Ser Educacional records adjusted net income of R$63.9 million, a 9.0% growth compared to 1Q18

Recife, May 10, 2019 – Ser Educacional S.A. (B3 SEER3, Bloomberg SEER3:BZ and Reuters SEER3.SA), announces its results for the first quarter of 2019 (1Q19). The basis for presentation and analysis of results are described on page 3 of this document.

- **The total student base grew by 1.2%** in the quarter, from 160,000 students to 161,900 students, mainly due to the 52.5% increase in the Distance Learning student base (undergraduate + graduate).
- In 1Q19, **Adjusted EBITDA** for non-recurring effects totaled **R$97.1 million,** an increase of 24.1% compared to the R$78.2 million registered in 1Q18. Adjusted EBITDA margin was 7.3 p.p. higher, reaching 31.9%, versus 24.7% in 1Q18
- **The average collection period declined by 27 days**, from 111 days in 1Q18 to 84 days in 1Q19, mainly due to the reduction in the average collection period from the FIES program that offset the remaining balance of the agreement signed with the Federal Government in 2015.
- **Cash generated from operations reached R$16.6 million** in the quarter, up by 16.6% compared to 1Q18, mainly due to the increase in the regular student base.
- **Adjusted net income totaled R$63.9 million in 1Q19**, up by 9.0% compared to the comparable adjusted net income of R$58.7 million registered in 1Q18.
- **Adjusted income reached R$0.50 per share** in the quarter, up by 17.2% compared to R$0.42 per share in 1Q18 Comparable, due to the combined effect of the increase in adjusted net income in both periods and the repurchase of 9.7 million shares in the 2018 fiscal year, as of 2Q18.

1Q19 Conference Call
May 10, 2019

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Financial Highlights	1Q19	1Q18 Comparable	% Chg. 1Q19 x 1Q18
(R$ '000)			
Net Revenue	304,164	317,249	-4.1%
Adjusted Cash Gross Profit	191,627	198,561	-3.5%
Adjusted Cash Gross Margin	*63.0%*	*62.6%*	*0.4 p.p.*
Adjusted EBITDA	97,067	78,220	24.1%
Adjusted EBITDA Margin	*31.9%*	*24.7%*	*7.3 p.p.*
Adjusted Net Income	63,926	58,662	9.0%
Adjusted Net Margin	*21.0%*	*18.5%*	*2.5 p.p.*
Adjusted Net Income per Share	0.50	0.42	17.2%
Total Shares Ex-Treasury Shares	128,722	138,435	-7.0%

- The Board of Directors approved, at a meeting held on May 9, 2019, **the distribution of extraordinary dividends in the amount of R$250.0 million, representing R$1.942177 per share**, to be paid by May 24, 2019, based on the shareholding position of May 14, 2019 (ex dividends from May 15, 2019). The distribution of extraordinary dividends is aimed at optimizing the Company's capital structure. Accordingly, the Board of Directors also resolved to change its dividend policy by providing for a minimum distribution of 30% of net income, to be calculated semiannually.

- On the same date, the Board of Directors approved the **cancellation of 4,230,300 (four million, two hundred and thirty thousand and three hundred) common shares held in treasury**, or 3.2% of total issued shares, with the maintenance of the current share buyback program. With this cancellation, the Company now has 128,721,560 (one hundred and twenty-eight million, seven hundred, twenty-one thousand, five hundred and sixty) common shares.

- On April 16, 2019, the Company announced **the acquisition, through its subsidiary CENESUP, of UNINORTE in Manaus (AM)** for a purchase price (enterprise value) of R$194.8 million, from which the net debt of R$9.8 million will be deducted, as applicable. On December 31, 2018, UNINORTE had a total of 25,200 enrolled students – 23,200 undergraduate and 2,000 graduate students – as well as an adjusted EBITDA of R$18.7 million. The transaction is in line with Ser Educacional's strategy of becoming a relevant player in these regions and to maintain its presence in other regions of Brazil, as it strengthens its presence in the northern region of Brazil by taking on a significant number of undergraduate students in Manaus, through a brand recognized in the city, which won the top of mind survey in the last 8 consecutive years, and becoming a market benchmark in the two largest cities in this region, as the group is already a market leader in Belém, in the state of Pará. The transaction is subject to the fulfillment certain preceding conditions that are common for these types of operations and will be concluded as soon as such conditions are met.

- The Company has expanded **Distance Learning centers since the publication of the new regulatory framework for the Distance Learning segment**, in July 2017 – it now has 246 centers in operation, 29.5% more than the 190 centers in 1Q18.

- The **Annual and Extraordinary Shareholders' Meetings, held on April 30, 2019**, approved the change of the total number of members of the Company's Board of Directors from 5 to 6. At Meetings, the members of the Board of Directors of the previous fiscal year were reelected, and Mr. Sidney Levy was elected as the new independent member. Mr. Levy holds degree in Production Engineering from Universidade Federal do Rio de Janeiro (UFRJ), a master's degree in Engineering from Coordenação dos Programas de Pós-Graduação em Engenharia (COPPE-RJ) and a specialization in Administration from Institute of Management Development in Lausanne, Switzerland. He is an entrepreneur with solid knowledge in technology. He worked at Casa da Moeda do Brasil (Brazil Mint) between 1976 and 1981, then at Thomas de La Rue Brasil between 1981 and 1991. Mr. Levy also held the position of Managing Director of DLR Lerchundi in Spain between 1992 and 1994, President of the American Chamber of Commerce Rio between 2005 and 2007, and Chief Executive Officer of Valid from February 1994 to May 2011. Since then, he has been acting as Chairman of the Board of Directors of Valid, and since 2017, has been a member of the Board of Directors of Instituto Hermes Pardini. Also at the Annual General Meeting held on April 30, 2019, the Fiscal Council was reappointed for a term of one year.

Basis for presentation of results and adoption of IFRS 16 Leases / CPC 06/(R2) Lease operations

The information is presented in accordance with international financial reporting standards (IFRS) and consolidated in Brazilian reais (R$). Comparisons refer to the first quarter of 2018, unless otherwise indicated.

As of 1Q19, the Company adopted IFRS 16 – Leases / CPC 06 (R2), which replaces existing lease standards, including CPC 06 (R1) (IAS 17), Leasing Operations and ICPC 03 (IFRIC 4, SIC 15 and SIC 27), Complementary Aspects of Leasing Operations. The new standard establishes a single lease model, based on the right to use an asset for a period of time in exchange for consideration, similarly to financial leases.

For comparison purposes, the Company prepared the income statement for the previous quarters for the 2018 fiscal year applying the IFRS 16 standards (Pro Forma and Non-Audited by the independent auditors), and called these figures "Comparable 1Q18". The reconciliation of these results is demonstrated in the "IFRS 16 Reconciliation" section of this document.

Message from Management

2019 is proving to be important for the development of the Company's business plan. We reached significant advances at the beginning of the year, such as Distance Learning student base growth of 52.5% in 1Q19, compared to the same period in 2018, as a result of an investment started in 2014, when Distance Learning operations began, which were then intensified from June 2017, with the new regulatory framework for the segment published by the Ministry of Education. In addition, the Distance Learning operation has for the first time achieved a positive adjusted EBITDA, an important result given this business segment usually has higher operating margins and may lead to increasing returns on investments.

Also regarding organic growth, there are currently 14 on-campus units in the process of accelerating growth from 2020, as they are reaching their third year of operation. The third year of activity is an important milestone for new units, since they usually show higher student base growth rates as the educational institution brand become more recognized, with a wider product portfolio. There are also additional organic growth opportunities for the Fortaleza, Natal and Aracaju operations, which have already received visits from MEC, in preparation to be accredited as University Centers, which will allow the Company to open new on-campus units and courses.

Unit in Vitoria da Conquista (BA)
Campus 2.0 model

Furthermore, the Company is reformulating the course offering format in these new units, with the Campus 2.0 project. This project will be relevant to the business plan as it will lead to greater student intake compared to the previous unit launch model. In the Campus 2.0 model, the units will be launched with a higher number of approved on-campus courses with at least 10 courses (instead of 5 courses), including in the engineering and health areas, as well as already having their laboratories installed and being able to offer the complete portfolio of Distance Learning courses (the 100% online model, the premium model – with online theoretical classes and practical classes in the laboratory – and the semi-distance model – which combines on-campus theoretical classes and 100% online classes). The Campus 2.0 project is also being systematically used to transform mature units into units that offer a broader range of courses, which will bring evolution to existing units.

Overdrives: #serdigital startups accelerator

The Campus 2.0 is a result of the Ser Digital #serdigital initiatives, in partnership with the Accenture consulting firm, aimed at a true digital transformation of the Company, providing greater integration between on-campus and Distance Learning courses, further digitalization of its processes and adaptation of the Company's culture in search of innovative solutions for the development of its business.

In addition to the Campus 2.0 project, Ser Digital already has reached several developments, such as the launch of a new student portal, which includes the automation of a series of products and services, automation of internal projects and the creation of Overdrives, a startups accelerator that serve as an entrepreneurship incubator, as well as a source for academic development of business solutions, with the help of the Company's students and a business searcher in the EdTech segment.

The on-campus education segment, despite still suffering the effect of the low economic growth in recent years, presented, for the first time since 2017, growth in the number of new students, the first sign of recovery in this segment. However, this growth is not sufficient for the recovery of the student base, as dropout rate is still high due to current unemployment levels and low growth of the economy as a whole.

This year, the Company has also developed its third growth driver: acquisitions. In April 2019, the Company announced the acquisition of UNINORTE, the market leader and most recognized brand in Manaus (AM). With around 25,200 students, the institution represents an important strategic move, as the Company will hold the two most relevant brands in the Northern region of Brazil, since UNAMA, the market leader in Belém, is recognized as the best private university in the region. The Company estimates significant synergies and the opportunity to introduce the 100% online and the premium models of the Distance Learning segment in the city and state of Amazonas, making the main brands in the region part of the Ser Educacional group, in line with its organic expansion plan. The transaction still depends on CADE's approval.

UNINORTE

		
Campus Centro	*Campus Plaza*	*Campus Norte*

Uninorte campuses in Manaus (AM)

The 1Q19 results, in turn, reflect the maintenance of the cost and expense discipline plan introduced in 2Q18, even with the graduation and dropout of more than 16,000 FIES students and the adverse economic scenario. The Company continues with a solid operating free cash flow and high net cash flow, even after the acquisition of Uninorte for R$195.0 million, the repurchase of more than R$150 million of shares during 2018 and an investment budget of up to R$93 million approved at the last shareholders' meeting.

In this sense, the Board of Directors approved the distribution of extraordinary dividends in the amount of R$250.0 million and changed its dividend policy by providing for a minimum distribution of 30% of its net income. With these measures, the Company will have a cash position more in line with its current capital needs and remains ready to continue investing in its organic growth plan, as well as will maintain an unleveraged structure that allows it to continuously analyze acquisition opportunities and get on with its share buyback programs. The Company's Management remains confident in its business plan and aware of the challenges, especially related to Brazil's uncertain economic environment.

OPERATING PERFORMANCE

Despite the highly competitive environment, similar to that observed in 2018, the student intake process in 1Q19 was relatively in line with the Company's expectations. The industry still faces a scenario of prolonged unemployment and low economic growth, which leads to a lower disposable income of students for investment in education.

In thousands	1Q19	1Q18	% Chg
Undergraduate Enrollments	51.8	45.8	13.1%
Distance Learning	14.8	10.2	44.1%
On-campus	37.0	35.6	4.1%
Graduate Enrollments	3.1	1.6	89.3%
On-campus	0.4	0.9	-52.3%
Distance Learning	2.6	0.7	284.9%
Vocational (On Campus + Distance Learning)	1.0	0.2	432.1%
TOTAL	**55.9**	**47.6**	**17.4%**

Student Growth Trends

Number of Students	Undergraduate		Graduate		Vocational		Total
1Q19	On Campus	Distance Learning	On Campus	Distance Learning	On Campus	Distance Learning	Total
Dec18 Base	**127,837**	**13,759**	**5,235**	**3,123**	**183**	**72**	**150,209**
Enrollments	37,014	14,764	448	2,617	1,021	6	55,870
Leavers	(12,677)	(253)	(817)	(271)	-	-	(14,018)
Dropouts	(24,345)	(5,723)	(67)	(17)	-	-	(30,152)
Mar19 Base	**127,829**	**22,547**	**4,799**	**5,452**	**1,204**	**78**	**161,909**
% Mar19 Base / Dec18 Base	*0.0%*	*63.9%*	*-8.3%*	*74.6%*	*557.9%*	*8.3%*	*7.8%*
% Mar19 Base / Mar18 Base	*-5.8%*	*42.4%*	*-13.2%*	*116.1%*	*266.0%*	*-29.1%*	*1.2%*

The on-campus undergraduate base totaled 127,800 students, 5.8% lower compared to the 135,700 students registered in 1Q18, still due to the high dropout rate, a reflection of the current economic scenario of high unemployment levels and lower disposable income, combined with the Company's policy of maintaining its student base's credit risk profile adequate to its operating cash generation policy. In addition, the Company had a high volume of graduating students due to the higher number of students enrolled in previous years.

The Distance Learning undergraduate and graduate students base increased 52.5%, from 18,400 students in 1Q18 to 28,000 in 1Q19. The total student base grew by 1.2% compared to March 31, 2018.

The reduction in the FIES student base is generating a shift in the seasonality of enrollment and re-enrollment processes since 2017. More students are entering and renewing their contracts in the second quarter compared to previous years. In order to better demonstrate this seasonal effect, the Company presents in the table below, the variation of the student base between the end of 1Q19 and the end of April. This effect continues to occur during May and June, but seasonally lower.

Number of Students			
Business	03/31/2019	04/30/2019	% Chg.
On Campus Undergraduate	127,829	133,152	4.2%
Distance Learning Undergraduate	22,547	23,473	4.1%
On Campus Graduate	4,799	4,663	-2.8%
Distance Learning Graduate	5,452	5,942	9.0%
Vocational (On Campus + Distance Learning)	1,282	1,337	4.3%
Total	**161,909**	**168,567**	**4.1%**

Dropout Rate

On-campus undergraduate student dropout rate

The 1Q19 re-enrollment rate of on-campus programs reached 86.5% of the renewable base, a decrease of 0.4 p.p. compared to 1Q18, when the indicator was 86.9%. The 1Q19 dropout rate was 16.0%, versus 13.8% in 1Q18. This increase is mainly due to the maintenance of high unemployment levels in Brazil and the Company's re-enrollment policy, which focuses on the students' credit profile, as well as the seasonal effect resulting from the reduction of the FIES student base, for which the re-enrollment process used to take place in the first quarter, and is now shifting to the second quarter.

Average Net Ticket

Average Ticket (R$)	1Q19	1Q18	% Chg. 1Q19 x 1Q18
On Campus Undergraduate	729.02	734.55	-0.8%
Distance Learning Undergraduate	209.57	203.38	3.0%
Total Net Average Ticket	623.93	655.94	-4.9%

In 1Q19, the average ticket was R$729.02, down by 0.8% year-on-year, mainly due to the pass-through of inflation and the improvement in the course mix, gradually increasing the share of engineering and health courses, and offset the increase in discounts and scholarships in the year. It is also worth mentioning that, due to the intake strategy and the reduced FIES student base, the first and third quarters now have a higher volume of punctual discounts for the first and second monthly tuition fees and, consequently, the average ticket of these quarters tends to suffer a greater negative impact compared to the second and fourth quarters, which have a lower volume of discounts related to the intake process.

In the Distance Learning segment, the average ticket increased by 3.0% compared to 1Q18, mainly due to the improvement in the course mix in the engineering and health areas and the pass-through of inflation.

As the Distance Learning student base increased from 11% to 17% of the total student base and there was a reduction of the average ticket in the on-campus segment due to the factors mentioned above, the overall average ticket decreased by 4.9% in the quarter.

Student Financing

STUDENT LOANS	Dec/13	Dec/14	Dec/15	Dec/16	Dec/17	1Q18	Dec/18	1Q19
On Campus Undergraduate Students	**70,255**	**101,195**	**123,988**	**131,092**	**133,945**	**135,694**	**127,837**	**127,829**
FIES Students	31,432	48,048	56,089	58,840	55,565	44,858	40,427	31,243
% of FIES Students	44.7%	47.5%	45.2%	44.9%	41.5%	33.1%	31.6%	24.4%
EDUCRED Students			754	1,922	2,390	3,104	3,952	4,007
% of EDUCRED Students			0.6%	1.5%	1.8%	2.3%	3.1%	3.1%
PRAVALER Students			954	1,794	2,873	2,520	3,265	2,643
% of PRAVALER Students			0.8%	1.4%	2.1%	1.9%	2.6%	2.1%
Total Students Loans			57,797	62,556	60,828	50,482	47,644	37,893
% of Total Students Loans			46.6%	47.7%	45.4%	37.2%	37.3%	29.6%

On March 31, 2019, FIES students accounted for 24.4% of the on-campus undergraduate base, a 8.6 p.p. reduction compared to the 33.1% recorded at the close of 1Q18. This decline is due to the Federal Government's decision to reduce the number of vacancies in the FIES program as of 2015, with a further decrease as of 2018.

As of April 2015, the Company re-designed its student financing plans, offering new student financing products through PraValer, one of Brazil's largest private programs, and the re-launch of Educred, the Company's own student loan program, which enables students to pay a portion of their semiannual tuition fee after they graduate or drop out. With these changes in private financing alternatives, approximately 1,100 students enrolled through PraValer and Educred in 1Q19. On March 31, 2019, the Company had approximately 6,700 students enrolled through Educred and PraValer, equivalent to 5.2% of the 1Q19 on-campus undergraduate student base.

Organic Growth

In 1Q19, 54 new courses were authorized, giving a total of 1,659, while the number of vacancies in some courses also increased. As a result, in March 2019, the Company had approximately 1,037.3 thousand vacancies per year, 664,800 of which in the Distance Learning segment. Ser Educacional continues to develop its organic growth strategy based on the accreditation of new units and Distance Learning centers, as well as the authorization of new courses.

FINANCIAL PERFORMANCE

Gross Revenue

Gross Revenue - Accounting (R$ '000)	1Q19	1Q18	% Chg. 1Q19 x 1Q18
Gross Operating Revenue	**496,858**	**437,179**	**13.7%**
Undergraduate Monthly Tuition	454,810	410,008	10.9%
Graduate Monthly Tuition	7,584	7,239	4.8%
Vocational Courses Revenues	503	282	78.4%
Distance Learning Revenues	29,869	15,605	91.4%
Others	4,092	4,045	1.2%
Deductions from Gross Revenue	**(192,694)**	**(119,930)**	**60.7%**
Discounts and Scholarships	(131,608)	(62,510)	110.5%
PROUNI	(44,538)	(37,352)	19.2%
FGEDUC And FIES charges	(6,624)	(9,117)	-27.3%
Taxes	(9,924)	(10,951)	-9.4%
% Discounts and Scholarships/ Net Oper. Rev.	*26.5%*	*14.3%*	*12.2 p.p.*
Net Operating Revenue	**304,164**	**317,249**	**-4.1%**
Undergraduate Monthly Tuition	276,744	296,301	-6.6%
Graduate Monthly Tuition	5,368	5,512	-2.6%
Vocational Courses Revenues	471	264	78.4%
Distance Learning Revenues	17,660	11,266	56.8%
Others	3,922	3,906	0.4%

In 1Q19, gross revenue totaled R$496.9 million, up 13.7% on 1Q18. This increase reflects the pass-through of prices of 6% in the comparison between the two periods and the difference between 6% and 13.7% refers also to the better courses mix, but mainly to the final effect of the implementation of IFRS 15, which began to recognize monthly tuition fees without the discount for timely payment from 2018, being applied only to the open monthly fees in the first half of 2018 and to 100% of the monthly fees billed in the second half of 2018. This change led to a R$41.9 million increase in the gross revenue and in discounts and scholarships line in this quarter, which were not reflected in the first quarter of 2018.

Net revenue was R$304.2 million in 1Q19, a 4.1% decrease compared to 1Q18, mainly due to a 5.8% reduction in the on-campus student base, partially offset by the 52.5% growth in the Distance Learning undergraduate and graduate student base, which resulted in an increase of 1.2% in the total student base. This change in the student base mix with a higher volume of Distance Learning students, which went from 11% to 17% of the total student base, led to a 4.9% drop in the overall average ticket. As mentioned above, the change of rule in the application of IFRS 15 generated an increase of R $ 41.9 million in both gross revenue and punctuality discounts.

It is worth mentioning that the average ticket in the first and third quarters suffers a greater volume of sale discounts to attract new students, especially discounts on the first and second monthly tuition fees. This effect tends to be diluted throughout the first half of the year and, therefore, during the second half of the year the average ticket has shown growth compared to the first quarter since 2017.

Cost of Services Rendered

Breakdown of Cost of Services Rendered[1] Accounting (R$ '000)	1Q19	1Q18 Comparable	% Chg. 1Q19 x 1Q18
Cash Cost of Services Rendered	**(115,426)**	**(120,386)**	**-4.1%**
Payroll and Charges	(89,139)	(91,755)	-2.9%
Rent	(9,968)	(12,638)	-21.1%
Concessionaires (Electricity, Water and Telephone)	(9,109)	(9,201)	-1.0%
Third-Party Services and Others	(7,210)	(6,792)	6.2%

[1]Excluding depreciation and amortization.

The cash cost of services rendered (excluding depreciation and amortization) totaled R$115.4 million in 1Q19, down 4.1% on 1Q18. The most significant components of service costs increased in the quarter mainly due to the following reasons:

a) Payroll and charges decreased 2.9% over 1Q18, mainly due to the personnel structure optimization carried out in 2018 in order to adjust the teacher and employee base to the Company's current student base, especially in the on-campus higher education segment. In this scenario, the Company incurred non-recurring costs in the amount of R$2.9 million in the quarter, which can be better analyzed in the table presented below.

b) Comparable rental costs decreased by 21.1%, from R$12.6 million in 1Q18 to R$10.0 million in 1Q19, due to the reduction in the number of properties, as well as renegotiation of properties currently rented.

c) Concessionaires (electricity, water and telephone) decreased by 1.0%, from R$9.2 million in 1Q18 to R$9.1 million in 1Q19, due to the lower number of new campuses in operation, as part of the 2018 action plan, which went from 29 new campuses to 14 campuses effectively in operation, as well as the removal of the red flag tariff in the electricity bill, especially in the Northeast region, offset by tariff readjustment.

d) Third-party Services and Others rose 6.2%, from R$6.8 million in 1Q18 to R$7.2 million in 1Q19, due to the hiring of a larger number of service providers, mainly to support health courses (preceptorship and practical classes), costs related to licenses for Distance Learning courses and online modules for on-campus students, as well as the transfer of tuition revenue to partner centers.

The table below shows managerial operating costs, which are adjusted for non-recurring effects.

Breakdown of Cost of Services Rendered[1] Adjusted (R$ '000)	1Q19	1Q18 Comparable	% Chg. 1Q19 x 1Q18
Cash Cost of Services Rendered	**(112,537)**	**(118,688)**	**-5.2%**
Payroll and Charges	(86,250)	(90,057)	-4.2%
Rent	(9,968)	(12,638)	-21.1%
Concessionaires (Electricity, Water and Telephone)	(9,109)	(9,201)	-1.0%
Third-Party Services and Others	(7,210)	(6,792)	6.2%

[1]Excluding depreciation and amortization.

Gross Profit

Gross Profit - Accounting (R$ '000)	1Q19	1Q18 Comparable	% Chg. 1Q19 x 1Q18
Net Operating Revenue	**304,164**	**317,249**	**-4.1%**
Cost of Services Rendered	(138,061)	(137,791)	0.2%
Gross Profit	**166,103**	**179,458**	**-7.4%**
Gross Margin	54.6%	56.6%	-2.0 p.p.
(-) Depreciation	22,635	17,405	30.0%
Cash Gross Profit	**188,738**	**196,863**	**-4.1%**
Cash Gross Margin	62.1%	62.1%	0.0 p.p.

Comparable cash gross profit decreased by 4.1%, from R$196.8 million in 1Q18 to R$188.7 million in 1Q19. The cash gross margin stood at 62.1% in 1Q19, in line compared to 1Q18, when it also reached 62.1%, due to the 4.1% reduction in net revenues, comparing 1Q19 x 1Q18. The table below shows gross profit adjusted for the main non-recurring cost effects:

Gross Profit - Adjusted (R$ '000)	1Q19	1Q18 Comparable	% Chg. 1Q19 x 1Q18
Net Operating Revenue	**304,164**	**317,249**	**-4.1%**
Cost of Services Rendered	(135,172)	(136,093)	-0.7%
Adjusted Gross Profit	**168,992**	**181,156**	**-6.7%**
Adjusted Gross Margin	55.6%	57.1%	-1.5 p.p.
(-) Depreciation	22,635	17,405	30.0%
Adjusted Cash Gross Profit	**191,627**	**198,561**	**-3.5%**
Adjusted Cash Gross Margin	63.0%	62.6%	0.4 p.p.

Operating Expenses (Selling, General and Administrative)

Operating Expenses - Accounting (R$ '000)	1Q19	1Q18 Comparable	% Chg. 1Q19 x 1Q18
General and Administrative Expenses	**(89,123)**	**(118,971)**	**-25.1%**
Payroll and Charges	(34,899)	(35,110)	-0.6%
Third-Party Services	(12,785)	(8,204)	55.8%
Advertising	(19,727)	(35,771)	-44.9%
Materials	(3,377)	(5,448)	-38.0%
PDA	(6,528)	(15,689)	-58.4%
Others	(7,954)	(12,270)	-35.2%
Depreciation and Amortization	(3,853)	(6,479)	-40.5%
Operating Income	**75,478**	**61,449**	**22.8%**
General and Administrative Expenses (Ex-Depreciation and Amortization)	**(85,270)**	**(112,492)**	**-24.2%**

General and administrative expenses fell by 25.1%, from R$119.0 million in 1Q18 to R$89.1 million in 1Q19, mainly due to:

a) Payroll and charges, which decreased 0.6% over 1Q18, mainly fueled by the administrative staff optimization as a result of the 2018 action plan and non-recurring severance pay of R$1.1 million related to the adjustment of the administrative structure to support the Company's current student base. In addition, the impact on this line was not only more significant due to the fact that, in 1Q18, the Company opted for the reversal of the provision for the payment of bonuses to executives of approximately R$3.8 million in the quarter due to the non-achievement of the targets.

b) Third-party services, which had an increase of 55.8%, from R$8.2 million in 1Q18 to R$12.8 million in 1Q19, mainly due to the hiring of a consulting firm to carry out the Ser Digital project, as well as expenses with legal fees and audit services to carry out due diligence for the acquisition of Uninorte. The Ser Digital project has the long-term strategic goal of preparing the Company's digital transformation in order to improve the students' experience in all stages of the learning process and contact with the Company's educational institutions. In 1Q19, non-recurring expenses totaled approximately R$4.2 million related to these activities. Excluding these non-recurring effects, the Rendered Services line showed a reduction of 8.1% in the comparison between quarters, in this case mainly due to the outsourcing of cleaning services and building maintenance.

c) Advertising expenses, which fell 44.9%, from R$35.8 million in 1Q18 to R$19.7 million in 1Q19, representing 6.5% of net revenue, down 4.8 p.p. from the 11.3% in 1Q18. The decline compared with 1Q18 already reflects the change announced in the 2018 action plan, which included, in addition to the reduction in institutional marketing volume, a downturn in general expenses in cities such as Salvador, Maceió, João Pessoa and Fortaleza, due to the withdrawal of the Joaquim Nabuco brand from these markets, in order to focus efforts on the UNINASSAU brand.

d) The Provision for Doubtful Accounts and Effective Losses line decreased by 58.4% compared to 1Q18, dropping from R$15.7 million in 1Q18 to R$6.5 million in 1T19, as a result of the reversal of R$16.0 million caused by a change in the PDA estimation criterion, partially offset by the actual loss of R$8,2 in accounts receivable. In the first quarter of 2019, in the context of the evaluation of the rules for the implementation of IFRS 9 (crop provisioning), the Company revised its estimates for the creation of the PDD based on the recent history of recovery of open credits between 361 and 720 days (only up to 360 days), according to the policy implemented at the end of the first half of 2017. As in 2018 this history was still insufficient to allow more assertive conclusions, the Company maintained its recovery history of 360 days and reassessed the criterion for 2019. On the other hand, the Company incurred losses related to the outstanding monthly installments in 2018, which were invoiced with value on the 30th, without considering the scholarships and the punctuality discounts lost due to the default, but which were renegotiated in the first quarter of 2019 including part of these scolarships and discount.

e) Materials, which fell 38.0%, from R$5.4 million in 1Q18 to R$3.4 million in 1Q19, due to the ongoing expense reduction plan, which led to a downturn in these expenses in existing operations and a decline in accreditation of new courses and units.

f) Other expenses, which decreased 35.2%, from R$12.3 million in 1Q18 to R$8.0 million in 1Q19, following a decrease in the number of new units in preparation to be accredited.

The table below shows managerial general and administrative expenses, adjusted for non-recurring effects.

Operating Expenses - Adjusted (R$ '000)	1Q19	1Q18 Comparable	% Chg. 1Q19 x 1Q18
General and Administrative Expenses	**(83,789)**	**(116,045)**	**-27.8%**
Payroll and Charges	(33,776)	(34,408)	-1.8%
Third-Party Services	(8,574)	(7,928)	8.1%
Advertising	(19,727)	(35,771)	-44.9%
Materials	(3,377)	(5,448)	-38.0%
PDA	(6,528)	(15,689)	-58.4%
Others	(7,954)	(10,322)	-22.9%
Depreciation and Amortization	(3,853)	(6,479)	-40.5%
Adjusted Operating Income	**83,701**	**66,073**	**26.7%**
General and Administrative Expenses (Ex-Depreciation and Amortization)	**(79,936)**	**(109,566)**	**-27.0%**

EBITDA and Adjusted EBITDA

EBITDA (R$ '000)	1Q19	1Q18 Comparable	% Chg. 1Q19 x 1Q18
Net Income[1]	**56,092**	**54,046**	**3.8%**
(+) Net financial expense[2]	16,601	6,077	173.2%
(+) Income and social contribution taxes	2,785	1,326	110.1%
(+) Depreciation and amortization	26,488	23,884	10.9%
EBITDA[1]	**101,966**	**85,333**	**19.5%**
EBITDA Margin	33.5%	26.9%	6.6 p.p.
(+) Revenue from Interest on Agreements and Others[2]	5,101	5,593	-8.8%
(+) Non-recurring costs and expenses[3]	8,223	4,624	77.8%
(-) Minimum rent paid[4]	(18,223)	(17,330)	5.2%
Adjusted EBITDA[5]	**97,067**	**78,220**	**24.1%**
Adjusted EBITDA Margin	31.9%	24.7%	7.3 p.p.

1. EBITDA is not an official accounting measurement.
2. Revenue from interest on agreements and others comprises our net financial result arising from revenue from interest and fines on tuition fees corresponding to financial charges on renegotiated and overdue tuition fees.
3. Non-recurring costs and expenses are mainly related to costs and expenses from mergers and acquisitions, severance expenses arising from the workforce optimization process and the Ser Digital project, which would not affect the usual cash flow.
4. Minimum rent refers to rental agreements recorded under financial leasing in accordance with CPC 6. The expenses from such leasing are not recorded under EBITDA, but are part of adjusted EBITDA.
5. Adjusted EBITDA corresponds to EBITDA plus (a) financial revenue from fines and interest on tuition, (b) non-recurring costs and expenses, and (c) minimum rent paid.

Cash generation measured by Adjusted EBITDA amounted to R$97.1 million in 1Q19, an increase of 24.1% compared to the R$78.2 million posted in 1Q18. The adjusted EBITDA margin closed 1Q19 at 31.9%, versus 24.7% in 1Q18. It is worth noting that the Company maintained the uniformity of its adjusted EBITDA calculation by deducting from the EBITDA the minimum leases paid under IFRS 16, thus maintaining its comparability with its historical adjusted EBITDA.

In 1Q19, the Adjusted EBITDA margin grew by 7.3 p.p. compared to 1Q18, which despite the decrease in net revenue in the quarter, captured the positive result of the action plan implemented in 2Q18 in order to optimize the cost and expense structure based on the Company's current student base.

The following is the statement of non-recurring items:

SUMMARY OF NON-RECURRING ITEMS (R$ '000)	1Q19	1Q18 Comparable	% Chg. 1Q19 x 1Q18
Non-Recurring Costs and Expenses Impacting Adjusted EBITDA	**8,223**	**4,624**	**77.8%**
Payroll	4,012	2,400	67.2%
Cost	2,889	1,698	70.1%
Expense	1,123	702	60.0%
Third-Party Services	4,211	276	1424.9%
Expense	4,211	276	1424.9%
Other Expenses / Other Net Operating Expenses	-	1,948	-100.0%
Non-Recurring Costs and Expenses that do not Impact Adjusted EBITDA	**(389)**	**(8)**	**4945.2%**
Income tax and social contribution - Complementary Tax on Adjusted Net Income	(389)	(8)	4945.2%
Total Non Recurring Costs and Expenses	**7,834**	**4,616**	**69.7%**

Adjusted EBITDA Excluding Organic Expansion

Result excluding new units and Distance Learning (R$ ('000))	1Q19			
	On Campus	New units (1)*	Distance Learning*	Consolidated
Net Revenue	283,763	2,646	17,755	304,164
Adjusted Cash Gross Profit	176,806	270	11,662	188,738
Adjusted Cash Gross Margin	*62.3%*	*10.2%*	*65.7%*	*62.1%*
Adjusted EBITDA	97,301	(3,098)	2,865	97,067
Adjusted EBITDA Margin	*34.3%*	*-117.1%*	*16.1%*	*31.9%*

(1) Expansion units: Garanhuns, Mossoró, Juazeiro do Norte, Maracanaú, Porto Velho, Arapiraca, Marabá, Boa Vista, Rio Branco, Sobral e Belo Horizonte.

*Result allocations are not audited.

The table above presents the results excluding on-campus units with two years or less of operation and Distance Learning activities, which have been expanding its Distance Learning center base and launched their brands in this segment.

In 1Q19, Distance Learning started generating positive EBITDA of R$2.9 million, since the beginning of its operations in 2014, but with a still low margin and not equal to the potential margins of this segment and the average margins obtained by Ser Educacional in the segment of on-campus teaching, which gives us the strength to focus on the expansion and cost control of this operation that is scalable by the number of students.

On the other hand, the new units generated negative Adjusted EBITDA of R$3.1 million, but are within the range expected to begin operations.

These two activities have a 2.4 pp impact on the Company's consolidated adjusted EBITDA margin, which, excluding these organic growth initiatives, went from 31.9% to 34.3%, demonstrating that the Company is focused on maintaining operational efficiency in their mature units.

Reconciliation of IFRS 16 Adjustments

Income Statement - Accounting R$ ('000)	1Q18			1Q19		
	Accounting	IFRS 16	Comparable IFRS 16	Reported IFRS 16	IFRS 16	1Q19 Ex-IFRS 16
Net Operating Revenue	**317,249**	**-**	**317,249**	**304,164**	**-**	**304,164**
Cost of Services Rendered	**(138,871)**	**1,080**	**(137,791)**	**(138,061)**	**(1,154)**	**(139,215)**
Rent	*(20,218)*	*7,580*	*(12,638)*	*(9,968)*	*(8,474)*	*(18,442)*
Depreciation and Amortization	*(10,905)*	*(6,500)*	*(17,405)*	*(22,635)*	*7,319*	*(15,316)*
Gross Profit	**178,378**	**1,080**	**179,458**	**166,103**	**(1,154)**	**164,949**
Gross Margin	*56.2%*		*56.6%*	*54.6%*		*54.2%*
Depreciation and Amortization	*17,384*	*6,500*	*23,884*	*26,488*	*(7,319)*	*19,169*
EBITDA	**77,753**	**7,580**	**85,333**	**101,966**	**(8,474)**	**93,492**
Non-recurring costs and expenses	*4,624*	-	*4,624*	*8,223*	-	*8,223*
Interest on tuition and agreements	*5,593*	-	*5,593*	*5,101*	-	*5,101*
Minimum rent paid	*(9,750)*	*(7,580)*	*(17,330)*	*(18,223)*	*8,474*	*(9,749)*
Adjusted EBITDA	**78,220**	**-**	**78,220**	**97,067**	**-**	**97,067**
Adjusted EBITDA Margin (%)	*24.7%*		*24.7%*	*31.9%*		*31.9%*
Financial Result	**(721)**	**(5,356)**	**(6,077)**	**(16,601)**	**5,371**	**(11,230)**
Interest on Leasing	*(8,322)*	*(5,356)*	*(13,678)*	*(13,507)*	*5,371*	*(8,136)*
Income and Social Contribution Taxes	**(1,428)**	**102**	**(1,326)**	**(2,785)**	**(200)**	**(2,985)**
Adjusted Consolidated Net Income/Loss	**62,836**	**(4,174)**	**58,662**	**63,926**	**4,017**	**67,943**
Adjusted Net Margin (%)	*19.8%*		*18.5%*	*21.0%*		*22.3%*

Balance Sheet (R$ '000)	03/31/2018			03/31/2019		
	Accounting	IFRS 16	Comparable IFRS 16	Accounting	IFRS 16	Ex-IFRS 16
Assets						
Current Assets	**1,143,639**		**1,143,639**	**1,172,076**		**1,172,076**
Non-Current Assets	**1,285,921**	**282,157**	**1,568,078**	**1,570,596**	**(282,415)**	**1,288,181**
Right-of-Use Assets	*181,527*	*282,157*	*463,684*	*460,726*	*(282,415)*	*178,311*
Property, plant and equipment	*508,364*		*508,364*	*510,063*		*510,063*
Total Assets	**2,429,560**	**282,157**	**2,711,717**	**2,742,672**	**(282,415)**	**2,460,257**
Liabilities						
Current Liabilities	**407,265**	**9,981**	**417,246**	**462,585**	**(13,163)**	**449,422**
Leasing	*17,209*	*10,083*	*27,292*	*30,771*	*(13,363)*	*17,408*
Taxes payable	*2,590*	*(102)*	*2,488*	*3,142*	*200*	*3,342*
Non-Current Liabilities	**551,752**	**276,350**	**828,102**	**753,452**	**(273,268)**	**480,184**
Leasing	*221,050*	*276,350*	*497,400*	*492,505*	*(273,268)*	*219,237*
Consolidated Shareholders' Equity	**1,470,543**	**(4,174)**	**1,466,369**	**1,526,635**	**4,017**	**1,530,652**
Income Reserve	*548,521*	*(4,174)*	*544,347*	*551,326*	*4,017*	*555,343*
Retained income	-	-	-	*53,287*	-	*53,287*
Total Liabilities and Shareholders' Equity	**2,429,560**	**282,157**	**2,711,717**	**2,742,672**	**(282,415)**	**2,460,257**

Financial Result

Financial Result - Accounting (R$ '000)	1Q19	1Q18 Comparable	% Chg. 1Q19 x 1Q18
(+) Financial Revenue	**17,928**	**22,640**	**-20.8%**
Interest on Agreements and Others	5,101	5,593	-8.8%
Returns on Financial Investments	13,472	13,700	-1.7%
Others	(645)	3,347	-119.3%
(-) Financial Expenses	**(34,529)**	**(28,717)**	**20.2%**
Interest Expenses	(5,304)	(6,448)	-17.7%
Interest on Leasing	(13,507)	(13,678)	-1.3%
Discounts Granted	(12,567)	(3,360)	274.0%
Monetary Variation Expenses	(1,891)	(2,799)	-32.4%
Others	(1,260)	(2,432)	-48.2%
Financial Result	**(16,601)**	**(6,077)**	**173.2%**

Financial revenue decreased 20.8%, from R$22.6 million in 1Q18 to R$17.9 million in 1Q19, driven by:

a) Interest on Agreements and Others, which decreased from R$5.6 million in 1Q18 to R$5.1 million in 1Q19, due to lower volume of negotiations with students regarding the payment of monthly interest.

b) Returns on financial investments, which went from R$13.7 million in 1Q18 to R$13.5 million in 1Q19, representing a decrease of 1.7% due to the reduction of the average interest rate.

c) Others, under Financial Revenue, which was negative by R$0.6 million in 1Q19, compared to R$3.3 million in 1Q18, since the Federal Government paid the last installment of the agreement for the settlement of unpaid FIES amounts related to 2015 (PN 23), which in turn led to the end of recognition of monetary restatement related to this debt, given that it was settled. The negative amount refers basically to PIS and COFINS on financial income.

Financial expenses came to R$34.5 million in 1Q19, 20.2% higher compared to the comparable financial expenses of R$28.7 million registered in 1Q18, primarily due to:

a) Interest Expenses, which fell 17.7%, from R$6.4 million in 1Q18 to R$5.3 million in 1Q19, basically due to a reduction in net debt and Brazilian interest rates.

b) Comparable lease interest rates increased from 13.7 million in 1Q18 to 13.5 million in 1Q19, which represents a variation of -1.3%, due to the progress of financial leasing contracts during their term.

c) Discounts granted increased by 274.0% to R$12.6 million in 1Q19, compared to R$3.4 million in 1Q18, due to the greater volume of agreements for recovery of students' tuition credits, especially with delays exceeding 180 days.

d) Monetary Passive Variation fell by 32.4% in 1Q19 vs. 1Q18, reaching R$1.9 million in 1Q19, while in 1Q18 it was R$2.8 million, due to the payment of the penultimate portion of the acquisition of UNG in January 2019.

As a result of the aforementioned factors, the net financial result showed an expense of R$ 16.6 million in 1Q19 against a comparable expense of R$ 6.1 million in 1Q18, considering the changes implemented by IFRS 16, representing a variation of 173,2%.

Net Income

Net Income - Accounting (R$ 000)	1Q19	1Q18 Comparable	% Chg. 1Q19 x 1Q18
Operating Income	**75,478**	**61,449**	**22.8%**
(+) Financial Result	(16,601)	(6,077)	173.2%
(+) Income and Soc. Contrib. Taxes	(2,785)	(1,326)	110.1%
Net Income (Loss)	**56,092**	**54,046**	**3.8%**
Net Margin	18.4%	17.0%	1.4 p.p.

Comparable operating income totaled R$75.5 million in 1Q19, an increase of 22.8% compared to the R$61.5 million registered in 1Q18.

Comparable net income went from R$54.0 million in the three-month period ended March 31, 2018, to R$56.1 million in the same period of 2019, an increase of 3.8%. Comparable adjusted net income increased by 9.0%, from R$58.7 million in 1Q18 to R$63.9 million in 1Q19, due to the improvement in the structure of costs and expenses, reflecting the action plan implemented during the year.

The table below shows managerial net income, adjusted for non-recurring effects. It is worth noting that the Company continues to calculate its dividend payments in accordance with the results presented in IFRS.

Net Income - Adjusted (R$ 000)	1Q19	1Q18 Comparable	% Chg. 1Q19 x 1Q18
Operating Income	**83,701**	**66,073**	**26.7%**
(+) Financial Result	(16,601)	(6,077)	173.2%
(+) Income and Soc. Contrib. Taxes	(3,174)	(1,334)	138.0%
Adjusted Net Income (Loss)	**63,926**	**58,662**	**9.0%**
Adjusted Net Margin	21.0%	18.5%	2.5 p.p.

Accounts Receivable and Average Collection Period

As from 1Q18, the Company began to calculate the estimated loss on doubtful accounts following a model established in IFRS 9 (CPC 48), which records expected losses during the entire cycle of accounts receivable. For a better analysis, the table below presents the average net receivables days for the PDA in order to better reflect the effect of provisioning under IFRS 9 (CPC 48).

Accounts Receivable and Average Receivable Days (R$ '000)	1Q18	4Q18	1Q19
Gross Accounts Receivable	**474,172**	**308,464**	**371,324**
Monthly tuition fees	103,410	125,616	127,588
FIES	261,797	62,120	107,426
Negotiated agreements receivable	76,379	66,277	71,437
Education credits receivable	18,020	35,092	38,428
Credit Card and Others	14,566	19,359	26,445
PDA balance	(91,014)	(94,037)	(81,347)
Net Accounts Receivable	**383,158**	**214,427**	**289,977**
Net Revenue (Last 12 Months - FIES+Ex-FIES+Pronatec)	**1,240,214**	**1,262,486**	**1,249,401**
Net Receivable Days (FIES+Ex-FIES+Pronatec)	111	61	84
Net Revenue FIES (Last 12 Months)	547,631	447,731	413,854
Net Receivable Days (FIES)	164	36	78
Net Receivable Days (Monthly tuition fees + Negotiated agreements receivable + Education credits receivable)	62	67	75

The average net receivables days declined 24.9% between 1Q18 and 1Q19, due to the payment, on August 2, 2018, of the last installment of the agreement with the Federal Government for the settlement of unpaid FIES amounts related to 2015 (PN 23), totaling R$137.4 million.

The increase from 62 to 75 days in net receivables days from monthly tuition fees, agreements and education credits receivable is mainly due to the revision of the provisioning estimate made in 1Q18, as described in the "Provision for Doubtful Accounts" section, and the current average collection period, which, as the Company believes, better reflects the cycle of accounts receivable related to semi-annually renewed contracts. It is worth noting that, when compared to 4Q18, when the regular student base was already significantly lower than in 1Q18, the average collection period increased by 10 days.

Aging of Monthly tuition fees (R$ '000)	1Q18	% Chg.	4Q18	% Chg.	1Q19	% Chg.
Overdue by up to 30 day	33,894	32.8%	24,908	19.8%	48,287	37.8%
Overdue from 31 to 60 days	14,817	14.3%	22,175	17.7%	16,164	12.7%
Overdue from 61 to 90 days	5,898	5.7%	20,208	16.1%	880	0.7%
Overdue from 91 to 180 days	21,744	21.0%	25,937	20.6%	29,763	23.3%
Overdue from 181 to 360 days	27,057	26.2%	32,388	25.8%	32,494	25.5%
TOTAL	**103,410**	**100.0%**	**125,616**	**100.0%**	**127,588**	**100.0%**
% of Gross Accounts Receivable	21.8%		40.7%		34.4%	

Aging of Negotiated Agreements (R$ '000)	1Q18	% Chg.	4Q18	% Chg.	1Q19	% Chg.
Not yet due	29,323	38.4%	18,523	27.9%	32,349	45.3%
Overdue by up to 30 day	7,889	10.3%	7,655	11.6%	7,275	10.2%
Overdue from 31 to 60 days	4,313	5.6%	7,213	10.9%	4,655	6.5%
Overdue from 61 to 90 days	2,962	3.9%	6,641	10.0%	2,849	4.0%
Overdue from 91 to 180 days	10,334	13.5%	12,029	18.1%	9,569	13.4%
Overdue from 181 to 360 days	21,558	28.2%	14,216	21.4%	14,740	20.6%
TOTAL	**76,379**	**100.0%**	**66,277**	**100.0%**	**71,437**	**100.0%**
% of Gross Accounts Receivable	16.1%		21.5%		19.2%	

The total increase in tuition fees and agreements receivable as a percentage of gross accounts receivable was due to an upturn in net revenue from tuition fees, agreements and Educred, as the FIES student base fell from 33.1% in 1Q18 to 24.4% in 1Q19.

The table below shows the evolution of our PDA from December 31, 2018 to March 31, 2019:

Constitution of Provision for Doubtful Accounts in the Income Statement (R$ '000)	12/31/2018	Adjustment by change of estimate	Gross Increase in Provision for Doubtful Accounts	Write-off	03/31/2019
Total	94,037	(16,036)	14,399	(11,053)	81,347

In the first quarter of 2019, based on more assertive information and data on the recoverability of old accounts receivables, the Group reviewed the criteria for determining the Allowance for Liabilities and extended the period of analysis for recovery from default of 12 to 24 months, resulting in the reversal of R$16.0 million.

Investments (CAPEX)

CAPEX (R$ ('000))	3M19	% of Total	3M18	% of Total
CAPEX Total	**15,655**	**100.0%**	**26,458**	**100.0%**
Property acquisition / Construction / Maintenance of campuses	4,800	30.7%	10,610	40.1%
Equipment / Library / IT	8,263	52.8%	11,939	45.1%
MEC Licenses	-	0.0%	953	3.6%
Software Licenses	237	1.5%	67	0.3%
Partnerships	838	5.4%	702	2.7%
Intangibles and Others	1,517	9.7%	2,187	8.3%
Acquisitions Debt Payment	**40,013**		**37,324**	
Total CAPEX + Acquisitions Payables	**55,668**		**63,782**	

In 3M19, the Company invested R$4.8 million in the renovation of campuses, and rollout of existing campuses for the Campus 2.0 model, in the cities of Olinda, Fortaleza and Ananindeua. Acquisitions of equipment, library and IT consumed R$8.3 million, mostly allocated to the purchase of books and journals for the libraries of the operational units, as well as IT and labs equipment.

A total of R$40.0 million in debt payments related to the UNG acquisition (payment commitments) was recorded under cash flow with investment activities.

Indebtedness

Indebtedness (R$ '000)	03/31/2019	12/31/2018	% Chg. Mar19 x Dec18
Cash, Cash equivalents and Securities	**876,449**	**920,898**	**-4.8%**
Gross debt	**(390,809)**	**(423,672)**	**-7.8%**
Loans and financing	(311,423)	(306,218)	1.7%
Short term	(173,650)	(133,446)	30.1%
Long term	(137,773)	(172,772)	-20.3%
Aquisitions Payables*	(79,386)	(117,454)	-32.4%
Net Cash	**485,640**	**497,226**	**-2.3%**
Net Cash / Adjusted EBITDA (LTM)	1.43	1.55	

* Acquisitions payables refer to acquisition scheduled payments

Cash and cash equivalents totaled R$876.4 million, down 4.8% on December 2018. This variation is mainly due to payment commitments from the acquisition of UNG in the amount of R$40.0 million in the quarter, offset by the higher operating cash flow, which went from R$14.2 million in 1Q18 to R$16.6 million in 1Q19, an increase of 16.6%.

The Company's gross debt basically reflects commitments related to the acquisitions and the issue of two long-term debts with the following characteristics: (i) financing from the IFC over 7 years, totaling R$120.0 million at the CDI+2.05% p.a., payable semi-annually as of April 15, 2017 and maturing on April 15, 2022, (ii) the Company's 2nd issue of simple, unsecured, non-convertible debentures in 2 series, of which 100,000 Debentures in the First Series and 100,000 Debentures in the Second Series. The First Series Debentures will earn interest of 100% of the average daily rate of Interbank Deposits, plus a spread of 0.65% per year, based on 252 business days, maturing on September 15, 2019. The Second Series Debentures will earn interest of 100% of the average daily rate of Interbank Deposits, plus a spread of 1.35% per year, based on 252 business days, maturing on September 15, 2021. The Debentures have a unit face value of R$1,000.00 as of the date of issue, totaling R$200,000,000.00.

On March 31, 2019, Grupo Ser Educacional's gross debt totaled R$390.8 million, down 7.8% from the R$423.7 million registered on December 31, 2018, mainly due to the settlement of payment commitments in the amount of R$40.0 million this quarter. In 1Q19, the Company's net cash amounted to R$485.6 million against net cash of R$497.2 million in 4Q18.

Debt Amortization Schedule (R$ '000)	Loans and Financing	A.V. (%)	Aquisitions Payables	A.V. (%)	Debentures	A.V. (%)	Total	A.V. (%)
Short Term	**26,501**	**29.5%**	**79,386**	**100.0%**	**147,149**	**66.4%**	**253,036**	**64.7%**
Total Long Term	**63,392**	**70.5%**	**-**	**0.0%**	**74,381**	**33.6%**	**137,773**	**35.3%**
1-2 years	23,530	26.2%	-	0.0%	49,587	22.4%	73,117	18.7%
2-3 years	23,530	26.2%	-	0.0%	24,794	11.2%	48,324	12.4%
3-4 years	12,753	14.2%	-	0.0%	-	0.0%	12,753	3.3%
4-5 years	1,952	2.2%	-	0.0%	-	0.0%	1,952	0.5%
After five years	1,627	1.8%	-	0.0%	-	0.0%	1,627	0.4%
Total Loans, Financing and Acquisitions payables	**89,893**	**100.0%**	**79,386**	**100.0%**	**221,530**	**100.0%**	**390,809**	**100.0%**

In regard to the debt payment schedule, 64.7% corresponds to short-term debt, showing that the Company has adequate debt amortization terms, as well as a comfortable level of financial leverage.

Cash Flow

Cash Flow (R$ '000)	1Q18			1Q19		
	Accounting	IFRS 16	Comparable IFRS 16	Reported IFRS 16	IFRS 16	1Q19 Ex-IFRS 16
Atividades operacionais						
Lucro antes do imposto de renda e da contribuição social	**59,648**	**(4,276)**	**55,372**	**58,877**	**4,216**	**63,093**
Ajustes ao resultado	**46,004**	**11,856**	**57,860**	**56,097**	**(12,690)**	**43,407**
Depreciation and amortization	*17,384*	*6,500*	*23,884*	*26,488*	*(7,319)*	*19,169*
Interest and exchange variation, net	*15,624*	*5,356*	*20,980*	*21,311*	*(5,371)*	*15,940*
Lucro após ajustes ao resultado	**105,652**	**7,580**	**113,232**	**114,974**	**(8,474)**	**106,500**
Changes in Assets and Liabilities	**(83,891)**	-	**(83,891)**	**(82,508)**	-	**(82,508)**
Cash generated from operations	**21,761**	**7,580**	**29,341**	**32,466**	**(8,474)**	**23,992**
Interest on loans	(8,322)	(5,356)	(13,678)	(13,507)	5,371	(8,136)
Income and social contribution taxes paid	(1,439)	-	(1,439)	(2,369)	-	(2,369)
Net Cash from Operating Activities	**12,000**	**2,224**	**14,224**	**16,590**	**(3,103)**	**13,487**
Net Cash from Investing Actvities	**11,679**	-	**11,679**	**191,039**	-	**191,039**
Net Cash from Financing Actvities	**(2,736)**	**(2,224)**	**(4,960)**	**(5,371)**	**3,103**	**(2,268)**
Amortization of leasing	(1,427)	(2,224)	(3,651)	(4,717)	3,103	(1,614)
Increase (Reduction) in Cash and Cash Equivalents	**20,943**	-	**20,943**	**202,258**	-	**202,258**
Demonstration of Increase (Reduction) in Cash and Cash Equivalents						
No inicio do periodo	279,286	-	279,286	314,731	-	314,731
No final do periodo	300,229	-	300,229	516,989	-	516,989
Aumento (redução) de caixa e equivalentes de caixa	**20,943**	-	**20,943**	**202,258**	-	**202,258**
Variação das disponibilidades financeiras	**(54,971)**	-	**(54,971)**	**(44,449)**	-	**(44,449)**
Disponibilidades Financeiras no início do período	**911,713**	-	**911,713**	**920,898**	-	**920,898**
Disponibilidades Financeiras no final do periodo	**856,742**	-	**856,742**	**876,449**	-	**876,449**

Operating cash generation, adjusted to maintain comparability with IFRS 16, reclassifying the lease amortization line to the operating cash generation, had an increase of 16.6%, from R$14.2 million in 1Q18 to R$16.6 million in 1Q19, mainly due to the reduction of the FIES student base, for which the monthly fee payment is usually done in the second quarter. Cash generation for the quarter remained strong, representing a higher conversion of EBITDA to cash compared to the cash generated in the quarter.

ABOUT GRUPO SER EDUCACIONAL

Founded in 2003 and headquartered in Recife, Grupo Ser Educacional (B3 SEER3, Bloomberg SEER3:BZ and Reuters SEER3.SA) is one of the largest private education groups in Brazil and the leader in the Northeast and North regions in terms of number of students enrolled. It offers undergraduate, graduate, vocational and distance learning courses in 26 states and the Federal District, with a consolidated base of approximately 162,000 students. The Company operates under the following brands: UNINASSAU, UNINASSAU – Centro Universitário Maurício de Nassau, UNINABUCO – Centro Universitário Joaquim Nabuco, Faculdades UNINABUCO, Joaquim Nabuco and Maurício de Nassau Vocational Schools, UNIVERITAS/UNG, UNAMA – Universidade da Amazônia and Faculdade da Amazônia, UNIVERITAS – Centro Universitário Universus Veritas and Faculdades UNIVERITAS, through which it offers 1,659 courses.

This earnings release may contain forward-looking statements related to business prospects, estimates of operating and financial results and the growth prospects of Grupo Ser Educacional. These are merely projections and, as such, are solely based on the expectations of the Management of Grupo Ser Educacional. Such forward-looking statements are substantially dependent on external factors, in addition to the risks presented in the disclosure documents filed by Grupo Ser Educacional and are therefore subject to change without prior notice.

ATTACHMENTS – Income Statement (Comparable)

Income Statement - Accounting R$ ('000)	1Q19	1Q18 Comparable	% Chg. 1Q19 x 1Q18
Gross Operating Revenue	**496,858**	**437,179**	**13.7%**
Undergraduate Monthly Tuition	454,810	410,008	10.9%
Graduate Monthly Tuition	7,584	7,239	4.8%
Vocational Courses Revenues	503	282	78.4%
Distance Learning Revenues	29,869	15,605	91.4%
Others	4,092	4,045	1.2%
Deductions from Gross Revenue	**(192,694)**	**(119,930)**	**60.7%**
Discounts and Scholarships	(131,608)	(62,510)	110.5%
PROUNI	(44,538)	(37,352)	19.2%
FGEDUC And FIES charges	(6,624)	(9,117)	-27.3%
Taxes	(9,924)	(10,951)	-9.4%
Net Operating Revenue	**304,164**	**317,249**	**-4.1%**
Cash Cost of Services Rendered	**(138,061)**	**(137,791)**	**0.2%**
Payroll and Charges	(89,139)	(91,755)	-2.9%
Rent	(9,968)	(12,638)	-21.1%
Concessionaires (Electricity, Water and Telephone)	(9,109)	(9,201)	-1.0%
Third-Party Services	(7,210)	(6,792)	6.2%
Depreciation and Amortization	(22,635)	(17,405)	30.0%
Managerial Gross Profit	**166,103**	**179,458**	**-7.4%**
Gross Margin	*54.6%*	*56.6%*	*-2.0 p.p.*
Operating Expenses/Revenue	**(90,625)**	**(118,009)**	**-23.2%**
General and Administrative Expenses	(89,123)	(118,971)	-25.1%
Payroll and Charges	(34,899)	(35,110)	-0.6%
Third-Party Services	(12,785)	(8,204)	55.8%
Advertising	(19,727)	(35,771)	-44.9%
Materials	(3,377)	(5,448)	-38.0%
PDA	(6,528)	(15,689)	-58.4%
Others	(7,954)	(12,270)	-35.2%
Depreciation and Amortization	(3,853)	(6,479)	-40.5%
Other Operating Expenses/Revenue	(1,502)	962	-256.1%
Managerial Operating Income	**75,478**	**61,449**	**22.8%**
Operating Margin	*24.8%*	*19.4%*	*5.4 p.p.*
(+) Adjusted Depreciation and Amortization	26,488	23,884	10.9%
EBITDA	**101,966**	**85,333**	**19.5%**
EBITDA Margin	*33.5%*	*26.9%*	*6.6 p.p.*
(+) Non-recurring costs and expenses	8,223	4,624	77.8%
(+) Interest on tuition and agreements	5,101	5,593	-8.8%
(-) Minimum rent paid	(18,223)	(17,330)	5.2%
Adjusted EBITDA	**97,067**	**78,220**	**24.1%**
Adjusted EBITDA Margin	*31.9%*	*24.7%*	*7.3 p.p.*
(-) Adjusted Depreciation and Amortization	(26,488)	(23,884)	10.9%
Adjusted EBIT	**70,579**	**54,336**	**29.9%**
Adjusted EBIT Margin	*23.2%*	*17.1%*	*6.1 p.p.*
Financial Result	(16,601)	(6,077)	173.2%
(+) Financial Revenue	17,928	22,640	-20.8%
Interest on Agreements and Others	5,101	5,593	-8.8%
Returns on Financial Investments	13,472	13,700	-1.7%
Others	(645)	3,347	-119.3%
(-) Financial Expenses	(34,529)	(28,717)	20.2%
Interest Expenses	(5,304)	(6,448)	-17.7%
Interest on Leasing	(13,507)	(13,678)	-1.3%
Discounts Granted	(12,567)	(3,360)	274.0%
Monetary Variation Expenses	(1,891)	(2,799)	-32.4%
Others	(1,260)	(2,432)	-48.2%
Income Before Income Taxes	**58,877**	**55,372**	6.3%
Income and Social Contribution Taxes	(2,785)	(1,326)	110.1%
Current	(23,630)	(18,304)	29.1%
Tax Incentive - Prouni	20,845	16,978	22.8%
Consolidated Net Income/Loss	**56,092**	**54,046**	**3.8%**
Net Margin	*18.4%*	*17.0%*	*1.4 p.p.*

Income Statement – Managerial

Income Statement - Adjusted R$ ('000)	1Q19	1Q18 Comparable	% Chg. 1Q19 x 1Q18
Gross Operating Revenue	**496,858**	**437,179**	**13.7%**
Undergraduate Monthly Tuition	454,810	410,008	10.9%
Graduate Monthly Tuition	7,584	7,239	4.8%
Vocational Courses Revenues	503	282	78.7%
Distance Learning Revenues	29,869	15,605	91.4%
Others	4,092	4,045	1.1%
Deductions from Gross Revenue	**(192,694)**	**(119,930)**	**60.7%**
Discounts and Scholarships	(131,608)	(62,510)	110.5%
PROUNI	(44,538)	(37,352)	19.2%
FGEDUC And FIES charges	(6,624)	(9,117)	-27.3%
Taxes	(9,924)	(10,951)	-9.4%
Net Operating Revenue	**304,164**	**317,249**	**-4.1%**
Cash Cost of Services Rendered	**(135,172)**	**(136,093)**	**-0.7%**
Payroll and Charges	(86,250)	(90,057)	-4.2%
Rent	(9,968)	(12,638)	-21.1%
Concessionaires (Electricity, Water and Telephone)	(9,109)	(9,201)	-1.0%
Third-Party Services	(7,210)	(6,792)	6.2%
Depreciation and Amortization	(22,635)	(17,405)	30.0%
Managerial Gross Profit	**168,992**	**181,156**	**-6.7%**
Managerial Gross Margin	***55.6%***	***57.1%***	***-1.5 p.p.***
Operating Expenses/Revenue	**(85,291)**	**(115,083)**	**-25.9%**
General and Administrative Expenses	(83,789)	(116,045)	-27.8%
Payroll and Charges	(33,776)	(34,408)	-1.8%
Third-Party Services	(8,574)	(7,928)	8.1%
Advertising	(19,727)	(35,771)	-44.9%
Materials	(3,377)	(5,448)	-38.0%
PDA	(6,528)	(15,689)	-58.4%
Others	(7,954)	(10,322)	-22.9%
Depreciation and Amortization	(3,853)	(6,479)	-40.5%
Other Operating Expenses/Revenue	(1,502)	962	-256.1%
Managerial Operating Income	**83,701**	**66,073**	**26.7%**
Managerial Operating Margin	***27.5%***	***20.8%***	***6.7 p.p.***
(+) Depreciation and Amortization	26,488	23,884	10.9%
(+) Interest on tuition and agreements	5,101	5,593	-8.8%
(-) Minimum rent paid	(18,223)	(17,330)	5.2%
Adjusted EBITDA	**97,067**	**78,220**	**24.1%**
Adjusted EBITDA Margin	***31.9%***	***24.7%***	***7.3 p.p.***
(-) Depreciation and Amortization	(26,488)	(23,884)	10.9%
Adjusted EBIT	**70,579**	**54,336**	**29.9%**
Adjusted EBIT Margin	***23.2%***	***17.1%***	***6.1 p.p.***
Financial Result	(16,601)	(6,077)	173.2%
(+) Financial Revenue	17,928	22,640	-20.8%
Interest on Agreements and Others	5,101	5,593	-8.8%
Returns on Financial Investments	13,472	13,700	-1.7%
Others	(645)	3,347	-119.3%
(-) Financial Expenses	(34,529)	(28,717)	20.2%
Interest Expenses	(5,304)	(6,448)	-17.7%
Interest on Leasing	(13,507)	(13,678)	-1.3%
Discounts Granted	(12,567)	(3,360)	274.0%
Monetary Variation Expenses	(1,891)	(2,799)	-32.4%
Others	(1,260)	(2,432)	-48.2%
Income Before Income Taxes	**67,100**	**59,996**	11.8%
Income and Social Contribution Taxes	(3,174)	(1,334)	138.0%
Current	(24,019)	(18,312)	31.2%
Tax Incentive - Prouni	20,845	16,978	22.8%
Adjusted Consolidated Net Income/Loss	**63,926**	**58,662**	**9.0%**
Adjusted Net Margin	***21.0%***	***18.5%***	***2.5 p.p.***

Balance Sheet

Balance Sheet - ASSETS (R$ '000)	03/31/2019	12/31/2018	% Chg. Mar19 x Dec18
Total Assets	**2,742,672**	**2,429,560**	**12.9%**
Current Assets	**1,172,076**	**1,143,639**	**2.5%**
Cash and cash equivalents	516,989	314,731	64.3%
Securities	359,460	606,167	-40.7%
Accounts receivable	258,645	185,560	39.4%
Taxes recoverable	9,145	8,254	10.8%
Other assets	27,837	28,927	-3.8%
Non-Current Assets	**1,570,596**	**1,285,921**	**22.1%**
Long-Term Assets	177,532	171,663	3.4%
Accounts receivable	31,332	28,867	8.5%
Other assets	32,484	29,380	10.6%
Indemnifications	112,015	112,015	0.0%
Financial investments	1,401	1,401	0.0%
Other Accounts receivable	300	-	0.0%
Intangible assets	422,275	424,367	-0.5%
Right-of-Use Assets	460,726	181,527	153.8%
Property, plant and equipment	510,063	508,364	0.3%
Balance Sheet - LIABILITIES (R$ '000)	**03/31/2019**	**12/31/2018**	**% Chg. Mar19 x Dec18**
Total Liabilities	**1,216,037**	**959,017**	**26.8%**
Current Liabilities	**462,585**	**407,265**	**13.6%**
Suppliers	31,528	33,921	-7.1%
Accounts payable	79,386	82,770	-4.1%
Loans and financing	26,501	24,970	6.1%
Debentures	147,149	108,476	35.7%
Payroll and charges	77,310	73,692	4.9%
Taxes payable	15,560	15,648	-0.6%
Leasing	30,771	17,209	78.8%
Dividends payable	27,119	27,119	0.0%
Other liabilities	27,261	23,460	16.2%
Non-Current Liabilities	**753,452**	**551,752**	**36.6%**
Loans and financing	63,392	63,880	-0.8%
Debentures	74,381	108,892	-31.7%
Leasing	492,505	221,050	122.8%
Accounts payable	-	34,684	-100.0%
Taxes payable	1,020	1,154	-11.6%
Provision for contingencies	120,140	119,759	0.3%
Other liabilities	2,014	2,333	-13.7%
Consolidated Shareholders' Equity	**1,526,635**	**1,470,543**	**3.8%**
Capital Realized	987,549	987,549	0.0%
Income Reserve	551,326	548,521	0.5%
Retained income	53,287	-	N.M.
Treasury shares	(65,527)	(65,527)	0.0%
Total Liabilities and Shareholders' Equity	**2,742,672**	**2,429,560**	**12.9%**

Cash Flow

Cash Flow Statement (R$ '000)	03/31/2019	03/31/2018	% Chg. Mar19 x Mar18
Consolidated Net Income for the Period before IncomeTaxes	**58,877**	**59,648**	**-1.3%**
Depreciation and amortization	26,488	17,384	52.4%
Provisions	381	(2,739)	N.M.
Adjustment present value of accounts receivable	1,294	-	N.M.
Provision for doubtful accounts	6,528	15,689	-58.4%
Write-off of Non-Current Assets	95	46	106.5%
Interest and exchange variation, net	21,311	15,624	36.4%
Adjusted Net Income	**114,974**	**105,652**	**8.8%**
Changes in Assets and Liabilities	**(82,508)**	**(83,891)**	**-1.6%**
Accounts receivable	(83,372)	(93,215)	-10.6%
Taxes recoverable	(891)	552	N.M.
Other assets	(2,314)	(1,639)	41.2%
Suppliers	(2,393)	4,427	-154.1%
Payroll and charges	3,618	4,760	-24.0%
Taxes payable	(222)	(301)	-26.2%
Income and social contribution taxes payable	(416)	11	N.M.
Other liabilities	3,482	1,514	130.0%
Cash generated from operations	**32,466**	**21,761**	**49.2%**
Other	**(15,876)**	**(9,761)**	**62.6%**
Interest on loans	(13,507)	(8,322)	62.3%
Income and social contribution taxes paid	(2,369)	(1,439)	64.6%
Net Cash from Operating Activities	**16,590**	**12,000**	**38.3%**
Net Cash from Investing Actvities	**191,039**	**11,679**	**1535.7%**
Securities	246,707	75,914	225.0%
Additions to property, plant and equipment	(13,658)	(23,777)	-42.6%
Additions to intangible assets	(1,997)	(3,134)	-36.3%
Acquisition of subsidiaries	(40,013)	(37,324)	7.2%
Net Cash from Financing Actvities	**(5,371)**	**(2,736)**	**96.3%**
Amortization of loans and financing	(654)	(1,309)	-50.0%
Amortization of leasing	(4,717)	(1,427)	230.6%
Increase (Reduction) in Cash and Cash Equivalents	**202,258**	**20,943**	**865.8%**
Cash and Cash Equivalents at Beginning of Period	314,731	279,286	12.7%
Cash and Cash Equivalents at End of Period	516,989	300,229	72.2%
Cash changes and Securities	**(44,449)**	**(54,971)**	**-19.1%**

Income Statement – Accounting

Without the reclassification of the amounts in depreciation and interest on leasing according to IFRS 16 in 1Q18.

Income Statement - Accounting R$ ('000)	1Q19	1Q18	% Chg. 1Q19 x 1Q18
Gross Operating Revenue	**496,858**	**437,179**	**13.7%**
Undergraduate Monthly Tuition	454,810	410,008	10.9%
Graduate Monthly Tuition	7,584	7,239	4.8%
Vocational Courses Revenues	503	282	78.4%
Distance Learning Revenues	29,869	15,605	91.4%
Others	4,092	4,045	1.2%
Deductions from Gross Revenue	**(192,694)**	**(119,930)**	**60.7%**
Discounts and Scholarships	(131,608)	(62,510)	110.5%
PROUNI	(44,538)	(37,352)	19.2%
FGEDUC And FIES charges	(6,624)	(9,117)	-27.3%
Taxes	(9,924)	(10,951)	-9.4%
Net Operating Revenue	**304,164**	**317,249**	**-4.1%**
Cash Cost of Services Rendered	**(138,061)**	**(138,871)**	**-0.6%**
Payroll and Charges	(89,139)	(91,755)	-2.9%
Rent	(9,968)	(20,218)	-50.7%
Concessionaires (Electricity, Water and Telephone)	(9,109)	(9,201)	-1.0%
Third-Party Services	(7,210)	(6,792)	6.2%
Depreciation and Amortization	(22,635)	(10,905)	107.6%
Managerial Gross Profit	**166,103**	**178,378**	**-6.9%**
Gross Margin	*54.6%*	*56.2%*	*-1.6 p.p.*
Operating Expenses/Revenue	**(90,625)**	**(118,009)**	**-23.2%**
General and Administrative Expenses	(89,123)	(118,971)	-25.1%
Payroll and Charges	(34,899)	(35,110)	-0.6%
Third-Party Services	(12,785)	(8,204)	55.8%
Advertising	(19,727)	(35,771)	-44.9%
Materials	(3,377)	(5,448)	-38.0%
PDA	(6,528)	(15,689)	-58.4%
Others	(7,954)	(12,270)	-35.2%
Depreciation and Amortization	(3,853)	(6,479)	-40.5%
Other Operating Expenses/Revenue	(1,502)	962	-256.1%
Managerial Operating Income	**75,478**	**60,369**	**25.0%**
Operating Margin	*24.8%*	*19.0%*	*5.8 p.p.*
(+) Adjusted Depreciation and Amortization	26,488	17,384	52.4%
EBITDA	**101,966**	**77,753**	**31.1%**
EBITDA Margin	*33.5%*	*24.5%*	*9.0 p.p.*
(+) Non-recurring costs and expenses	8,223	4,624	77.8%
(+) Interest on tuition and agreements	5,101	5,593	-8.8%
(-) Minimum rent paid	(18,223)	(9,750)	86.9%
Adjusted EBITDA	**97,067**	**78,220**	**24.1%**
Adjusted EBITDA Margin	*31.9%*	*24.7%*	*7.3 p.p.*
(-) Adjusted Depreciation and Amortization	(26,488)	(17,384)	52.4%
Adjusted EBIT	**70,579**	**60,836**	**16.0%**
Adjusted EBIT Margin	*23.2%*	*19.2%*	*4.0 p.p.*
Financial Result	(16,601)	(721)	2202.5%
(+) Financial Revenue	17,928	22,640	-20.8%
Interest on Agreements and Others	5,101	5,593	-8.8%
Returns on Financial Investments	13,472	13,700	-1.7%
Others	(645)	3,347	-119.3%
(-) Financial Expenses	(34,529)	(23,361)	47.8%
Interest Expenses	(5,304)	(6,448)	-17.7%
Interest on Leasing	(13,507)	(8,322)	62.3%
Discounts Granted	(12,567)	(3,360)	274.0%
Monetary Variation Expenses	(1,891)	(2,799)	-32.4%
Others	(1,260)	(2,432)	-48.2%
Income Before Income Taxes	**58,877**	**59,648**	-1.3%
Income and Social Contribution Taxes	(2,785)	(1,428)	95.0%
Current	(23,630)	(18,406)	28.4%
Tax Incentive - Prouni	20,845	16,978	22.8%
Consolidated Net Income/Loss	**56,092**	**58,220**	**-3.7%**
Net Margin	*18.4%*	*18.4%*	*0.1 p.p.*