBITDA LTM	(Gross Debt - Cash and Cash equivalents) / EBITDA LTM	Multiple	0.9x	0.7x	0.6x	0.6x	0.7x	0.8x	0.8x	0.7x	0.8x
Profitability and Return											
ROIC without Goodwill (LTM)	NOPAT LTM (tax= 34%) / Capital Employed (Shareholders Equity + Net Debt - Goodwill)	%	35.6%	39.8%	43.6%	43.8%	43.6%	41.9%	41.3%	41.2%	45.2%
ROIC (LTM)	NOPAT LTM (tax= 34%) / Capital Employed (Shareholders Equity + Net Debt)	%	0.1x	13.9%	14.9%	15.5%	15.5%	15.3%	15.4%	15.3%	15.8%

IFRS 16 Impacts – leasing

We adopted the IFRS 16 - Leases as of January 1, 2019 and choose for the simplified retrospective transition approach, so to give better comparability within previous periods, we adopted the presentation of the results without the effect of IFRS 16, except when indicated.

In the following tables we show the main impacts of IFRS 16 in the Income Statement, Balance Sheet and Cash Flow. The main impact on our operations occurs in the accounting of real estate rental agreements (leases), where we develop our administrative, technical and service operations. Equipment and vehicles rental contracts also had an impact (for more information see explanatory note 2.2).

Income Statement Impacts IFRS 16 (R\$ million)	1Q19	IFRS 16	1Q19 IFRS 16	Note
Net Revenue	700.6		700.6	
Personnel and medical services	-239.0		-239.0	
General services, rentals and utilities	-136.6	36.5	-100.1	1
Materials and Test Intermediation	-67.7		-67.7	
Depreciation and Amortization	-39.5	-29.6	-69.1	2
General Expenses	-1.5		-1.5	
Cost of Services	-484.3	6.9	-477.4	
Gross Income	216.3	6.9	223.2	
Gross Margin	30.9%	99 bps	31.9%	
G&A	-57.6	2.1	-55.5	1
Depreciation and Amortization	-13.0	-1.7	-14.7	2
Other Operating (Income) Expenses	-0.1		-0.1	
Provision (Reversal) for Contingency	-1.5		-1.5	
Equity in Subsidiaries	-0.1		-0.1	
Operating Expenses and Subsidiaries'	-72.3	0.4	-71.9	
Financial Income	12.1		12.1	
Financial Expenses	-23.4	-13.3	-36.7	3
Net Financial Income	-11.3	-13.3	-24.6	
Income tax and social contribution - Current	-33.9	1.6	-32.3	4
Income tax and social contribution - Deferred	-1.9		-1.9	
Income tax and social contribution	-35.8	1.6	-34.2	
Net Income	96.9	-4.4	92.6	
Net Margin	13.8%	-62 bps	13.2%	
EBITDA	196.7	38.7	235.3	
EBITDA Margin	28.1%	552 bps	33.6%	

1. Rental costs and expenses were converted into Right of Use (Asset) and Financial Lease (Liabilities).
2. The Right of Use is being depreciated according to the average term of the lease contracts. We have adopted the average term of 10 years for real estate rental agreements.
3. The interest is calculated based on the obligation constituted in the Liabilities – Financial Lease. The percentage of interest is based on the debts issued by the company and the term of the lease contracts. The Price method was used to calculate interest.
4. The Current Income Tax and Social Contribution are impacted by the temporary reduction of Profit before Taxes and Social Contribution. The effective tax rate is not impacted by adoption.

Balance Sheet Impacts IFRS 16 (R\$ million)	1Q19	IFRS 16	1Q19 IFRS 16	Note
Total current	1,294		1,294.1	
Other non-current	1,698.2		1,698.2	
Property and Equipment	771.3		771.3	
Right of use	0.0	949.8	949.8	1
Total non-current	2,469.5	949.8	3,419.3	
Total assets	3,763.6	949.8	4,713.4	
Other current Liabilities	586.1		586.1	
Financial lease	0.0	103.6	103.6	2
Trade accounts payable	172.6		172.6	
Tax Provision	11.5	-0.8	10.7	3
Total current Liabilities	770.3	102.8	873.0	
Other non-current Liabilities	1,359.9		1,359.9	
Financial lease	0.0	851.9	851.9	2
Total non-current Liabilities	1,359.9	851.9	2,211.8	
Other Equity	1,535.9		1,535.9	
Net Income	97.5	-4.9	92.6	4
Total Equity	1,633.4	-4.9	1,628.6	
Total liabilities and equity	3,763.6	949.8	4,713.4	

1. Rental agreements must be recognized as a lease, constituting an asset, classified as Right of Use (see explanatory note 15). The depreciation term was stipulated based on the validity of our rental and renewal contracts, for the cases that we have "reasonable certainty" of continuity (90% are real estate).
2. Rental agreements must be recognized as a financial lease, constituting a Lease liability, taking into account the obligations of future payments, both of which are brought to present value (see explanatory note 18). The term of amortization of the lease was stipulated based on the validity of our rental contracts (90% are real estate) and renewal, in cases that we have "reasonable certainty" of continuity.
3. Income Tax and Social Contribution impacted by temporary effect on net income mainly due to the recognition of interest and monetary adjustments associated to the leases.
4. Net income for the year is impacted by the temporary effects, mainly due to interest recognition (Price method) and monetary adjustments associated to the leases.

Cash Flow Impacts IFRS 16 (R\$ million)	1Q19	IFRS 16	1Q19 IFRS 16	Note
Net Income Before Change in Assets and Liabilities	226.1	38.5	264.5	1
Change in Assets and Liabilities	-133.4		-133.4	
Income tax and social contribution paid	-22.9		-22.9	
Operating Cash Flow	69.8	38.5	108.3	
Total Investment Activities	105.8		105.8	
Total Financing Activities	-224.8	-38.5	-263.3	1
Cash Flow	-49.2	-0.0	-49.2	

1. Reclassification of leases (rentals) from operating activities to financing activities.

FLEURY S.A. CONSOLIDATED

Balance Sheet as of March 31, 2019 and March 31, 2018 (In R\$ thousands) – IFRS 16

	Consolidated	
	12/31/2018	12/31/2018
Assets		
		Liabilities and equity
Current		Current
Cash and cash equivalents	6,010	Financing
Marketable securities	596,021	Debtentures
Accounts receivable	555,691	Financial lease
Inventories	22,956	Derivative financial instruments
Taxes recoverable	32,359	Trade accounts payable
IRPJ e CSLL recoverable	59,595	Payroll and related taxes payable
Credits receivable	320	Taxes and contributions payable
Related Parties	199	IRPJ e CSLL payable
Other assets	20,906	Accounts payable - company acquisition
Total current	1,294,057	Dividends payable
		Other accounts payable
		Total current
Non-current		873,112
Credits receivable	7,859	
Other assets	7,572	Non-current
Judicial deposits	40,042	Financing
		Debtentures
		Financial lease
		Deferred income tax and social contribution, net
		Provision for tax, labor and civil risks
		Taxes and contributions payable
		Accounts payable - company acquisition
		Other accounts payable
		Total non-current
		2,211,763
		1,535,787
		Equity
Investments	13,551	Share capital
Property and equipment	771,305	Capital reserve - options granted recognized
Intangible assets	1,629,203	Legal reserve
Use of Right	949,809	Retained earnings
		Additional dividends proposed
Total non-current	3,419,341	Total equity
		1,628,523
		1,749,961
Total assets	4,713,398	Total liabilities and equity
		4,713,398
		3,910,448

FLEURY S.A. CONSOLIDATED

Income Statement as of March 31, 2019 and 2018 (R\$ thousands) – IFRS 16

	Consolidated	
	1Q19	1Q18
Revenue from services rendered	700,592	653,255
Cost of services rendered	(477,353)	(439,883)
	-	-
Gross Profit	223,239	213,372
Operating income (expenses)		
General and administrative	(70,196)	(69,253)
Other operating income (expenses), net	(63)	(1,386)
Provision for tax, labor and civil risks	(1,504)	(1,004)
Equity in the earnings (losses) of subsidiaries	(105)	321
	-	-
Operating profit before financial result	151,371	142,050
Financial income	12,098	10,157
Financial expenses	(36,680)	(20,880)
	-	-
Financial result	(24,582)	(10,723)
Earnings before income tax and social contribution	126,789	131,327
Income tax and social contribution:		
Current	(32,315)	(26,987)
Deferred	(1,900)	(7,911)
	-	-
Profit for the period	92,574	96,429
Earnings per share attributable to owners of the Company		
Basic earnings per share (weighted average)	0.29	0.31
Diluted earnings per share (weighted average)	0.29	0.30

FLEURY S.A. CONSOLIDATED

Statements of Changes in Equity as of March 31, 2019, 2018 and 2017 (R\$ thousands)-IFRS 16

	Share Capital		Capital Reserve		Revaluation reserve	Legal Reserve	Investment Reserve		Additional dividends proposed	Equity
	Share Capital	Share issue expenses	Options granted recognized				Investment Reserve	Profit for the period		
Balances on December 31, 2017	1,436,392	(22,784)	17,923	78	70,681	204,238	-	-	-	1,706,528
Stock option plan	-	-	2,154	-	-	-	-	-	-	2,154
Profit for the period (R\$0,87 per share)	-	-	-	-	-	-	96,429	-	-	96,429
Dividends	-	-	-	-	-	(204,238)	-	-	-	(204,238)
Balances on March 31, 2018	1,436,392	(22,784)	20,077	78	70,681	-	96,429	-	-	1,600,873
Balances on December 31, 2018	1,441,920	(22,784)	26,259	-	87,261	-	217,305	-	-	1,749,961
Capital increase	1,615	-	-	-	-	-	-	-	-	1,615
Legal reserve	-	-	1,678	-	-	-	-	-	-	1,678
Profit for the period	-	-	-	-	-	-	92,574	-	-	92,574
Additional dividends Proposal	-	-	-	-	-	-	(217,305)	-	-	(217,305)
	1,443,535	(22,784)	27,937	-	87,261	-	92,574	-	-	1,628,523

FLEURY S.A. CONSOLIDATED

Statements of Cash Flow as of March 31, 2019 and 2018 (R\$ thousands) – IFRS 16

	Consolidated	
	1Q19	1Q18
Profit for the period	92,574	96,429
Items not affecting cash:		
Income tax and social contribution	34,215	34,854
Financial and expenses income	32,436	12,593
Depreciation and amortization	83,838	44,204
Equity in the earnings (losses) of subsidiaries	105	(321)
Stock option plan	1,678	2,154
Constitution (reversal) of provision for tax, labor and civil risks	1,504	1,004
Estimated losses with allowance for doubtful accounts	10,692	9,879
Profit sharing	6,021	8,829
Other	1,473	878
Cash flows from operating activities before changes in assets and liabilities	264,536	210,503
(Increase) decrease in accounts receivable	(60,960)	(53,762)
(Increase) decrease in inventories	3,607	4,896
(Increase) decrease in taxes recoverable	(11,403)	(7,943)
(Increase) decrease in judicial deposits	879	(523)
(Increase) decrease in other assets	(12,935)	(4,235)
Increase (decrease) in trade accounts payable	(27,094)	(6,687)
Increase (decrease) in payroll and related charges	(22,301)	(14,045)
Increase (decrease) in tax liabilities	(2,040)	5,538
Increase (decrease) in taxes paid in installments	(990)	(9,121)
(Increase) decrease in other liabilities	(152)	(2,930)
Total variation in assets and liabilities	(133,389)	(88,812)
Income tax and social contribution paid	(22,885)	(17,785)
Net cash from operating activities	108,262	103,906
Acquisition of property and equipment and intangible assets	(48,051)	(32,535)
Sale of fixed assets	-	-
Marketable securities and interest earned	157,630	55,274
Redemption of marketable securities	-	-
Payments	(2,447)	-
Payments excepted cash	-	(39,829)
Dividends payment	-	968
Related parties increase	-	968
Acquisition of equity interest	(1,334)	-
Interest earned from financial investments	21	5,007
Net cash used in investing activities	105,819	(11,115)
Borrowings and debentures	-	-
Settlement (principal) of financing and debentures	(173,934)	(174,745)
Interest paid in financing and debentures	(12,972)	(21,892)
Financial expenses paid	(555)	(611)
Derivative financial instruments	(19)	-
Leasing	(38,474)	-
Capital integralization	1,615	-
Dividends and / or interest on shareholders' equity	(34,960)	(41,406)
Dividends	-	-
Related parties	-	-
Other	-	-
Operation risk taken out	(4,003)	-
Net cash used in financing activities	(263,302)	(238,654)
(Decrease) increase in cash and cash equivalents	(49,221)	(145,863)
Cash and cash equivalents		
At the beginning of the period	55,231	337,354
At the end of the period	6,010	191,491
Variation in cash and cash equivalents	(49,221)	(145,863)

FLEURY S.A. CONSOLIDATED

Statements of Value Added as of March 31, 2019 and 2018 (R\$ thousands) – IFRS 16

	Consolidated	
	31/03/2019	31/03/2018
Revenues	749,028	696,613
Goods and products sold and services rendered	757,572	706,271
Estimated losses with allowance for doubtful accounts	(10,692)	(9,879)
Other revenue	2,148	221
Inputs purchased from third parties	(264,353)	(241,506)
Cost of goods and products sold and services rendered	(247,171)	(180,829)
Materials, electricity, outsourced services and others	(17,127)	(60,374)
Loss/recovery of asset values	(55)	(303)
Gross value added	484,675	455,107
Depreciation and amortization	(83,838)	(44,204)
Net value added	400,837	410,903
Value added received through transfer	12,570	10,245
Equity in the earnings (losses) of subsidiaries	(105)	321
Financial income	12,675	9,924
	-	-
Total value added	413,407	421,148
	-	-
Distribution of value added	(413,407)	(421,148)
Personnel and charges	(164,044)	(178,771)
Direct remuneration	(111,849)	(103,997)
Benefits	(42,393)	(39,798)
Charges	(9,802)	(34,976)
Taxes, fees and contributions	(110,279)	(81,139)
Federal	(87,258)	(60,503)
Municipalities	(23,021)	(20,636)
State	-	-
Interest, rental and other operating expenses	(46,510)	(64,809)
Interest	(5,100)	(35,918)
Rental	(36,680)	(16,049)
Other operating expenses	(4,730)	(12,842)
Retained earnings	(92,574)	(96,429)