



São Paulo, October 30, 2018. **RD – People, Health and Well-being** (Raia Drogasil S.A. – B3: RADL3) announces today its results for the 3<sup>rd</sup> quarter of 2018 (3Q18). The Company's parent company and consolidated quarterly financial statements for the periods ended in September 30, 2018 and 2017 have been prepared in accordance with technical pronouncement CPC 21 (R1) – “Interim Financial Reporting”, the requirements in Official Letter/CVM/SNC/SEP 003/2011 of April 28, 2011, and the International Financial Reporting Standards (IFRS) – IAS 34 and discloses all material information specific to the individual and consolidated quarterly information, which is consistent with the information used by management in managing the activities. Such information was prepared in Reais and all growth rates relate to the same period of 2017.

**QUARTERLY HIGHLIGHTS:**

- › **DRUGSTORES: 1,768 stores in operation (64 openings and 4 closures)**
- › **GROSS REVENUES: R\$ 3.9 billion, 10.2% growth (0.8% retail same-store sales growth)**
- › **GROSS MARGIN: 28.3% of gross revenues, a 0.2 percentage point decrease**
- › **EBITDA: R\$ 295.3 million, a margin of 7.5%, a 0.8 percentage point pressure**
- › **NET INCOME: R\$ 131.1 million, 3.3% of net margin**
- › **CASH FLOW: R\$ 0.7 million free cash flow, R\$ 1.4 million of cash generation**

RADL3

**R\$ 63.20/share**

NUMBER OF SHARES

**330.386.000**

MARKET CAP

**R\$ 20,880 (million)**

CLOSING

**October 29, 2018**

IR CONTACTS:

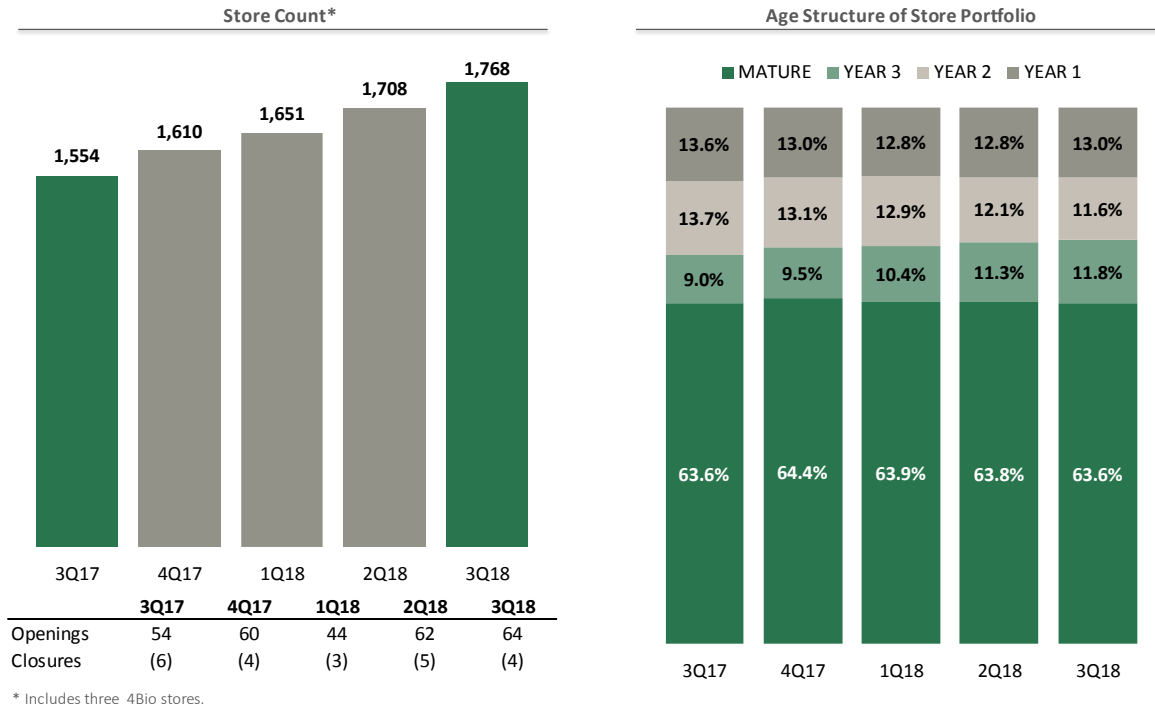
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Summary	3Q17	4Q17	1Q18	2Q18	3Q18
<i>(R\$ thousand)</i>					
# of Stores - Retail + 4Bio	1,554	1,610	1,651	1,708	1,768
Store Openings	54	60	44	62	64
Store Closures	(6)	(4)	(3)	(5)	(4)
# of Stores (average)	1,533	1,588	1,629	1,680	1,744
Headcount (EoP)	31,163	32,265	32,633	33,880	34,708
Pharmacist Count (EoP)	5,977	6,044	6,323	6,582	6,806
# of Tickets (000)	52,798	53,957	52,291	55,148	56,560
Gross Revenue	3,580,024	3,662,178	3,603,969	3,791,578	3,944,677
Gross Profit	1,020,396	1,046,258	1,026,758	1,104,199	1,116,776
% of Gross Revenues	28.5%	28.6%	28.5%	29.1%	28.3%
Adjusted EBITDA	296,463	288,719	272,185	316,648	295,250
% of Gross Revenues	8.3%	7.9%	7.6%	8.4%	7.5%
Adjusted Net Income	136,493	132,623	121,288	141,775	131,148
% of Gross Revenues	3.8%	3.6%	3.4%	3.7%	3.3%
Net Income	136,493	134,188	121,288	137,656	128,837
% of Gross Revenues	3.8%	3.7%	3.4%	3.6%	3.3%
Free Cash Flow	102,135	68,432	(102,012)	(67,705)	681

## STORE DEVELOPMENT



We opened 64 new stores and closed 4 in the 3Q18, ending the quarter with 1,768 stores, including three 4Bio units. We reiterate our guidance of 240 gross openings per year for both 2018 and 2019. At the end of the period, 36.4% of our stores were still in the process of maturation and had not yet reached their full potential both in terms of revenue and of profitability. It is important to mention that the performance of the stores opened this year remains very robust, in line with our historical standards.

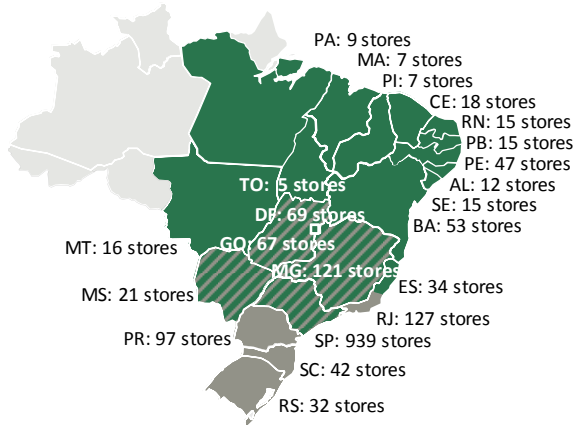
We recorded four store closures in the quarter, all under the Farmasil brand. This is a consequence of the enhancement of our popular store format, which will leverage the existing operating model of Farmasil at larger store areas (120 m<sup>2</sup> to 140 m<sup>2</sup>) and by using the Raia and Drogasil brands, resulting in the closure of the stores in which the sales areas cannot be increased.

Our national market share reached 12.0% in the 3Q18, a 0.3 percentage point increase when compared to the same period of the previous year. IMS recorded a market growth of only 8.2% in the quarter, supported by a 7.2% growth in units. This reflects the erosion of average prices arising from the down trade to cheaper Generics.

Still, we increased our market share in four of the six regions where we operate under a context of increased competition due to accelerated store addition from the other chains. The Northeast remained as our main highlight, where we recorded a market share of 6.1%, a 0.9 percentage point increase driven by our organic expansion and store maturation. We also recorded market share gains in the South and Southeast regions of 0.3 percentage point, reaching a total of 6.6% and 8.0%, respectively. On the other hand, we have lost 0.5 percentage point of market share in São Paulo, reaching a total of 22.1% and lost 0.4 percentage point in the Midwest, reaching a share of 13.2%.

Our market share in São Paulo was impacted by the deceleration of our LTM expansion from 93 stores in the 3Q17 to 76 in the 3Q18, reflecting an increased decentralization in our growth. It is also a consequence of our investments in prices and mix, especially in generics, which resulted in a lower average ticket but allowed us to maintain a constant market share in São Paulo in terms of units sold when compared to the 3Q17.

### Geographic Presence



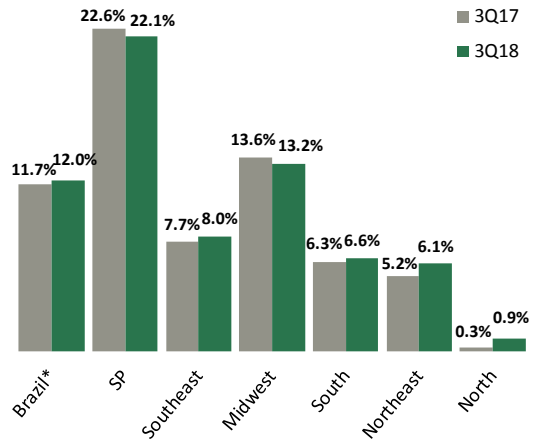
Total: 1,768 stores

- Raia: 802 stores
- Drogasil: 943 stores
- \* Farmasil: 20 stores
- \* 4Bio: 3 stores

Source: IMS

\* Includes 4Bio only for Brazil total.

### Market Share



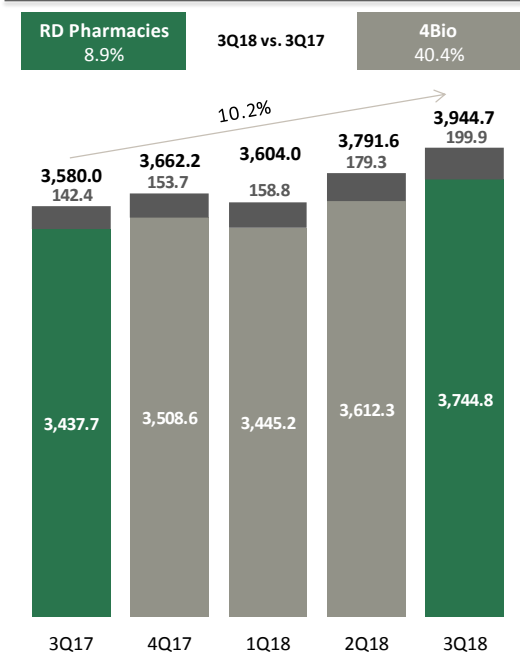
### PHARMACEUTICAL MARKET BREAKDOWN BY REGION (%)

Brazil*	SP	Southeast	Midwest	South	Northeast	North
100.0%	26.3%	24.1%	9.6%	16.1%	19.0%	4.9%

## GROSS REVENUES

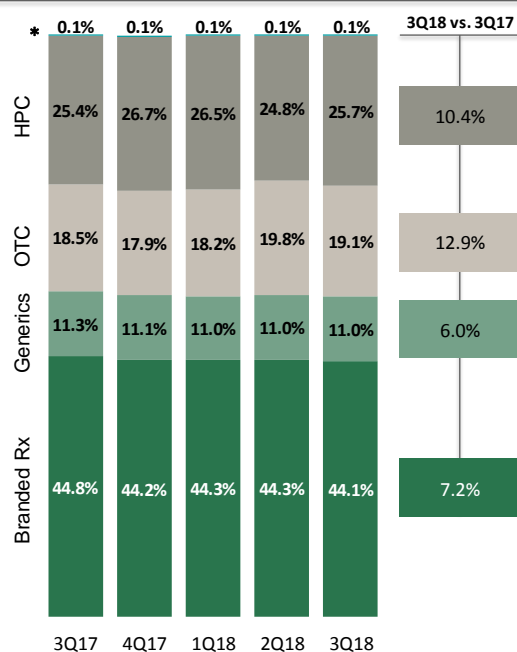
We ended the 3Q18 with consolidated gross revenues of R\$ 3,944.7 million, a 10.2% increase over the same period of the previous year. Our drugstore revenues increased by 8.9%, while 4Bio grew 40.4% in the period.

### Consolidated Gross Revenues

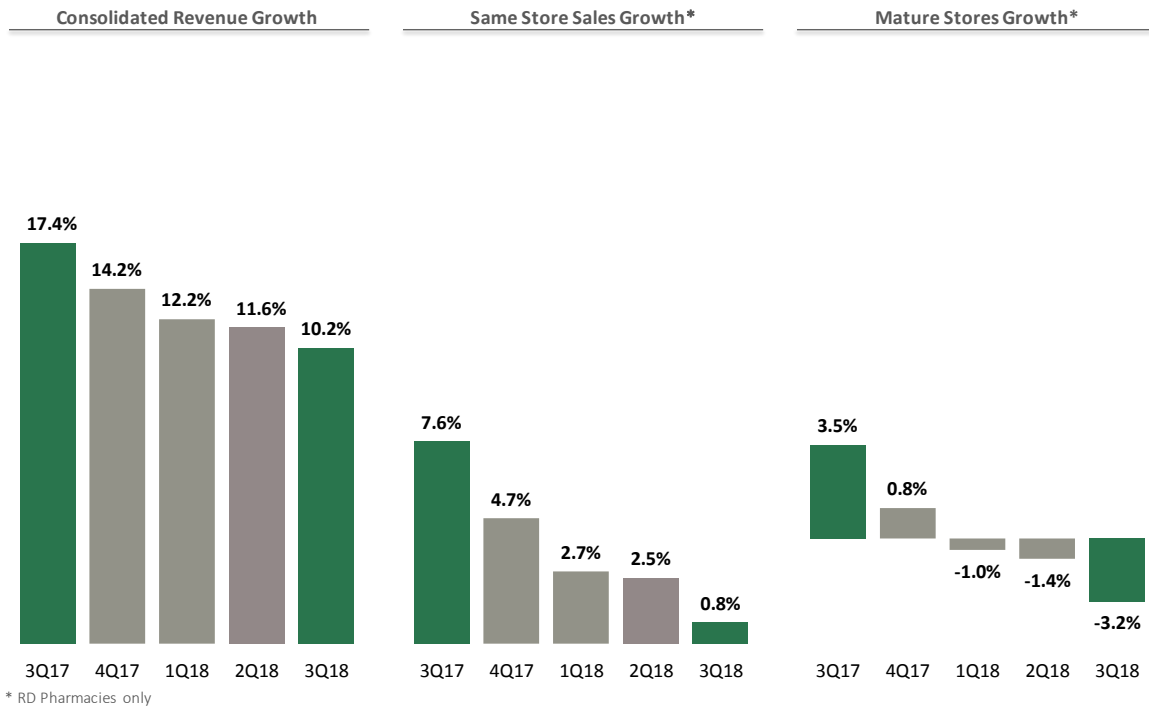


\* Services

### Retail Sales Mix

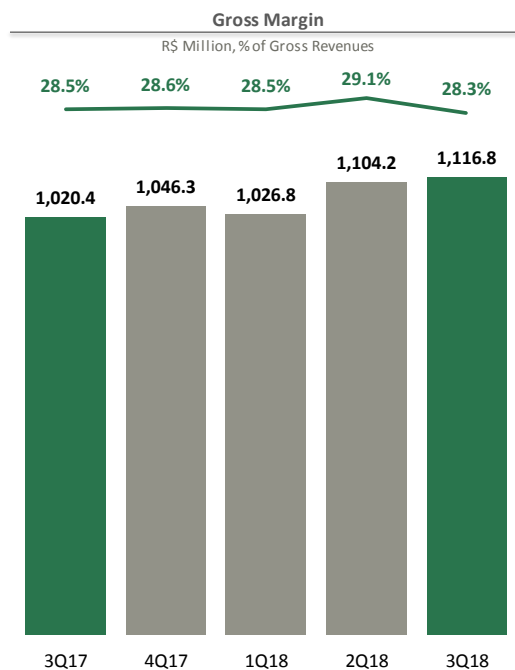


OTC was the highlight of the quarter by growing 12.9% and gaining 0.6 percentage point. HPC grew 10.4%, gaining 0.3 percentage point. On the other hand, Branded Rx grew 7.2% in the quarter, losing 0.7 percentage point. The outperformance by OTC at the expense of Branded Rx was helped by drug switches, a migration of 0.4 percentage point. Generic revenues grew 6.0%, supported by a significant growth in Generics units sold, reflecting our successful investment in pricing while preserving the total retail gross margin.



Our same store sales increased by 0.8%, while our mature stores declined by 3.2%, with a negative calendar effect of 0.3%. Sequential deceleration was driven by the very strong comp base of the 3Q17.

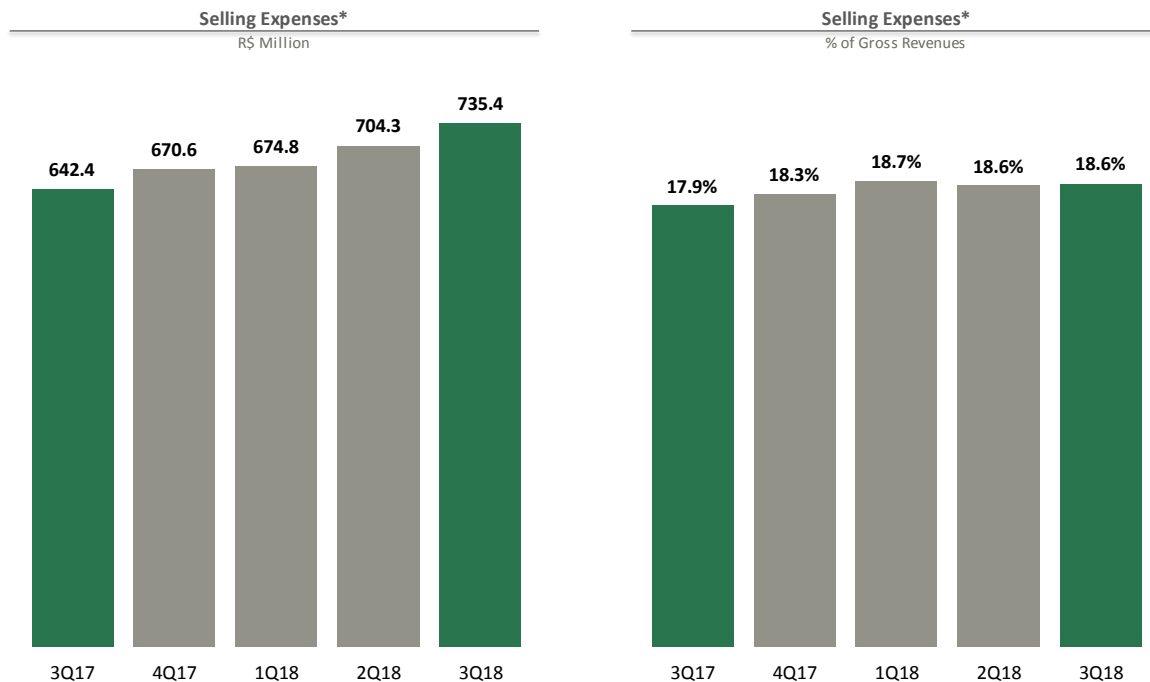
### GROSS MARGIN



Our gross margin reached 28.3%, a 0.2 percentage point pressure versus the 3Q17. We recorded a 0.1 percentage point retail margin increase and a 0.3 percentage point pressure from 4Bio, due to its negative mix effect.

## SELLING EXPENSES

In the 3Q18, selling expenses totaled R\$ 735.4 million, equivalent to 18.6% of gross revenues, a 0.7 percentage point pressure compared to the same quarter of the previous year.



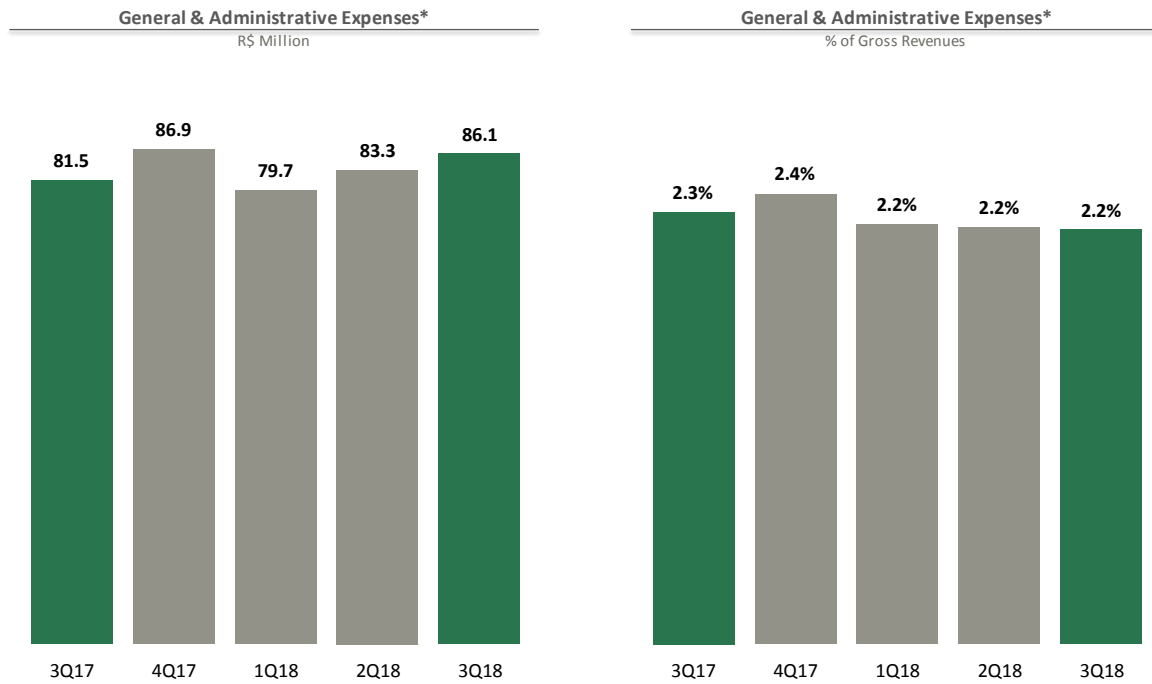
\* Selling Expenses do not include depreciation and amortization.

We recorded personnel expenses pressure of 0.3 percentage point, as well as 0.2 percentage point pressure from rentals, 0.1 percentage point from logistics, and another 0.1 percentage point from electricity. Also, we recorded another 0.2 percentage point pressure from new stores opened in the quarter as well as from those in the opening process, mostly due to the acceleration in the expansion pace and to accumulation of pre-operational expenses related to the new stores in the Pará state, which carry a higher average rental expense. These pressures were partially offset by a 0.2 percentage point dilution from 4Bio, which has lower selling expenses and recorded an expense dilution in the quarter.

These pressures were driven by the tough comps of the 3Q17, when the expense level was below the 4Q17 by 0.4 percentage point, as well as by the loss of operating leverage due to a mature-stores sales performance below inflation, which accounted for the balance.

## GENERAL & ADMINISTRATIVE EXPENSES

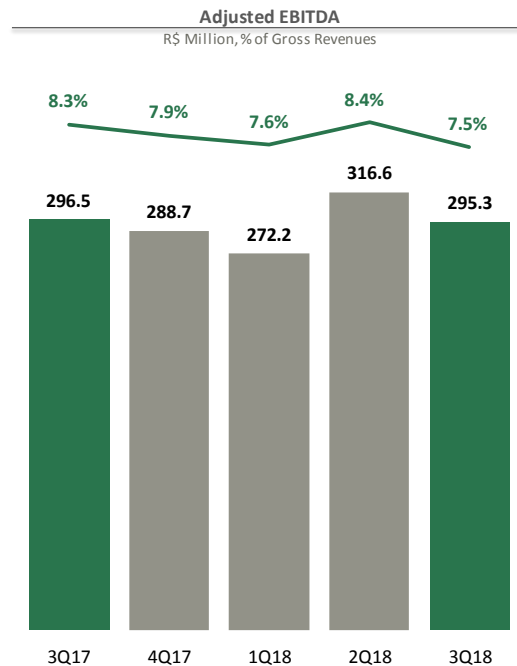
G&A expenses amounted to R\$ 86.1 million in the 3Q18, equivalent to 2.2% of gross revenues and a 0.1 percentage point dilution over the 3Q17. This expense dilution reflects a lower variable compensation allowance in the quarter compared to the previous year and also to other gains stemming from economies of scale.



\* General & Administrative Expenses do not include depreciation and amortization.

## EBITDA

Our adjusted EBITDA reached R\$ 295.3 million in the quarter, an EBITDA margin of 7.5% and a 0.8 percentage point pressure over the same period of last year.



New stores opened in the year, as well as those in the opening process, reduced the EBITDA by R\$ 11.6 million. Therefore, considering only the 1,598 stores in operation since the end of 2017 and the full absorption of logistics, general and administrative expenses by such stores, our EBITDA would have totaled R\$ 306.8 million, equivalent to a margin of 8.1% and a 0.7 percentage point pressure.

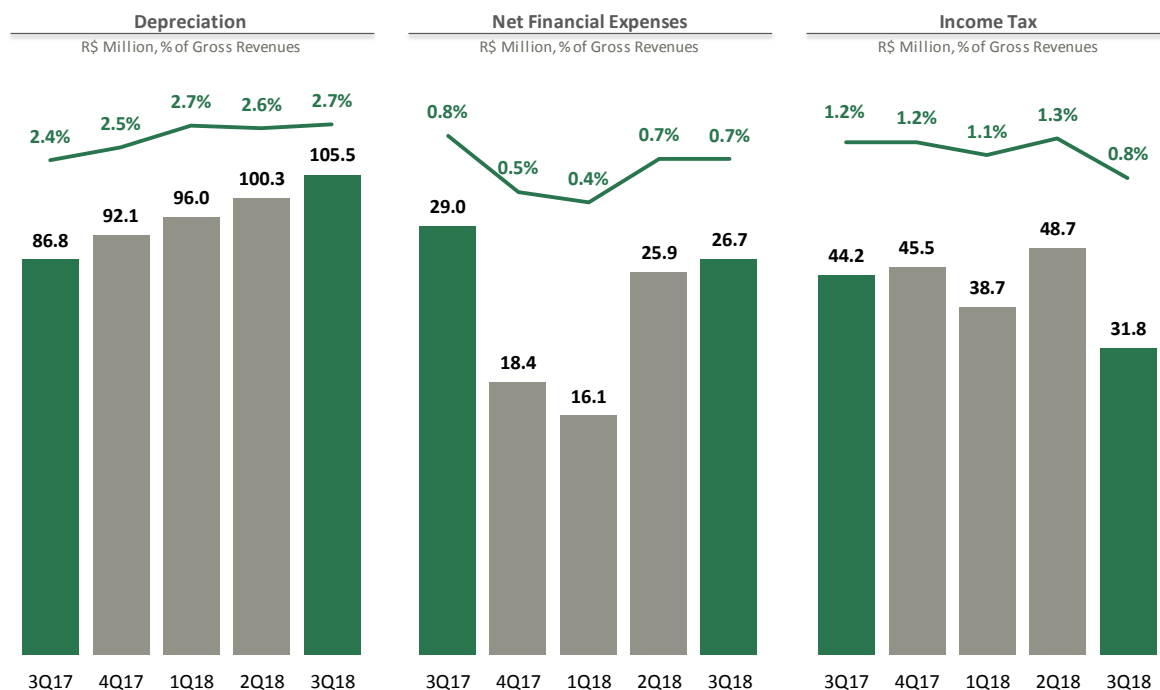
RD Pharmacies reached an adjusted EBITDA of R\$ 291.0 and a margin of 7.8% in the 3Q18, a 0.8 percentage point pressure over the same period of last year. Gross margin increased by 0.1 percentage point, while expenses pressured by 0.9 percentage point. It is important to mention that a significant part of this pressure was due to the very strong comp base of the 3Q17, when the selling expense level was below the 4Q17 by 0.4 percentage point. Therefore, the loss of operating leverage accounted for a margin pressure of 0.5 percentage point in the retail operation.

Finally, 4Bio reached an EBITDA of R\$ 4.2 million and a margin of 2.1%, a 0.3 percentage point margin expansion.

EBITDA Reconciliation	3Q17	3Q18
<i>(R\$ million)</i>		
<b>Net Income</b>	<b>136.5</b>	<b>128.8</b>
(+) Income Tax	44.2	30.6
(+) Financial Result	29.0	26.7
<b>EBIT</b>	<b>209.7</b>	<b>186.2</b>
(+) Depreciation and Amortization	86.8	105.5
<b>EBITDA</b>	<b>296.5</b>	<b>291.7</b>
(+) Expenses related to the Strategic Planning	-	2.2
(+) Asset Write-off - Farnasil	-	1.3
<b>Adjusted EBITDA</b>	<b>296.5</b>	<b>295.3</b>

During the 3Q18, we recorded R\$ 3.5 million in non-recurring expenses, which included R\$ 2.2 million in consulting expenses related to the development of our Strategic Planning for the next five years and R\$ 1.3 million in asset write-off related to the closure of 4 Farnasil stores which cannot be upgraded to our enhanced popular format.

## DEPRECIATION, NET FINANCIAL EXPENSES AND INCOME TAXES

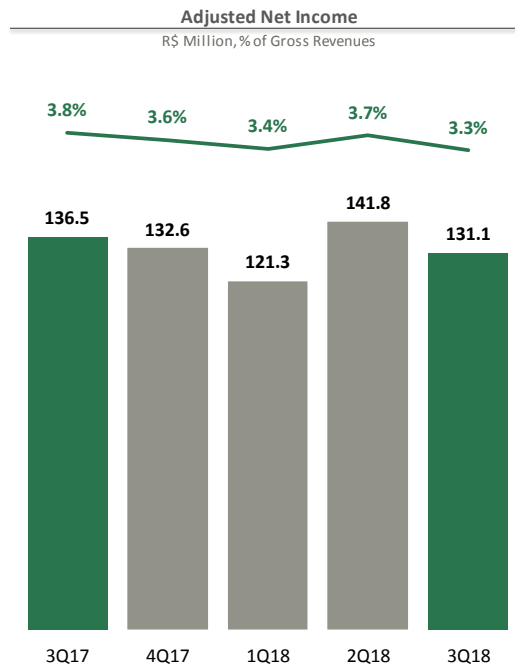


Depreciation expenses amounted to R\$ 105.5 million in the 3Q18, equivalent to 2.7% of gross revenues, a 0.3 percentage point increase reflecting the acceleration of our expansion program and a lower dilution due to a weaker sales performance.

Financial expenses totaled 0.7% of revenues, a 0.1 percentage point decrease. Of the R\$ 26.7 million, R\$ 11.9 million refers to the NPV adjustment while other R\$ 1.4 million refers to interest on the option to acquire the remaining 45% of 4Bio. Excluding the NPV adjustments and expenses related to the option to acquire 4Bio, interest accrued on net debt amounted to R\$ 13.4 million, equivalent to 0.3 percentage point of gross revenues. We booked R\$ 31.8 million in income taxes, equivalent to 0.8% of gross revenues.

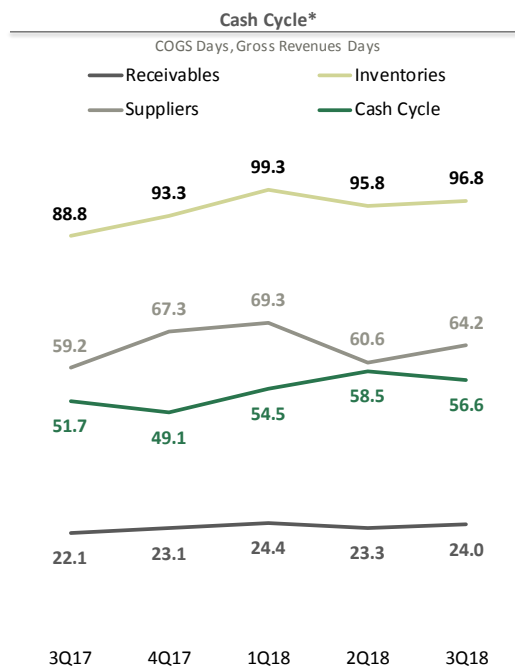
## NET INCOME

Adjusted Net income totaled R\$ 131.1 million in the quarter, a 3.9% decrease over the same period of the previous year. We achieved a net margin of 3.3%, a 0.5 percentage point pressure over the 3Q17.



## CASH CYCLE

Our cash cycle increased by 4.8 days. Inventories increased by 7.9 days, partially offset by an accounts payable increase of 5.0 days. Lastly, receivables increased by 1.9 day, reflecting an unfavorable calendar and a higher penetration of credit and debit cards.



\* Adjusted to discounted receivables.



## CASH FLOW

In the 3Q18, we recorded a free cash flow of R\$ 0.7 million, and a negative total cash flow of R\$ 1.4 million.

Resources from operations amounted to R\$ 224.6 million, equivalent to 5.7% of gross revenues, while we recorded a working capital investment of R\$ 32.2 million (reincorporating the discounted receivables), amounting to a total operating cash flow of R\$ 192.4 million.

Of the R\$ 191.7 million invested in the quarter, R\$ 127.4 million corresponded to new store openings, R\$ 40.1 million to the renovation or expansion of existing stores and R\$ 24.2 million to investments in infrastructure.

Net financial expenses totaled R\$ 14.8 million in the quarter, excluding NPV adjustments. These were more than fully offset by the R\$ 22.7 million tax shield related to the net financial expenses and to the interest on equity accrued in the period, which shall be paid in the following quarters.

We accrued R\$ 52.0 million in interest on equity in the 3Q18, reflecting a payout of 40.4%, through the full usage of the legal interest on equity limit.

Cash Flow (R\$ million)	3Q18	3Q17	YTD '18	YTD '17
<b>Adjusted EBIT</b>	<b>189.7</b>	<b>209.7</b>	<b>582.3</b>	<b>595.8</b>
NPV Adjustment	(12.7)	(17.0)	(33.8)	(49.3)
Non-Recurring Expenses	(3.5)	-	(9.7)	(2.2)
Income Tax (34%)	(59.0)	(65.5)	(183.2)	(185.1)
Depreciation	105.5	86.8	301.8	245.8
Others	4.5	3.2	6.6	23.4
<b>Resources from Operations</b>	<b>224.6</b>	<b>217.1</b>	<b>664.0</b>	<b>628.4</b>
Cash Cycle*	(39.1)	30.7	(362.3)	(365.2)
Other Assets (Liabilities)**	6.9	45.7	11.4	98.4
<b>Operating Cash Flow</b>	<b>192.4</b>	<b>293.6</b>	<b>313.0</b>	<b>361.6</b>
<b>Investments</b>	<b>(191.7)</b>	<b>(191.4)</b>	<b>(482.1)</b>	<b>(479.7)</b>
<b>Free Cash Flow</b>	<b>0.7</b>	<b>102.1</b>	<b>(169.0)</b>	<b>(118.1)</b>
Interest on Equity	(0.0)	(0.0)	(87.2)	(85.2)
Income Tax Paid over Interest on Equity	(7.1)	(6.9)	(14.2)	(14.0)
Net Financial Expenses***	(14.8)	(14.7)	(34.4)	(42.3)
Share Buyback	-	-	(46.9)	-
Income Tax (Tax benefit over financial expenses and interest on equity)	22.7	22.3	63.9	65.7
<b>Total Cash Flow</b>	<b>1.4</b>	<b>102.8</b>	<b>(287.9)</b>	<b>(193.9)</b>

\*Includes adjustments to discounted receivables.

\*\*Includes tax shield from goodwill amortization and NPV adjustments.

\*\*\*Excludes NPV adjustments.

## INDEBTEDNESS

At the end of the quarter, we recorded an adjusted net debt position of R\$ 681.5 million, versus R\$ 376.4 million recorded in the same period of 2017. The adjusted Net Debt to EBITDA totaled 0.6x, 0.3x higher than the 3Q17 reflecting the acceleration in our expansion plan.

This net debt includes R\$ 51.7 million in liability related to the exercise of the put option granted and/or call option obtained for the acquisition of the remaining 45% minority stake of 4Bio. This liability reflects the estimated valuation of 4Bio as of December 2017, assuming the pre-agreed multiple, the average forecasted annual EBITDA for 2018, 2019 and 2020 and the forecasted average net debt for 2020 as stipulated in the acquisition contracts. This estimate is revisited annually to reflect changes in the economic outlook of 4Bio. Further, 4Bio ended the quarter with R\$ 0.2 million in discounted receivables.

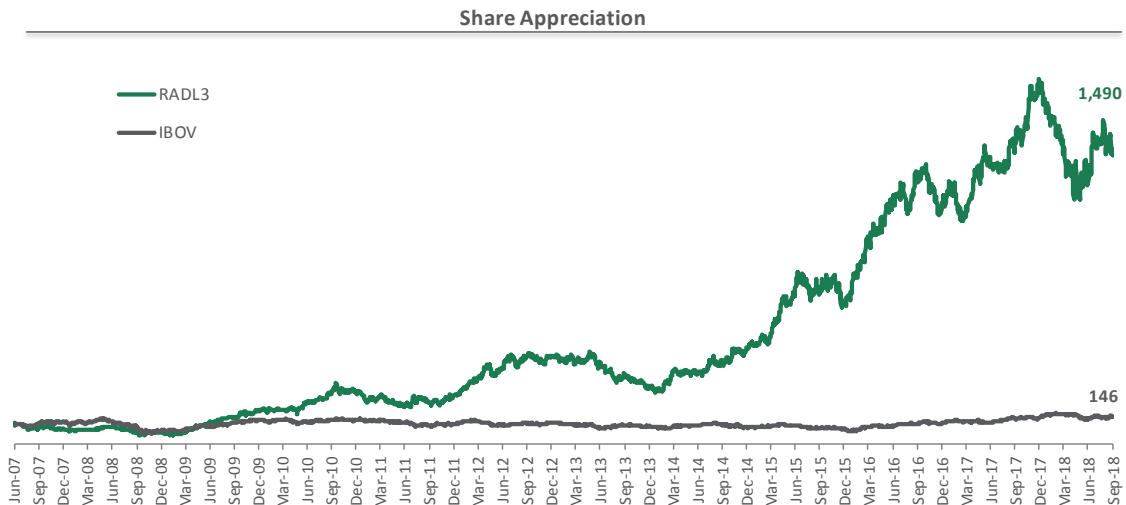
Net Debt	3Q17	4Q17	1Q18	2Q18	3Q18
<i>(R\$ million)</i>					
Short-term Debt	231.8	196.2	186.2	227.2	237.2
Long-term Debt	486.7	414.7	387.3	684.4	665.9
<b>Total Gross Debt</b>	<b>718.5</b>	<b>611.0</b>	<b>573.5</b>	<b>911.6</b>	<b>903.1</b>
(-) Cash and Equivalents	394.6	264.9	102.7	281.3	273.6
<b>Net Debt</b>	<b>323.9</b>	<b>346.1</b>	<b>470.8</b>	<b>630.4</b>	<b>629.6</b>
Discounted Receivables	-	-	9.1	2.3	0.2
Put/Call option to acquire 4Bio (estimated)	52.5	47.5	48.9	50.2	51.7
<b>Adjusted Net Debt</b>	<b>376.4</b>	<b>393.6</b>	<b>528.8</b>	<b>682.9</b>	<b>681.5</b>
Adjusted Net Debt / EBITDA	0.3x	0.3x	0.5x	0.6x	0.6x

Our gross debt totaled R\$ 903.1 million, of which 23.4% correspond to BNDES (Brazilian Economic and Social Development Bank) lines, 75.9% correspond to the debentures issued on April 2017 and 2018 and 0.7% are related to other financing lines. Of our total debt, 73.7% is long-term, while 26.3% relates to its short-term parcels. We ended the quarter with a total cash position (cash and marketable securities) of R\$ 273.6 million.

## TOTAL SHAREHOLDER RETURN

Our share price increased by 9.1% in the 3Q18 versus a 9.0% increase of the Ibovespa. Since the IPO of Drogasil, we achieved a cumulative share appreciation of 1,390.3% versus a return of only 45.9% for the Ibovespa. Considering the IPO of Raia in December of 2010, the cumulative return amounted to 605.6% versus an increase of only 16.7% of the Ibovespa. Considering the payment of interest on equity, this resulted in an average annual total return to shareholders of 27.6%.

We recorded an average daily trading volume of R\$ 83.8 million in the quarter.



<b>Adjusted Income Statement</b> <i>(R\$ thousand)</i>	<u>3Q17</u>	<u>3Q18</u>
<b>Gross Revenue</b>	<b>3,580,024</b>	<b>3,944,677</b>
Taxes, Discounts and Returns	(163,184)	(187,863)
<b>Net Revenue</b>	<b>3,416,840</b>	<b>3,756,814</b>
Cost of Goods Sold	(2,396,444)	(2,640,038)
<b>Gross Profit</b>	<b>1,020,396</b>	<b>1,116,776</b>
Operational (Expenses) Revenue		
Sales	(642,400)	(735,403)
General and Administrative	(81,533)	(86,123)
<b>Operational Expenses</b>	<b>(723,933)</b>	<b>(821,525)</b>
<b>EBITDA</b>	<b>296,463</b>	<b>295,250</b>
Depreciation and Amortization	(86,760)	(105,518)
<b>Operational Earnings before Financial Results</b>	<b>209,703</b>	<b>189,732</b>
Financial Expenses	(57,199)	(46,218)
Financial Revenue	28,231	19,468
<b>Financial Expenses/Revenue</b>	<b>(28,968)</b>	<b>(26,750)</b>
<b>Earnings before Income Tax and Social Charges</b>	<b>180,735</b>	<b>162,982</b>
Income Tax and Social Charges	(44,242)	(31,834)
<b>Net Income</b>	<b>136,493</b>	<b>131,148</b>

<b>Consolidated Income Statement</b> <i>(R\$ thousand)</i>	<b>3Q17</b>	<b>3Q18</b>
<b>Gross Revenue</b>	<b>3,580,024</b>	<b>3,944,677</b>
Taxes, Discounts and Returns	(163,184)	(187,863)
<b>Net Revenue</b>	<b>3,416,840</b>	<b>3,756,814</b>
Cost of Goods Sold	(2,396,444)	(2,640,038)
<b>Gross Profit</b>	<b>1,020,396</b>	<b>1,116,776</b>
Operational (Expenses) Revenue		
Sales	(642,400)	(735,403)
General and Administrative	(81,533)	(86,123)
Other Operational Expenses, Net	0	(3,502)
<b>Operational Expenses</b>	<b>(723,933)</b>	<b>(825,027)</b>
<b>EBITDA</b>	<b>296,463</b>	<b>291,748</b>
Depreciation and Amortization	(86,760)	(105,518)
<b>Operational Earnings before Financial Results</b>	<b>209,703</b>	<b>186,230</b>
Financial Expenses	(57,199)	(46,218)
Financial Revenue	28,231	19,468
<b>Financial Expenses/Revenue</b>	<b>(28,968)</b>	<b>(26,750)</b>
<b>Earnings before Income Tax and Social Charges</b>	<b>180,735</b>	<b>159,480</b>
Income Tax and Social Charges	(44,242)	(30,643)
<b>Net Income</b>	<b>136,493</b>	<b>128,837</b>

<b>Assets</b> (R\$ thousand)	<u>3Q17</u>	<u>3Q18</u>
<b>Current Assets</b>		
Cash and Cash Equivalents	394,563	273,555
Accounts Receivable	869,801	1,041,121
Inventories	2,338,694	2,806,902
Taxes Receivable	83,703	75,027
Other Accounts Receivable	135,386	169,396
Anticipated Expenses	21,725	29,574
	<u>3,843,871</u>	<u>4,395,575</u>
<b>Non-Current Assets</b>		
Deposit in Court	27,947	33,369
Taxes Receivable	33,162	38,880
Other Credits	4,973	2,599
Property, Plant and Equipment	1,212,884	1,446,532
Intangible	1,186,998	1,199,306
	<u>2,465,964</u>	<u>2,720,685</u>
<b>ASSETS</b>	<u>6,309,835</u>	<u>7,116,260</u>

<b>Liabilities and Shareholder's Equity</b> <i>(R\$ thousand)</i>	<b>3Q17</b>	<b>3Q18</b>
<b>Current Liabilities</b>		
Suppliers	1,558,783	1,862,896
Loans and Financing	231,775	237,205
Salaries and Social Charges Payable	251,623	288,636
Taxes Payable	121,243	82,483
Dividend and Interest on Equity	131,373	134,419
Provision for Lawsuits	4,042	286
Other Accounts Payable	117,837	122,614
	<u>2,416,676</u>	<u>2,728,540</u>
<b>Non-Current Liabilities</b>		
Loans and Financing	486,715	665,921
Provision for Lawsuits	7,395	6,439
Income Tax and Social Charges deferred	217,650	256,905
Other Accounts Payable	69,349	63,599
	<u>781,109</u>	<u>992,865</u>
<b>Shareholder's Equity</b>		
Common Stock	1,808,639	1,808,639
Capital Reserves	148,039	113,518
Revaluation Reserve	12,244	12,066
Income Reserves	919,117	1,228,149
Accrued Income	226,619	232,247
Equity Adjustments	(30,230)	(30,230)
Non Controller Interest	27,623	30,467
	<u>3,112,050</u>	<u>3,394,855</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<u>6,309,835</u>	<u>7,116,260</u>

<b>Cash Flow</b> (R\$ thousand)	<b>3Q17</b>	<b>3Q18</b>
<b>Earnings before Income Tax and Social Charges</b>	<b>180,735</b>	<b>159,480</b>
<b>Adjustments</b>		
Depreciation and Amortization	86,760	105,518
Compensation plan with restricted shares, net	3,317	3,186
Interest over additional stock option	2,550	1,425
P,P&E and Intangible Assets residual value	1,970	2,751
Provisioned Lawsuits	(1,157)	(572)
Provisioned Inventory Loss	(92)	(1,105)
Provision for Doubtful Accounts	924	268
Provisioned Store Closures	(1,787)	0
Interest Expenses	18,515	16,107
Debt Issuance Costs Amortization	63	513
	<b>291,798</b>	<b>287,571</b>
<b>Assets and Liabilities variation</b>		
Clients and Other Accounts Receivable	(48,713)	(68,462)
Inventories	(84,042)	(164,998)
Other Short Term Assets	8,157	(2,545)
Long Term Assets	(4,094)	(43,393)
Suppliers	163,485	192,339
Salaries and Social Charges	26,735	34,413
Taxes Payable	4,927	4,011
Other Liabilities	(6,628)	6,027
Rent Payable	3,027	5,497
<b>Cash from Operations</b>	<b>354,652</b>	<b>250,460</b>
Interest Paid	(5,537)	(2,874)
Income Tax and Social Charges Paid	(39,248)	(41,308)
<b>Net Cash from (invested) Operational Activities</b>	<b>309,867</b>	<b>206,278</b>
<b>Investment Activities Cash Flow</b>		
P,P&E and Intangible Acquisitions	(191,469)	(191,737)
P,P&E Sale Payments	37	3
<b>Net Cash from Investment Activities</b>	<b>(191,432)</b>	<b>(191,734)</b>
<b>Financing Activities Cash Flow</b>		
Funding	0	6,373
Payments	(48,218)	(28,613)
Interest on Equity and Dividends Paid	(17)	(3)
<b>Net Cash from Funding Activities</b>	<b>(48,235)</b>	<b>(22,243)</b>
<b>Cash and Cash Equivalents net increase</b>	<b>70,200</b>	<b>(7,699)</b>
<b>Cash and Cash Equivalents in the beginning of the period</b>	<b>324,363</b>	<b>281,254</b>
<b>Cash and Cash Equivalents in the end of the period</b>	<b>394,563</b>	<b>273,556</b>

### 3Q18 Results Conference Calls – October 31, 2018

#### Portuguese

at 10:00 am (Brasília)

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

Conference ID: RD

*Replay (available for 7 days):*  
+55 (11) 2188-0400

#### English

at 12:00 pm (Brasília)

Dial in access:  
+1 (646) 843-6054  
+55 (11) 2188-0155

Conference ID: RD

*Replay (available for 7 days):*  
+55 (11) 2188-0400

Live broadcast through the internet at: [www.rd.com.br](http://www.rd.com.br).

For more information, please contact our Investor Relations department.

E-mail: [ri@rd.com.br](mailto:ri@rd.com.br)