



EARNINGS RELEASE 1Q15

São Paulo, April 29th, 2015. Raia Drogasil S.A. (BM&FBovespa: RADL3) announces today its results for the 1st quarter of 2015 (1Q15). The quarterly information of Raia Drogasil S.A. was prepared in accordance with IFRS and reviewed by our independent auditors in accordance with Brazilian and international standards of auditing. Such information was prepared in Reais and all growth rates relate to the same period of 2014.

Starting in 2015, our financials include the effect of the adjustment on Net Revenues and on COGS of the Net Present Value of Accounts Payable and Accounts Receivable, a change in estimates versus previous years when such adjustments were considered non-material. The 2014 financials are presented on a pro-forma basis.

HIGHLIGHTS:

- **Drugstores:** 1,109 stores in operation (19 openings and one closure)
- **Gross Revenues:** R\$ 2.1 billion, 19.4% of growth (11.3% for same-store sales)
- **Gross Margin:** 28.8% of gross revenues, a 1.5 percentage point margin increase
- **EBITDA:** R\$ 152.4 million, 7.4% margin, a 1.9 percentage point margin expansion
- **Adjusted Net Income:** R\$ 81.0 million, a net margin of 3.9% and an increase of 99.0%
- **Cash Flow:** R\$ 31.0 million negative free cash flow, R\$ 24.2 million total cash consumption

RADL3: R\$ 32.10/share

Number of Shares: 330,386,000

Market Cap: R\$ 10,605 million

Closing: April 28th, 2015

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Summary	1Q14	2Q14	3Q14	4Q14	1Q15
<i>(R\$ thousand)</i>					
# of Stores (end of period)	986	1,015	1,045	1,091	1,109
Store Openings	18	29	33	51	19
Store Closures	(1)	(2)	(3)	(5)	(1)
Net Reopenings/(Suspensions)	2	2	0	0	0
# of Stores (average)	977	1,003	1,031	1,067	1,099
Head Count	21,578	22,090	22,753	23,675	23,743
Pharmacist Count	3,451	3,587	3,747	3,927	3,951
# of Tickets	34,078	36,078	37,536	37,818	38,186
Gross Revenues	1,718,910	1,856,576	1,990,328	2,093,076	2,052,433
Gross Profit (Adjusted)	468,847	530,613	555,446	588,808	590,463
% of Gross Revenues	27.3%	28.6%	27.9%	28.1%	28.8%
EBITDA (Adjusted)	94,061	139,654	147,192	158,782	152,351
% of Gross Revenues	5.5%	7.5%	7.4%	7.6%	7.4%
Net Income (Adjusted)	40,720	73,820	80,494	75,397	81,025
% of Gross Revenues	2.4%	4.0%	4.0%	3.6%	3.9%
Net Income	29,131	62,120	67,979	62,157	70,327
% of Gross Revenues	1.7%	3.3%	3.4%	3.0%	3.4%
Free Cash Flow	(114,505)	58,088	30,244	101,619	(30,994)

AUDITOR ROTATION

Compliant to the CVM Instruction 308/1999, which determines that independent auditors cannot render service for the same client for more than five consecutive years, the Raia Drogasil financial statements are now audited by Pricewaterhouse Coopers in substitution to Ernst & Young, our previous auditors until 2014.

NET PRESENT VALUE ADJUSTMENT

Starting in 2015, Raia Drogasil's financials do include the effects of the adjustment on net revenues and COGS of the net present value of accounts payable and accounts receivable, which were reclassified into interest income and interest expenses, respectively.

The adoption of the Net Present Value adjustments represents a change in accounting estimates when compared to the previous years, when such adjustments were considered non-material. It is important to mention that, as our days of accounts payable and interest rates have increased, so has the magnitude of the adjustment. Additionally, we are aligning our reporting to those of other major Brazilian retailers such as Lojas Americanas, Renner, Magazine Luiza and Marisa, among others, who already pursue such adjustment, making our numbers now comparable to our peers.

Please find below a summary of the pro-forma adjustments for 2014. Our full pro-forma historical figures for each quarter since the 1Q12 are available for download from our website ([click here](#)).

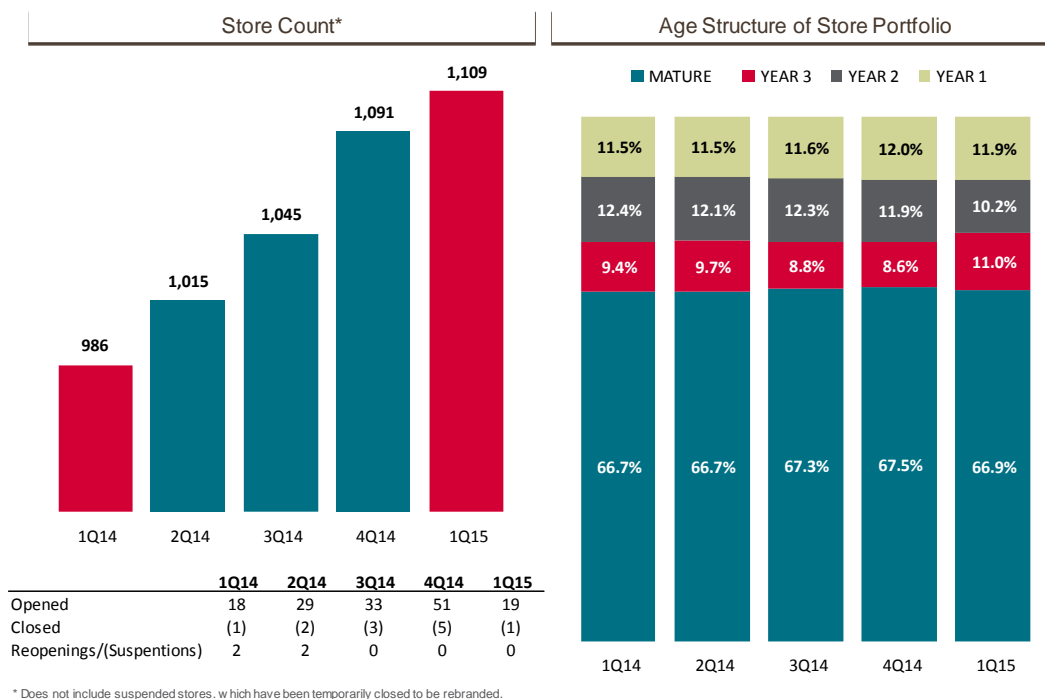
(R\$ million)	Reclassified (with NPV Adjustment)					1Q15	Previously Reported				
	1Q14	2Q14	3Q14	4Q14	2014		1Q14	2Q14	3Q14	4Q14	2014
Gross Revenues	1,718.9	1,856.6	1,990.3	2,093.1	7,658.9	2,052.4	1,718.9	1,856.6	1,990.3	2,093.1	7,658.9
Deductions	(68.3)	(75.2)	(79.1)	(85.0)	(307.6)	(84.9)	(60.2)	(65.8)	(68.0)	(73.3)	(267.3)
Net Revenues	1,650.6	1,781.4	1,911.2	2,008.1	7,351.3	1,967.6	1,658.7	1,790.8	1,922.3	2,019.7	7,391.6
Cost of Goods Sold	(1,181.8)	(1,250.8)	(1,355.8)	(1,419.3)	(5,207.6)	(1,377.1)	(1,196.6)	(1,268.6)	(1,374.1)	(1,442.1)	(5,281.4)
Gross Profit	468.8	530.6	555.4	588.8	2,143.7	590.5	462.1	522.3	548.2	577.6	2,110.2
% of Gross Revenues	27.3%	28.6%	27.9%	28.1%	28.0%	28.8%	26.9%	28.1%	27.5%	27.6%	27.6%
Expenses	(374.8)	(391.0)	(408.3)	(430.0)	(1,604.0)	(438.1)	(374.8)	(391.0)	(408.3)	(430.0)	(1,604.0)
EBITDA	94.1	139.7	147.2	158.8	539.7	152.4	87.3	131.3	139.9	147.6	506.2
% of Gross Revenues	5.5%	7.5%	7.4%	7.6%	7.0%	7.4%	5.1%	7.1%	7.0%	7.1%	6.6%
Depreciation & Amortization	(43.6)	(44.0)	(48.3)	(51.6)	(187.6)	(53.5)	(43.6)	(44.0)	(48.3)	(51.6)	(187.6)
Interest Expenses / Income	(8.4)	(11.0)	(8.6)	(12.4)	(40.4)	(14.4)	(1.7)	(2.6)	(1.3)	(1.2)	(6.9)
Taxes	(1.3)	(10.8)	(9.8)	(19.4)	(41.3)	(3.4)	(1.3)	(10.8)	(9.8)	(19.4)	(41.3)
Adjusted Net Income	40.7	73.8	80.5	75.4	270.4	81.0	40.7	73.8	80.5	75.4	270.4
% of Gross Revenues	2.4%	4.0%	4.0%	3.6%	3.5%	3.9%	2.4%	4.0%	4.0%	3.6%	3.5%

	Reclassifications				
	1Q14	2Q14	3Q14	4Q14	2014
Gross Revenues	-	-	-	-	-
EBITDA	6.7	8.4	7.2	11.2	33.5
% of Gross Revenues	0.4%	0.5%	0.4%	0.5%	0.4%
Interest Expenses / Income	(6.7)	(8.4)	(7.2)	(11.2)	(33.5)
% of Gross Revenues	(0.4%)	(0.5%)	(0.4%)	(0.5%)	(0.4%)
Adjusted Net Income	-	-	-	-	-
% of Gross Revenues	0.0%	0.0%	0.0%	0.0%	0.0%



STORE DEVELOPMENT

We opened 19 new stores and closed one in the 1Q15, ending the quarter with 1,109 stores in operation. We also highlight the brand change made in Rio de Janeiro, where all nine existing Drogasil stores were switched to the Droga Raia brand, unifying and strengthening our local operation with a single brand that has now 83 stores in the state.

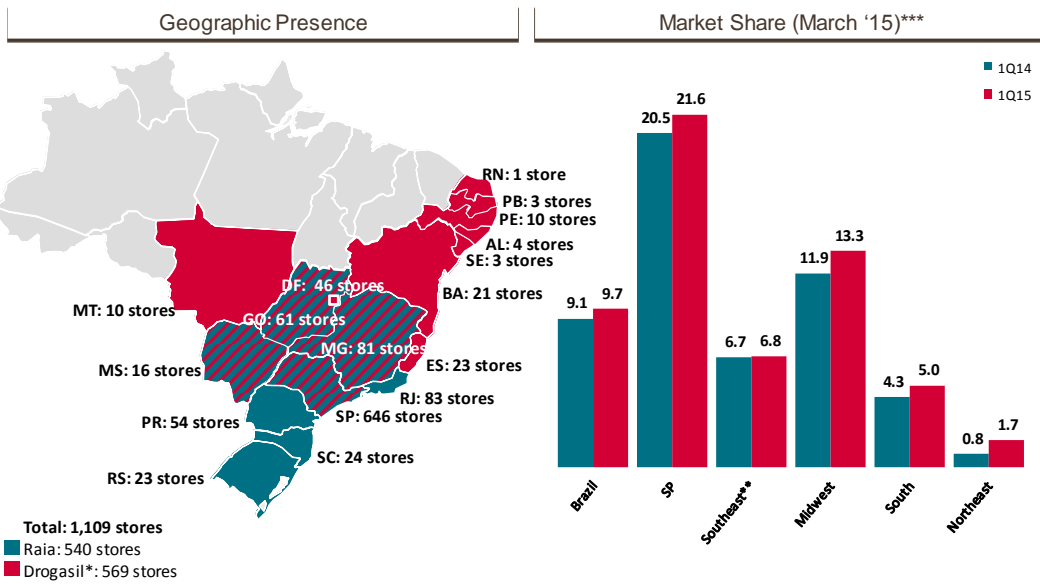


At the end of the period, 33.1% of our stores were still in the process of maturation, and had not yet reached their full potential in terms of revenues and profitability.

Our average comparable national market share reached 9.7%, a 0.6 percentage point increase when compared to the 1Q14. Our market share figures were adjusted by IMS Health to exclude new informants, so as to preserve historical comparability. Considering the inclusion of new informants, our national market share totaled 9.4%.

We increased our comparable market share in all our regions. São Paulo was our main highlight, where we recorded a total market share of 21.6%, a 1.1 percentage point increase driven by our organic expansion and by the progressive recovery of the performance of one of our brands. In the remaining states of the Southeast, our market share increased by 0.1 percentage point.

We recorded a very strong market share gain of 1.4 percentage point in the Midwest driven by strong performances in all states (Distrito Federal, Goiás, Mato Grosso do Sul and Mato Grosso). We also recorded an excellent performance in the Southern region, where our market share increased by 0.7 percentage point, driven by store maturation in Paraná and in Santa Catarina and by our growth in Rio Grande do Sul. Finally, we reached a market share of 1.7% in the Northeast, due to our growth in Bahia as well as to our successful entry in five new states in the region: Sergipe, Alagoas, Pernambuco, Paraíba and Rio Grande do Norte.



PHARMACEUTICAL MARKET DISTRIBUTION BY REGION (MARCH '15)

Source: IMS Health

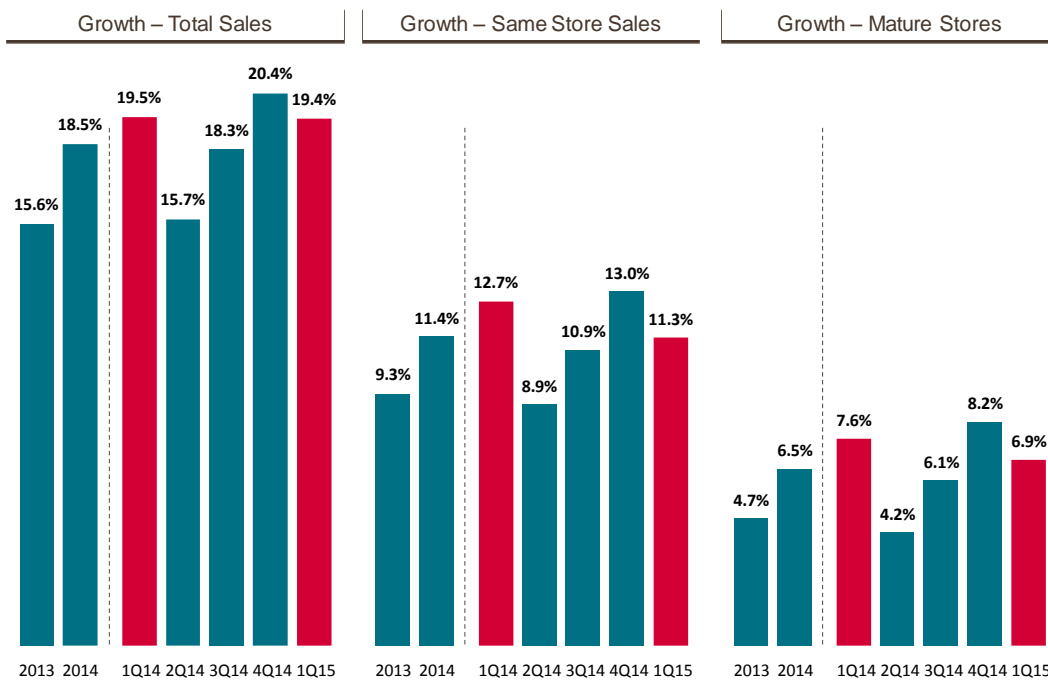
* Includes Farmasil stores

** Excludes São Paulo

*** Comparable Market Share, excluding new informants added to the panel during the last twelve months. Our national market share including the full panel was of 9.4%

Region	Brazil	SP	Southeast**	Midwest	South	Northeast
Market Share	100.0%	26.7%	24.0%	8.7%	16.3%	19.0%

GROSS REVENUES

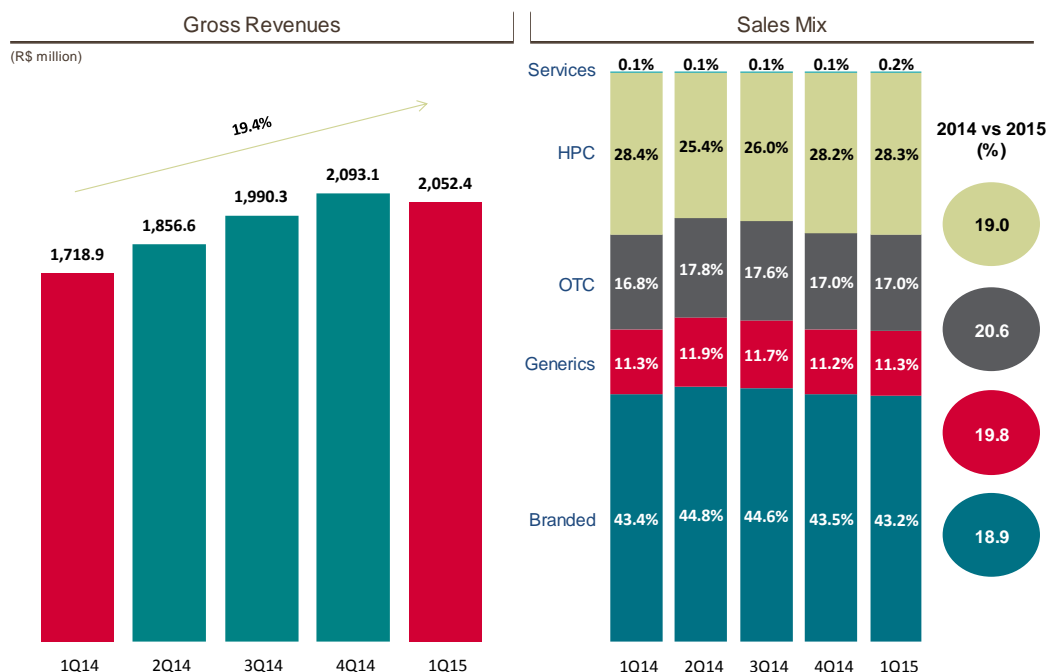




We ended the 1Q15 with gross revenues of R\$ 2,052.4 million, a 19.4% increase over the 1Q14. Same store sales grew by 11.3% while our mature stores recorded an increase of 6.9%. There was no calendar difference in the quarter versus the previous year.

Over the same period, the Brazilian pharmaceutical market grew by 14.0% (10.0% in units sold), according to IMS Health, a testament to the defensive nature of our market.

OTC was the highlight of the quarter, recording a gross revenue growth of 20.6%, a 0.2 percentage point increase in the sales mix over the 1Q14. Generics grew 19.8% and maintained its participation, while HPC and Branded RX grew 19.0% and 18.9% respectively, reducing their share in the sales mix by 0.1 percentage point and 0.2 percentage point, respectively.



GROSS PROFIT

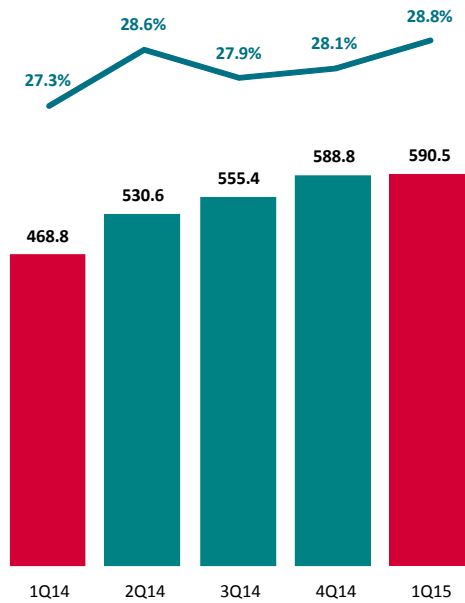
Gross margin reached 28.8%, a 1.5 percentage point increase versus the 1Q14 and a 0.7 percentage point improvement versus the 4Q14.

During 2014, we had already experienced a significant expansion in our gross margin. When compared to the 4Q14, the margin improvement recorded in the quarter was due to structural improvements in commercial terms, to opportunistic purchases, to tactical pricing adjustments and also to a reduction in inventory losses, which had peaked in the 4Q14 due to a change in our loss recognition criteria regarding the returns of expired products, which had penalized that quarter by 0.2 percentage point.

Finally, the Net Present Value adjustment resulted in a margin increase of 0.1 percentage point versus the 4Q14 due to the longer payment terms achieved in the quarter (0.2 percentage point versus the 1Q14).

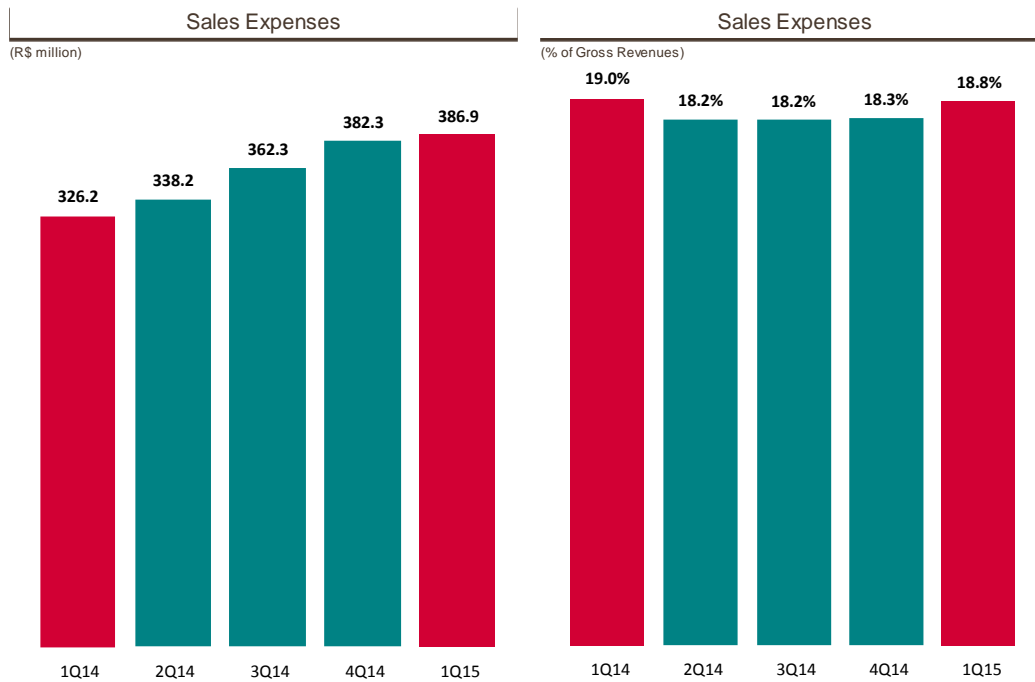


Gross Margin
(R\$ million, % of Gross Revenues)



SALES EXPENSES

Sales expenses totaled R\$ 386.9 million, a 0.2 percentage point dilution over the previous year. It is important to mention that the strong mature store growth of 6.9% recorded in the quarter contributed significantly to this dilution.





We achieved a dilution in logistics expenses of 0.2 percentage point due to the unification of our distribution center network effected in the 1Q14, which resulted in peaked logistics expenses in that quarter. Additionally, the pressure arising from new store openings decreased by 0.1 percentage point when compared to the 1Q14.

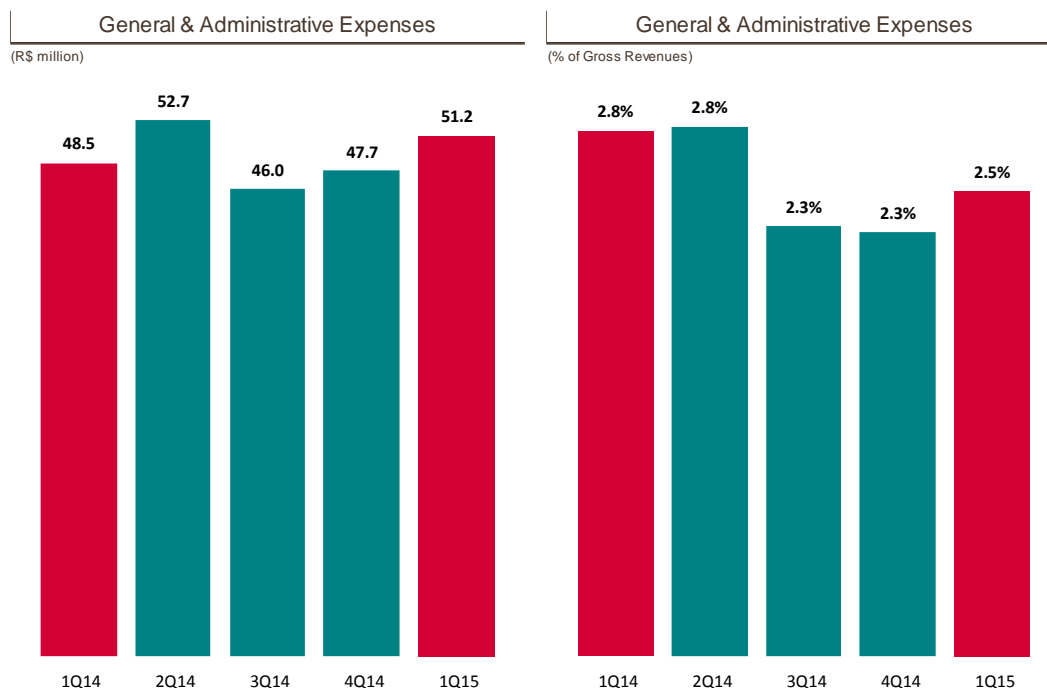
Finally, store expenses increased by 0.1 percentage point in the quarter. Rental and electricity expenses increased each by 0.1 percentage point, and were partially offset by a 0.1 percentage point dilution in the other expenses.

GENERAL AND ADMINISTRATIVE EXPENSES

In the 1Q15, general and administrative expenses amounted to R\$ 51.2 million, equivalent to 2.5% of gross revenues, a 0.3 percentage point dilution when compared to the previous year.

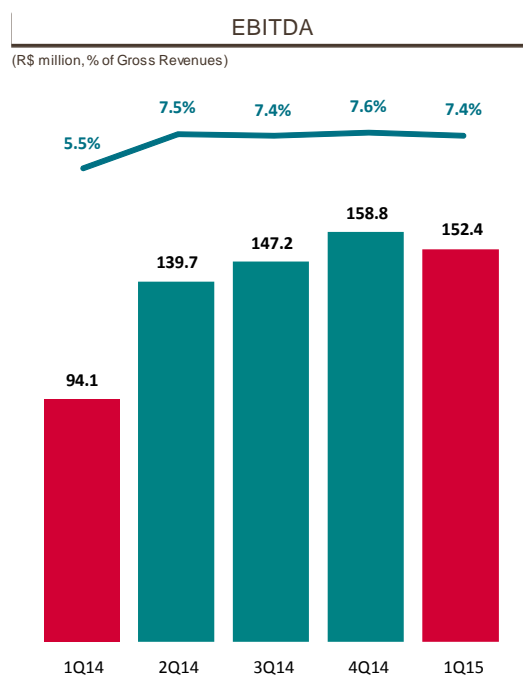
We recorded a reduction in the variable compensation allowance of 0.3 percentage point. This was due to an excess provisioning of the same magnitude undertaken in the 1H14 and reverted in the 2H14.

During 2014, we significantly upgraded our corporate structure, especially in Category Management and in Human Resources, but the strong revenue growth recorded in the quarter allowed us to neutralize that pressure.



EBITDA

Our EBITDA reached 152.4 million, a margin expansion of 1.9 percentage point and a 62.0% increase over the 1Q14.



The margin expansion recorded in the quarter was driven by a gross margin increase of 1.5 percentage point and by an SG&A dilution of 0.5 percentage point.

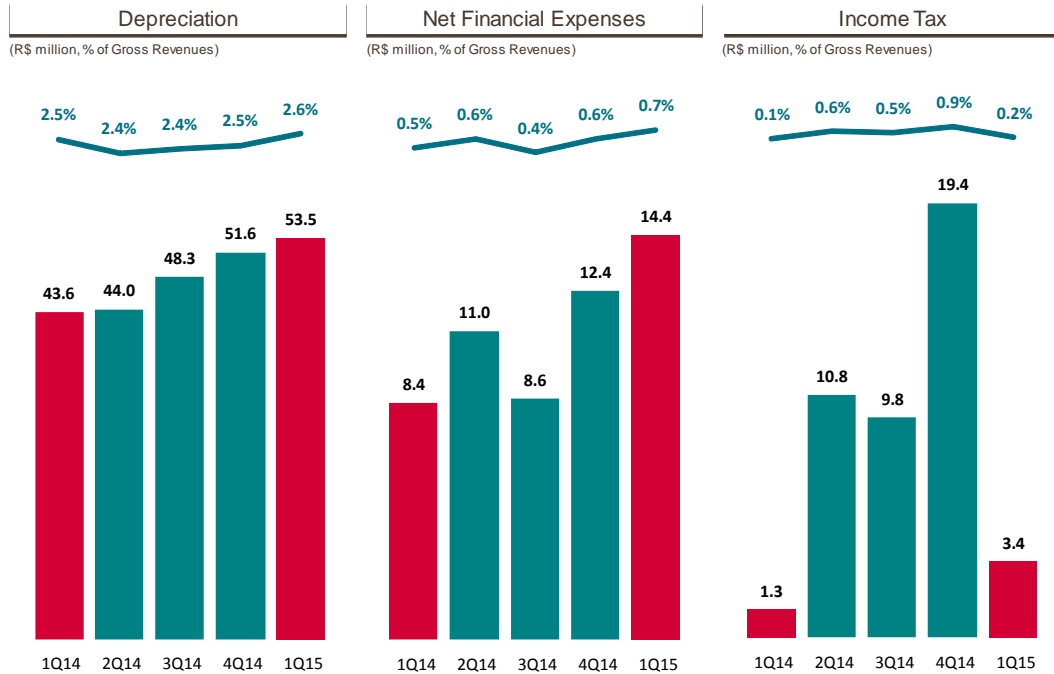
New stores opened in the year, as well as those that were in the opening process, reduced the EBITDA by R\$ 6.8 million in the quarter. Therefore, if we consider only the 1,090 stores in operation since the end of 2014 and the full absorption of logistics as well as of the general and administrative expenses by such stores, our adjusted EBITDA would have totaled R\$ 159.2 million, equivalent to an EBITDA margin of 7.8% over the respective gross revenues.

DEPRECIATION, NET FINANCIAL EXPENSES AND INCOME TAXES

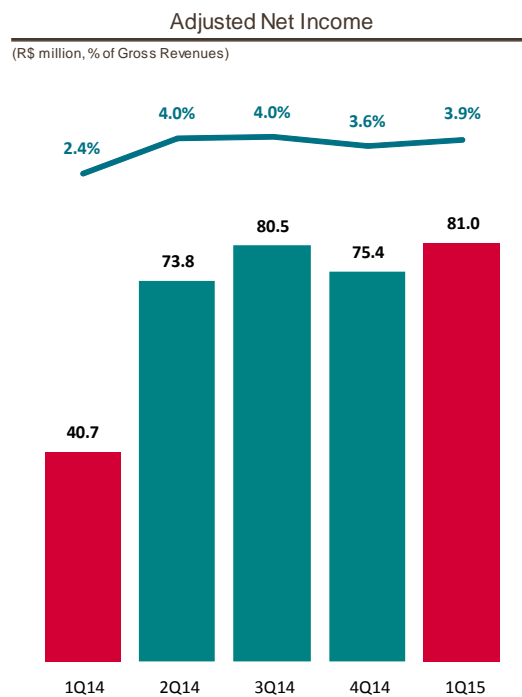
Depreciation expenses totaled R\$ 53.5 million in the quarter, equivalent to 2.6% of gross revenues, a 0.1 percentage point increase over the previous year.

In the 1Q15, we recorded a 0.2 percentage point increase in net financial expenses, reflecting the increase in the NPV adjustments, derived from an increase in the interest rate and the extended payment terms obtained in the quarter.

Finally, we booked R\$ 3.4 million in taxes, equivalent to 0.2% of gross revenues, a 0.1 percentage point increase. The reduction in our tax burden due to an increase in the appropriation of interest on equity when compared to the previous year (R\$ 61.3 million in the 1Q15 against R\$ 7.7 million in the 1Q14) was more than neutralized by the expressive increase in the EBITDA margin in the period.



ADJUSTED NET INCOME



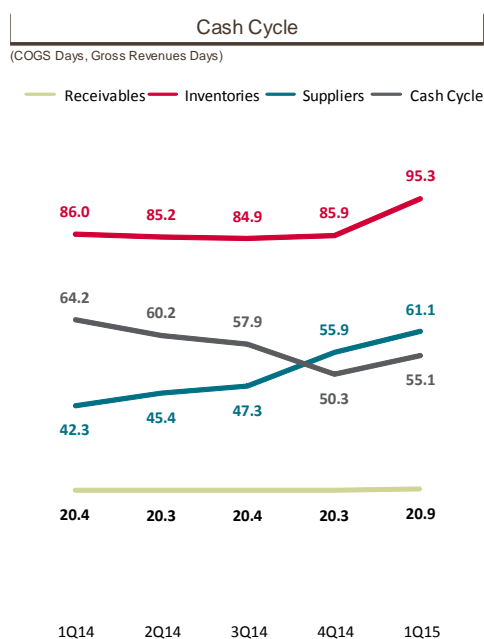


Adjusted net income totaled R\$ 81.0 million, a 99.0% increase over the same period of the previous year. We achieved an adjusted net margin of 3.9%, a margin improvement of 1.6 percentage point driven by a 1.9 percentage point increase in the EBITDA margin, and partially offset by increases of 0.2 percentage point in financial expenses and of 0.1 percentage point in income taxes.

Non-recurring expenses dropped from R\$ 1.4 million in the 1Q14 to zero in the current quarter, as our integration is nearly concluded.

Finally, the reported net income, which does not include the tax shield from the goodwill amortization and non-recurring expenses, grew 141.4% when compared to 2014, due to the operational improvement and the completion of the integration process.

CASH CYCLE



We achieved a cash cycle reduction of 9.0 days when compared to the previous year.

We recorded an inventory increase of 9.3 days due to the larger forward buying in anticipation of the annual price increase in pharmaceuticals (which happened on March 31st) when compared to the 1Q14 and to opportunistic purchases pursued in the quarter, which also resulted in higher gross margins.

Our accounts payable increased by 18.8 days, driven by improvement in purchasing terms from suppliers related to the full funding of our opportunistic purchases, as well to the partial financing of the forward buying. Finally, days of receivables increased by 0.5 day versus the previous year.

The 2014 cash cycle is reported *pro-forma* due to the NPV adjustments. In the 1Q14, these adjustments represented a 0.6 day increase when compared to the previously reports (1.1 day in inventories and 0.6 day in accounts payable).

CASH FLOW

We generated a negative free cash flow of R\$ 31.0 million in the 1Q15, and a negative total cash flow of R\$ 24.2 million. It is important to highlight that, as fourth quarters have a very favorable cash cycle seasonality, any other quarter is likely to present a cash outlay when compared to it.

Our operating cash flow totaled R\$ 28.4 million, which partially funded the investments of R\$ 59.4 million undertaken in the period. Resources from operations amounted to R\$ 116.5 million, equivalent to 5.7% of our gross revenues, while working capital employed totaled R\$ 88.1 million.

Of the R\$ 59.4 million invested in the quarter, R\$ 31.8 million corresponded to new store openings, R\$ 10.5 million to the renovation of existing stores, and R\$ 17.1 million to investments in infrastructure.

Net financial expenses totaled R\$ 14.4 million, while R\$ 0.4 million were paid in interest on equity. These expenses were more than fully offset by the R\$ 25.7 million tax shield related to the interest on equity accrued in the period that shall be paid at a later date.

Finally, we accrued R\$ 61.3 million in interest on equity in the quarter versus R\$ 7.7 million in the 1Q14.

Cash Flow	1Q15	1Q14
<i>(R\$ million)</i>		
Adjusted EBIT	98.8	50.4
Non-Recurring Expenses	-	(1.4)
Income Tax (34%)	(33.6)	(16.7)
Tax Shield from Goodwill	10.7	10.7
Depreciation	53.5	43.6
Others	(12.9)	(6.5)
Resources from Operations	116.5	80.3
Cash Cycle*	(65.2)	(129.1)
Other Assets (Liabilities)	(22.9)	(13.2)
Operating Cash Flow	28.4	(62.0)
Investments	(59.4)	(52.5)
Free Cash Flow	(31.0)	(114.5)
Interest on Equity	(0.4)	(0.4)
Income Tax Paid over Interest on Equity	(4.2)	-
Net Financial Expenses	(14.4)	(8.4)
Income Tax (Tax benefit over financial expenses and interest on equity)	25.7	5.5
Total Cash Flow	(24.2)	(117.8)

* Cash cycle includes variation in accounts receivables, inventories and suppliers

** Does not include financing cash flow

INDEBTEDNESS

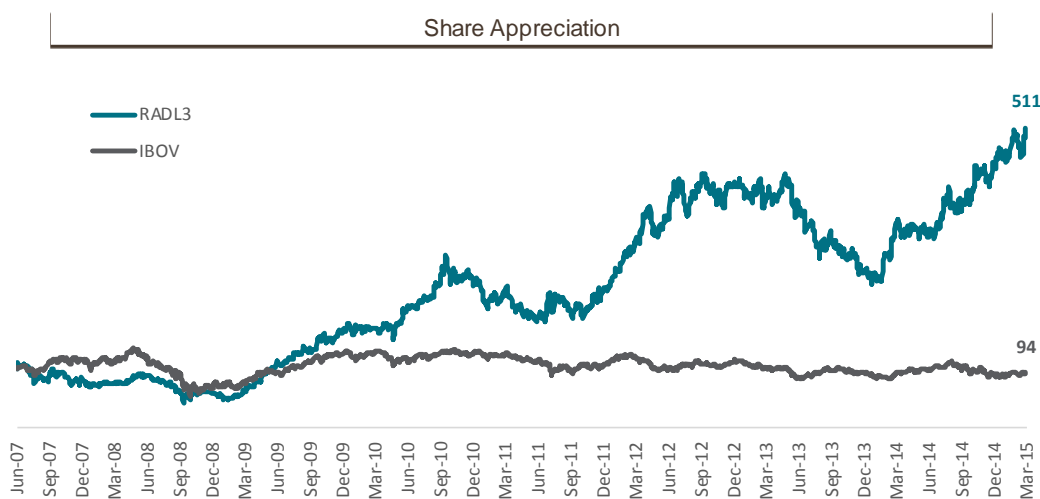
At the end of the 1Q15, our net debt amounted to R\$ 24.1 million, versus R\$ 120.8 million recorded in the same period of 2014.



Our gross debt totaled R\$ 255.0 million, of which 100% corresponds to BNDES (Brazilian Economic and Social Development Bank) lines. Of our total debt, 64.5% is long-term, while 35.5% relates to the short-term parcels of our long-term debt. We ended the quarter with a total cash position (cash and marketable securities) of R\$ 230.9 million.

TOTAL SHAREHOLDER RETURN

Our share price appreciated 13.0% in the 1Q15, 10.7 percentage points above the IBOVESPA, which gained 2.3% over the same period.



We had an average daily trading volume of R\$ 24.3 million in the quarter.

Since the IPO of Drogasil, we achieved a cumulative share appreciation of 411.4% when compared to a negative return of 6.0% of the IBOVESPA over the same period. Including the payment of interest on equity, we generated an average annual total return to shareholders of 24.0%.

Considering the IPO of Raia in December of 2010, the cumulative return in the period amounted to 173.4% when compared to a decrease of 24.8% by the IBOVESPA. Considering the payment of interest on equity, this resulted in an average annual total return to shareholders of 26.8%.

Adjusted Income Statement

(R\$ thousand)

	1Q14	2Q14	3Q14	4Q14	1Q15
Gross Revenues	1,718,910	1,856,576	1,990,328	2,093,076	2,052,433
Taxes, Discounts and Returns	(68,267)	(75,209)	(79,116)	(84,959)	(84,866)
Net Revenues	1,650,643	1,781,367	1,911,212	2,008,117	1,967,567
Cost of Goods Sold	(1,181,796)	(1,250,754)	(1,355,766)	(1,419,309)	(1,377,104)
Gross Profit	468,847	530,613	555,446	588,808	590,463
Operational (Expenses) Revenues					
Sales	(326,250)	(338,209)	(362,287)	(382,321)	(386,871)
General and Administrative	(48,536)	(52,750)	(45,967)	(47,705)	(51,242)
Other Operational Expenses, Net					
Operational Expenses	(374,785)	(390,959)	(408,254)	(430,026)	(438,112)
EBITDA	94,061	139,654	147,192	158,782	152,351
Depreciation and Amortization	(43,644)	(44,020)	(48,300)	(51,604)	(53,508)
Operational Earnings before Financial Results	50,418	95,633	98,892	107,178	98,843
Financial Expenses	(21,351)	(24,155)	(24,591)	(28,905)	(28,662)
Financial Revenues	12,921	13,175	15,996	16,486	14,262
Financial Expenses/Revenues	(8,430)	(10,980)	(8,595)	(12,419)	(14,400)
Earnings before Income Tax and Social Charges	41,988	84,653	90,297	94,759	84,443
Income Tax and Social Charges	(1,267)	(10,834)	(9,803)	(19,362)	(3,418)
Net Income	40,720	73,820	80,494	75,397	81,025

Income Statement

(R\$ thousand)

	1Q14	2Q14	3Q14	4Q14	1Q15
Gross Revenues	1,718,910	1,856,576	1,990,328	2,093,076	2,052,433
Deductions	(68,267)	(75,209)	(79,116)	(84,959)	(84,866)
Net Revenues	1,650,643	1,781,367	1,911,212	2,008,117	1,967,567
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General and Administrative	(48,536)	(52,750)	(45,967)	(47,705)	(51,242)
Other Operational Expenses, Net	(1,350)	(1,518)	(2,754)	(3,851)	0
Operational Expenses	(376,136)	(392,477)	(411,007)	(433,877)	(438,112)
EBITDA	92,711	138,136	144,439	154,931	152,351
Depreciation and Amortization	(43,644)	(44,020)	(48,300)	(51,604)	(53,508)
Operational Earnings before Financial Results	49,067	94,116	96,139	103,327	98,843
Financial Expenses	(21,351)	(24,155)	(24,591)	(28,905)	(28,662)
Financial Revenues	12,921	13,175	15,996	16,486	14,262
Financial Expenses/Revenues	(8,430)	(10,980)	(8,595)	(12,419)	(14,400)
Earnings before Income Tax and Social Charges	40,637	83,136	87,544	90,907	84,443
Income Tax and Social Charges	(11,506)	(21,016)	(19,565)	(28,750)	(14,116)
Net Income	29,131	62,120	67,979	62,157	70,327

Assets	1Q14	2Q14	3Q14	4Q14	1Q15
<i>(R\$ thousand)</i>					
Current Assets					
Cash and Cash Equivalents	139,143	143,508	149,768	281,189	230,865
Accounts Receivable	385,242	414,588	445,430	465,990	471,433
Inventories	1,116,979	1,171,545	1,264,466	1,340,199	1,442,362
Taxes Receivable	34,191	28,927	38,060	39,042	58,603
Other Accounts Receivable	121,859	120,687	121,493	107,590	112,704
Following Fiscal Year Expenses	16,574	14,311	10,861	9,921	17,154
	<u>1,813,988</u>	<u>1,893,565</u>	<u>2,030,078</u>	<u>2,243,931</u>	<u>2,333,121</u>
Non-Current Assets					
Deposit in Court	10,992	11,841	12,649	14,116	18,120
Taxes Receivable	12,552	14,067	15,585	17,330	20,241
Other Credits	872	969	876	1,218	1,153
Property, Plant and Equipment	554,050	582,759	609,690	647,673	665,018
Intangible	1,140,776	1,135,995	1,130,070	1,125,021	1,119,198
	<u>1,719,243</u>	<u>1,745,633</u>	<u>1,768,870</u>	<u>1,805,358</u>	<u>1,823,730</u>
ASSETS	<u>3,533,231</u>	<u>3,639,198</u>	<u>3,798,948</u>	<u>4,049,289</u>	<u>4,156,851</u>

Liabilities and Shareholder's Equity

(R\$ thousand)

	1Q14	2Q14	3Q14	4Q14	1Q15
Current					
Suppliers	548,706	623,887	704,648	871,477	924,267
Loans and Financing	97,601	99,838	98,756	97,710	90,584
Salaries and Social Charges Payable	127,748	152,789	173,499	141,548	141,669
Taxes Payable	52,800	40,512	38,350	42,230	44,522
Dividend and Interest on Equity	15,725	25,531	44,429	28,664	55,948
Provision for Lawsuits	4,835	5,219	5,188	5,209	4,205
Other Accounts Payable	61,064	64,375	77,285	88,212	88,751
	<u>908,480</u>	<u>1,012,151</u>	<u>1,142,154</u>	<u>1,275,050</u>	<u>1,349,946</u>
Non-Current Assets					
Loans and Financing	162,301	144,936	123,243	183,527	164,439
Provision for Lawsuits	9,526	9,926	8,943	4,103	3,708
Income Tax and Social Charges deferred	100,525	108,207	115,159	125,946	140,038
Other Accounts Payable	4,015	3,803	3,294	3,726	3,298
	<u>276,367</u>	<u>266,872</u>	<u>250,640</u>	<u>317,303</u>	<u>311,483</u>
Shareholder's Equity					
Common Stock	908,639	908,639	908,639	908,639	908,639
Capital Reserves	1,039,935	1,019,037	1,019,037	1,019,791	1,020,249
Revaluation Reserve	12,895	12,848	12,802	12,755	12,709
Income Reserves	357,169	357,169	357,169	475,420	475,420
Accrued Income	21,447	62,481	108,507	0	38,073
Additional Dividend Proposed	8,298	0	0	40,331	40,331
	<u>2,348,384</u>	<u>2,360,175</u>	<u>2,406,154</u>	<u>2,456,937</u>	<u>2,495,421</u>
LIABILITIES AND SHAREHOLDERS' EQUITY	<u>3,533,231</u>	<u>3,639,198</u>	<u>3,798,948</u>	<u>4,049,289</u>	<u>4,156,851</u>



	1Q14	2Q14	3Q14	4Q14	1Q15
Cash Flow					
Earnings before Income Tax and Social Charges	40,637	83,136	87,544	90,907	84,443
Adjustments					
Depreciations and Amortization	43,644	44,020	48,300	51,604	53,508
Compensation plan with restricted shares				754	457
P,P&E and Intangible Assets residual value	1,137	(712)	259	(1,518)	100
Provisioned Lawsuits	1,691	1,376	(845)	(5,669)	(1,601)
Provisioned Inventories Loss	(2,298)	4,861	2,441	5,234	(261)
Allowance for Doubtful Accounts	(587)	1,327	(1,502)	(1,225)	(128)
Provisioned Store Closures	0	3,081	0	570	(332)
Interest Expenses	6,300	6,065	5,670	5,602	7,376
	90,524	143,154	141,867	146,259	143,562
Assets and Liabilities variation					
Accounts Receivable	(24,303)	(29,503)	(30,145)	(5,432)	(10,428)
Inventories	17,940	(59,427)	(95,361)	(80,968)	(101,890)
Other Short Term Assets	(1,120)	7,532	(5,688)	(41)	(26,795)
Long Term Assets	(20,290)	(4,226)	(2,231)	(3,555)	(6,850)
Suppliers	(122,748)	75,180	75,792	166,838	47,101
Salaries and Social Charges	11,396	25,041	20,710	(31,951)	121
Taxes Payable	4,189	(15,443)	2,655	(11,798)	10,026
Other Liabilities	(6,693)	171	4,091	10,262	(511)
Rent Payable	(674)	2,337	8,141	1,949	1,118
Cash from Operations	(51,779)	144,816	119,831	191,563	55,454
Income Tax and Social Charges Paid	(6,903)	(11,432)	(20,531)	(5,639)	(12,370)
Net Cash from (invested) Operational Activities	(58,682)	133,384	99,300	185,924	43,084
Investment Activities Cash Flow					
P,P&E and Intangible Acquisitions	(52,460)	(71,110)	(64,594)	(86,486)	(59,747)
P,P&E Sale Payments	1	792	0	2,887	333
Net Cash from Investment Activities	(52,459)	(70,318)	(64,594)	(83,599)	(59,414)
Financing Activities Cash Flow					
Funding	37,703	0	0	83,379	0
Payments	(23,142)	(16,392)	(23,921)	(25,356)	(28,154)
Interest Paid	(5,785)	(4,802)	(4,525)	(4,386)	(5,437)
Share Buyback	0	(20,898)	0	0	0
Interest on Equity and Dividends Paid	(377)	(16,609)	0	(24,541)	(403)
Net Cash from Funding Activities	8,399	(58,701)	(28,446)	29,096	(33,994)
Cash and Cash Equivalents net increase	(102,742)	4,365	6,260	131,421	(50,324)
Cash and Cash Equivalents in the beginning of the period	241,885	139,143	143,508	149,768	281,189
Cash and Cash Equivalents in the end of the period	139,143	143,508	149,768	281,189	230,865



1Q15 Results Conference Calls – April 30th, 2015

Portuguese

at 10:00 am (Brasília)

Dial in access:
+55 (11) 2188-0155
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English

at 12:00 pm (Brasília)

Dial in access:
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+55 (11) 2188-0155
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