

BK BRASIL

1Q20 EARNINGS RELEASE



POPEYES



TEMPORARY CLOSURE OF RESTAURANTS IN MARCH IMPAIRED SALES RECOVERY OBTAINED UNTIL FEBRUARY, LEADING TO REVENUE DECREASE OF 2.4% COMPARED TO PRIOR YEAR

Barueri, May 28, 2020 – BK Brasil Operação e Assessoria a Restaurantes S.A. (B3: BKBR3), the master franchisee of Burger King Corporation and Popeyes Louisiana Kitchen for Brazil, announces today its results for the first quarter of 2020. The consolidated quarterly information of the Company is presented in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the accounting practices adopted in Brazil. Non-financial and non-accounting data were not audited by the independent auditors.

HIGHLIGHTS

1Q20x1Q19 Performance:

- **Net operating revenue of R\$649 million in 1Q20, down 2.4% from 1Q19;**
- **Comparable sales in same restaurants of -1.8% in 1Q20;**
- **Up to Feb/20 the growth of comparable sales was 2.4%, evidencing good recovery compared to Dec/19 performance;**
- **Significant increase in sales through digital channels (Delivery, Totem and BK Express) reaching 10.4% of the Company's revenue in 1Q20;**
- **Adjusted EBITDA of R\$ 13.9 million in 1Q20; Mg of 2.1% in 1Q20;**
- **Fund raising of R\$170 million and a 1-year term to preventively reinforce the cash and liquidity position;**
- **Net loss of R\$55.6 million in 1Q20;**
- **Total of 872 restaurants of the Burger King brand and 41 restaurants of the Popeyes brand at the end of 1Q20;**

1Q20 Earnings Release

Conference Call and Webcast

May 29, 2020 - Friday
In Portuguese, simultaneously translated into English

Time: 11:00 a.m. (BRT);
9:00 a.m. (US ET)

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FINANCIAL HIGHLIGHTS - R\$ MILLION (CONSOLIDATED)

	1Q20	1Q19	VAR.	4Q19	VAR.
NET OPERATING REVENUE	649.1	665.3	-2.4%	803.4	-19.2%
ADJUSTED EBITDA	13.9	86.0	-83.9%	171.2	-91.9%
% OF NET OPERATING REVENUE	2.1%	12.9%	-1080bps	21.3%	-1920bps
NET INCOME (LOSS)	(55.6)	3.1	-	41.3	-
GROSS DEBT	691.4	164.3	320.8%	519.9	33.0%
NET DEBT (NET CASH)	222.3	(170.3)	-	(85.6)	-
SHAREHOLDERS' EQUITY	1,735.3	1,762.9	-1.6%	1,786.6	-2.9%

OPERATIONAL HIGHLIGHTS

	1Q20	1Q19	VAR.	4Q19	VAR.
# OF RESTAURANTS	913	803	110	912	1
OWNED RESTAURANTS					
# OWNED RESTAURANTS BEGINNING OF PERIOD	714	639	75	671	43
BURGER KING® RESTAURANT OPENINGS	-	4	(4)	36	(36)
BURGER KING® RESTAURANT CLOSINGS	-	(4)	4	-	-
ACQUISITION / SALE OF BURGER KING® RESTAURANT BUSINESSES	-	-	-	(11)	11
POPEYES® RESTAURANT OPENINGS	-	3	(3)	18	(18)
# OWNED RESTAURANTS END OF PERIOD	714	642	72	714	0
FRANCHISEES RESTAURANTS					
# FRANCHISEES RESTAURANTS BEGINNING OF PERIOD	198	162	36	169	29
BURGER KING® RESTAURANT OPENINGS	2	1	1	18	(16)
BURGER KING® RESTAURANT CLOSINGS	(1)	(2)	1	-	(1)
ACQUISITION / SALE OF BURGER KING® RESTAURANT BUSINESSES	-	-	-	11	(11)
# FRANCHISEES RESTAURANTS END OF PERIOD	199	161	38	198	1
COMPARABLE SALES GROWTH IN SAME RESTAURANTS (SSS)	-1.8%	7.6%	-940bps	-2.2%	40bps

MESSAGE FROM MANAGEMENT

We are currently facing the biggest crisis that our society and industry have ever experienced, not only due to the economic but also and mainly the social impacts that COVID-19 has brought about.

In order to better explain our viewpoint about this scenario, the impact on our business and how we are facing this situation, in addition to preparing for the resumption after the pandemic, we would like to firstly address the Company's **fundamentals** before COVID 19.

We started the year 2020 with a significant acceleration in sales compared to those at the end of 2019, with an increase of 460 bps in comparable sales between the fourth quarter of 2019 and the first two months of 2020. This recovery stemmed from execution of three important strategic changes. Firstly, increasing competitiveness in value for money with the return of the iconic Whopper to the Double King platform. Secondly, the adjustment in the premium platform with focus on the Mega Stacker product line and thirdly, the expansion of the delivery sales channel with 2 new aggregators and additional delivery coverage in 80 new cities.

Regarding our restaurants' footprint, during the year 2019 we opened 44 free standing restaurants, of which 33 are operated by BK Brasil, which will allow us to increase our share in this restaurant type, with Drive Thru sales and better delivery service. In the last few years, we have more than doubled our Free Standing restaurant base, which now represents more than 20% of our restaurants and we continue to strongly believe in the sales potential of this restaurant type and the positive impact it brings to the brand.

Our structural investments in technology along time have increasingly shown their relevance with our App surpassing the mark of 23 million downloads, thus allowing us to attain increasing knowledge of the habits of our customers so that, through our CRM program, we can be increasingly assertive in customizing the relationship with our customers. In addition, we have already completed systems integration with all of our Delivery partners and have accelerated the implementation of self-service totems reaching more than 200 restaurants with this facility for our consumers.

Regarding capital structure, we started 2020 with a **solid cash position** (of more than R\$600 million) and gross debt below our cash position. In addition, at the end of the quarter, after the outbreak of the virus pandemic, we had our AA rating ratified by Fitch after a review of ratings of various players in the retail market.

In March, we began to perceive the impacts from COVID-19 on our restaurants. Our first step was to establish our **priorities** during this period. Namely, to protect our **employees**, our **customers** and our **company**.

The fact that we operate restaurants of two global Fast Food networks; namely, Burger King and Popeyes, allows us to have access to what is happening in other markets and implement the best course of action, including looking at consumer trends in countries that are in different phases of the virus pandemic.

Regarding our team, we would like to **thank our nearly 20 thousand employees** for their commitment and dedication at this difficult time, especially those who are actively representing us on the front line in our restaurants. **Without you none of this would be possible.**



We expanded and created specific training on safety and prevention, we expanded the use of personal protective equipment and included new procedures, such as the wearing of protection masks and taking people's temperatures. Medical support and guidance have also been expanded. Our physical corporate office was temporarily closed and we started working remotely, on a home office basis. In order to avoid employee terminations as much as possible at such a difficult time, we implemented all available measures to seek a balance between job preservation and business sustainability.

With regard to **customers' protection**, which also includes our vision of **support to society** through our service offering fast meals, we closed our dining rooms and started to distribute, in collaboration with the Ministry of Health, together with each of our ordered meals, pamphlets on preventing contamination by COVID-19 when ordering food from third parties. Additionally, we have **donated**, to date, more than **50 tons** of food to Non-Government Organizations (NGO) with social impact, and donated **R\$ 1 million** to the Brazilian National Health System (**SUS**) to help fight the virus pandemic. These actions led us to be recognized, in a survey conducted by the Croma Insights Institute, as the second food brand that had the most positive mentions throughout Brazil.

With the worsening of the virus pandemic in March, we had 65% of our restaurants temporarily closed due to legal restrictions, especially for the closing of shopping malls due to the social isolation measures imposed. As a result, we saw a significant change in the share of our sales channels, as such, the drive thru and delivery channels started to account for 85% of our total sales volume. Average monthly sales through the delivery channel increased more than 300% in April and May compared to average monthly sales in the same period of 2019.

Despite the impact of the loss of revenue from our temporarily closed restaurants, we noted that performance of the restaurants in operation has been increasing week after week since March, with some of these restaurants already surpassing in April and May the sales level of these months in the prior year. This performance has been achieved thanks to a detailed analysis of the operating reach of each of our restaurants in order to maximize revenue per restaurant and also due to adjustments in our offerings for a consumption profile with more group and family meals, which allowed a 30% increase in our average ticket.

Our cost efficiency discipline and culture are also being applied both in restaurants and in our head office, where we are reviewing each of our cost lines in order to adjust our operation to the new reality. With regard to our personnel costs in our restaurants, we applied the temporary suspension measure provided for in MP-936 for employees of temporarily closed restaurants, and a reduction in working hours and salaries of at least 25% to all corporate levels and Board of Directors. New hires, promotions, salary adjustments and non-essential expenses were frozen. These additional initiatives were implemented as from April with results expected to arise as from the second quarter. We are also renegotiating our occupancy costs with our lessors with significant reductions already agreed with expected impact as from April.

We have reinforced our liquidity, raising R\$ 220 million (R\$ 170 million in March and R\$ 50 million in April), in addition to temporarily suspending our investments until we have a better view of the Post-COVID scenario. We have had support from our franchisor and have agreed on the suspension of our contractual development obligations in 2020, which will be rediscussed in due course for 2021 onwards.

With the evolution of digital transformation in the retail market, certainly accelerated by the COVID -19 effect, many things have changed in our business. We have continuously adjusted the way we relate with our customers in the consumption of our products and services. However, we are convinced that the pillars of our business based on product quality, convenience, price and experience, will continue to be key in the digital transition that has been increasingly present. The focus on consumers will continue to be our main objective and for that, we are building an ecosystem allowing connections both on an online and offline basis. This ecosystem is supported by a digital culture, new ways of working and robust and scalable technology. An ecosystem that is able of being present wherever customers are and allowing them to relate with us according to their preference and, concurrently, optimizing our direct relations with consumers, especially those that are our patrons.

Despite the challenges and uncertainties that this virus pandemic has brought about to our country and to our market that are expected to prevail over short and medium terms, we are sure and confident that the structural foundations that BK Brasil has built, through the Burger King and Popeyes operations, which allowed us to attain a prominent positioning in the market with recognition of our customers, will also allow us to surmount the difficulties of this period, strategically positioned to become even more competitive in the post-COVID scenario.

SUBSEQUENT EVENT

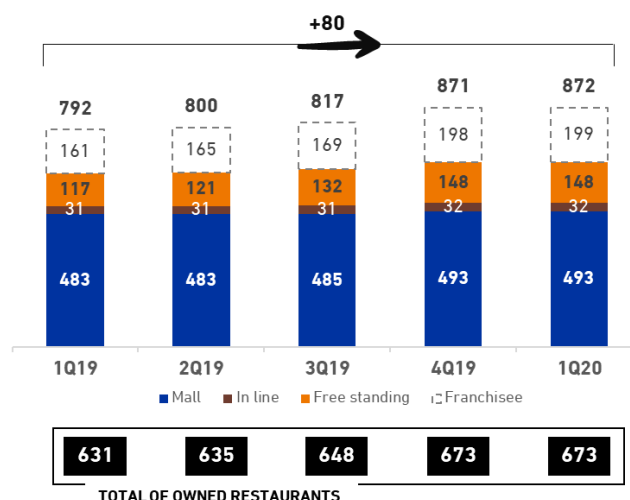
As mentioned in the Message from Management, the Company raised, in April, the amount of R\$ 50 million through Itaú bank in order to strengthen its capital structure. The debt has a term of 1 year, with maturity scheduled for 4/5/2021.



OPERATING AND FINANCIAL PERFORMANCE

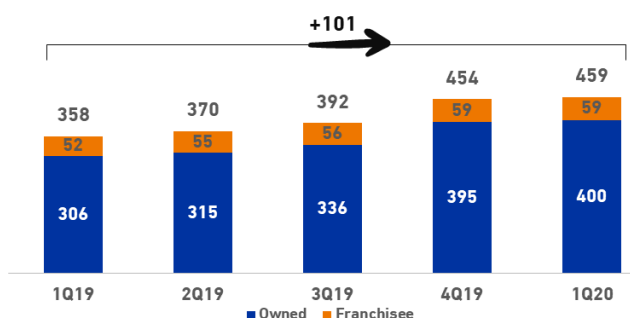
BURGER KING® restaurant expansion

In 1Q20, the BURGER KING® system opened two new restaurants operated by franchisees, and closed 1 restaurant, also operated by a franchisee. The Company maintained the same number of restaurants as that in the prior quarter, with a total of 673 BK Brasil owned restaurants. As for restaurants operated by franchisees, BURGER KING® ended 1Q20 with 199 restaurants. Accordingly, the BURGER KING® system ended the quarter with a total of 872 restaurants in operation in Brazil, which represents a net growth of 80 restaurants in the last 12 months.



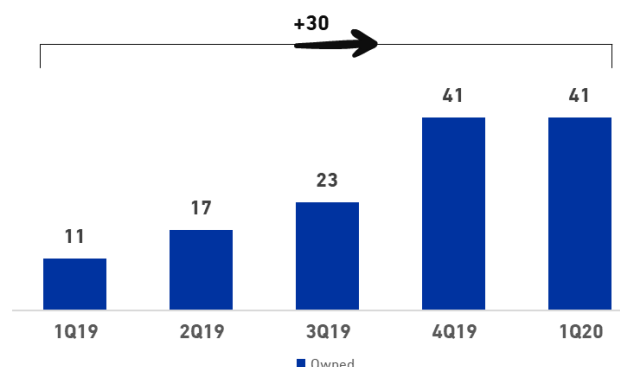
BURGER KING® dessert centers expansion

In addition to the 872 restaurants, the BURGER KING® system ended 1Q20 with 459 dessert centers, an increase of 101 restaurants when compared to 1Q19.



POPEYES® restaurant expansion

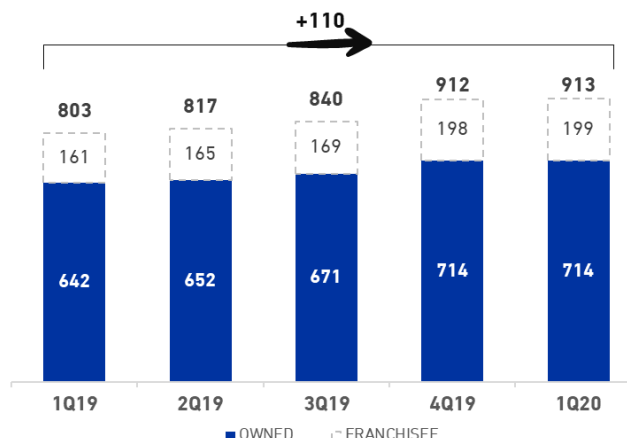
Throughout 1Q20, the POPEYES® system maintained the number of its restaurants and closed the quarter with 41 restaurants, all of them BK Brasil owned restaurants, located in the state of São Paulo.





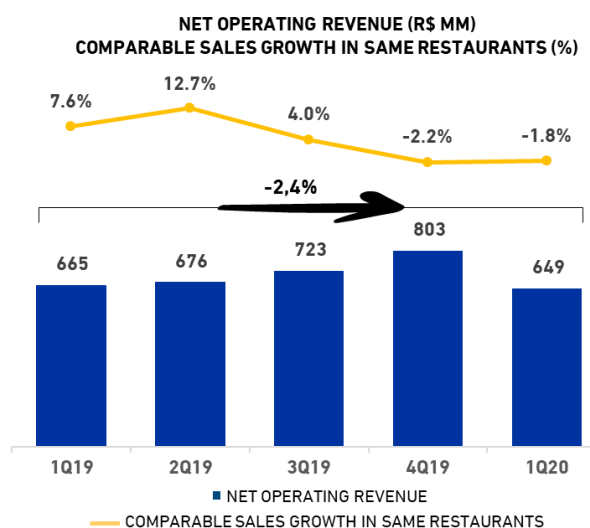
Total restaurant expansion

Therefore, we ended 1Q20 with a total of 913 restaurants managed by the Company, of which 714 are company-owned BURGER KING® and POPEYES® restaurants and 199 are BURGER KING® franchised restaurants.

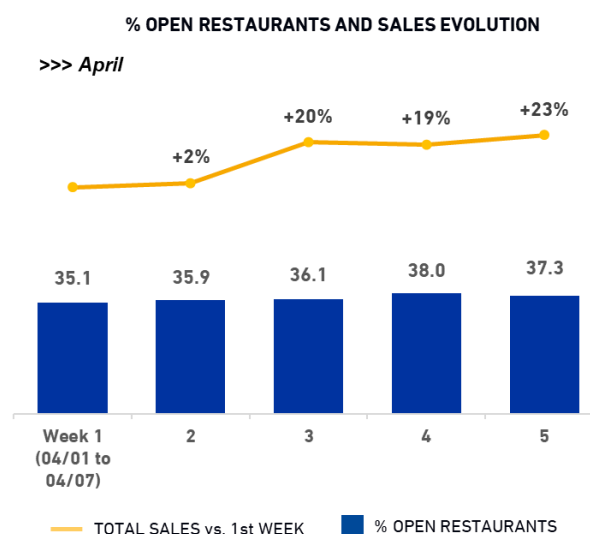


Net operating revenue

In 1Q20, BK Brasil posted net operating revenue of R\$649 million, a decrease of 2.4% compared to 1Q19. As we mentioned heretofore, all the initiatives that were implemented during the first quarter of 2020 had positive effects on our business and were able to change the trend in comparable sales to an upward curve during January and February. The main changes were: the return of the Whopper to the double king platform, the return of the Mega Stacker family to the Premium category and the introduction of new aggregators in the Delivery channel. With this and with our significant growth of 72 restaurants (BK and PLK owned) year-on-year, even with the temporary closure of about 65% of our operations during the second half of March, we managed to keep revenue for the quarter very close to that in the same period of the prior year.



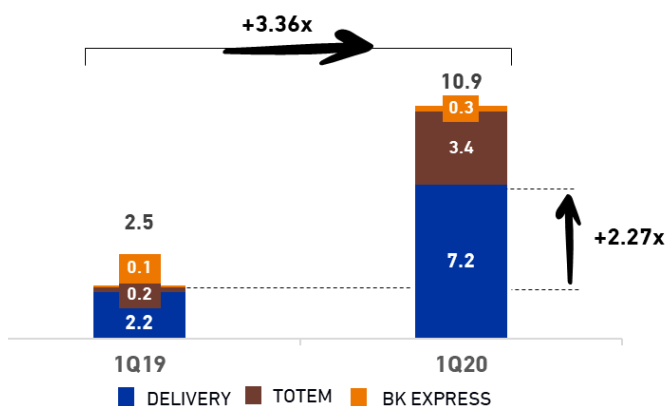
Over the first 45 days of the second quarter we saw a strong acceleration of sales, both in the delivery and drive-thru channels, which consistently reached historical records week after week, thereby helping the Company grow about 20% in the second half of April compared to the first half and 23% in the first week of May compared to the same period in April.



Digitalization of Sales

Technology has become increasingly significant in our business with each of our initiatives rapidly gaining relevance. In 1Q20, our Delivery channel, now with Uber Eats, Rappi and iFood, started to represent 7.2% of the Company's total revenue, with an increase of coverage by 80 new cities compared to 1Q19. This increase represented a growth of 2.27 times compared to the first quarter of 2019, as well as an increase in the use of the BK Express functionality. Our app has been increasingly present in the lives of our consumers and this quarter we surpassed the mark of 23 million downloads thanks to our increasing commitment. We strongly believe in this asset that we have built in a digital ecosystem, since it will be the cornerstone for our CRM program and future opportunities with increased loyalty of our consumers. Self-ordering kiosks (self-service) have also been an important tool to streamline our interactions with our customers and their significant growth will allow us to reach higher efficiency levels in terms of operating costs as well as experience with less complaints by consumers.

GROWTH AND REPRESENTATIVITY (%) OF DIGITAL SALES OVER TOTAL REVENUE

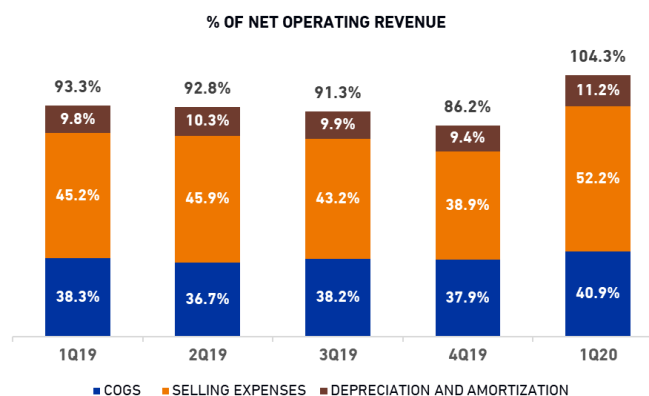


Cost of goods sold and selling expenses

Total restaurant expenses were R\$677 million in 1Q20, representing 104.3% of net operating revenue.

The cost of goods sold reached 40.9% of net operating revenue, an increase of 260bps y-o-y, explained by the return of the Whopper to the double king platform, the entry-price level promotions of the brand in the new aggregators and drop in OTC sales, which affected our mix by reducing combos with drinks, negatively impacting gross margin. Additionally, as an effect of the closing of restaurants in March, the Company had non-recurring impacts with losses and product donations in its restaurants.

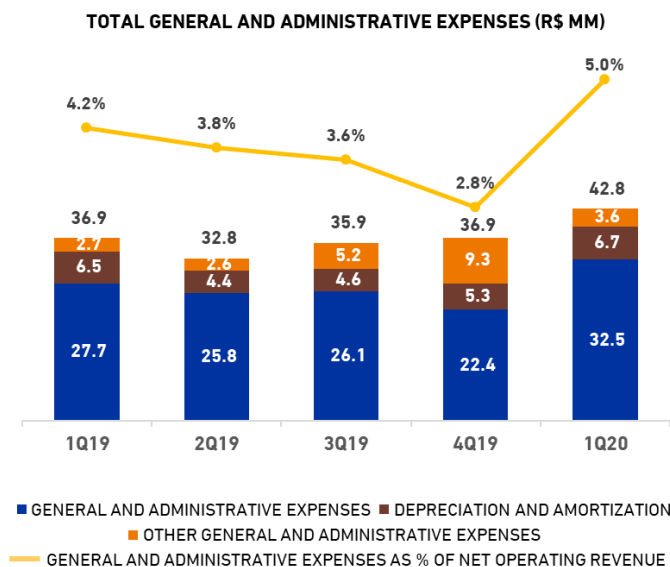
Selling expenses in restaurants (excluding depreciation and amortization) represented 52.2% of net operating revenue, an increase of 700bps compared to the same period in 2019 as a consequence of a strong operating deleveraging due to the loss of sales in the last weeks of March. The measures implemented in the last weeks of March, mainly focused on the renegotiation of rental amounts and initiatives aimed at reducing personnel costs, had no impact within the quarter and will be more relevant from the second quarter onwards.



Total general and administrative expenses

Corporate general and administrative expenses represented 5.0% of net operating revenue in 1Q20, an increase of 80bps compared to the same period of the prior year due to the operational deleveraging resulting from temporarily closed restaurants, growth in provisions for labor contingencies and expenses with stock options.

As from May, in addition to the measures already adopted by the Company, we applied salary reduction of at least 25% to all corporate employees, including VP's, CEO and Board of Directors.



Adjusted EBITDA

In 1Q20, adjusted EBITDA reached R\$13.9 million. As a result of the strong impact on revenue resulting from the effects of the pandemic, generating a significant operational deleveraging because of non-dilution of existing fixed costs of the restaurants that have been temporarily closed.

EBITDA - R\$ MILLION	1Q20	1Q19	VAR %	4Q19	VAR %
NET INCOME (LOSS) FOR THE PERIOD	(55.6)	3.1	-	41.3	-
(+) FINANCIAL INCOME (LOSS)	16.5	12.5	31.9%	21.7	-24.1%
(+) DEPRECIATION AND AMORTIZATION	79.7	76.8	3.7%	80.8	-1.4%
(+/-) INCOME TAX AND SOCIAL CONTRIBUTION	(31.8)	(10.8)	193.1%	11.0	-
EBITDA	8.7	81.5	-89.4%	154.8	-94.4%
<i>EBITDA MARGIN</i>	<i>1.3%</i>	<i>12.2%</i>	<i>-1090bps</i>	<i>19.3%</i>	<i>-1800bps</i>
(+) OTHERS EXPENSES	0.1	1.3	-91.5%	7.2	-98.5%
(+) COST OF STOCK OPTION PLAN	3.4	0.7	420.0%	2.0	72.9%
(+) MERGE AND ACQUISITION EXPENSES	0.0	0.7	-96.8%	0.1	-81.6%
(+) PRE-OPERATING EXPENSES	1.6	1.9	-13.3%	7.1	-77.1%
ADJUSTED EBITDA	13.9	86.0	-83.9%	171.2	-91.9%
<i>ADJUSTED EBITDA MARGIN</i>	<i>2.1%</i>	<i>12.9%</i>	<i>-1080bps</i>	<i>21.3%</i>	<i>-1920bps</i>

Net income (loss)

The Company posted net loss of R\$ 55.6 million in 1Q20 compared to net income of R\$ 3 million in 1Q19. This result was significantly impacted by the operational activity due to the temporary closing of restaurants in the second half of March without the same impact on fixed costs of these restaurants.

Total debt

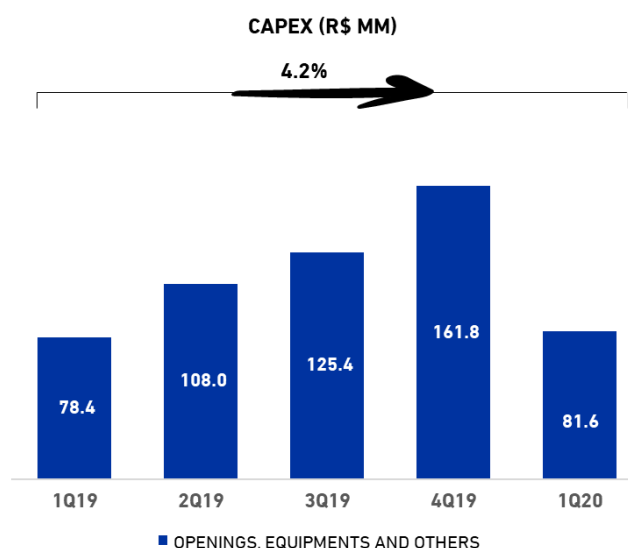
In March 2020, the Company's total gross debt reached R\$ 691 million, already reflecting the new fund raising of R\$ 170 million made at the end of March. As a result, total cash available was R\$ 469 million at the end of 1Q20. Consequently, in March 2020, the Company had net debt of R\$ 222 million, compared to net cash of R\$ 170 million in the same period of 2019.

NET DEBT - R\$ MILLION	MAR/20	MAR/19	VAR %	DEC/19	VAR %
LOANS AND FINANCINGS	691.4	164.3	320.8%	519.9	33.0%
CURRENT	288.4	52.3	451.7%	116.6	147.5%
NON-CURRENT	402.9	112.0	259.7%	403.3	-0.1%
CASH AND CASH EQUIVALENTS AND MARKETABLE SECURITIES	469.1	334.5	40.2%	605.5	-22.5%
CASH AND CASH EQUIVALENTS AND MARKETABLE SECURITIES (CURRENT)	467.7	323.0	44.8%	604.1	-22.6%
MARKETABLE SECURITIES (NON-CURRENT)	1.4	11.6	-88.1%	1.4	0.7%
NET DEBT	222.3	(170.3)	-	(85.6)	-
ADJUSTED EBITDA (12M)*	252.4	303.4	-16.8%	328.3	-23.1%
NET DEBT / TOTAL ADJUSTED EBITDA (12M)	0.9x	(0.6x)	-	(0.3x)	-

* Considers Adjusted EBITDA ex-IFRs 16 effects

CAPEX

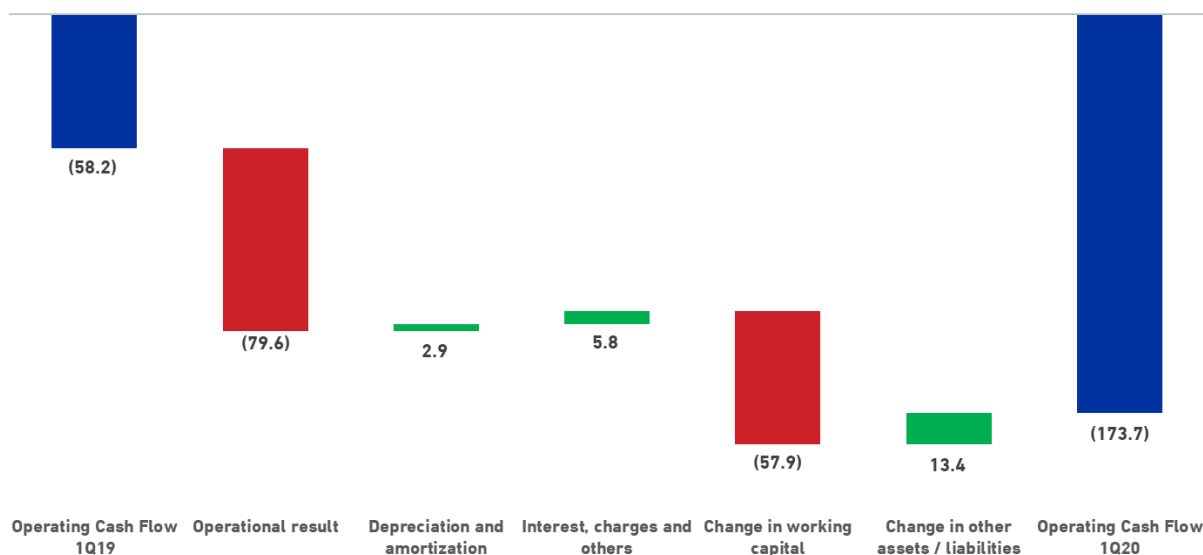
During 1Q20, the Company's total investments in fixed assets totaled R\$ 82 million, an increase of 4.2% compared to 1Q19. This growth would support the expansion plan of the Company scheduled for 2020, which has been temporarily suspended due to liquidity protection measures implemented to protect the Company from future uncertainties caused by COVID-19.





Operating cash flow

In 1Q20, cash used in the Company's operating activities was R\$ 174 million, an increase of R\$ 115 million compared to the same period last year. The higher cash consumption was mainly due to the decline in operating income, impacted by the decrease in sales due to the temporary closing of stores as a consequence of COVID-19 and higher need for working capital due to the seasonal factor prevailing in the prior period and the significant concentration in opening of restaurants in 4Q19, mainly in the free standing format.





DEFINITIONS

- **BK Express:** Functionality that considers orders previously made by the app for pick-up in store;
- **CRM:** Customer Relationship Management - tool for managing the flow of information captured from customers;
- **Delivery:** Delivery of orders to a destination predefined by customers;
- **Drive-thru:** Modality that allows customers to place orders without leaving their cars;
- **Dessert Centers:** Dessert points of sale;
- **Adjusted EBITDA:** is a non-accounting measure adopted by the Company, which corresponds to EBITDA adjusted by pre-operating expenses, expenses with mergers and acquisitions, and other expenses, which the Company's Management believes are not part of the normal course of business and/or distort any analysis of the Company's operating performance, including: (i) write-off of property and equipment (damages, obsolescence, gain (loss) from asset divestments and provisions of impairment); and (ii) costs with stock plan;
- **MAU:** Monthly active users - number of monthly active users;
- **Store models:** (i) Free standing: Street stores with a drive-through track; (ii) Mall: Stores located in shopping centers, hypermarkets and airport/road terminals; (iii) In line: Stores with direct access to public roads, which have internal rooms with tables and seats;
- **NRG:** Net Restaurants Growth - Net growth of restaurants;
- **Comparable sales in the same restaurants or Same Store Sales (SSS):** Following the RBI calculation methodology, it considers sales of Burger King restaurants operated by BK Brasil that have been open for more than 13 months and Popeyes restaurants open for more than 17 months compared to the same period of the previous year. Additionally, restaurants entirely closed for more than 7 consecutive days within a month are excluded from the comparable base;
- **Transfers:** Sale of BK Brasil owned restaurants to franchisees;
- **Self-ordering kiosks:** Self-service totem;

All results refer to BK Brasil owned restaurants excepting Net Restaurants Growth (NRG).



CONSOLIDATED INCOME STATEMENT 1Q20 (R\$ MILLION)

	1Q20	1Q19	VAR %	4Q19	VAR %
NET OPERATING REVENUE	649.1	665.3	-2.4%	803.4	-19.2%
GROSS REVENUE FROM SALES	701.8	712.9	-1.6%	859.7	-18.4%
GROSS REVENUE FROM SALES DEDUCTIONS	(61.9)	(51.8)	19.4%	(69.3)	-10.8%
GROSS REVENUE FROM SERVICES	10.3	4.8	116.1%	14.7	-29.9%
GROSS REVENUE FROM SERVICES DEDUCTIONS	(1.2)	(0.5)	118.6%	(1.6)	-26.5%
COST OF GOOD SOLD	(265.4)	(254.5)	4.3%	(304.1)	-12.7%
GROSS PROFIT	383.7	410.8	-6.6%	499.3	-23.2%
TOTAL SELLING EXPENSES	(411.8)	(369.1)	11.6%	(388.4)	6.0%
PERSONNEL EXPENSES	(139.2)	(127.8)	8.9%	(121.8)	14.2%
ROYALTIES AND MARKETING FUND	(63.8)	(61.6)	3.5%	(71.1)	-10.3%
EXPENSES ON OCCUPANCY AND UTILITIES	(63.7)	(53.3)	19.6%	(55.3)	15.2%
PRE-OPERATING EXPENSES	(1.6)	(1.9)	-13.3%	(7.1)	-77.0%
DEPRECIATION AND AMORTIZATION	(72.9)	(70.2)	3.9%	(75.5)	-3.4%
OTHER SELLING EXPENSES	(70.7)	(54.3)	30.1%	(57.5)	22.9%
TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	(42.8)	(37.1)	15.5%	(36.9)	15.9%
GENERAL AND ADMINISTRATIVE EXPENSES	(32.5)	(27.8)	17.0%	(22.4)	45.1%
DEPRECIATION AND AMORTIZATION	(6.7)	(6.6)	1.8%	(5.3)	26.9%
EXPENSES WITH MERGER AND ACQUISITIONS	(0.0)	(0.7)	-96.8%	(0.1)	-77.0%
GAIN (LOSS) FROM WRITE-OFF OF PROPERTY, EQUIPMENT AND IMPAIRMENT	(0.2)	(1.3)	-88.2%	(7.1)	-97.8%
COST OF STOCK OPTION PLAN	(3.4)	(0.7)	420.0%	(2.0)	71.9%
PROFIT (LOSS) BEFORE FINANCIAL INCOME	(71.0)	4.7	-	74.0	-
FINANCIAL RESULTS	(16.5)	(12.5)	31.9%	(21.7)	-24.1%
FINANCIAL EXPENSES	(21.5)	(19.0)	13.2%	(27.6)	-21.9%
FINANCIAL INCOME	5.1	6.6	-22.4%	5.9	-13.8%
PROFIT (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	(87.4)	(7.8)	1021.2%	52.3	-
INCOME TAX AND SOCIAL CONTRIBUTION	31.8	10.8	193.1%	(11.0)	-
CURRENT	-	-	-	(9.3)	-100.0%
DEFERRED	31.8	10.8	193.1%	(1.8)	-
NET INCOME (LOSS) FOR THE PERIOD	(55.6)	3.1	-	41.3	-



CONSOLIDATED BALANCE SHEET 1Q20 (R\$ MILLION)

	03/31/2020	12/31/2019
ASSETS	3,429.4	3,528.1
CURRENT ASSETS		
CASH AND CASH EQUIVALENTS	69.3	325.3
MARKETABLE SECURITIES	398.4	278.8
TRADE RECEIVABLES	71.5	60.4
INVENTORIES	89.3	99.0
RECOVERABLE TAXES	28.9	27.6
ADVANCES PAID	34.2	46.1
OTHER RECEIVABLES	23.5	25.2
TOTAL CURRENT ASSETS	715.1	862.4
NON-CURRENT ASSETS		
NON-CURRENT INVESTMENTS AT FAIR VALUE	1.4	1.4
RECOVERABLE TAXES	72.1	73.1
JUDICIAL DEPOSITS	33.4	33.4
DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION	23.4	-
LONG-TERM RECEIVABLES	4.1	4.5
PROPERTY AND EQUIPMENT	1,174.1	1,163.6
INTANGIBLE ASSETS	1,405.8	1,389.7
TOTAL NON-CURRENT ASSETS	2,714.2	2,665.7
TOTAL ASSETS	3,429.4	3,528.1
LIABILITIES	1,694.1	1,741.4
CURRENT LIABILITIES		
LOANS AND FINANCING	288.4	116.6
TRADE PAYABLES	121.1	286.4
LEASING LIABILITIES	103.1	99.2
PAYROLL AND SOCIAL CHARGES	78.9	96.6
CORPORATE PAYABLES	8.8	23.8
TAXES PAYABLE	15.7	25.2
DEFERRED REVENUE, NET	9.2	9.1
DIVIDENDS AND INTEREST ON CAPITAL	-	10.1
OTHER PAYABLES	10.4	4.7
TOTAL CURRENT LIABILITIES	635.7	671.6
NON-CURRENT LIABILITIES		
LOANS AND FINANCING	402.9	403.3
PROVISION FOR LEGAL CLAIMS	18.4	16.3
TAXES PAYABLE	12.3	12.6
DEFERRED INCOME TAX AND SOCIAL CONTRIBUTION	-	8.5
LEASING LIABILITIES	590.9	594.1
DEFERRED REVENUE, NET	16.8	17.9
OTHER PAYABLES	17.1	17.2
TOTAL NON-CURRENT LIABILITIES	1,058.4	1,069.9
EQUITY		
CAPITAL	950.8	950.8
EARNINGS RESERVE	134.6	134.6
CAPITAL RESERVES AND STOCK OPTIONS PLAN	728.9	725.4
TREASURY SHARES	(24.2)	(24.2)
OTHER COMPREHENSIVE INCOME	0.9	0.0
RETAINED EARNINGS (ACCUMULATED LOSSES)	(55.6)	-
TOTAL EQUITY	1,735.3	1,786.6
TOTAL LIABILITIES AND EQUITY	3,429.4	3,528.1



CONSOLIDATED STATEMENT OF CASH FLOWS 1Q20 (R\$ MILLION)

	1Q20	1Q19
CASH FLOW FROM OPERATING ACTIVITIES	(173.7)	(58.2)
CASH GENERATED BY OPERATING ACTIVITIES	19.3	90.2
EARNINGS (LOSS) BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	(87.4)	(7.8)
DEPRECIATION AND AMORTIZATION OF PROPERTY AND EQUIPMENT AND INTANGIBLE ASSETS	48.6	45.7
LEASING AMORTIZATION	31.0	31.1
INTEREST, CHARGES, EXCHANGE DIFFERENCES AND MONETARY VARIATIONS	16.4	11.4
OTHERS	10.7	9.8
CHANGES IN ASSETS AND LIABILITIES	(193.0)	(148.5)
TRADE RECEIVABLES, NET	(11.1)	(17.8)
INVENTORIES	8.8	9.0
CORPORATE PAYABLES	(14.9)	(9.2)
ADVANCES PAID	11.9	(25.3)
TRADE AND RENTAL PAYABLES	(165.3)	(75.3)
PAYROLL AND SOCIAL CHARGES	(17.8)	(11.9)
OTHERS CHANGES IN ASSETS AND LIABILITIES	(4.5)	(17.9)
NET CASH USED IN INVESTING ACTIVITIES	(198.2)	118.1
PURCHASES OF PROPERTY AND EQUIPMENT	(51.2)	(69.6)
PURCHASES OF INTANGIBLE ASSETS	(30.4)	(8.8)
REIMBURSABLE EXPENSES WITH SHARES OFFERING	-	(2.1)
INVESTMENT IN MARKETABLE SECURITIES	(425.4)	(147.7)
REDEMPTION OF MARKETABLE SECURITIES	308.8	346.3
NET CASH USED IN FINANCING ACTIVITIES	115.9	(134.9)
CAPITAL CONTRIBUTED IN THE PERIOD	-	42.1
NEW LOANS AND FINANCINGS	170.0	-
LOANS AND FINANCINGS COSTS	0.5	-
PAYMENT OF LOANS AND FINANCINGS (PRINCIPAL)	(6.6)	(119.5)
INTEREST ON CAPITAL PAYABLE	(10.1)	(23.2)
LEASING LIABILITIES PAYMENT	(37.9)	(34.3)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(256.0)	(75.1)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	325.3	175.0
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	69.3	99.9