Quarterly Information - ITR

Diagnósticos da América S.A.

March 31, 2014

Contents

Company data / Capital Composition

Number of shares (Units)	Current quarter 3/31/2014
Paid-in capital	
Common shares	311,803,015
Preferred shares	-
Total	311,803,015
Treasury shares	
Common shares	1,159,035
Preferred shares	-
Total	1,159,035

Company Data / Cash Earnings

Event	Approval	Earnings	Initial Payment	Share	Class of Share	Earnings per share (Reais / Share)
Annual General Meeting	4/28/2014	Dividends	6/16/2014	Common		0.10100

Individual Quarterly Financial Information / Statement of Financial Position – Assets

(R$ in thousands)

Code	Description	Current Quarter 3/31/2014	Previous Year 12/31/2013
1	Total assets	4,613,842	4,480,344
1.01	Current assets	1,148,687	1,055,844
1.01.01	Cash and cash equivalents	540,749	486,571
1.01.03	Accounts receivable	426,304	389,860
1.01.03.01	Trade accounts receivable	426,304	389,860
1.01.04	Inventories	33,953	40,406
1.01.06	Taxes recoverable	110,813	107,299
1.01.06.01	Current taxes recoverable	110,813	107,299
1.01.07	Prepaid expenses	4,292	883
1.01.08	Other current assets	32,576	30,825
1.01.08.03	Other	32,576	30,825
1.01.08.03.01	Derivative financial instruments	-	85
1.01.08.03.20	Other receivables	32,576	30,740
1.02	Non-current assets	3,465,155	3,424,500
1.02.01	Long-term receivables	134,428	143,012
1.02.01.01	Marketable securities at fair value	24,596	26,184
1.02.01.01.01	Marketable securities	24,596	26,184
1.02.01.03	Accounts receivable	728	295
1.02.01.03.01	Trade accounts receivable	728	295
1.02.01.07	Prepaid expenses	661	788
1.02.01.08	Receivables from related parties	71,003	25,000
1.02.01.08.02	Receivables from subsidiaries	71,003	25,000
1.02.01.09	Other non-current assets	37,440	90,745
1.02.01.09.03	Derivative financial instruments	-	22
1.02.01.09.04	Judicial deposits	37,412	90,695
1.02.01.09.05	Other non-current assets	28	28
1.02.02	Investments	518,017	453,127
1.02.02.01	Equity interest	517,374	452,503
1.02.02.01.02	Investments in subsidiaries	517,374	452,503
1.02.02.02	Investment properties	643	624
1.02.02.02.20	Others	643	624
1.02.03	Property and equipment	504,930	543,082
1.02.04	Intangible assets	2,307,780	2,285,279
1.02.04.01	Intangible assets	2,307,780	2,285,279

Individual Quarterly Financial Information / Statement of Financial Position – Liabilities

(R$ in thousands)

Code	Description	Current Quarter 3/31/2014	Previous Year 12/31/2013
2	Total liabilities	4,613,842	4,480,344
2.01	Current liabilities	664,988	565,634
2.01.01	Social security and labor liabilities	94,206	81,270
2.01.02	Trade accounts payable	52,053	45,804
2.01.03	Tax liabilities	10,985	10,476
2.01.04	Loans and financing	361,086	326,540
2.01.04.01	Loans and financing	4,284	6,628
2.01.04.02	Debentures	356,802	319,912
2.01.05	Other liabilities	146,658	101,544
2.01.05.02	Other	146,658	101,544
2.01.05.02.01	Dividends and interest on equity payable	31,188	31,188
2.01.05.02.04	Taxes in installments	912	1,108
2.01.05.02.05	Accounts payable for acquisition of subsidiaries	1,720	1,689
2.01.05.02.07	Financial instruments	170	-
2.01.05.02.08	Other payables	112,668	67,559
2.02	Non-current liabilities	1,211,529	1,206,496
2.02.01	Loans and financing	1,038,260	1,038,617
2.02.01.01	Loans and financing	926	1,803
2.02.01.02	Debentures	1,037,334	1,036,814
2.02.02	Other liabilities	43,978	48,174
2.02.02.02	Other	43,978	48,174
2.02.02.02.03	Taxes in installments	9,345	9,430
2.02.02.02.04	Accounts payable for acquisition of subsidiaries	31,097	35,061
2.02.02.02.05	Financial instruments	30	-
2.02.02.02.06	Other payables	3,506	3,683
2.02.03	Deferred taxes	83,797	82,211
2.02.03.01	Deferred income and social contribution taxes	83,797	82,211
2.02.04	Provisions	45,494	37,494
2.02.04.01	Provisions for tax, civil and labor risks	45,494	37,494
2.03	Equity	2,737,325	2,708,214
2.03.01	Paid-in capital	2,234,135	2,708,214
2.03.02	Capital reserves	50,243	49,727
2.03.02.02	Special reserve for goodwill on merger	65,427	65,427
2.03.02.04	Granted options	3,433	2,917
2.03.02.05	Treasury shares	-18,617	-18,617
2.03.04	Revenue reserves	452,161	423,409
2.03.04.01	Legal reserve	30,128	30,128
2.03.04.05	Retained profit reserve	421,842	393,090
2.03.04.08	Additional proposed dividend	191	191
2.03.05			
2.03.06	Other comprehensive income	786	943

Individual Quarterly Financial Information / Statement of Income

(R$ in thousands)

Code	Description	Accumulated current period 1/1/2014 to 3/31/2014	Accumulated previous period 1/1/2013 to 3/31/2013
3.01	Revenue from products sold and/or services rendered	473,563	412,202
3.02	Cost of products sold and/or services rendered	-330,414	-286,073
3.03	Gross Profit	143,149	126,129
3.04	Operating income/expenses	-87,951	-78,688
3.04.02	General and administrative expenses	-115,001	-95,071
3.04.04	Other operating income	386	61
3.04.06	Equity pickup	26,664	16,322
3.05	Income before financial income/expenses and taxes	55,198	47,441
3.06	Financial income/expenses	-25,016	-19,755
3.06.01	Financial income	15,375	5,176
3.06.02	Financial expenses	-40,391	-24,931
3.07	Income before income and social contribution taxes	30,182	27,686
3.08	Income and social contribution taxes	-1,587	-4,164
3.08.02	Deferred	-1,587	-4,164
3.09	Net income from continuing operations	28,595	23,522
3.11	Net income for the period	28,595	23,522
3.99	Earnings per share (reais/share)		
3.99.01	Basic earnings per share		
3.99.01.01	Common shares	0.36822	0.07572
3.99.02	Diluted earnings per share		
3.99.02.01	Common shares	0.36672	0.07564

Individual Quarterly Financial Information / Statement of Comprehensive Income

(R$ in thousands)

Code	Description	Accumulated current period 1/1/2014 to 3/31/2014	Accumulated previous period 1/1/2013 to 3/31/2013
4.01	Net income for the period	28,595	23,522
4.03	Comprehensive income for the period	28,595	23,522

Individual Quarterly Financial Information / Statement of Cash Flows

(R$ in thousands)

Code	Description	Accumulated current period 1/1/2014 to 3/31/2014	Accumulated previous period 1/1/2013 to 3/31/2013
6.01	Net cash from operating activities	123,091	77,850
6.01.01	Cash from operations	92,253	72,911
6.01.01.01	Net income for the period	28,595	23,522
6.01.01.02	Depreciation and amortization	38,934	33,936
6.01.01.03	Restatement of contingencies	10,379	3,609
6.01.01.04	Deferred taxes	1,587	4,164
6.01.01.05	Restatement of interest and exchange variation on loans	37,116	19,343
6.01.01.06	Gain on sale of property and equipment	-	1,738
6.01.01.07	Stock-option plan	516	96
6.01.01.08	Equity pickup	-26,664	-16,322
6.01.01.09	Capital Gain on payment of capital in subsidiaries	98	-
6.01.01.10	Provision for disallowance and default	1,692	2,825
6.01.02	Changes in assets and liabilities	30,838	4,939
6.01.02.01	Increase in trade accounts receivable and other receivables	-38,569	-27,633
6.01.02.02	Decrease in inventories	6,453	4,720
6.01.02.03	Decrease in other current assets	-4,054	9,299
6.01.02.04	Decrease (increase) in other non-current assets	8,974	-605
6.01.02.05	Increase in trade accounts payable	6,249	-1,846
6.01.02.06	Increase in accounts payable and provisions	51,785	21,004
6.02	Net cash used in investing activities	-66,293	-38,719
6.02.01	Additions to property and equipment	-18,004	-27,588
6.02.02	Additions to intangible assets	-5,279	-11,131
6.02.03	Investments in subsidiaries	-43,010	-
6.03	Net cash used in financing activities	-2,620	-7,010
6.03.02	Payment of loans	-2,446	-6,286
6.03.05	Interest payment	-174	-724
6.05	Increase (decrease) in cash and cash equivalents	54,178	32,121
6.05.01	At beginning of period	486,571	152,546
6.05.02	At end of period	540,749	184,667

Individual Quarterly Financial Information / Statement of Changes in Equity – 1/1/2014 to 3/31/2014

(R$ in thousands)

Code	Description	Paid-in Capital	Capital Reserve, Granted options and treasury shares	Income reserve	Retained earnings	Other comprehensive income	Equity
5.01	Opening balances	2,234,135	49,727	423,409	-	943	2,708,214
5.03	Adjusted opening balances	2,234,135	49,727	423,409	-	943	2,708,214
5.04	Transactions with shareholders	-	516	-	-	-	516
5.04.03	Granted options	-	516	-	-	-	516
5.05	Total comprehensive income	-	-	-	28,595	-	28,595
5.05.01	Net income of the period	-	-	-	28,595	-	28,595
5.06	Internal changes in equity	-	-	157	-	-157	-
5.06.06	Depreciation of deemed cost	-	-	157	-	-157	-
5.07	Closing balances	2,234,135	50,243	423,566	28,595	786	2,737,325

Individual Quarterly Financial Information / Statement of Changes in Equity – 1/1/2013 to 3/31/2013

(R$ in thousands)

Code	Description	Paid-in Capital	Capital Reserve, Granted options and treasury shares	Income reserve	Retained earnings	Other comprehensive income	Equity
5.01	Opening balances	2,234,135	48,171	322,933	-	1,571	2,606,810
5.03	Adjusted opening balances	2,234,135	48,171	322,933	-	1,571	2,606,810
5.04	Transactions with shareholders	-	96	-	-	-	96
5.04.03	Granted options	-	96	-	-	-	96
5.05	Total comprehensive income	-	-	-	23,522	-	23,522
5.05.01	Net income for the period	-	-	-	23,522	-	23,522
5.06	Internal changes in equity	-	-	157	-	-157	-
5.06.04	Depreciation of deemed cost	-	-	157	-	-157	-
5.07	Closing balances	2,234,135	48,267	323,090	23,522	1,414	2,630,428

Individual Quarterly Financial Information / Statement of Value Added

(R$ in thousands)

Code	Description	Accumulated current period 1/1/2014 to 3/31/2014	Accumulated previous period 1/1/2013 to 3/31/2013
7.01	Revenue	523,923	457,529
7.01.01	Sales of goods, products and services	523,551	457,436
7.01.02	Other revenue	386	61
7.01.04	(Reversal of) allowance for doubtful accounts	-14	32
7.02	Inputs acquired from third parties	-259,283	-213,470
7.02.01	Cost of products, goods and services sold	-180,381	-155,300
7.02.02	Materials, energy, third-party services and other	-78,902	-58,170
7.03	Gross value added	264,640	244,059
7.04	Retentions	-38,934	-33,936
7.04.01	Depreciation, amortization and depletion	-38,934	-33,936
7.05	Net value added produced	225,706	210,123
7.06	Transferred value added received	42,039	21,498
7.06.01	Equity pickup	26,664	16,322
7.06.02	Financial income	15,375	5,176
7.07	Total value added to be distributed	267,745	231,621
7.08	Distribution of value added	267,745	231,621
7.08.01	Personnel	116,953	106,859
7.08.02	Taxes, fees and contributions	53,706	52,915
7.08.03	Debt remuneration	68,491	48,325
7.08.04	Equity remuneration	28,595	23,522
7.08.04.03	Retained profits	28,595	23,522

Consolidated Quarterly Financial Information / Statement of Financial Position – Assets

(R$ in thousands)

Code	Description	Current Quarter 3/31/2014	Previous Year 12/31/2013
1	Total assets	4,790,399	4,691,811
1.01	Current assets	1,607,639	1,438,626
1.01.01	Cash and cash equivalents	625,251	535,881
1.01.02	Marketable securities	72,483	72,980
1.01.02.01	Marketable securities at fair value	72,483	72,980
1.01.02.01.01	Securities for trading	72,483	72,980
1.01.03	Accounts receivable	636,735	566,262
1.01.03.01	Trade accounts receivable	636,735	566,262
1.01.04	Inventories	55,870	59,383
1.01.06	Taxes recoverable	176,976	169,696
1.01.06.01	Current taxes recoverable	176,976	169,696
1.01.07	Prepaid expenses	5,290	897
1.01.08	Other current assets	35,034	33,527
1.01.08.03	Other	35,034	33,527
1.01.08.03.01	Derivative financial instruments	-	85
1.01.08.03.20	Other receivables	35,034	33,442
1.02	Non-current assets	3,182,760	3,253,185
1.02.01	Long-term receivables	145,934	200,517
1.02.01.01	Marketable securities at fair value	36,491	37,793
1.02.01.01.01	Markeatable Securities	36,491	37,793
1.02.01.03	Accounts receivable	4,811	5,940
1.02.01.03.01	Trade accounts receivable	4,811	5,940
1.02.01.06	Deferred taxes	59,322	58,002
1.02.01.06.01	Deferred income and social contribution taxes	59,322	58,002
1.02.01.07	Prepaid expenses	662	789
1.02.01.09	Other non-current assets	44,648	97,993
1.02.01.09.03	Derivative financial instruments	-	22
1.02.01.09.04	Judicial deposits	42,275	95,540
1.02.01.09.05	Other non-current assets	2,373	2,431
1.02.02	Investments	817	786
1.02.02.02	Investment Properties	817	786
1.02.02.02.01	Other	817	786
1.02.03	Property and equipment	682,231	720,180
1.02.04	Intangible assets	2,353,778	2,331,702
1.02.04.01	Intangible assets	2,353,778	2,331,702

Consolidated Quarterly Financial Information / Statement of Financial Position – Liabilities and Equity

(R$ in thousands)

Code	Description	Current Quarter 3/31/2014	Previous Year 12/31/2013
2	Total liabilities	4,790,399	4,691,811
2.01	Current liabilities	802,106	730,778
2.01.01	Social security and labor liabilities	117,965	103,659
2.01.02	Trade accounts payable	81,926	65,479
2.01.03	Tax liabilities	24,313	22,386
2.01.04	Loans and financing	458,407	420,854
2.01.04.01	Loans and financing	101,605	100,942
2.01.04.02	Debentures	356,802	319,912
2.01.05	Other liabilities	119,495	118,400
2.01.05.02	Other	119,495	118,400
2.01.05.02.01	Dividends and Interest equity payable	31,259	31,255
2.01.05.02.04	Taxes in installments	3,441	4,293
2.01.05.02.05	Accounts payable for acquisition of subsidiaries	1,720	1,689
2.01.05.02.07	Financial instruments	170	-
2.01.05.02.20	Other accounts payable	82,905	81,163
2.02	Non-current liabilities	1,250,289	1,252,223
2.02.01	Loans and financing	1,046,438	1,054,321
2.02.01.01	Loans and financing	9,104	17,507
2.02.01.02	Debentures	1,037,334	1,036,814
2.02.02	Other liabilities	71,607	75,246
2.02.02.02	Other	71,607	75,246
2.02.02.02.03	Taxes in installments	25,079	24,892
2.02.02.02.04	Accounts payable for acquisition of subsidiaries	42,992	46,670
2.02.02.02.05	Financial instruments	30	-
2.02.02.02.20	Other accounts payable	3,506	3,684
2.02.03	Deferred taxes	83,797	82,211
2.02.03.01	Deferred income and social contribution taxes	83,797	82,211
2.02.04	Provisions	48,447	40,445
2.02.04.01	Provisions for tax, civil and labor risks	48,447	40,445
2.03	Consolidated equity	2,738,004	2,708,810
2.03.01	Paid-in capital	2,234,135	2,234,135
2.03.02	Capital reserves	50,243	49,727
2.03.02.02	Special reserve for goodwill on merger	65,427	65,427
2.03.02.04	Granted options	3,433	2,917
2.03.02.05	Treasury Shares	-18,617	-18,617
2.03.04	Income reserves	423,566	423,409
2.03.04.01	Legal reserve	30,128	30,128
2.03.04.05	Retained profit reserve	393,247	393,090
2.03.04.08	Additional proposed dividend	191	191
2.03.06	Other comprehensive income	786	943
2.03.09	Non-controlling interest	679	596

Consolidated Quarterly Financial Information / Statement of Income

(R$ in thousands)

Code	Description	Accumulated current period 1/1/2014 to 3/31/2014	Accumulated previous period 1/1/2013 to 3/31/2013
3.01	Revenue from products sold and/or services rendered	662,145	581,587
3.02	Cost of products sold and/or services rendered	-452,258	-402,610
3.03	Gross profit	209,887	178,977
3.04	Operating income/expenses	-143,612	-121,703
3.04.02	General and administrative expenses	-144,382	-122,099
3.04.04	Other operating income	770	396
3.05	Profit before financial income/expenses and taxes	66,275	57,274
3.06	Financial income/expenses	-24,642	-20,994
3.06.01	Financial income	19,591	8,053
3.06.02	Financial expenses	-44,233	-29,047
3.07	Income before income and social contribution taxes	41,633	36,280
3.08	Income and social contribution taxes	-12,951	-12,720
3.08.01	Current	-12,684	-8,916
3.08.02	Deferred	-267	-3804
3.09	Net income from continuing operations	28,682	23,560
3.11	Consolidated net income for the period	28,682	23,560
3.11.01	Attributed to controlling shareholders	28,595	23,522
3.11.02	Attributed to non-controlling shareholders	87	38
3.99	Earnings per share (reais/share)		
3.99.01	Basic earnings per share		
3.99.01.01	Common shares	0.36934	0.07584
3.99.02	Diluted earnings per share		
3.99.02.01	Common shares	0.36783	0.07576

Consolidated Quarterly Financial Information / Statement of Comprehensive Income

(R$ in thousands)

Code	Description	Accumulated current period 1/1/2014 to 3/31/2014	Accumulated previous period 1/1/2013 to 3/31/2013
4.01	Consolidated net income for the period	28,682	23,560
4.03	Consolidated comprehensive income for the period	28,682	23,560
4.03.01	Attributed to controlling shareholders	28,595	23,522
4.03.02	Attributed to non-controlling shareholders	87	38

Consolidated Quarterly Financial Information / Statement of Cash Flows

(R$ in thousands)

Code	Description	Accumulated current period 1/1/2014 to 3/31/2014	Accumulated previous period 1/1/2013 to 3/31/2013
6.01	Net cash from operating activities	124,817	60,863
6.01.01	Cash from operations	129,521	94,789
6.01.01.01	Net income for the period	28,682	23,560
6.01.01.02	Depreciation and amortization	46,302	41,810
6.01.01.03	Restatement of contingencies	10,381	3,609
6.01.01.04	Deferred taxes	267	3,804
6.01.01.05	Restatement of interest and exchange variation on loans	35,861	21,025
6.01.01.06	Gain on sale of property and equipment	-277	1,674
6.01.01.08	Stock-option plan	516	96
6.01.01.10	Provision for disallowance and default	7,866	-1,502
6.01.01.12	Restatement of interest and exchange variation on marketable securities	-77	713
6.01.02	Changes in assets and liabilities	-2,561	-26,637
6.01.02.01	Increase in accounts receivable and other receivables	-77,210	-52,931
6.01.02.02	Decrease in inventories	3,513	8,331
6.01.02.03	(Increase) / decrease in other current assets	-13,288	-431
6.01.02.04	Decrease in other non-current assets	54,728	-84
6.01.02.05	Increase in trade accounts payable	16,447	-2,627
6.01.02.06	Increase in accounts payable and provisions	18,371	21,105
6.01.03	Other	-7,265	-7,289
6.01.03.02	Income and social contribution taxes paid	-7,265	-7,289
6.02	Net cash used in investing activities	-29,563	-41,332
6.02.01	Additions to property and equipment	-24,804	-30,075
6.02.02	Additions to intangible assets	-5,381	-11,201
6.02.09	Proceeds from sale of property and equipment	48	-
6.02.11	Marketable securities for trading	-	-494
6.02.12	Redemption of marketable securities for trading	574	438
6.03	Net cash used in financing activities	-5,884	-19,731
6.03.02	Payment of loans	-4,715	-17,764
6.03.05	Payment of interest on loans	-1,169	-1,967
6.05	Increase in cash and cash equivalents	89,370	-200
6.05.01	At beginning of period	535,881	228,519
6.05.02	At end of period	625,251	228,319

Consolidated Quarterly Financial Information / Statement of Changes in Equity– 1/1/2014 to 3/31/2014

(R$ in thousands)

Code	Description	Paid-in Capital	Capital Reserve – Granted options and treasury shares	Income reserve	Retained earnings	Other comprehensive income	EquityAttributable to Controlling Shareholders	Non-controlling interest	Consolidated Equity
5.01	Opening balances	2,234,135	49,727	423,409	-	943	2,708,214	596	2,708,810
5.03	Adjusted opening balances	2,234,135	49,727	423,409	-	943	2,708,214	596	2,708,810
5.04	Transaction with shareholders	-	516	-	-	-	516	-	516
5.04.03	Granted options	-	516	-	-	-	516	-	516
5.05	Total comprehensive income	-	-	-	28,595	-	28,595	83	28,678
5.05.01	Net income for the period	-	-	-	28,595	-	28,595	83	28,682
5.05.02	Others comprehensive income	-	-	-	-	-	-	-4	-4
5.05.02.06	Non-controlling interest	-	-	-	-	-	-	-4	-4
5.06	Internal changes in equity	-	-	157	-	-157	-	-	-
5.06.04	Depreciation of deemed cost	-	-	157	-	-157	-	-	-
5.07	Closing balances	2,234,135	50,243	423,566	28,595	786	2,737,325	679	2,738,004

Consolidated Quarterly Financial Information / Statement of Changes in Equity– 1/1/2013 to 3/31/2013

(R$ in thousands)

Code	Description	Paid-in Capital	Capital Reserve, Granted options and treasury shares	Income reserve	Retained earnings	Other comprehensive income	Equity Attributable to Controlling Shareholders	Non-controlling interest	Consolidated Equity
5.01	Opening balances	2,234,135	48,171	322,933	-	1,571	2,606,810	382	2,607,192
5.03	Adjusted opening balances	2,234,135	48,171	322,933	-	1,571	2,606,810	382	2,607,192
5.04	Transaction with shareholders	-	96	-	-	-	96	-	96
5.04.03	Granted options	-	96	-	-	-	96	-	96
5.05	Total comprehensive income	-	-	-	23,522	-	23,522	37	23,559
5.05.01	Net income for the period	-	-	-	23,522	-	23,522	37	23,559
5.06	Internal changes in equity	-	-	157	-	-157	-	-	-
5.06.04	Depreciation of deemed cost	-	-	157	-	-157	-	-	-
5.07	Closing balances	2,234,135	48,267	323,090	23,522	1,414	2,630,428	419	2,630,847

Consolidated Quarterly Financial Information / Statement of Value Added

(R$ in thousands)

Code	Description	Accumulated current period 1/1/2014 to 3/31/2014	Accumulated previous period 1/1/2013 to 3/31/2013
7.01	Revenue	733,785	640,793
7.01.01	Sale of goods, products and services	733,041	640,412
7.01.02	Other revenue	770	396
7.01.04	(Reversal of) allowance for doubtful accounts	-26	-15
7.02	Inputs acquired from third parties	-356,217	-302,803
7.02.01	Cost of products, goods and services sold	-250,287	-223,056
7.02.02	Materials, energy, third-party services and others	-105,930	-79,747
7.03	Gross value added	337,568	337,990
7.04	Retentions	-46,302	-41,810
7.04.01	Depreciation, amortization and depletion	-46,302	-41,810
7.05	Net value added produced	331,266	296,180
7.06	Transferred value added received	19,591	8,053
7.06.02	Financial income	19,591	8,053
7.07	Total value added to be distributed	350,857	304,233
7.08	Distribution of value added	350,857	304,233
7.08.01	Personnel	158,952	143,549
7.08.02	Taxes, fees and contributions	85,479	79,277
7.08.03	Debt remuneration	77,744	57,847
7.08.04	Equity remuneration	28,682	23,560
7.08.04.03	Retained profits	28,595	23,522
7.08.04.04	Non-controlling interest	87	38

Comments on the Company's Performance

To the shareholders

There was, in the first quarter of 2014, the public offering of shares by Cromossomo Participações S.A., which obtained 48.35% of Company's shares. The controlling shareholders of Cromossomo are Edson de Godoy Bueno and Dulce Pugliese de Godoy Bueno who, in addition to the shares already held, hold 71.94% of Company's shares.

The Company ended the first quarter of 2014 with a 14.5% increase in gross revenue, once again achieving a consistent two-digit growth.

We are still committed to improve the quality of our operations and, to achieve this, we invested in training and recruitment of employees, cutting-edge equipment, and in the expansion of our capacity in order to process medical tests in our central laboratories.

Gross operating income

The Company's consolidated gross revenue in the first quarter of 2014 amounted to R$ 733.0 million, representing a growth of 14.5 % against 1Q13, arising particularly from development of projects implemented over 2013, extended medical service schedules and new agreements, particularly in Rio de Janeiro.

Based on the Company's gross revenue by service line, Lab-to-Lab market' (examination processing service for third-party laboratories) had the best performance in the quarter, earning R$ 79.1 million and growing 22.8% against 1Q13 and representing 10.8% of Company's total revenue.

The Outpatient market earned R$ 539.5 million, growing 14.5% against 1Q13 and representing 73.6 % of Company's total revenue.

The Hospital market earned R$ 67.8 million, growing 11.1% in the first quarter of 2014, representing 9.3% of Company's total revenue.

The Public market earned R$ 46.6 million, growing 6.7% in 1Q14, representing 6.4% of Company's total revenue.

Costs and gross profit

In the first quarter of 2014, costs of services totaled R$ 452.3 million, equivalent to 68.3% of net revenue, representing an increase of 12.3% against the first quarter of last year. In the first quarter of 2014, gross profit amounted to R$ 209.9 million, increasing 17.3% against the first quarter of last year.

Operating expenses

Operating expenses totaled R$ 143.6 million in the first quarter of 2014, representing 21.7% of net revenue. There was an increase of 17.6% against the first quarter of 2013, in which operating expenses represented 21.0% of net revenue.

EBITDA

In the first quarter of 2014, EBITDA amounted to R$ 112.6 million, representing an increase of 13.6% against R$ 99.1 million in the first quarter of last year. In the first quarter of 2014 and 2013, we reached a margin of 17.0%.We are still committed with the integration of the acquisitions made, as well as with optimization of production and administrative areas, and with the continuous decrease in costs through a management focused on delivering solid results and creating sustainable value for the shareholders in the future. Breakdown of EBITDA is as follows:

In million of reais	*1Q14*	*1Q13*	*Δ%*
Net income for the period	*28.7*	*23.6*	*21.6%*
(+) Income and social contribution taxes	*1.,0*	*12.7*	*2.4%*
(+) Net financial expenses	*24.6*	*21.0*	*17.1%*
(+) Depreciation and amortization	*46.3*	*41.8*	*10.8%*
EBITDA (R$ MM)	***112,6***	***99.1***	***13.6%***
Ebtida margin	***17%***	***17%***	***0.1 p.p***

Amounts in R$ (in thousands)	**First quarter 2014**	**First quarter 2013**
Income before income taxes	**41,633**	**36,281**
Adjustments:		
Depreciation and amortization (Cost)	**28,236**	**27,823**
Depreciation and amortization (General and administrative expenses)	**18,066**	**13,973**
Financial income (expenses)	**24,643**	**20,994**
EBITDA	**112,579**	**99,070**

Financial income (expenses)

In 1Q14, net financial expenses amounted to R$ 24.6 million against R$ 21.0 million in 1Q13. Such increase was due to increased SELIC rate for the period.

Income and social contribution taxes

Taxes totaled R$13.0 million for the quarter, against R$ 12.7 million in the first quarter of last year.

Net income

In the first quarter of 2014, net income totaled R$28.7 million, 21.6% higher than R$23.6 million reported in the first quarter of last year.

Cash and cash equivalents and short-term investments

Cash and cash equivalents and short-term investments at the end of the quarter totaled R$ 697.7 million, allocated to: ensure the expansion and modernization of the existing units; open new units and replace imaging equipment; and to improve the quality and payment of dividends.

Investments

In the first quarter of 2014, net investments in CAPEX amounted to R$ 30.2 million. This year, investments will be particularly for: (i) implementing and developing production systems and supporting and renovating technology park, (ii) renovating and extending existing medical service units and new units, (iii) purchasing imaging equipment.

Indebtedness

Company's net debt totaled R$ 807.3 million in 1Q14. 69.5% of gross indebtedness is allocated to long term and 5.1% refer to foreign currency debts. Foreign currency debt mostly comprises bank loans and equipment financing. Domestic currency debts mostly refer to debentures.

Significant events for the quarter

Disclosure of Officer vote CADE – MD1

On February 10, 2014, the Company informed that it was notified by CADE about the vote of the Reporting Member referring to Merger Review Process No. 08012.010038/2010-43 (COMPANY x MD1), by means of disclosure of judgment certification on the Federal Official Gazette.

The public version of this vote, obtained from CADE website, is available in the headquarter and at the Company's website (www.dasa3.com.br).

Tender Offer

On December 23, 2013, the Company was informed, under the terms of the Material Fact Notice published on the same date of the voluntary tender offer to acquire the Company's equity control by CROMOSSOMO PARTICIPAÇÕES II S.A. ("Offeror"), to acquire at least 82,362,124 (eighty-two million three hundred sixty-two one hundred twenty-four) shares, which correspond to 26.41% (twenty-six point forty-one percent) plus 1 (one) share of the Company's capital, to all common shares issued thereby, for the share price of R$15.00 (fifteen) ("OPA").

On January 22, 2014, the Company was informed by the Offeror that the OPA public notice was amended, with the waiver by the Offeror in relation to the condition to acquire equity interest representing the acquisition of the Company's equity control. This information was the subject matter of Material Fact Notice published on January 22, 2014. Considering the amendment, the OPA still intended to acquire total common shares issued by the Company, but not conditioned upon acquiring a minimum number of shares to be completed.

The Brazilian Securities and Exchange Commission ("CVM"), through Marketable Securities Registration Supervisory Office, disregarded the referred to amendment produced by the Offeror. After a claim filed by the Offeror, on January 29, 2014, CVM reported that the claim was analyzed by its Board, who decided to authorize the OPA auction as "Unified OPA", with (i) Voluntary OPA, under the terms of item IV of CVM Ruling No. 361/02; and (ii) OPA for the acquisition of equity control, under the terms of item V, both of article 2 of the same ruling.

In compliance with item 4.8 of BM&FBOVESPA Mercado Novo Listing Regulation, on January 13, 2014 and on February 6, 2014, the Company's Board of Directors was favorable to accepting the OPA and Unified OPA, respectively. The Board of Directors pointed out that the final decision on whether to accept the OPA is the responsibility of each shareholder. It recommends that all documents publicly available be read, and financial, legal and tax advisers be consulted with before deciding to accept it so as to check for legal, exchange and tax implications.

The auction was held on February 10, 2014, and for the subsequent 30 days, Cromossomo acquired total 150,769,012 shares, which account for 48.35% of Company capital. Interest held by the Offeror, in conjunction with that of its indirect controlling shareholders, Mr. Edson de Godoy Bueno and Ms. Dulce Pugliese de Godoy Bueno, according to the Material Fact Notice Published by the Offeror on March 12, 2014, accounts for 71.94% of Company capital on that date.

On March 11, 2014, the Company was referred to as defendant in the arbitration filed by Cromossomo in the Market Arbitration Chamber, to contest the obligation to realize OPA as provided in article 45 of the Company's Articles of Association.

Significant subsequent events

The Board of Directors will await a decision - arbitration process

On April 23, 2014, the Company reported, in addition to the significant facts disclosed in the last few days, particularly those disclosed on March 7, 2014 about the filing, by Cromossomo Participações II S.A, of arbitration proceedings with the Market Arbitration Chamber of BM&FBOVESPA, that the Board of Directors decided to await a decision on such arbitration proceedings before taking any actions in addition to those taken so far about the matter in question.

Executive Vice President Administrative and Financial election

On April 25, 2014, the Board of Directors approved the election of Mr. Márcio Ramos Fernandes as Vice CFO, unified with the other members of the Executive Board, until the holding of the Annual Shareholders' Meeting that approves the accounts for the year ending December 31, 2015. He is liable for the finance, infrastructure, accounting, receivable, tax, controllership, treasury, information technology, supply, procurement, import, third-party service and maintenance areas, in addition to those liabilities provided for in law.

On the same date, Mr. Octávio Fernandes, Executive VicePresident Of Operations, became Executive Vice President of Clinical Analisys, who is liable for managing the product area that comprises products and services of the ancillary diagnosis service area (except for radiology imaging services and graphical methods), including operations of hospital technical centers and technical centers for production of diagnostic procedures for clinical analysis of various Company's Strategic Business Units, also liable for compliance with procedures and routines developed, pre- and post-analytical, in addition to quality controls, certificates, sustainability and internal processes, and for managing pathological anatomy, clinical research, medical relation, regulatory, logistics, storeroom and transportation areas.

Election of the Coordinator of the Audit Committee

Mr. Wander Rodrigues Teles was elected as Coordinator of the Company's Statutory Audit Committee ("CAE") in the Board of Directors' meeting held on March 24, 2014. Mr. Wander took his new position on May 6, 2014.

The Coordinator of CAE has recognized experience in corporate accounting matters, as provided for in paragraphs 5 and 6 of article 31-C of ICVM 308, based on a supporting documentation that will be kept at the headquarters, as well as he complies with the independence requirement provided for in paragraph 2 of article 31-C of such order.

Perspectives for 2014

In 2014, Company is expanding its capacity by opening new units, and refurbishing and expanding the existing ones.

We are reinforcing our relationship with the medical community trough seminars, meetings and visitations, in order to share our knowledge and techniques. We will continue developing techniques and analyses to promote knowledge and broaden the perception of quality of our operations.

All investments made in the modernization of existing units, opening of new units, replacement of imaging equipment, together with greater investment to improve the quality of operations, will enable an environment more favorable to growth, based on the earnings for this quarter.

Projections and non-accounting data

The statements contained in this document, referring to business perspectives, projections on operating outcomes, financial income (expenses), and those related to the Company's expected growth, are only projections and, as such, based solely on Management's expectations for the future of the Company's businesses. This performance report includes accounting and non-accounting data, such as: operating and financial data, and projections based the Management’s expectations. Non-accounting data, except for EBITDA, were not subject to audit by the Company's independent auditors.

Representation of the Executive Board

Observing the provisions of CVM Instruction No. 480, we represents that it has discussed, reviewed and agreed with the financial information and with the independent auditor’s review report issued on the respective quarterly information for the three-month period ended March 31, 2014

Acknowledgements

We thank our employees for their commitment, effort and talent, which enable us to obtain promising results and thank our customers and shareholders for their trust.

Notes to Quarterly Information

1. Operations

Diagnósticos da América S/A (Company) is a publicly-held corporation located in the city of Barueri, São Paulo State, with its registration granted by the Brazilian Securities Commission (CVM) for the trading of its securities on the stock market on November 5, 2004, and has been listed on the Novo Mercado segment of Bovespa since November 19, 2004, under code DASA3.

The Company's business purpose is to render services directly to individuals or through health insurance plans, insurance companies, medical-hospital assistance entities, other entities for healthcare financing, in the following areas: (i) clinical analysis, directly or through contracted laboratories; and (ii) other auxiliary diagnostic support services (SAD), exclusively through specialized clinics, as, for instance, in the following areas: a) cytology and pathologic anatomy; b) diagnostic by imaging and graphic methods; and c) nuclear medicine. As Management does not control them separately in their business process, they are not being recognized as reportable segments.

In addition, it explores activities related to: (i) tests in food and substances to evaluate risks for the human being; (ii) import, for its own use, of medical-hospital equipment, sets for diagnostics and related material in general; (iii) preparation, edition, publishing and distribution of newspapers, books, magazines, periodicals and other written media on scientific researches and activities developed by the Company; (iv) granting and administration of business franchising including advertising and publishing fund, training and selection of labor, supplying of equipment and research material suppliers, among others. The Company operates in lab-to-lab business (support to laboratories) through the Álvaro brand, and began offering services in the public health sector through the CientíficaLab brand. The Company can also hold equity interest in other entities.

Notes to Quarterly Information

The Company ended the first quarter of 2014 with 516 operating units, ambulatory and hospital:

Brands	State	3/31/2014	12/31/2013
Delboni Auriemo (i)	São Paulo	**42**	42
Lavoisier	São Paulo	**74**	77
Bronstein	Rio de Janeiro	**41**	41
Lâmina (i)	Rio de Janeiro	**14**	14
Pasteur	Brasília	**25**	25
Frischmann	Paraná	**39**	39
Image	Bahia	**4**	4
Laboratório Álvaro	Paraná	**14**	14
LabPasteur	Ceará	**17**	17
Vita-Lâmina	Santa Catarina	**2**	2
Atalaia	Goiás	**22**	22
Exame	Brasília	**23**	23
MedImagem	Rio de Janeiro	**7**	7
Hospital Mãe de Deus	Rio Grande do Sul	**3**	3
Cedic/Cedilab	Mato Grosso	**9**	9
Unimagem	Ceará	**1**	1
CERPE	Pernambuco	**37**	37
Sérgio Franco	Rio de Janeiro	**80**	80
Proecho	Rio de Janeiro	**15**	15
Multi Imagem	Rio de Janeiro	**6**	6
CDPI	Rio de Janeiro	**7**	7
Previlab	São Paulo	**18**	18
Cytolab	São Paulo	**13**	13
Alta Excelência Diagnóstica – *Premium*	São Paulo and Rio de Janeiro	**3**	3
		516	519

(i) At March 31, 2014, the brand Club DA had 23 units, 19 of them linked to the brand Delboni Auriemo and 4 units linked to the brand Lâmina.

In addition, CientificaLab operates in the public healthcare segment, and the revenue arises from agreements entered into with customers in this segment. This operation ended the first quarter of 2014 with 29 clients, with exam requisitions totaling 1.6 million. CientificaLab has 596 collection units, 80 of them are hospitals and 516 ambulatory are Outpatient clinics not related to the units listed above.

The information above is not comprised by the scope of the independent auditors.

Notes to Quarterly Information

2. Performance Commitment Agreement (“PCA”)

At the trial session held on December 4, 2013, Merger Review Process No. 08012.010038/2010 was approved by CADE Administrative Court, under the terms of Reporting Member, with restrictions negotiated with the Company and formalized by means of the Performance Commitment Agreement (“PCA”).

With the execution of PCA, the Transaction Reversibility Preservation Agreement (“APRO”) executed by the Company on October 26, 2011, CADE considered this as completed, extinct and replaced by PCA, as it accomplished the objective of preserving the transaction reversibility nature.

Restrictions provided for by PCA are as follows:

(i) The Company shall dispose assets in the cities located in the state of Rio de Janeiro, jointly totaling R$ 110,000 of the revenue for the year for a single acquiring third party which (a) has no direct or indirect relationship with the Company; and (b) does not have more than 20% (twenty percent) of the relevant market of Medical Diagnosis Services (“M DS”) in the city of Rio de Janeiro;

(ii) the Company, for the initial term of 3 (three) years, cannot conduct the operations described in items (a) to (c) below, involving MDS service providers in the cities of Duque de Caxias, Nilópolis, Niterói, Nova Iguaçu, Rio de Janeiro, São Gonçalo and Belford Roxo, in the relevant markets of: (a) clinical analysis, (b) pathology and cytopathology, (c) echocardiography, echocardiography, Doppler, ecovascular, Eco carotid and vertebral ecotransesophageal, (d) EEG, (e) CT (f) ultrasonography, (g) MRI, (h) bone densitometry and (i) mammogram:

(A) Merger or acquisition of company operating in MDS market (“merger/acquisition”);

(B) Direct or indirect acquisition, by purchase or exchange of shares, units of interest or securities convertible into shares, or tangible or intangible assets through contract or by any other mean, of the control or portion of one or more companies operating in the Medical Diagnosis Services (“MDS”) market; or

(C) execution of an association contract, consortium or joint venture with companies in the MDS market (“Association” and, together with merger/acquisition transactions, as defined above, “Qualifying Operations”).

(iii) the Company cannot perform, for the initial term of 2 (two) years, any of the Qualifying Operations involving MDS companies in the cities of Guarulhos, Osasco, Santo André, São Bernardo do Campo, São Caetano do Sul, São Paulo and Taboão da Serra, in relevant markets of: (a) clinical analysis, (b) pathology and cytopathology (c) echocardiography, echocardiography, Doppler, eco-vascular, eco-carotid, vertebral, and eco-transesophageal, (d) CT scan, (e) MRI, and (f) ultrasonography;

(iv) the Company cannot perform, for the initial term of 2 (two) years, any of the Qualifying Operations involving MDS companies in the cities of Curitiba and São José dos Pinhais, in the relevant markets of: (a) clinical analysis, (b) CT and (c) ultrasonography;

Notes to Quarterly Information

(v) after the initial three-year or two-year term, as the case may be, as determined in items (ii), (iii) and (iv) above, respectively, and for the additional term of two years after the initial term, the Company shall submit any Qualifying Operations to prior approval from CADE in the respective locations, even if the minimum billing standards provided by competition law for mandatory notification of merger procedures are not reached.

Observing the restrictions described above, MDS a) does not hinder the Company's, or any of its subsidiaries', corporate restructuring operations, either directly or indirectly; b) does not hinder acquisition of companies outside the cities mentioned above; and c) does not have provisions that may hinder the Company's organic growth.

The Company's management shall take the necessary measures to comply with CADE obligations referring to PCA.

Finally, the public version of Reporting Member, which influenced the decision of CADE Administrative Court, and exposes reason considered by CADE for the adopted decision, is available at www.cade.gov.br, as well as on the Company's investor relations website (www.dasa3.com.br).

Notes to Quarterly Information

3. Consolidation procedures

The quarterly financial information comprises the financial information of the Company and the following subsidiaries:

Direct Subsidiaries	Interest	03/31/14	12/31/13
CDPI – Clínica de Diagnóstico por Imagem Ltda.	Diagnósticos da América S.A.	**99.99%**	99.99%
	Laboratórios Médicos Dr. Sérgio Franco Ltda.	**0.01%**	0.01%
Cientificalab Produtos Laboratoriais e Sistemas Ltda.	Diagnósticos da América S.A.	**75.95%**	75.95%
	DASA Real Estate Empreendimentos Imobiliários Ltda.	**24.05%**	24.05%
Clínica de Ressonância e Multi Imagem Ltda.	Diagnósticos da América S.A.	**99.99%**	99.99%
	Laboratórios Médicos Dr. Sérgio Franco Ltda.	**0.01%**	0.01%
Dasa Centro Oeste Participações Ltda.	Diagnósticos da América S.A.	**99.00%**	99.00%
	DASA Real Estate Empreendimentos Imobiliários Ltda.	**1.00%**	1.00%
Dasa Finance Corporation	Diagnósticos da América S.A.	**100.00%**	100.00%
Dasa Log Empreendimentos Ltda.	Diagnósticos da América S.A.	**99.00%**	99.00%
	DASA Real Estate Empreendimentos Imobiliários Ltda.	**1.00%**	1.00%
Dasa Nordeste Participações Ltda.	Diagnósticos da América S.A.	**99.00%**	99.00%
	DASA Real Estate Empreendimentos Imobiliários Ltda.	**1.00%**	1.00%
Dasa Real Estate Empreendimentos Imobiliários Ltda.	Diagnósticos da América S.A.	**99.99%**	99.99%
	Instituto de Endocrinologia e Medicina Nuclear do Recife Ltda.	**0.01%**	0.01%
Dasa Sudoeste Participações Ltda.	Diagnósticos da América S.A.	**99.00%**	99.00%
	DASA Real Estate Empreendimentos Imobiliários Ltda.	**1.00%**	1.00%
Instituto de Endocrinologia e Medicina Nuclear do Recife Ltda.	Diagnósticos da América S.A.	**99.00%**	99.00%
	Dr. Luciano Flávio Freitas de Almeida	**1.00%**	1.00%
Dasa Property Participações Ltda.	Diagnósticos da América S.A.	**99.00%**	99.00%
	DASA Real Estate Empreendimentos Imobiliários Ltda.	**1.00%**	1.00%
Laboratórios Médicos Dr. Sérgio Franco Ltda.	Diagnósticos da América S.A.	**99.99%**	99.99%
	CDPI – Clínica de Diagnóstico por Imagem Ltda.	**0.01%**	0.01%
Previlab Análises Clínicas Ltda.	Diagnósticos da América S.A.	**99.55%**	99.55%
	Alcione Moya Aprilante	**0.39%**	0.39%
	César Antônio Blázio	**0.06%**	0.06%
Pro Echo Cardiodata Serviços Médicos Ltda.	Diagnósticos da América S.A.	**69.58%**	69.58%
	Laboratórios Médicos Dr. Sérgio Franco Ltda.	**30.42%**	30.42%
LAFÊ Serviços Diagnósticos Ltda.	Diagnósticos da América S.A.	**99.98%**	99.98%
	Pro Echo Cardiodata Serviços Médicos Ltda.	**0.01%**	0.01%
	CDPI – Clínica de Diagnóstico por Imagem Ltda.	**0.01%**	0.01%

Notes to Quarterly Information

Indirect subsidiaries	Interest	3/31/14	12/31/13
Check Up UP – Unidade Preventiva, Diagnóstico e Medicina Preventiva Ltda.	CDPI – Clínica de Diagnóstico por Imagem Ltda.	**99.99%**	99.99%
	Laboratórios Médicos Dr. Sérgio Franco Ltda.	**0.01%**	0.01%
Clínica de Ressonância e Multi Imagem Caxias Ltda.	Clínica de Ressonância Multi Imagem Ltda.	**99.99%**	99.99%
	Laboratórios Médicos Dr. Sérgio Franco Ltda.	**0.01%**	0.01%
Clínica de Ressonância e Multi Imagem Petrópolis Ltda.	Clínica de Ressonância Multi Imagem Ltda.	**70.00%**	70.00%
	José Antonio Fragoso Borges Filho	**15.00%**	15.00%
	José Carlos de Castro Bersot	**7.50%**	7.50%
	Eduardo Luiz Primo de Siqueira	**7.50%**	7.50%
Imagem e Diagnóstico Ltda.	CDPI – Clínica de Diagnóstico por Imagem Ltda.	**99.99%**	99.99%
	Laboratórios Médicos Dr. Sérgio Franco Ltda.	**0.01**	0.01
Multimagem PET Ltda.	CDPI – Clínica de Diagnóstico por Imagem Ltda.	**100.00%**	100.00%
Stat Análises Clínicas Ltda.	Previlab Análises Clínicas Ltda.	**99.66%**	99.66%
	Alcione Moya Aprilante	**0.17%**	0.17%
	César Antônio Blázio Sanches	**0.17%**	0.17%
Pro Echo Cardiodata Serviços Médicos Ltda.	Diagnósticos da América S.A.	**69.58%**	69.58%
	Laboratórios Médicos Dr. Sérgio Franco Ltda.	**30.42%**	30.42%
Incebrás Instituto Brasileiro da Coluna e do Cérebro Ltda.	CDPI – Clínica de Diagnóstico por Imagem Ltda.	**29.00%**	29.00%
	Jorge Alberto Costa e Silva	**70.00%**	70.00%
	Romeu Côrtes Domingues	**1.00%**	1.00%

Notes to Quarterly Information

4. Basis for preparation of quarterly financial information

4.1. Statement of compliance (with respect to IFRS and CPC standards)

The quarterly financial information includes:

- The consolidated quarterly financial information prepared in accordance with CPC 21 (R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).
- The Company's individual quarterly financial information prepared in accordance with CPC 21 (R1) - Interim Financial Reporting and presented consistently with the rules issued by the Brazilian Securities and Exchange Commission (CVM).

The issuance of the individual and consolidated quarterly financial information was authorized by the Board of Directors at the meeting held on May 12, 2014.

4.2. Basis for measurement

The individual and consolidated quarterly financial information were prepared on the basis of historical cost, with except for the following items recognized in the statement of financial position: derivative financial instruments measured at fair value; and (ii) non-derivative financial instruments measured at fair value thought profit or loss.

4.3. Functional and reporting currency

The preparation of the individual and consolidated quarterly financial information in accordance with IFRS and CPC standards requires Management to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported values of assets, liabilities, revenue and expenses. Actual results may differ from such estimates.

4.4. Use of estimates and judgment

The preparation of the individual and consolidated quarterly financial information in accordance with IFRS and with accounting practices adopted in Brazil requires Management to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported values of assets, liabilities, revenue and expenses. Actual results may differ from such estimates

Estimates and assumptions are permanently reviewed. Reviews relating to accounting estimates are recorded in the period in which the estimates are reviewed, as well as in any other future periods affected.

Uncertainties about the assumptions or estimates that may pose significant risks of material adjustments in future periods are detailed in the following notes:

Notes to Quarterly Information

- Note 5.8 – Impairment – mainly assumptions used in discounted cash flow estimates used for calculation of goodwill impairment;
- Note 9 - Trade accounts receivable, analysis of allowance for doubtful accounts;
- Note 21 - Provision for tax, social security, labor and civil risks;
- Note 23 – Income and social contribution taxes – deferred tax recovery analysis; and
- Note 26 – Assumptions used for determining the fair value of financial instruments.

4.5. Segregation between current and noncurrent

Except for deferred taxes, the Company segregated all asset and liabilities items that are expected to be realized within twelve months as from the date of the quarterly financial information as current.

4.6. Statement of comprehensive income

There were no equity transactions resulting in adjustments that might be recorded in the statement of comprehensive income, that is, income for the period equals comprehensive income.

Notes to Quarterly Information

5. Significant accounting practices

The Company represents that the Quarterly Financial Information (ITR) are presented in accordance with the accounting practices presented in Note 5 to the financial statements for the year ended December 31, 2013.

Many accounting practices and disclosures of the Company require the determination of fair value for financial and nonfinancial assets and liabilities. Fair value has been determined for measurement and/or disclosure purposes based on the methods disclosed in Note 6 to the financial statements for the year ended December 31, 2013 and should be reviewed together with these statements. If applicable, additional information on the assumptions used in determining fair value is disclosed in specific notes of the respective assets or liabilities.

Therefore, this quarterly financial information should be read jointly with the financial statements for the year ended December 31, 2013.

6. IFRS and CPC pronouncements and new legal requirements

6.1. New pronouncements that entered into force on January 1, 2014, but did not significantly impact the Company.

i) IAS 32 - Offsetting Financial Assets and Financial Liabilities - Amendments to IAS 32 - These amendments clarify the meaning of “currently has a legally enforceable right to set off the recognized amounts” and the criterion that would cause settlement mechanisms that are not simultaneous (such as clearing house systems) to qualify for such offsetting.

ii) Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) - These amendments introduce a consolidation exception for entities that meet the definition of ‘investment entity’ in IFRS 10. Under this exception, investment entities are required to measure their investments in subsidiaries at fair value through profit or loss.

iii) IAS 39 - Novation of Derivatives and Continuation of Hedge Accounting - Amendments to IAS 39 - These amendments introduce an exception to the requirement to discontinuance of hedge accounting where a derivative, which is designated as hedging instrument, met certain conditions. The Company's policies not to act with derivative financial instrument transactions.

iv) IFRIC 21 – Levies – It clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. For a levy that is triggered upon reaching a given metric, the interpretation indicates that no liability should be recognized before the specified metric is reached.

6.2. New pronouncement that will be effective for annual periods beginning on or after January 1, 2015

i) IFRS 9 - Financial Instruments - It reflects the first phase of IASB's project to replace IAS 39 and applies to classification and measurement of financial assets and liabilities as defined by IAS 39. Initially, the pronouncement would become effective for annual periods beginning on or after January 1, 2013, but Amendments to IFRS 9: Mandatory Effective Date and Transition Disclosures, issued in December 2011, amended the effective date of IFRS 9 to annual periods beginning on or after January 1, 2015. In the subsequent phases, IASB will tackle issues such as hedge accounting and provision for impairment of financial assets. The Company does not expect that such standard causes a significant impact on its quarterly financial information.

There are no other IFRS standards that are not yet into effect that may significantly impact the Company.

6.3. Provisional Executive Order No. 627 and Revenue Procedure RFB No. 1397

On September 17, 2013, Revenue Procedure RFB No. 1397 (IN 1397) was issued and, on November 12, 2013, Provisional Executive Order No. 627 (MP 627) was issued, which: (i) repeals the Tax Transition Regime (RTT) from 2015 onwards, introducing a new tax regime; (ii) amends Decree-Law No. 1598/77 on the calculation of Corporate Income Tax (IRPJ) and law on Social Contribution Tax on Net Profit (CSLL). The new tax regime provided for in MP 627 will become effective from 2014 onwards for companies that opt for its early adoption. Among the provisions of MP 627, those that address the distribution of profits and dividends, interest on equity calculation basis and equity pickup calculation criterion during the effectiveness of the Tax Transition Regime (RTT) are to be highlighted.

MP provisions will be effective from 2015 onwards. Early adoption thereof in 2014 may eliminate potential tax effects particularly related to the payment of dividends and interest on equity, effectively paid through the date of publication of such MP, as well as equity pickup.

The Company and its subsidiaries conducted a study on potential effects of the adoption of MP 627 and IN 1397 and concluded that there are no significant effects on their operations and on their quarterly financial information for the period ended March 31, 2014, based on the best interpretation of MP. A possible conversion into law of MP 627 may result in a change in such conclusion. After definition of the amendments to MP 627, the Company and its subsidiaries may choose whether to early adopt such MP in fiscal year 2014.

Notes to Quarterly Information

7. Cash and cash equivalents

	Company		Consolidated	
	3/31/2014	**12/31/2013**	**3/31/2014**	**12/31/2013**
Cash and banks	**6,703**	14,826	**10,164**	20,868
Marketable securities	**534,046**	471,745	**615,087**	515,013
	540,749	486,571	**625,251**	535,881

Cash and cash equivalents classified in consolidated current assets are presented below:

	3/31/2014		12/31/2013	
	Amount	**Average yield for the period**	**Amount**	**Average yield for the year**
Cash and banks	**10,164**	-	20,868	-
Bank Deposit Certificate (CDB) / Repurchase agreements	**363,379**	**102.36% of CDI**	397,610	102.19% of CDI
Fixed income fund	**251,708**	**101.33% of CDI**	117,403	102.63% of CDI
	625,251		535,881	

Bank deposits represent balances in banks and immediate liquidity rights of which the use is not subject to any restrictions.

Marketable securities are readily redeemable from the issuer into a known cash amount and are subject to insignificant risk of change in value.

Notes to Quarterly Information

8. Marketable securities

		Company			
		3/31/2014		12/31/2013	
	Currency	Amount (R$)	Average yield for the period	Amount (R$)	Average yield for the year
CDB / Repurchase agreements **(a)**	R$	**6,541**	**102.36% of CDI**	6,393	100.01 of CDI
Fixed income fund **(a)**	R$	**18,055**	**101.33% of CDI**	19,791	102.25% of CDI
Noncurrent assets		**24,596**		26,184	

		Consolidated					
		3/31/2014			12/31/2013		
	Currency	Amount (US$)	Amount (R$)	Average yield for the period	Amount (US$)	Amount (R$)	Average yield for the year
CDB / Repurchase agreements **(a)**	R$	**-**	**8,513**	**102.36% of CDI**	-	8,316	100.01% of CDI
Fixed income fund **(a)**	R$	**-**	**27,978**	**101.33% of CDI**	-	29,477	102.25% of CDI
Corporate bonds **(b)**	US$	**32,030**	**72,483**	**3.78% p.a.**	31,153	72,980	4.63% p.a.
			108,974			110,773	
Current assets			**(72,483)**			(72,980)	
Noncurrent assets			**36,491**			37,793	

(a) The consolidated amount of R$36,491 (R$37,793 at December 31, 2013) invested in fixed income funds and CDB / Committed transactions corresponds to guarantee for payment of contingencies that may be demanded from acquired companies, for a period of up to 6 years from the date of acquisition.

(b) Securities of public and private companies acquired by subsidiary abroad.

Notes to Quarterly Information

9. Trade accounts receivable

	Company		Consolidated	
	3/31/2014	12/31/2013	3/31/2014	12/31/2013
Trade notes receivable:				
Falling due	**252,816**	237,123	**355,987**	330,558
Amounts overdue **(b)**	**135,256**	127,425	**221,506**	187,579
	388,072	364,548	**577,493**	518,137
Other accounts receivable:				
Checks receivable	**374**	456	**578**	795
Bounced check	**818**	808	**1,490**	1,469
Credit card	**16,612**	15,135	**17,744**	15,916
Unbilled health plans **(a)**	**69,166**	55,526	**120,810**	103,371
	86,970	71,925	**140,622**	121,551
Total receivable:	**475,042**	436,473	**718,115**	639,688
Deducted of:				
Allowance for doubtful accounts due to disallowance, default and returned checks	**(48,010)**	(46,318)	**(75,352)**	(67,486)
Adjustment to present value	**-**	-	**(1,217)**	-
	427,032	390,155	**641,546**	572,202
Current assets	**(426,304)**	(389,860)	**(636,735)**	(566,262)
Noncurrent assets	**728**	295	**4,811**	5,940

(a) Refers to amounts of services rendered and not yet billed until to the closing of the period. Services not billed within 120 days are written off from account Agreements to be billed, adjusting profit or loss for the corresponding period.

Notes to Quarterly Information

(b) The aging of overdue balances is presented below:

		Company					
		3/31/2014			12/31/2013		
	%	Gross amount	Provision for loss	Net amount	Gross amount	Provision for loss	Net amount
0 to 30		**42,035**	**-**	**42,035**	37,685	-	37,685
31 to 60		**13,691**	**-**	**13,691**	14,851	-	14,851
61 to 90		**10,647**	**-**	**10,647**	11,914	-	11,914
91 to 120	25%	**9,246**	**(2,311)**	**6,935**	6,957	(1,739)	5,218
121 to 180	50%	**17,674**	**(8,837)**	**8,837**	12,536	(6,268)	6,268
181 to 360	75%	**23,677**	**(17,758)**	**5,919**	23,918	(17,939)	5,979
Over 360	100%	**18,286**	**(18,286)**	**-**	19,564	(19,564)	-
		135,256	**(47,192)**	**88,064**	127,425	(45,510)	81,915
Returned checks		**818**	**(818)**	**-**	808	(808)	-
		136,074	**(48,010)**	**88,064**	128,233	(46,318)	81,915

		Consolidated					
		3/31/2014			12/31/2013		
	%	Gross amount	Provision for loss	Net amount	Gross amount	Provision for loss	Net amount
0 to 30		**68,891**	**-**	**68,891**	52,629	-	52,629
31 to 60		**27,322**	**-**	**27,322**	22,667	-	22,667
61 to 90		**18,718**	**-**	**18,718**	18,091	-	18,091
91 to 120	25%	**14,648**	**(3,661)**	**10,987**	13,513	(3,378)	10,135
121 to 180	50%	**26,069**	**(13,034)**	**13,035**	17,964	(8,982)	8,982
181 to 360	75%	**34,761**	**(26,070)**	**8,691**	36,232	(27,174)	9,058
Over 360	100%	**31,097**	**(31,097)**	**-**	26,483	(26,483)	-
		221,506	**(73,862)**	**147,644**	187,579	(66,017)	121,562
Returned checks		**1,490**	**(1,490)**	**-**	1,469	(1,469)	-
		222,996	**(75,352)**	**147,644**	189,048	(67,486)	121,562

The collection process for diagnostic support services provided by the Company is complex due to a variety of factors, including the large number of health plans used and different coverage offered. This complexity has historically given rise to loss due to disallowances. To a lesser extent, there are also losses due to default.

Disallowances mainly refer to: (i) operating issues, such as services rendered to customers of health care plans without previous authorization; (ii) sales issues, such as new price lists agreed, which have not been updated on both systems; and (iii) technical issues, such as different interpretations of examination requisitions.

Notes to Quarterly Information

To cover the losses as a result of such disallowances and default, the Company adopts the policy of recording a provision for losses from disallowances and default based on receivables overdue for more than 90 days, as shown below:

Overdue receivables	% of provision
91 and 120 days	25%
121 and 180 days	50%
181 and 360 days	75%
Above 360 days	100%

In the first quarter of 2014, losses arising from disallowance and default represented 3.7% of gross operating revenue (3.2% in the first quarter of 2013).

From 2012 onwards, the Company started to write-off trade notes overdue for more than 2 years against provision. Accordingly, in the first quarter of 2014, R$ 5,116 (R$ 6,810 in the first quarter of 2013) were written off.

The Company also records provisions for all bad checks, corresponding to, at March 31, 2014, R$ 818 (R$ 808 at December 31, 2013) in Company and to R$ 1,490 (R$ 1,469 at December 31, 2013) in Consolidated.

Given that receivables from credit cards companies are historically fully paid, the Company has not set up an allowance for losses in this account.

Changes in allowances for doubtful accounts due to disallowance, default and returned checks due to insufficient funds, for 2014 first quarter in consolidated, is as follows:

Balance at December 31, 2013		(67,486)
Change in consolidated provision		
Allowance for doubtful accounts due to disallowance and default	(27,345)	**(a)**
Reversal of allowance for disallowance and default due to payment and proper disallowance	14,384	
Derecognition of provision for receivables overdue for more than 2 years	5,116	
Reversal of provision for returned checks	(21)	
Net changes of provisions		(7,866)
Balance at March 31, 2014		(75,352)

(a) Loss in 2014 first quarter, as in Note 29.

Notes to Quarterly Information

10. Inventories

	Company		Consolidated	
	3/31/2014	12/31/2013	3/31/2014	12/31/2013
Direct material - domestic	**18,124**	23,643	**31,796**	35,406
Direct material – imported	**5,253**	5,593	**7,486**	7,664
Secondary material – domestic	**7,280**	7,857	**11,772**	11,496
Supplies	**3,864**	3,881	**5,835**	5,836
Provision for obsolescence	**(568)**	(568)	**(1,019)**	(1,019)
	33,953	40,406	**55,870**	59,383

11. Taxes recoverable

	Company		Consolidated	
	3/31/2014	12/31/2013	3/31/2014	12/31/2013
Income and social contribution taxes (IR/CS) – withholding income tax	**17,354**	6,911	**23,307**	10,607
IR/CS – prepaid amounts of the period	**-**	-	**3,127**	-
IR/CS – credits recoverable	**54,433**	63,222	**72,465**	83,861
Contribution Tax on Gross Revenue for Social Integration Program (PIS) and Contribution Tax on Gross Revenue for Social Security Financing (COFINS) – withholding income tax	**20,432**	19,437	**28,418**	27,214
Service Tax (ISS) -withholding income tax	**5,805**	5,385	**14,117**	13,653
National Institute for Social Security (INSS) recoverable	**6,371**	6,089	**28,525**	27,502
Other	**6,418**	6,255	**7,017**	6,859
	110,813	107,299	**176,976**	169,696

Notes to Quarterly Information

12. Investments

12.1 - Information on investments in subsidiaries

	Company		Consolidated	
	3/31/2014	**12/31/2013**	**3/31/2014**	**12/31/2013**
DASA Real Estate Empreendimentos Imobiliários Ltda.	**29,425**	29,733	**-**	-
CientificaLab Produtos Laboratoriais e Sistemas Ltda	**84,833**	85,981	**-**	-
Instituto de Endocrinologia e Medicina Nuclear do Recife S.A. (CERPE)	**35,185**	33,543	**-**	-
CDPI - Clínica de Diagnóstico por Imagem Ltda.	**84,303**	47,368	**-**	-
CRMI - Clínica de Ressonância e Multi Imagem Ltda.	**15,216**	16,102	**-**	-
Pro Echo Cardiodata Serviços Médicos Ltda.	**87,750**	88,079	**-**	-
Laboratórios Médicos Dr. Sérgio Franco Ltda.	**135,872**	122,884	**-**	-
Previlab - Analises Clinicas Ltda.	**33,019**	25,813	**-**	-
DASA Finance Corporation	**5,022**	2,795	**-**	-
LAFÊ Serviços Diagnósticos Ltda.	**6,548**	-		
Dasa Property Participações Ltda.	**51**	52	**-**	-
Dasa Nordeste Participações Ltda	**50**	51	**-**	-
Dasa Centro Oeste Participações Ltda.	**50**	51	**-**	-
Dasa Sudoeste Participações Ltda.	**50**	51	**-**	-
	517,374	452,503	**-**	-
Other investments	**643**	624	**817**	786
	518,017	453,127	**817**	786

Notes to Quarterly Information

Subsidiary	Subsidiary	Reporting date	Number of units of interest/ shares	Number of unites of interest/ shares held	Interest in paid-in capital (%)	Paid-in capital	Equity (capital deficiency)
DASA Real Estate	3/31/2014	25,667,079	25,667,078	99.99	25,667	29,425	(308)
	12/31/2013	25,667,079	25,667,078	99.99	25,667	29,733	(836)
CientíficaLab	3/31/2014	70,676,629	53,676,628	75.95	70,677	84,833	(1,148)
	12/31/2013	70,676,629	53,676,628	75.95	70,677	85,981	(12,536)
DASA Finance Corp	3/31/2014	50,000	50,000	100	41,123	5,022	2,227
	12/31/2013	50,000	50,000	100	41,123	2,795	(12,117)
CERPE	3/31/2014	122,024	120,804	99.00	122	35,185	2,505
	12/31/2013	122,024	120,804	99.00	122	33,543	4,544
CDPI	3/31/2014	1,834,280	1,834,279	99.99	54,843	84,303	2,661
	12/31/2013	1,834,280	1,834,279	99.99	18,343	47,368	8,909
CRMI	3/31/2014	2,508,000	2,507,999	99.99	2,508	15,216	536
	12/31/2013	2,508,000	2,507,999	99.99	2,508	16,102	5,694
Pro Echo	3/31/2014	131,483,058	91,483,058	69.58	131,483	126,114	(329)
	12/31/2013	131,483,058	91,483,058	69.58	131,483	126,587	4,165
Lab. Méd. Dr. Sérgio Franco	3/31/2014	63,902,082	63,902,081	99.99	57,536	135,872	19,354
	12/31/2013	63,902,082	63,902,081	99.99	63,902	122,884	69,183
Previlab	3/31/2014	23,113,314	23,009,743	99.56	29,613	33,019	994
	12/31/2013	23,113,314	23,009,743	99.56	23,113	25,813	2,779
LAFÊ Serviços Diagnósticos Ltda.	3/31/2014	10,000	9,900	99.00	6,376	6,548	172
	12/31/2013	10,000	9,900	99.00	-	-	-
Dasa Property Part.	3/31/2014	50,000	49,500	99.00	50	51	-
	12/31/2013	50,000	49,500	99.00	50	52	2
Dasa Nordeste Part.	3/31/2014	50,000	49,500	99.00	50	50	-
	12/31/2013	50,000	49,500	99.00	50	51	1
Dasa Centro Oeste Part.	3/31/2014	50,000	49,500	99.00	50	50	-
	12/31/2013	50,000	49,500	99.00	50	51	1
Dasa Sudoeste Part.	3/31/2014	50,000	49,500	99.00	50	50	-
	12/31/2013	50,000	49,500	99.00	50	51	1

Notes to Quarterly Information

12.2. Changes in investments

	December 31, 2013	Capital increase	Partial split-off	Dividends (c)	Equity pickup	March 31, 2014
DASA Real Estate	29,733	-	-	-	(308)	29,425
CientíficaLab	85,981	-	-	-	(1,148)	84,833
CERPE	33,543	-	-	(863)	2,505	35,185
CDPI **(a)**	47,368	36,500	-	(2,226)	2,661	84,303
CRMI	16,102	-	-	(1,422)	536	15,216
Pro Echo	88,079	-	-	-	(329)	87,750
Lab. Méd. Dr. Sérgio Franco **(b)**	122,884	-	(6,366)	-	19,354	135,872
Previlab **(a)**	25,813	6,500	-	(288)	994	33,019
DASA Finance Investimentos	2,795	-	-	-	2,227	5,022
Lafê Serviços Diagnósticos **(b)**	-	10	6,366	-	172	6,548
Dasa Property Part.	52	-	-	(1)	-	51
Dasa Nordeste Part.	51	-	-	(1)	-	50
Dasa Centro Oeste Part.	51	-	-	(1)	-	50
Dasa Sudoeste Part.	51	-	-	(1)	-	50
	452,503	43,010	-	(4,803)	26,664	517,374

(a) Capital payment

CDPI – On February 3, 2014, the Company subscribed and paid 36,500,000 new units of interest of subsidiary CDPI, equivalent to R$ 36,500, based on the 28th amendment to the Articles of Organization of CDPI.

PREVILAB - On February 3, 2014, the Company subscribed and paid 6,500,000 new units of interest of subsidiary PREVILAB, equivalent to R$ 6,500, based on the 16th amendment to the Articles of Organization of PREVILAB.

(b) Partial split-off

In a meeting held on February 28, 2014 of the partners of subsidiary Laboratórios Médicos Dr. Sérgio Franco Ltda. (Sérgio Franco), it was decided to:

i – confirm the appointment and engagement of APSIS Consultoria e Avaliações Ltda. to measure, at carry amount value, split-off equity of subsidiary Sérgio Franco, at December 31, 2013, transferred to Lafê Serviços Diagnósticos Ltda. (Lafê), at February 28, 2014, based on an unqualified approval of the appraisal report, whereby equity of subsidiary Sérgio Franco transferred to Lafê was determined, amounting to R$ 6,366, comprised by cash and cash equivalents amounting to R$ 4,000 and assets related to the business units (establishments) thereof, amounting to R$ 2,366. Equity of subsidiary Sérgio Franco was measured at carry amount value, which took into consideration the accounting records of the balance sheet at December 31, 2013.

Notes to Quarterly Information

ii – approve the "Rationale for Partial Split-off of Laboratórios Médicos Dr. Sérgio Franco Ltda. following the Merger of Net Assets Split Off by Lafê Serviços Diagnósticos Ltda.";

iii – approve, with no reserves, the Partial Split-off of subsidiary Sérgio Franco and merger of net assets split off by Lafê;

iv – approve capital decrease of subsidiary Sérgio Franco amounting to R$ 6,366, corresponding to net assets split off, from R$ 63,902 to R$ 57,536, due to the cancellation of 6,366,316 (six million, three hundred and sixty-six thousand, three hundred and sixteen) units of interest of the company. By virtue of such decrease, capital of subsidiary Sérgio Franco now amounts to R$ 57,536.

(c) Proposed and prepaid dividends

Proposed dividends amount to R$ 4,705, corresponding to net income in 2013.`

13. Property and equipment, net

		Company			
		3/31/2014			12/31/2013
	Average depreciation rate% p.a.	Cost	Accumulated depreciation	Net	Net
Properties	4.00	**1,426**	**(863)**	**563**	576
Leasehold improvements	7.80	**389,448**	**(212,731)**	**176,717**	141,761
Machinery and equipment	7.05	**368,358**	**(173,070)**	**195,288**	193,105
Furniture and fixtures	10.12	**56,586**	**(24,890)**	**31,696**	28,526
Facilities	8.37	**29,954**	**(10,940)**	**19,014**	17,371
IT equipment	10.69	**133,986**	**(73,856)**	**60,130**	52,753
Vehicles	19.17	**4,162**	**(3,345)**	**817**	835
Library	7.48	**117**	**(98)**	**19**	21
Land	-	**180**	**-**	**180**	180
Acquisitions in progress	-	**20,506**	**-**	**20,506**	107,954
		1,004,723	**(499,793)**	**504,930**	543,082

		Consolidated			
		3/31/2014			12/31/2013
	Average depreciation rate % p.a.	Cost	Accumulated depreciation	Net	Net
Properties	4.00	**5,166**	**(1,968)**	**3,198**	3,248
Leasehold improvements	8.14	**469,168**	**(238,625)**	**230,543**	196,010
Machinery and equipment	6.17	**483,949**	**(219,928)**	**264,021**	260,153
Furniture and fixtures	9.21	**70,351**	**(29,688)**	**40,663**	37,500
Facilities	11.52	**55,816**	**(18,408)**	**37,408**	36,330
IT equipment	11.24	**149,097**	**(84,027)**	**65,070**	57,979
Vehicles	19.55	**6,083**	**(5,217)**	**866**	978
Library	5.15	**203**	**(131)**	**72**	76
Land	-	**6,574**	**-**	**6,574**	6,574
Acquisitions in progress	-	**33,816**	**-**	**33,816**	121,332
		1,280,223	**(597,992)**	**682,231**	720,180

Notes to Quarterly Information

Changes in cost

	Company			
		Changes for the period		
	12/31/13	Additions	Transferences(a)	3/31/14
Properties	1,426	**-**	**-**	**1,426**
Leasehold improvements	344,738	**4,578**	**40,132**	**389,448**
Apparatus and equipment	357,011	**4,291**	**7,056**	**368,358**
Furniture and fixtures	51,900	**975**	**3,711**	**56,586**
Facilities	27,596	**658**	**1,700**	**29,954**
IT equipment	120,717	**3,629**	**9,640**	**133.986**
Vehicles	4,112	**50**	**-**	**4,162**
Library	117	**-**	**-**	**117**
Land	180	**-**	**-**	**180**
Construction in progress	107,954	**3,823**	**(91,271)**	**20,506**
	1,015,751	**18,004**	**(29,032)**	**1,004,723**

	Consolidated				
		Changes for the period			
	12/31/13	Additions	Write-offs	Transferences (a)	3/31/14
Properties	5,166	**-**	**-**	**-**	**5,166**
Leasehold improvements	422,952	**6,084**	**-**	**40,132**	**469,168**
Machinery and equipment	467,377	**9,243**	**(34)**	**7,363**	**483,949**
Furniture and fixtures	65,332	**1,186**	**133**	**3,700**	**70,351**
Facilities	53,383	**714**	**19**	**1,700**	**55,816**
IT equipment	135,714	**3,774**	**(30)**	**9,639**	**149,097**
Vehicles	6,156	**51**	**(124)**	**-**	**6,083**
Library	203	**-**	**-**	**-**	**203**
Land	6,574	**-**	**-**	**-**	**6,574**
Acquisitions in progress	121,332	**3,752**	**298**	**(91,566)**	**33,816**
	1,284,189	**24,804**	**262**	**(29,032)**	**1,280,223**

(a) Expenses made by the Company classified under Construction in progress for the pre-operating period of certain establishments, which are transferred to a specific account of fixed or intangible assets at the beginning of the operating activities.

Notes to Quarterly Information

Changes in accumulated depreciation

	Company		
	Changes for the period		
	12/31/13	Additions	3/31/14
Properties	(850)	**(13)**	**(863)**
Leasehold improvements	(202,977)	**(9,754)**	**(212,731)**
Machinery and equipment	(163,906)	**(9,164)**	**(173,070)**
Furniture and fixtures	(23,374)	**(1,516)**	**(24,890)**
Facilities	(10,225)	**(715)**	**(10,940)**
IT equipment	(67,964)	**(5,892)**	**(73,856)**
Vehicles	(3,277)	**(68)**	**(3,345)**
Library	(96)	**(2)**	**(98)**
	(472,669)	**(27,124)**	**(499,793)**

	Consolidated				
	Changes for the period				
	12/31/13	Additions	Write-offs	Transferences	3/31/14
Properties	(1,918)	(50)	-	-	(1,968)
Leasehold improvements	(226,942)	(11,677)	(6)	-	(238,625)
Machinery and equipment	(207,224)	(12,707)	6	(3)	(219,928)
Furniture and fixtures	(27,832)	(1,859)	-	3	(29,688)
Facilities	(17,053)	(1,354)	(1)	-	(18,408)
IT equipment	(77,735)	(6,319)	27	-	(84,027)
Vehicles	(5,178)	(39)	-	-	(5,217)
Library	(127)	(4)	-	-	(131)
	(564,009)	(34,009)	26	-	(597,992)

Additions to accumulated depreciation, stated in changes for the period, were partly recorded under general and administrative expenses and partly under costs of goods and/or services sold.

During the period, the Company did not identify any assets impairment indicator, and also did not capitalize interest.

Notes to Quarterly Information

14. Intangible assets

		Company					
	Average amortization rate %p.a.	3/31/2014			12/31/2013		
		Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net
Acquisition of interest - Goodwill		**2,116,170**	**(141,766)**	**1,974,404**	2,116,170	(141,766)	1,974,404
Other intangible assets							
IT systems	20	**185,917**	**(106,177)**	**79,740**	151,836	(97,167)	54,669
Commercial area use right	20	**1,433**	**(694)**	**739**	1,203	(592)	611
Other intangible assets	20	**12,628**	**(4,249)**	**8,379**	12,628	(4,249)	8,379
System implementation project	20	**12,293**	**(12,293)**	**-**	12,293	(12,293)	-
Project development	33	**10,259**	**(10,166)**	**93**	10,259	(10,166)	93
Brands	3,3	**236,037**	**(26,017)**	**210,020**	236,037	(23,360)	212,677
Exclusive agreement with customers - Unimagem	10	**9,403**	**(4,937)**	**4,466**	9,403	(4,704)	4,699
Relationship with hospitals	5	**35,748**	**(5,809)**	**29,939**	35,748	(6,001)	29,747
		503,718	**(170,342)**	**333,376**	469,407	(158,532)	310,875
		2,619,888	**(312,108)**	**2,307,780**	2,585,577	(300,298)	2,285,279

		Consolidated					
		3/31/2014			12/31/2013		
	Average amortization rate % p.a.	Cost	Accumulated amortization	Net	Cost	Accumulated amortization	Net
Acquisition of interest - Goodwill		**2,253,591**	**(251,619)**	**2,001,972**	2,253,591	(251,619)	2,001,972
Other intangible assets							
IT systems	20	**191,658**	**(109,998)**	**81,660**	157,519	(100,800)	56,719
Commercial area use right	20	**1,433**	**(694)**	**739**	1,203	(592)	611
Other intangible assets	20	**13,978**	**(4,272)**	**9,706**	13,978	(4,272)	9,706
System implementation project	20	**12,293**	**(12,293)**	**-**	12,293	(12,293)	-
Project development	33	**10,267**	**(10,169)**	**98**	10,267	(10,169)	98
Brands	3.3	**250,567**	**(28,506)**	**222,061**	250,567	(24,970)	225,597
Exclusive agreement with customers - Unimagem	10	**9,403**	**(4,937)**	**4,466**	9,403	(4,707)	4,696
Relationship with hospitals	5	**40,488**	**(7,412)**	**33,076**	40,488	(8,185)	32,303
		530,087	**(178,281)**	**351,806**	495,718	(165,988)	329,730
		2,783,678	**(429,900)**	**2,353,778**	2,749,309	(417,607)	2,331,702

Notes to Quarterly Information

Changes in cost

	Company			
	Changes in the period			
	12/31/13	Additions	Transferences (a)	3/31/14
Acquisition of interest – Goodwill	2,116,170	-	-	**2,116,170**
Other intangible assets				
IT systems	151,836	5,279	28,802	185,917
Commercial area use right	1,203	-	230	1,433
Other intangible assets	12,628	-	-	12,628
System implementation project	12,293	-	-	12,293
Project development	10,259	-	-	10,259
Brands	236,037	-	-	236,037
Exclusive agreement with customers – Unimagem	9,403	-	-	9,403
Relationship with hospitals	35,748	-	-	35,748
	469,407	5,279	29,032	**503,718**
	2,585,577	5,279	29,032	**2,619,888**

	Consolidated				
	Changes in the period				
	12/31/13	Additions	Write-offs	Transferences (a)	3/31/14
Acquisition of interest – Goodwill	2,253,591	-	-	-	**2,253,591**
Other intangible assets					
IT systems	157,519	5,381	(44)	28,802	**191,658**
Commercial area use right	1,203	-	-	230	**1,433**
Other intangible assets	13,978	-	-	-	**13,978**
System implementation project	12,293	-	-	-	**12,293**
Project development	10,267	-	-	-	**10,267**
Brands	250,567	-	-	-	**250,567**
Exclusive agreement with customers – Unimagem	9,403	-	-	-	**9,403**
Relationship with hospitals	40,488	-	-	-	**40,488**
	495,718	5,381	(44)	29,032	**530,087**
	2,749,309	5,381	(44)	29,032	**2,783,678**

(a) Expenses made by the Company classified under Construction in progress for the pre-operating period of certain establishments, which are transferred to a specific account of fixed or intangible assets at the beginning of the operating activities.

Notes to Quarterly Information

Changes in accumulated amortization

	Company			
	Changes in the period			
	12/31/13	Additions	Transf.	3/31/14
Acquisition of interest – Goodwill	(141,766)	-	-	**(141,766)**
Other intangible assets				
IT systems	(97,167)	(9,010)	-	**(106,177)**
Commercial area use right	(592)	(102)	-	**(694)**
Other intangible assets	(4,249)	-	-	**(4,249)**
System implementation project	(12,293)	-	-	**(12,293)**
Project development	(10,166)	-	-	**(10,166)**
Brands	(23,360)	(2,009)	(648)	**(26,017)**
Exclusive agreement with customers - Unimagem	(4,704)	(235)	2	**(4,937)**
Relationship with hospitals	(6,001)	(454)	646	**(5,809)**
	(158,532)	(11,810)	-	**(170,342)**
	(300,298)	(11,810)	-	**(312,108)**

	Consolidated			
	Changes in the period			
	12/31/12	Additions	Reclassifications (b)	3/31/14
Acquisition of interest – Goodwill	(251,619)	-	-	**(251,619)**
Other intangible assets				
IT systems	(100,800)	(9,198)	-	**(109,998)**
Commercial area use right	(592)	(102)	-	**(694)**
Other intangible assets	(4,272)	-	-	**(4,272)**
System implementation project	(12,293)	-	-	**(12,293)**
Project development	(10,169)	-	-	**(10,169)**
Brands	(24,970)	(2,032)	(1,504)	**(28,506)**
Exclusive agreement with customers - Unimagem	(4,707)	(235)	5	**(4,937)**
Relationship with hospitals	(8,185)	(726)	1,499	**(7,412)**
	(165,988)	(12,293)	-	**(178,281)**
	(417,607)	(12,293)	-	**(429,900)**

Additions to accumulated amortization, presented in changes for the period, were recorded under General and administrative expenses, and another portion under Costs of goods sold and/or services rendered.

During the period, the Company did not identify indications of impairment, and also did not capitalize interest.

Notes to Quarterly Information

15. Trade accounts payable

	Company		Consolidated	
	3/31/2014	12/31/2013	3/31/2014	12/31/2013
Domestic suppliers	**52,051**	45,513	**81,880**	64,977
Foreign suppliers	**2**	291	**46**	502
	52,053	45,804	**81,926**	65,479

16. Loans and financing

Type	Average rate	Final maturity	Company 3/31/2014	Company 12/31/2013	Consolidated 3/31/2014	Consolidated 12/31/2013
Local currency						
Banco do Brasil **(a) (iii)**	111.0% do CDI	6/1/2015	**-**	-	**23,902**	23,884
Financial lease – Sundry banks - Note 28 **(i), (ii)** and **(iii)**	CDI + 2.85% p.a.	10/26/2015	**-**	2	**9,420**	11,101
			-	2	**33,322**	34,985
Foreign currency						
Financing of equipment **(i)**, **(ii)** and **(iii)**	7.10% p.a.	12/1/2016	**-**	-	**2,485**	2,808
Financial lease – Sundry banks - Note 28 **(ii)** and **(iii)**	6.30% p.a.	3/23/2016	**5,210**	8,429	**6,454**	10,033
Credit Agricole Bank (**b) (iii) (iv)**	1.32% p.a.	8/20/2014	**-**	-	**68,448**	70,623
			5,210	8,429	**77,387**	83,464
Transaction cost – issue of notes (c)			**-**	-	**-**	(1,412)
			5,210	8,431	**110,709**	118,449
Current liabilities			**(4,284)**	(6,628)	**(101,605)**	(100,942)
Noncurrent liabilities			**926**	1,803	**9,104**	17,507

Notes to Quarterly Information

Guarantors:

(i) DASA Real Estate Empreendimentos Imobiliários Ltda.

(ii) Promissory Note of 125% of contractual amount in the Company's name.

(iii) Diagnósticos da América S.A.

(iv) Short-term investments with guarantee are securities of public and private entities acquired by subsidiary DASA Finance Corporation.

Loan and financing agreements do not have covenants

(a) This refers to fundraising for working capital in subsidiaries Sérgio Franco, CDPI and CRMI.

(b) This refers to loan transactions with subsidiary DASA Finance Corporation, in order to exercise the call option for all notes issued by DASA Finance, maturing in 2018 (8.75% Senior Notes due 2018).

(c) The transaction cost amounts were appropriated to income on the repurchase date of Notes.

Loans and financing classified as non-current liabilities, according to the contractual maturity dates, will be repaid as follows:

	Company	Consolidated
2015	854	7,899
2016	72	1,205
	926	9,104

Notes to Quarterly Information

The Company granted collaterals to its subsidiaries as follows:

CDPI - Clínica de Diagnóstico por Imagem Ltda	Banco ABC Brasil	4,521
	General Eletric	2,612
	Banco Itaú S.A.	1,985
	Banco do Brasil	5,000
	Santander	2,043
CientificaLab Produtos Lab. e Sistemas Ltda.	Banco Pottencial	409
DASA Finance Corporation	Banco do Brasil	53,181
Laboratórios Médicos Dr. Sérgio Franco Ltda.	Banco do Brasil	25,000
	Banco Itaú S.A.	1,227
Pro Echo Cardiodata Serviços Médicos Ltda.	General Eletric	8,298
	Banco Itaú S.A.	1,099
CRMI - Clínica de Ressonância e Multi Imagem Ltda.	Banco do Brasil	4,000
	Banco Itaú S.A.	2,014
		111,389

Notes to Quarterly Information

17. Debentures (Company and consolidated)

	3/31/2014	12/31/2013
Nonconvertible debentures	**1,337,500**	1,337,500
Compensatory interest	**63,050**	26,160
	1,400,550	1,363,660
Transaction cost	**(6,414)**	(6,934)
	1,394,136	1,356,726
Current	**(356,802)**	(319,912)
Noncurrent	**1,037,334**	1,036,814

Deadline for amortization of the main value of second- and third-issue debentures is as follows:

04/29/2014	233,333
10/25/2014	62,500
04/29/2015	233,333
10/25/2015	62,500
04/29/2016	233,334
10/25/2016	62,500
10/17/2017	225,000
10/17/2018	225,000
	1,337,500

<u>2nd Issue</u>

In the meeting held on March 16, 2011, the Board of Directors of the Company approved a fund raising by conducting the 2nd issue of simple debentures non-convertible into shares of the Company, for public distribution in the total amount of up to R$810,000, on a firm guarantee and better efforts of placement basis, under the terms of CVM Ruling No. 476 of January 16, 2009, as amended.

Notes to Quarterly Information

On May 16, 2011, the Company communicated to its shareholders and the market in general that on May 11, 2011, it closed the public offer for distribution with restricted placement efforts, of a single series of simple debentures non-convertible into shares, of the unsecured type. Seventy thousand 70,000 debentures were subscribed for a 5-year term from the date of issue, in the total amount of R$ 700,000. The debenture remuneration is equivalent to 100% of the accumulated variation of the Inter-financial Deposit (DI) daily average rates, “over extra-group”, expressed in percentage per annum and based on 252 working days, as calculated and daily disclosed by the Clearing House for the Custody and Financial Settlement of Securities (CETIP), plus an exponential surcharge of 1.40%. As the issue date was April 29, 2011, the face value of each debenture will be paid in 3 consecutive annual installments, as from the 36th month from the issue date. Payment of remuneration interest is semiannual, occurring on the 1st day of April and October, and the debit in the Company account shall occur one day prior to due date.

3rd Issue

On October 15, 2012, the Board of Directors of the Company approved the third issue by the Company, of up to 25,000 debentures non-convertible into shares of the unsecured type, in a single series, in the total amount of up to R$250,000, for placement through a public offer with restricted efforts, pursuant to CVM Instruction No. 476 of January 16, 2009, as amended.

On November 1, 2012, the Company communicated to its shareholders and the market in general that on October 31, 2012 it had closed the public offer for distribution, with restricted placement efforts, of the third issue of DASA’s simple debentures non-convertible into shares, of the unsecured type, in one single series. Twenty-five thousand (25,000) debentures were subscribed for a 4-year term from the date of issue, in the total amount of R$ 250,000. The debentures are not subject to monetary adjustment, and the debit balance of each debenture face value will incur an interest equivalent to 100% of the accumulated variation of the Inter-financial Deposit (DI) daily average rates, “over extra-group”, expressed in percentage per annum and based on 252 working days, as calculated and daily disclosed by CETIP, plus a surcharge of 0.80% per annum, calculated based on 252 business days, exponentially and cumulatively, on a pro rata temporis basis, per business day elapsed from the Date of Issue or the payment date of the immediately prior remuneration, as the case may be, until the effective payment date.

Interest will be paid semiannually from the Issue Date, the first payment beginning on April 25, 2013 and the last payment to be made on the Maturity Date, without prejudice to payments resulting from early redemption of the Debentures, early repayment of the Debentures and/or prepayment of obligations arising out of the Debentures.

Notes to Quarterly Information

The face value of each Debenture will be repaid in 4 annual and successive installments, in the following order:

I. Three installments, each in the amount corresponding to 25% of the face value of each Debenture, due on October 25, 2013, October 25, 2014 and October 25, 2015; and

II. One installment in the amount corresponding to the outstanding balance of the face value of each Debenture, due on October 25, 2016.

The financial settlement of the offer occurred on October 31, 2012 in the amount of R$250,304, and the net proceeds of the offer were used towards (i) the early redemption of all commercial promissory notes of the third issue of the Company; and (ii) the balance to reinforce the working capital of the Company.

<u>4th Issue</u>

On September 13, 2013, the Company's Board of Directors approved the fourth issue of debentures by the Company, in a single series of up to 45,000 unregistered debentures not convertible into shares totaling up to R$ 450,000 for placement through public offering with restrict placement efforts under the terms of CVM Rule No. 476 of January 16, 2009, as amended.

On October 18, 2013, the Company communicated its shareholders and the general market that the public offering with restrict placement efforts of simple, unregistered debentures not convertible into shares, in a single series, of the 4th issue was concluded on October 17, 2013. 45,000 debentures, effective for 5 years from issue date, amounting to R$ 450,000 were subscribed. These debentures will not be subject to monetary restatement and, over the debt balance of the nominal value of each debenture, compensatory interest will be levied, corresponding to 100% of accumulated daily average interbank deposits (DI) rate, "over extra-group", expressed in percentage per year, on a 252 business days basis and disclosed by CETIP plus a surtax of 1.15% per year, on a 252 business days basis, computed on an exponential and cumulative manner, pro rata temporis, per business days elapsed since payment day or the date when the prior remuneration is paid, as the case may be, until the effective payment.

Remuneration is to be paid on a half-yearly basis as from issue date, with first payment on April 15, 2014, and last payment on maturity date, not affecting payments made referring to anticipate redemption of debentures, early amortization of debentures and/or early maturity of obligations arising from debentures.

Principal amount will be amortized in two annual installments, in the 48th and 60th month, as from the debentures issue date.

Financial settlement of this offering occurred on October 16, 2013, amounting to R$450,000, and the net funds from the offering were used to reinforce the working capital and refinancing of debts.

Notes to Quarterly Information

The debentures have clauses determining the maximum indebtedness and leverage levels, based on the consolidated quarterly financial information.

At the end of the first quarter of 2014, the Company was in compliance with the contractual conditions, as follows:

Indicator	Contractual terms (a)	Condition at 3/31/14	Condition at 12/31/13
EBITDA		112,579	443,594
Financial income		24,643	86,584
Net debt		807,313	866,209
1- Net debt / *EBITDA* – maximum index			
2ª Issuance	2.50	1.77	1.95
3ª Issuance	3.00	1.77	1.95
4ª Issuance	3.00	1.77	1.95
2- *EBITDA* / Financial income – minimum index			
2ª Issuance	2.00	5.07	5.12
3ª Issuance	2.00	5.07	5.12
4ª Issuance	2.00	5.07	5.12

(a) The Company will be deemed to be in non-compliance with this covenant if it exceeds such ratios for two consecutive quarters

18. Social and labor liabilities

	Company		Consolidated	
	3/31/2014	12/31/2013	3/31/2014	12/31/2013
Salaries payable	**12,247**	14,320	**16,522**	19,509
Payroll charges payable	**10,517**	12,096	**14,317**	16,170
Accrual for vacation pay and social charges	**44,220**	38,134	**59,483**	51,029
Provision for profit sharing	**24,820**	14,920	**24,820**	14,920
Other	**2,402**	1,800	**2,823**	2,031
	94,206	81,270	**117,965**	103,659

Notes to Quarterly Information

19. Taxes in installments

	Completion of amortization	Company		Consolidated	
		3/31/2014	**12/31/2013**	**3/31/2014**	**12/31/2013**
REFIS IV – Federal **(a)**	2020	**9,448**	9,678	**18,184**	18,853
ICMS – RJ **(b)**		**-**	-	**5,042**	5,102
ISS – CERPE **(c)**		**-**	-	**2,800**	2,848
ISS – CRMI **(d)**		**-**	-	**480**	-
Other		**809**	860	**2,014**	2,382
		10,257	10,538	**28,520**	29,185
Current		**(912)**	(1,108)	**(3,441)**	(4,293)
Noncurrent		**9,345**	9,430	**25,079**	24,892

(a) <u>REFIS IV – Special federal tax payment program – Law No. 11941/09</u>

A new Installment program (REFIS IV) for federal Debts was created in connection with the enactment of Law No. 11941/09 comprising all debts under the Brazilian Federal Tax Authorities (Brazilian IRS, General Attorney's Office for the Treasury Department – PGFN and Brazilian Social Security Institute - INSS), either incorporated or not, included or not as federal enforceable debt, whether executed or not, including those which have been subject matter of a prior installment program. Given the favorable conditions of this new program, on November 27, 2009, the Company enrolled therewith, and made the first installment payment under the conditions stated in the legislation, and, monthly, through minimum installments paid up to the effective consolidation of the debt.

The company also included in the installment program tax debts for which former partners/shareholders of the acquired companies were liable. Such debts have not been recorded under taxes in installments yet, because the review process with the former owners has not been concluded. This process should result in the redemption, proportional to the debts assumed by the prior management, of marketable securities used as guarantees for settlement of liabilities assumed at the time the companies were acquired (Note 8).

The term for consolidation of debts in the special installment plan for major taxpayers with differentiated monitoring ended on June 30, 2011. The Company has not concluded the consolidation yet, as information about debts originated from the companies acquired by the Company, which has already been merged, was not available on the Brazilian IRS website during the period of consolidation. The Company, aiming to ensure recognition of the acquired companies' debts in the installment program, has filed for petitions in the period June 27 and 28, 2011 before the agencies handling debts subject to the installment plan, requiring such debts to be stated as entitled to inclusion in the installment payment on the E-CAC system. The Company has not yet received an answer to petitions filed.

Notes to Quarterly Information

Law No. 12865, of October 9, 2013, extended the term for adhering REFIS IV to December 31, 2013, for debts under the same conditions provided by the original law, i.e. Law No. 11941/09. In this regard, the Company included certain tax debts, the responsibility of which is of former partners/members of acquired entities, totaling R$ 1,975. Of this amount, R$ 1,183 refers to social security debts of Lavoisier, object of Claim for Annulment of Tax Debts, for which the payment is required through judicial deposit, as in the records of such claim. The remaining amount of R$ 642 refers to social security debts of Pro Echo, paid on December 27, 2013, in cash, and the other R$ 149 correspond to COFINS debts of acquired company CEDIC, included in the roster of debtors to government, paid in cash on December 30, 2013.

(b) ICMS – RJ Payment in installments

Special tax debt payment in installments in Rio de Janeiro – Law 6.136/11

Rio de Janeiro State Law No. 6136/11, regulated by Rio de Janeiro State Decree No. 43443/12 and Resolution No. 3080/12 of Rio de Janeiro State General Prosecution Office, enacted a special program that provides for elimination of 100% of fines and 50% of interest on debts registered as Enforceable Tax Debt, authorizing payment thereof within 18 months or through offset against securities issued in connection with court ordered debts ("precatórios"), observing the limit of 95% of debts.

Considering these favorable conditions, the Company, through its subsidiaries Clínica de Ressonância and Multi-Imagem Ltda., Pro Echo Cardiodata Serviços Médicos Ltda. and CDPI – Clínica de Diagnóstico por Imagem Ltda., elected to use the benefits of Law, adhering to the program on 05/31/2012 and thus eliminating the tax contingencies related to ICMS on import recorded in provision accounts (Note 21).

The subsidiaries adhered to pay the debts through offset against securities issued, considering the limits established by Law, CDPI also opted for settling its debts in 18 monthly installments, the balance of which was fully paid in the fourth quarter of 2013.

On June 1, 2012, there was full payment of lawyers' fees related to debts in relation to which the Company opted for offset against securities issued in connection with court ordered debts. On the same date, there was payment of the first installment of debts payable in 18 monthly installments.

The modality of offset against securities issued in connection with court ordered debts depends on approval by the government department assisting the president ("Casa Civil") and, upon such approval, there shall be payment in cash of 5% of waived debts, which may not be offset against such securities, after being summoned by the State General Attorney's Office (PGE), under penalty of the offset to be considered invalid on the terms of article 10 of Law No. 6136/11. Only upon approval will the Company recognize in P&L the discount on the acquisition of the securities used to offset the debts.

Notes to Quarterly Information

The breakdown of the amounts included in the referred to special payment in installments, as well as of their settlement - offsetting against securities issued in connection with court ordered debts – is as follows:

	Total	***Precatórios*** (securities)	**In cash**
Clínica de Ressonância and Multi-Imagem Ltda.	3,197	2,945	253

The net nominal amount of discount referring to the securities issued in connection with court ordered debts is recorded in Other noncurrent assets, and breaks down as follows:

	Nominal value	**Discount**	**Amount paid**
Clínica de Ressonância and Multi-Imagem Ltda.	2,945	(960)	1,985

Installment payment of debts in the state of Rio de Janeiro – PGE/RF Decision No. 2705/09

In addition to the special installment payment of debts, referred to above, in October 2013, the Company by means of subsidiary CDPI, formalized an ordinary payment of debts with Rio de Janeiro State Attorney General's Office, totaling R$ 1,985, to be paid off within 120 successive monthly installments.

(c) ISS payment in installments – CERPE

In 2009, subsidiary CERPE decided to use the benefits offered by Law No. 17384/2007 of Recife city, Pernambuco state. The referred law provided benefits such as reduction of principal by 60%, in addition to total exemption from fines and interest referring to a number of ISS-related debts, which were subject to a previous special installment program, also granted by the Recife city administration. In addition to the above-mentioned benefits, the referred law also allowed the Company to settle such debts in up to 240 (two hundred and forty) installments. Consequently, they will be fully paid by 2029.

(d) ISS payment in installments – CRMI

In March 2014, subsidiary CRMI opted to pay, based on Decree No. 27088/2006 of the Rio de Janeiro City Administration, ISS debts in installments, included in the roster of debtors to government, referring to tax deficiency notice No. 97495 of 11/21/2012, due to insufficient payment thereof from August 2008 to July 2010, corresponding to R$ 148 (original amount). Payment will be made in 36 monthly and successive installments.

Notes to Quarterly Information

20. Accounts payable for acquisitions of subsidiaries

Accounts payable for acquisition of subsidiaries relate to the amounts due to their former owners upon the acquisition of shares or quotas representing the paid-in capital of these companies. Debts are restated in accordance with contractual clauses and have the following settlement schedules:

			Company		Consolidated	
	Restatement	Maturity	3/31/2014	12/31/2013	3/31/2014	12/31/2013
Not guaranteed by marketable securities	IPCA-IGPM-Selic	05/2016	**8,221**	10,566	**8,221**	10,566
Guaranteed by marketable securities	(a)	11/2016 and 04/2017	**24,596**	26,184	**36,491**	37,793
			32,817	36,750	**44,712**	48,359
Current			**(1,720)**	(1,689)	**(1,720)**	(1,689)
Noncurrent			**31,097**	35,061	**42,992**	46,670

(a) Restated at the average rate of 101.33% of CDI (101.25% of CDI at December 31, 2013) for fixed-income funds, and 102.36% of CDI (100.01% of CDI at December 31, 2013) for CDB/ committed transactions, which are managed by financial entities, as shown in Note 8.

The installments classified as non-current liabilities have the following payment schedule:

Aging list	Company	Consolidated
2015	13,614	13,614
2016	17,368	24,937
2017 a 2020	115	4,441
Total	31,097	42,992

Notes to Quarterly Information

21. Provisions for tax, social security, labor and civil proceedings

	Company			
	3/31/2014		12/31/2013	
	Provision	Judicial deposit	Provision	Judicial deposit
ICMS on import **(a)**	**4,922**	**965**	4,942	54,696
Labor and civil contingencies **(b)**	**14,316**	**10,077**	6,496	9,677
Tax contingencies **(c)**	**26,256**	**26,370**	26,056	26,322
	45,494	**37,412**	37,494	90,695

	Consolidated			
	3/31/2014		12/31/2013	
	Provision	Judicial deposit	Provision	Judicial deposit
ICMS on import **(a)**	**4,922**	**965**	4,942	54,696
Labor and civil contingencies **(b)**	**14,819**	**13,538**	6,997	13,121
Tax contingencies **(c)**	**28,706**	**27,772**	28,506	27,723
	48,447	**42,275**	40,445	95,540

(a) ICMS on import

Following the opinion of its legal advisors, the Company has not paid ICMS on the import of inputs and equipment for use in the rendering of its services since February 2000, as there are ongoing discussions as to whether the Company is an ICMS taxpayer for these transactions. For ICMS payables on goods and equipment imported up to the publication of Constitutional amendment 33 on December 11, 2001, the external legal advisors understand that the likelihood of losses is remote; as regarding to ICMS payables generated between the Constitutional Amendment 33 date and the issuance of the supplementary Law No. 114, on December 16, 2002, the likelihood of loss was classified as possible. For import of equipment under the lease modality, the likelihood of loss was also deemed as possible. Finally, after enactment of the supplementary Law No. 114 on December 16, 2002, the external legal advisors understand that the likelihood of loss is probable.

Of the amount of R$ 54,696, which is the restated balance at December 31, 2013 of the judicial deposits amount (R$ 51,642 at December 31, 2012), R$ 53,732 corresponds to the restated amount of judicial deposit in December 2011 (R$ 46,849 corresponds to the original deposit amount) referring to ICMS amounts charged on direct import transactions of inputs and equipment cleared in the state of São Paulo, for which no process was served, pledging the voluntary payment of taxes, without fines and with decreased interest, maintaining the criteria for computation of provision amounts. Because the Company had adhered to PEP of ICMS/SP in 2013, which covered all tax debts guaranteed by this deposit, the determination of the judicial deposit amount was required. On February 25, 2014, the Company, through its outside legal advisors, completed the calculation of ICMS on direct imports, deposited in court in December 2011, based on MS records No. 0046827-27.2011.8.26.0053. The Company decided to drop such lawsuit due to its participation in PEP of ICMS/SP, and judicial deposit calculated totaled R$ 53,839.

Notes to Quarterly Information

(b) Provision for labor and civil contingencies

At March 31, 2014, the Company is a party to 1,343 labor claims (1,306 at December 31, 2013) and 1,146 administrative and legal civil claims (1,122 at December 31, 2013). The provisions of R$ 14,316 (R$ 6,496 at December 31, 2013) in Company and R$ 14,819 (R$ 6,997 at December 31, 2013) in Consolidated are based on the historical percentage of probable and possible unfavorable outcomes. Additionally, at March 31, 2014, there were R$ 115,632 (R$ 109,260 at December 31, 2013) in Consolidated related to proceedings whose unfavorable outcome is possible, based on the opinion of legal advisors, R$ 21,327 referring to civil claims and R$ 94,305 to labor claims, for which no provision was set up, in accordance with the accounting standard applicable thereto.

The Company is also a party to a lawsuit for indemnification for loss of profits and pain and suffering due to supposed competition-related infraction by the Company together with a health insurance Company. An opposition was filed against the case amount against which claimants filed a reply, as such, an expert accounting and engineering examination was ordered. On December 7, 2007, the amount attributed to the case by claimant is R$ 61,815, which unfavorable outcome was classified as possible, and the amount involved has not been evaluated. An expert accounting examination conducted by the court expert concluded that the claimed loss of profit sought should amount to R$ 4,500, applicable to the healthcare company and not to the Company.

From the amount of R$ 94,305 corresponding to labor claims classified as possible loss, we should mention the Public Civil Action at the Rio de Janeiro Labor Court, to which the Company and its subsidiary Laboratórios Médicos Dr. Sérgio Franco Ltda. are a party. In general, questioning the legality of the arrangements with health companies specialized in diagnostic support services by imaging, which required hiring doctors bound to said healthcare companies under the Consolidation of Labor Laws (CLT) and a collective indemnification for pain and suffering of approximately R$ 20,000 on September 10, 2012. The Company believes that, considering their specific characteristics, the arrangement principles which is being adopted, in addition to being in regular and in strict compliance with applicable laws, are supported by favorable former court decisions, and are in line with the disclosures and explanations reported in the Reference Form, in items 4.1 and 4.3.

On October 29, 2012, the Company disclosed a “Material Fact informing it was served process for said claim”, according to CVM Rule No. 358, of January 2002. A hearing was held on February 20, 2013, rescheduled to June 16, 2014. Management and legal counsel find the likelihood of loss is possible.

Notes to Quarterly Information

(c) Provision for tax contingencies

The provisions for tax contingencies in the amount of R$ 26,256 (R$ 26,056 at December 31, 2013) in Company, and R$ 28,706 (R$ 28,506 at December 31, 2013) in consolidated, relate to: (i) questionings for increases in rates; (ii) calculation base; and (iii) unconstitutionality of collection. Such questionings refer basically to PIS, COFINS, INSS and FGTS contributions. At March 31, 2014, the Company recorded a consolidated amount of R$ 266,236 (R$ 265,768 at December 31, 2013), related to claims classified by its legal advisors as possible loss, for which there were no provisions, according to the accounting rule applicable for those circumstances, and substantially R$ 160,661 was related to ICMS claims (Taxes) over import of leasing equipment and direct import of inputs and equipment performed between the EC33 (issued in December 2001) and the Supplementary Law No. 114 (issued in December 2002), and R$ 105,574 related to other PIS, COFINS, IRPJ and ISS tax claims.

Changes in provisions for contingencies

	Company				
	12/31/2013	Change for the period			3/31/2014
	Closing balance	Additions to provision	Use and reversal	Restatement	Closing balance
ICMS on import	4,942	**-**	**(171)**	**151**	**4,922**
Provision for labor and civil contingencies	6,496	**10,028**	**(2,208)**	**-**	**14,316**
Provision for tax contingencies	26,056	**-**	**-**	**200**	**26,256**
	37,494	**10,028**	**(2,379)**	**351**	**45,494**

	Consolidated				
	12/31/2013	Change for the period			
	Closing balance	Additions to provision	Use and reversal	Restatement	Closing balance
ICMS on import	4,942	**-**	**(171)**	**151**	**4,922**
Provision for labor and civil contingencies	6,997	**10,030**	**(2,208)**	**-**	**14,819**
Provision for tax contingencies	28,506	**-**	**-**	**200**	**28,706**
	40,445	**10,030**	**(2,379)**	**351**	**48,447**

(a) Additional provision for labor and civil contingencies refers to new proceedings filed against the Company for the quarter and review of percentages calculated on losses for the last year, requiring additional provision for this account.

Notes to Quarterly Information

22. Equity

a) Share-based payment

At December 7, 2010, the board of directors approved a new stock option plan for our management and employees ("New Plan") and its chief guidelines were then determined on December 16, 2010.

The New Plan was approved at the Special General Meeting held on January 5, 2011. On the same date, a meeting of the board of directors approved the granting of shares under the New Plan and the first stock option program which, among other matters, elected the beneficiaries.

On May 9, 2011, the board of directors approved the election of the beneficiaries of the New Plan, and subject to the terms and conditions determined in the first program, the executive board signed stock option agreements with each of the beneficiaries.

Each beneficiary, having met the conditions stated for the plan will be granted options to acquire or subscribe to a number of registered common shares with no par value corresponding to the percentage of 250% (two hundred and fifty per cent) of own shares (acquired by the beneficiaries). Percentages for each individual beneficiary are defined by the board of directors and stated in the agreement signed with each beneficiary.

Other than the amount invested by the beneficiary for acquisition of treasury shares no other consideration shall be required of the beneficiary to exercise the benefit, and the above price consubstantiates the beneficiary's obligation to acquire the own shares and hold them for a period of three (3) years after acquiring them.

Stock options may only be exercised by beneficiaries, in full or in part, three (3) full years after the date of signing the agreement (vesting period).

At the end of the vesting period, beneficiaries may exercise their rights in full or in part by giving written notice to the Company within thirty (30) days of the vesting date, subject to specific requirements, dates and periodicities established by the board of directors.

Notes to Quarterly Information

Stock options granted in May 2011

In May 2011, the Executive Board entered into stock-option agreements with beneficiaries under the plan. The number of shares initially granted was 309,076 common shares, and at March 31, 2014 and December 31, 2013 106,576 common shares were granted, considering cancelled agreements and plan adjustments through March 31, 2014, with Vesting Period until May 2014.

The March 31, 2014 balance recorded under Granted options, in equity, is R$1,538 (R$1,350 at December 31, 2013), equivalent to 101,506 (92,754 at December 31, 2013) common shares, corresponding to the total number of shares granted proportionally to the period incurred in the contracts executed, and determined by the share value at the end of the trade session of BM&FBovespa held on March 31, 2014, corresponding to R$15.15:

	Common shares	**R$**
Balance at December 31, 2013	92,754	1,350
Additions	**8,752**	**188**
Balance at March 31, 2014	**101,506**	**1,538**

Share-based payment transactions - June 2012

In June 2012, the Executive Board and the beneficiaries of the plan entered into option agreements for the acquisition of shares. The number of shares initially granted was 259,959 common shares, at March 31, 2014 and December 31, 2013 was 212,465 common shares granted considering the contracts canceled up to December 31, 2013, with Vesting Period until June 2015.

The March 31, 2014 balance recorded under Other Payables, in equity, is R$ 1,895 (R$ 1,567 at December 31, 2013), equivalent to 125,071 (107,592 at December 31, 2013) common shares, corresponding to the total number of shares granted proportionally to the period incurred in the contracts executed, and determined by the share value at the end of the trade session of BM&FBovespa held on March 31, 2014, corresponding to R$ 15.15:

	Common shares	**R$**
Balance at December 31, 2013	107,592	1,567
Additions	**17,479**	**328**
Balance at March 31, 2014	**125,071**	**1,895**

Notes to Quarterly Information

b) Dividends and interest on equity

The Annual Shareholders' Meeting held on April 28, 2014 unanimously approved payment of dividends on June 16, 2014 amounting to R$ 31,375, as disclosed in Note 22.f to the financial statements for the year ended December 31, 2013.

c) Earnings per share

Basic

Basic earnings per share are calculated by dividing the income attributable to the Company's shareholders by the weighted average number of common shares issued over the period, less common shares purchased by the Company and held as treasury shares.

	1/1/2014 a 3/31/2014	**1/1/2013 a 3/31/2013**
Income attributable to Company shareholders	**28,595**	23,522
Weighted average number of common shares issued	**78,816**	31,1803
Weighted average of treasury shares	**(1,159)**	(1,159)
Weighted average of outstanding common shares	**77,657**	310,644
Basic earnings per share - R$	**0.36822**	0.07572

Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of outstanding common shares considering the conversion of all potential common shares that would cause dilution. The Company has only one category of dilutive potential common shares: stock options, disclosed in item (a) of this Note.

	1/1/2014 a 3/31/2014	**1/1/2013 a 3/31/2013**
Income attributable to Company shareholders	**28,595**	23,522
Weighted average of outstanding common shares	**77,657**	310,644
Adjustment for acquisition of shares	**319**	336
Weighted average number of common shares for diluted earnings per share	**77,976**	310,980
Diluted earnings per share - R$	**0.36672**	0.07564

Notes to Quarterly Information

23. Income and social contribution taxes

The company records monthly provisions for income and social contribution taxes on an accrual basis

Taxes are calculated by taxable income, except for subsidiaries Imagem e Diagnóstico, Multimagem PET, Multi-Imagem Petrópolis Dasa Centro Oeste, Dasa Nordeste, Dasa Sudoeste and Dasa Property, in which it adopted the presumed profit system.

Reconciliation of the expense calculated by applying combined rates for income and social contribution tax expenses charged to income is shown as follows:

	Company		Consolidated	
	3/12/14	**12/31/13**	**3/31/14**	**12/31/13**
Income before income and social contribution taxes	**30,182**	27,686	**41,633**	36,280
	34%	34%	**34%**	34%
Income and social contribution taxes: at combined tax rate	**(10,262)**	(9,413)	**(14,155)**	(12,335)
Permanent exclusions (additions)				
Equity pickup	**9,066**	5,549	**-**	-
Nondeductible expenses	**(391)**	(230)	**(515)**	(250)
Other adjustments				
Income of subsidiary abroad	**-**	-	**757**	(413)
Taxable profit computed as a percentage of gross sales (*Lucro presumido*)	**-**	-	**198**	(221)
Reverse Dasa Brasil Participações	**-**	-	**382**	-
Other	**-**	(70)	**382**	57
	(1,587)	(4,164)	**(12,951)**	(12,720)
Current income and social contribution Taxes	**-**	-	**(12,684)**	(8,916)
Deferred taxes	**(1,587)**	(4,164)	**(267)**	(3,804)
Total	**(1,587)**	(4,164)	**(12,951)**	(12,720)
Effective rate	**-5%**	-15%	**-31%**	-35%

The 34% combined tax rate used for 2014 and 2013 calculations applies to taxable profit for legal entities in Brazil as required by the tax laws of this jurisdiction.

Notes to Quarterly Information

Deferred taxes on tax losses and temporary provisions

Income and social contribution taxes are stated so as to reflect future tax effects attributable to temporary differences between the assets and liabilities tax bases and their respective book values.

In accordance with CPC 32, based on the expectation of generating future taxable profit backed by a technical study approved by our management, the Company recognizes tax credits and debits on deductible temporary differences and accumulated tax losses and negative bases for social contribution, which are not subject to limitation and may be used to offset up to 30% of annual taxable profit. The book value for deferred tax assets and liabilities is reviewed quarterly and projections are reviewed annually.

The composition of the balances of deferred income and social contribution taxes assets and liabilities are shown below

	Balance sheet Company		Income (loss) Company
	3/31/14	**12/31/13**	**3/31/14**
Income tax losses and negative basis for social contribution	**180,021**	169,286	**10,735**
Allowance for doubtful accounts and disallowances	**16,324**	15,748	**576**
Provision for specialized medical services	**11,008**	9,820	**1,188**
Sundry provisions	**8,450**	5,701	**2,749**
Provision for contingencies	**11,393**	7,767	**3,626**
Other	**967**	623	**344**
Goodwill amortization	**(215,989)**	(194,206)	**(21,783)**
Intangibles identified in acquisitions	**(83,318)**	(84,218)	**900**
Review of property and equipment useful lives	**(11,826)**	(11,870)	**44**
Outros	**(827)**	(861)	**34**
Deferred income and social contribution taxes - Assets / (Liabilities)	**(83,797)**	(82,210)	**-**
Revenue (expenses) from income and social contribution - deferred	**-**	-	**(1,587)**
Reflected in the balance sheet as follows:			
Deferred tax assets			**-**
Deferred tax liabilities	**(83,797)**	(82,210)	
Deferred income and social contribution taxes - Assets /(Liabilities)	**(83,797)**	(82,210)	

Reconciliation of tax assets (liabilities) - deferred	**3/31/14**
Balance at December 31, 2013	**(82,210)**
Income / (expenses) from taxes recognized in income (loss)	**(1,587)**
Balance March 31, 2014	**(83,797)**

Notes to Quarterly Information

	Balance sheet Consolidated		Income (loss) Consolidated
	3/31/14	**12/31/13**	**3/31/14**
Income tax losses and negative basis for social contribution	**220,486**	208,656	**11,830**
Allowance for doubtful accounts and disallowances	**25,536**	22,874	**2,662**
Goodwill amortization	**16,778**	18,850	**(2,072)**
Provision for specialized medical services	**13,485**	12,252	**1,233**
Sundry provisions	**8,450**	5,701	**2,749**
Provision (-)Obsolete items	**151**	-	**151**
AVP – Accounts receivable long term	**414**	-	**414**
Provision for contingencies	**12,261**	8,634	**3,627**
Other	**968**	774	**194**
Goodwill amortization	**(217,254)**	(195,385)	**(21,869)**
Intangibles identified in acquisitions	**(88,772)**	(89,728)	**956**
Re-measurement of useful life of property and equipment	**(9,165)**	(9,144)	**(21)**
Other	**(7,813)**	(7,692)	**(121)**
Deferred income and social contribution taxes - Assets/ (Liabilities)	**(24,475)**	(24,208)	
Revenue (expenses) from income and social contribution taxes - deferred			**(267)**
Reflected in the balance sheet as follows:			
Deferred tax assets	**59,322**	58,003	
Deferred tax liabilities	**(83,797)**	(82,211)	
Deferred income and social contribution taxes - Assets/ (Liabilities)	**(24,475)**	(24,208)	

Reconciliation of deferred tax assets (liabilities)	**3/31/14**
Balance at December 31, 2013	**(24,208)**
Income / (expenses) from taxes recognized in income (loss)	**(267)**
Other	
Balance at March 31, 2014	**(24,475)**

Company management considers that the deferred income and social contribution tax asset balances from temporary expenses will be realized to the proportion of the contingencies and realization of events triggering such provisions for losses.

The Company did not identify evidence that deferred taxes will not be recoverable over the quarter.

Notes to Quarterly Information

24. Cost of services provided

	Company		Consolidated	
	3/31/2014	12/31/2013	3/31/2014	12/31/2013
Personnel	**88,504**	79,068	**124,681**	111,188
Material	**77,391**	63,619	**116,242**	100,521
Services and utilities	**135,948**	118,360	**174,417**	156,895
Depreciation and amortization	**21,745**	20,901	**28,236**	27,823
General expenses	**6,826**	4,125	**8,682**	6,183
	330,414	286,073	**452,258**	402,610

25. General and Administrative Expenses by nature

	Company		Consolidated	
	3/31/2014	12/31/2013	3/31/2014	12/31/2013
Personnel expenses	**42,175**	40,848	**56,483**	52,754
Provision for profit sharing and bonus	**9,900**	7,500	**9,900**	7,500
Services and utilities	**19,949**	14,377	**30,030**	22,880
Advertising and publicity	**1,524**	1,749	**1,742**	2,009
Freight costs	**8,933**	7,682	**10,504**	8,572
Depreciation and amortization	**17,189**	13,037	**18,066**	13,973
Taxes and charges	**524**	3,122	**1,026**	3,896
Sundry provisions (a)	**10,042**	2,388	**10,252**	2,616
General expenses	**4,765**	4,368	**6,379**	7,899
	115,001	95,071	**144,382**	122,099

(a) Additional provision for labor and civil contingencies based on Note 21.

26. Financial instruments

The Company is generally exposed to the following operating risks that may affect its strategic and financial objectives to a greater or lesser extent:

- Market risk
- Liquidity risk
- Credit risk
- Operating risk

Notes to Quarterly Information

The Company manages the risks to which it is exposed by defining conservative strategies to ensure liquidity, profitability, and security, using objective criteria for risk diversification.

This note reports the Company's exposure to each of the above risks, and its objectives, policies and processes for risk measurement and management and for capital management.

Risk management structure

In alignment with current regulations and with the Company's corporate policies, the system is based on the integrated management of each of the business processes and on adjusting risk level to strategic objectives. The Company's corporate governance structure involves an extensive risk management process for identifying, treating, and monitoring these risks that extends from senior management, and institutional committees such as the auditing committee, which is responsible, among other duties, for overseeing the integrity and effectiveness of internal controls and risk management through to all the Company's different areas.

The Company's internal control environment has been designed to support the nature, risk, and complexity of its operations. It is based on formalized policies and procedures that are disseminated throughout the organization, as well as dedicated business areas and specific tools for risk monitoring.

Management of all risks inherent to the Company's activities on an integrated basis is addressed within a process supported by the structures of Internal Controls and Compliance (in relation to internal policies, rules, and regulations) that ensures continuous improvement for risk management models and minimizes any omission that could jeopardize correct risk identification and assessment. Based on identification, assessment and monitoring of the principal risks, the Company draws up specific action plans to ensure that improvements are implemented.

To build the right control environment for the scale of its business, the Company invests to strengthen internal communication and disseminate the risk management concept among employees. Corporate risk management is supported by statistical tools with liability adequacy testing, stress testing, capital sufficiency indicators and others. In addition to these tools, the Company adds the qualitative side of risk management, with results from self-assessment, quality evaluations, and tests conducted by internal auditing to evaluate the effectiveness and efficiency of internal controls, as well as quality performance in fulfilling duties and responsibilities.

Historically, the financial instruments used by the Company have shown adequate results for risk mitigation. Additionally, we avoid transactions involving exotic or speculative derivatives.

Market risks

These are risks related to assets and liabilities with cash flows or present values that are exposed to:

Notes to Quarterly Information

a) *Exchange-rate risk*: Risk of loss or gain depending on fluctuations in prices of foreign currencies. The main tool to control exchange-rate related risk is the daily treasury position, which is based on reports provided by the BM&FBovespa and other sources (e.g. the Central Bank) for the control of exchange-rate variations involved in our operations.

b) *Market risk - interest*: Risk of fluctuating interest rates leading to increased expenses or decreased income. Fixed interest rates maintained to maturity allow certainty for cash flows. Floating interest rates pose volatility for future interest charges. The main tool for control of risk related to interest rates is the daily treasury position, which is based on reports provided by the BM&FBovespa to control interest rates involved in our transactions.

   Our principal market risks arise from possible fluctuations in interest rates and exchange rates. As a result, the Company and its subsidiaries seek hedging for liquidity risk through financial instruments such as marketable securities, funding in the form of working capital loans, and funding through the issue of debentures, all on an arms' length basis, as well as USD-CDI index swaps.

   The Company's market risk management practices are based on the operating strategies and internal controls established in its Internal Policy for Risk Management of Financial Assets ("Policy") in order to ensure liquidity, profitability, and security of financial instruments exposed to risk. These practices consist of periodically monitoring its contractual conditions in comparison with current market conditions.

Every financial transaction is submitted to the Executive Committee and subsequent validation by the board of directors and / or their auxiliary advisory committees. In the cases of exchange rate and interest-rate exposure, guidelines are set by the board of directors and operated by the Treasury department, since they depend of variable components of the economic scenario. Treasury forwards a monthly report to the Executive Committee showing the Company's current exposure to market risks and using reports, documents and contracts checks for compliance with the policy.

In addition to the above, for market risks to which the Company is exposed, Treasury is mandated to run monthly stress tests assuming 25% and 50% variations in relation to original parameters in order to assess the elasticity of these positions when subjected to major variations of the rates involved in these transactions, and their impact on income and cash positions of the Company.

Liquidity risk

Liquidity risk is the risk of an unforeseeable event or an error in calculating liquidity requirements that will impact the Company's investment decisions or day-to-day business.

We manage liquidity risk by maintaining adequate reserves, bank credit facilities, and credit lines from funding as deemed appropriate, continuously monitoring expected and actual cash flows and the combination of maturity profiles of financial assets and liabilities, following these guidelines:

Notes to Quarterly Information

a) Short-term cash management - liquid assets and credit facilities to cover immediate needs. Periodicity: Daily. Periodicity: D+1 (working days);

b) Long-term cash management - Continuous process to ensure long-term funds, through analysis of the cash budget on a monthly basis, updating assumptions made in the budget in accordance with business needs, and comparing actual *versus* estimated performance. Periodicity: Monthly. Term: 5th working day of the month following the report's base date;

c) Maintenance of minimum cash - Refers to cash balances the Company may replenish in a very short period of time to meet any urgent requirements. In addition, it uses the criterion that cash holdings must be sufficient to cover the five worst daily cash flows in a month, not including receivables;

d) Exposure limits and risk mitigation - the treasury department keeps short-term facilities for immediate liquidity and working capital lines, so that volume is sufficient to ensure at least the amount equal to that of the highest cash outflow over five consecutive days in the last 12 months.

For medium and long term credit lines, the Treasury department maintains credit lines compatible with the Company's strategic planning, for the purpose of ensuring the availability of resources to meet the estimated cash flow.

The table below details the aging list of the consolidated financial liabilities at March 31, 2014:

Consolidated	**Maturity**				
Transaction	**2014**	**2015**	**2016 a 2017**	**2018 onwards**	**Total**
Derivatives	170	30	-	-	200
Trade accounts payable	81,926	-	-	-	81,926
Loans and financing	101,605	7,899	1,205	-	110,709
Debentures	356,802	294,272	518,683	224,379	1,394,136
Taxes in installments	3,441	5,902	3,587	15,590	28,520
Payables for acquisition of subsidiaries	1,720	13,614	29,378	-	44,712
	545,664	321,717	552,853	239,969	1,660,203

Credit risk

Refers to the risk of loss resulting from inability of the counterparty to meet its contractual obligations and make payments to the Company. The principal means of mitigating this risk is through the credit analysis process. Measurement of credit risk over time will be based mainly on the determination of the allowance for doubtful accounts.

Notes to Quarterly Information

The Company and its subsidiaries are subordinated to the credit policy set by its management and their purpose is to minimize any problems deriving from default due to disallowances under plans. The Company also set up an allowance for doubtful accounts due to disallowances, default and returned checks in the Company amounting to R$ 48,010 (R$ 46,318 at December 31, 2013) representing 10.11% (10.62% at December 31, 2013) from the balance of outstanding receivables in order to cover credit risk, and in Consolidated R$ 75,352 (R$ 67,486 at December 31, 2013) representing 10.49% (10.56% at December 31, 2013) from the balance outstanding receivables in order to cover the credit risk.

At March 31, 2014, the maximum exposure in consolidated was R$ 1,343,366 (R$ 1,175,059 at December 31, 2013) referring to cash and cash equivalents and receivables.

Operating risk

Operating risk is the risk of direct or indirect loss arising from a variety of causes associated with our personnel, technology and infrastructure processes, as well as external factors, other than credit, market and liquidity risks. It includes risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate conduct. Operating risks arise from all our operations.

The objective of the Company is to manage operating risk to prevent the occurrence of financial losses or damage to its reputation while ensuring cost effectiveness and avoiding control procedures that hamper initiative and creativity.

The primary responsibility for developing and implementing controls to cover operating risk is attributed to senior management. The latter is supported by development of overall standards for operating risk management in the following areas:

- requirements for appropriate segregation of duties, including independent authorization of transactions;
- requirements for reconciliation and monitoring transactions;
- compliance with legal and regulatory requirements
- documentation of controls and procedures;
- requirements for periodic assessment of operating risks faced, and adequacy of controls and procedures to treat the identified risks;
- requirements for reporting transaction losses and proposed corrective measures;
- developing contingency plans;
- Professional training and development;
- ethical and business standards;
- risk mitigation, including insurance, when effective

Notes to Quarterly Information

Compliance with the Company's rules is supported by a continuous quality assessment process and a program for periodical analysis of the Internal Auditing responsibilities. The results of the Internal Auditing analyses are discussed with the management of the related business unit, and reports are sent to the Auditing Committee and to the Company management.

Capital management

The Company monitors the financial leverage to maintain an appropriate capital structure for the operation and to reduce the indebtedness cost. The leverage ratio used corresponds to net debt divided by total equity.

The consolidated levels of financial leverage ratios at March 31, 2014 and December 31, 2013 are broken down as follows:

	3/31/2014	**12/31/2013**
Loans and financing **(a)**	**110,709**	118,449
Debentures **(a)**	**1,394,136**	1,356,726
Derivative financial instruments	**200**	(107)
Total gross debt	**1,505,045**	1,475,068
Cash and cash equivalents and marketable securities – current assets	**(697,734)**	(608,861)
Net debt	**807,311**	866,207
Equity	**2,738,004**	2,708,810
Contents	**0.29485**	0.31977

(a) Amounts are reported net of transaction costs

The Company may alter its capital structure depending on economic-financial, strategic or operational conditions, in order to improve debt management. At the same time, it aims to improve return on invested capital (ROIC) through working capital management and an efficient investment program.

The Company is subject to maximum indebtedness levels according to the terms presented in Note 17.

Notes to Quarterly Information

Financial instrument by category

The table below shows the Company's financial instruments by category. Fair values of financial instruments shown do not vary significantly from the balances shown in the Company and Consolidated statements of financial position.

	Company					
	3/31/14			12/31/12		
Description	Fair value through profit or loss	Loans and receivables	Amortized cost	Fair value through profit or loss	Loans and receivables	Amortized cost
Cash and cash equivalents and Marketable securities	**565,345**	**-**	**-**	512,755	-	-
Judicial deposits	**37,412**	**-**	**-**	90,695	-	-
Trade accounts receivable	**-**	**427,032**	**-**	-	389,860	-
Derivatives	**-**	**-**	**-**	107	-	-
Assets	**602,757**	**427,032**	**-**	603,557	389,860	-
Trade accounts payable	**-**	**-**	**52,053**	-	-	45,804
Loans and financing	**-**	**-**	**5,210**	-	-	8,431
Debentures		**-**	**1,394,136**	-	-	1,356,726
Derivatives	**200**	**-**	**-**	-	-	-
Taxes in installments	**-**	**-**	**10,257**	-	-	10,538
Payables for acquisition of subsidiaries	**-**	**-**	**32,817**	-	-	36,750
Liabilities	**200**	**-**	**1,494,473**	-	-	1,458,249

	Consolidated					
	3/31/14			12/31/13		
Description	Fair value through profit or loss	Loans and receivables	Amortized cost	Fair value through profit or loss	Loans and receivables	Amortized cost
Cash and cash equivalents and Marketable securities	**734,225**	**-**	**-**	646,654	-	-
Judicial deposits	**42,275**	**-**	**-**	95,540	-	-
Trade accounts receivable	**-**	**641,546**	**-**	-	566,262	-
Derivatives	**-**	**-**	**-**	107	-	-
Assets	**776,500**	**641,546**	**-**	742,301	566,262	-
Trade accounts payable	**-**	**-**	**81,926**	-	-	65,479
Loans and financing	**-**	**-**	**110,709**	-	-	118,449
Debentures	**-**	**-**	**1,394,136**	-	-	1,356,726
Derivatives	**200**	**-**	**-**	-	-	-
Taxes in installments	**-**	**-**	**28,520**	-	-	29,185
Payables for acquisition of subsidiaries	**-**	**-**	**44,712**	-	-	48,359
Liabilities	**200**	**-**	**1,660,003**	1,233	-	1,618,198

Notes to Quarterly Information

Fair value hierarchy

The Company holds only financial instruments qualified at level 2, corresponding to marketable securities in the consolidated amounts of R$ 724,061 at March 31, 2014 (R$ 625,786 at December 31, 2013) and derivatives in the consolidated amounts of R$ 200 asset at March 31, 2014 (R$ 107 liability at December 31, 2013).

The different levels are defined as follows:

- Level 1 - Prices (not adjusted) quoted in active markets for identical assets and liabilities.
- Level 2 - Inputs, other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).
- Level 3 - Assumptions for the asset or liability that are not based on observable market data (unobservable inputs).

a) *Estimated fair values*

Estimated fair value for financial instruments was developed using a pricing model applied individually to each transaction, taking into account future payment flows based on contractual terms, discounted to present value at rates obtained through the market interest curve, based on information obtained from the BM&FBovespa and ANBIMA websites.

Therefore a security's fair value corresponds to its value at maturity (redemption value) brought to present value using a discount factor (related to the maturity date) obtained from the market interest curve in *Reais*.

b) *Derivatives*

The hedge instruments contracted by the Company are non-deliverable forwards and interest rate *swaps* with no leverage component, margin call clause, daily adjustment or periodic adjustments. The assumptions used for calculation of assets and liabilities are broken down in the table below:

Notes to Quarterly Information

At March 31, 2014, the Company held the following swap operations:

Financial instruments – Derivatives receivable (Consolidated)

	Fair value (Accounting)											
Company strategy	**Index rate - Assets**	**Assets**	**Index rate - Liabilities**	**Liabilities**	**Fair value**	**Amounts**	**Gain (loss) in mark to market**	**Currency/ index**	**Maturity**	**Notional value**	**Market**	**Counter party**
Derivatives for debts hedge not assigned at fair value												
Swap - Hedge exchange rate	Dollar	5,361	78.55% of CDI	(5,561)	(200)	(331)	131	Dollar	4/2010 to 3/2016*	3,736	OTC	HSBC
		5,361		(5,561)	(200)	(331)	131					
Classified in current assets					(170)							
Classified in noncurrent assets					(30)							

* Monthly maturity

The Company recognized gains and losses on its derivative instruments. However, since they are hedging derivatives, these gains and losses minimized the impact of exchange-rate and interest-rate variation incurred by the indebtedness that the derivatives were hedging. At March 31, 2014, derivative instruments had the following impacts on consolidated income:

Derivatives	**Risk**	**Account**	**Income 12/31/13**	**Income 12/31/12**
HSBC (SWAP)	Exchange variation -Interest - fair value adjustment	Financial income/ (financial expenses)	**(235)**	(623)
			(235)	(623)

Sensitivity analysis of derivatives

The Company carried out the sensitivity analysis for the main risks to which its financial instruments (including derivatives) are exposed, which basically refer to risks related to exchange and interest rate variations, as follows:

Exchange-rate variation

Fair value was calculated in accordance with projections made on the date of these quarterly information for future quotations of the US dollar obtained from BM&FBovespa. In the case of the scenarios, as determined by the abovementioned instruction, the stress percentages defined therein were added.

Notes to Quarterly Information

Assuming the notional exposure of indexed to variable interest rates above are maintained, the effects of dollar depreciation on the Company's consolidated quarterly information, by type of financial instrument, for the two different scenarios, would be as follows:

Contracts	Risk	Exposure	Fair value at 3/31/2014	Depreciation 25%	Depreciation 50%
SWAP Contract – HSBC Long position – Exchange variation	Dollar drop - US$	3,736	**5,361**	(1,340)	(2,680)
		3,736	**5,361**	(1,340)	(2,680)

Interest-rate variation

Market value was calculated in accordance with the projections on the date of these quarterly information for future quotations for each maturity date of principal and interest obtained on the BM&FBovespa. In the case of the scenarios, as determined by the abovementioned instruction, the stress percentages defined therein were added.

Assuming the exposure of financial instruments indexed to variable interest rates at March 31, 2014 is maintained, the effects of a higher interbank (CDI) on the Company's consolidated quarterly information, by type of financial instrument, for two different scenarios, would be as follows:

Contracts	Risk	Exposure	Fair value at 3/31/2014	Increase 25%	Increase 50%
SWAP Contract- HSBC Short position – Interest	CDI Increase	3,736	(5,561)	16	32
		3,736	(5,561)	16	32

Sensitivity analysis of financial assets and liabilities

The principal risks concerning the Company's operations relate to interbank (CDI) rate variations for promissory notes, debentures and marketable securities linked to the dollar exchange rate variation for loans and financing and marketable securities.

CDI Investments are recorded at fair value, in accordance with quotations disclosed by the corresponding financial institutions and the others refer mostly to banking deposit certificates and repurchase agreements, therefore the amount recorded for these securities shows no difference in relation to fair value.

Based on expectations stated in the FOCUS/Bacen report 03/28/14, a projection for the next 12 months was obtained, with an average of 11.96% for CDI and R$ 2.50 for the exchange rate (R$/US$).

Notes to Quarterly Information

In order to verify the sensitivity of the index on marketable securities held by the Company at March 31, 2014, three different scenarios were defined, based on the projection and, from then on, the variations of 25% and 50% were calculated.

For each scenario gross financial expense / (income) was calculated, not including the impact of taxes and the flow of maturities of each contract scheduled for 2014.

Transaction	Balance at March 31, 2014	Risk	Scenario I (Probable)	Scenario II	Scenario III
Marketable securities	**72,483**	Dollar	(7,591)	18,121	36,241
Rate subject to variation			2.50	1.70	1.13
Marketable securities	**615,086**	CDI	73,564	55,173	36,782
Rate subject to variation			11.96%	8.97%	5.98.%

In order to verify the sensitivity of our debts index at March 31, 2014, three different scenarios were defined based on the projection, from which variations of 25% and 50% were calculated.

Gross financial expenses / (income) were calculated for each scenario, not including the impact of taxes and the flow of maturities of each contract scheduled for 2013.

Gross financial expense was calculated for each scenario, not taking into consideration the impact of taxes and the flow of maturities of each contract scheduled for 2013. The reporting date used for financing was March 31, 2014, and the indices were projected for one year and their sensitivity determined for each scenario.

Notes to Quarterly Information

Transaction	Balance at March 31, 2014	Risk (a)	Scenario I (Probable)	Scenario II	Scenario III
Debentures	**1,400,550**	CDI	167,506	209,382	251,259
			11.96%	14.95%	17.94%
Working capital	**23,902**	CDI	2,859	3,573	4,288
			11.96%	14.95%	17.94%
Working capital	**68,448**	Dollar	7,168	17,112	34,224
			2.50	2.83	3.39

(a) Rate subject to variation

Notes to Quarterly Information

Fair value

	Company			
	3/31/14		12/31/13	
	Book value	Fair value	Book value	Fair value
Assets				
Marketable securities	**558,642**	**558,642**	497,929	497,929
Judicial deposits	**37,412**	**37,412**	90,695	90,695
Trade accounts receivable	**426,304**	**426,304**	389,860	389,860
Derivatives	**-**	**-**	107	107
Liabilities				
Trade accounts payable	**52,053**	**52,053**	45,804	45,804
Debentures	**1,394,136**	**1,395,813**	1,356,726	1,365,658
Derivatives	**200**	**200**	-	-
Loans and financing:				
Other bank loans	**5,210**	**5,210**	8,431	8,431

	Consolidated			
	3/31/14		12/31/13	
	Book value	Fair value	Book value	Fair value
Assets				
Marketable securities	**724,061**	**724,061**	625,786	625,786
Judicial deposits	**42,275**	**42,275**	95,540	95,540
Trade accounts receivable	**636,735**	**636,735**	566,262	566,262
Derivatives	**-**	**-**	107	107
Liabilities				
Trade accounts payable	**81,926**	**81,926**	65,479	65,479
Debentures	**1,394,136**	**1,395,813**	1,356,726	1,365,658
Derivatives	**200**	**200**	-	-
Loans and financing:				
Bank loan - Banco do Brasil	**23,902**	**23,971**	23,884	23,954
Bank loan – Credit Agricole	**68,448**	**68,448**	70,623	70,623
Other bank loans	**18,359**	**18,359**	23,942	23,942
	110,709	**110,778**	118,449	118,519

Notes to Quarterly Information

27. Related parties

In the periods ended March 31, 2014 and 2013, the Company entered into transactions with related parties within its normal operating context, as shown below:

a) Transactions related to services rendered between Company and related parties

	3/31/2014	12/31/2013
Current assets – Customers		
CientificaLab	**75**	63
CERPE	**160**	78
Previlab	**68**	59
	303	200
Current liabilities – Other accounts payable		
DASA RE (i)	**76**	73
Sérgio Franco (ii)	**2,630**	2,687
	2,707	2,760

Income for the period	3/31/2014	12/31/2013
Service revenue		
CientificaLab	**132**	1,242
CERPE	**242**	149
Previlab	**176**	275
	550	1,666
Cost of services provided		
DASA RE (i)	**224**	388
Sérgio Franco (ii)	**7,681**	4,898
	7,905	5,286

(i) Amounts corresponding to property rent.
(ii) Amounts corresponding to clinical analysis services.

Transactions with related parties, as shown above, are carried out at cost and eliminated in the consolidated quarterly information.

Notes to Quarterly Information

b) Advances for future capital contribution (AFAC)

	3/31/14	12/31/13
CientificaLab Produtos Laboratoriais e Sistemas Ltda.	**25,000**	25,000

c) Management compensation

Total management compensation, including fixed compensation and bonuses, was R$666 in the first quarter of 2014 (R$666 in the first quarter of 2013), paid to the members of the Board of Directors (5 members in the first quarter of 2014 and of 2013), and R$1,684 in the first quarter of 2014 and R$1,338 in the first quarter of 2013, paid to statutory officers (11 statutory officers in the first quarter of 2014 and 9 in the first quarter of 2013).

Share-based payment is disclosed in Note 22 (e). There are no additional benefits to the Company's key management members.

d) Assignment of credits

Subsidiary Pro Echo (assignor) and the Company (assignee) entered into a credit assignment agreement on February 3, 2014, whereby the assignor assigns credits owned thereby to the assignee, amounting to R$ 44,889, arising from intercompany loan agreements entered into with the following subsidiaries: (i) Laboratórios Médicos Dr.Sérgio Franco, amounting to R$ 36,803, (ii) Check-up UP, amounting to R$ 4,726, and (iii) CRMI, amounting to $ 3,360. In consideration of the assignment, the Company will pay R$ 44,889 to subsidiary Pro Echo (assignor) until September 2, 2014

e) Transactions *between the Company and other related parties*

Transactions with related parties are conducted at average regular market values, deadlines and rates prevailing on the respective dates and may be continuous.

The related parties that are not included in the consolidated quarterly information are as follows:

Link Consultoria em Medicina Diagnóstica Ltda.: an entity held by Alcione Moya Aprilante, shareholder of Previlab Análises Clínicas Ltda., which is a Company controlled by the DASA. It provides advisory services regionally in the management of health companies, and has market know-how, relationship with physicians practicing in the region where Previlab operates, as well as recognition by potential health professionals and customers.

Medparts Participações e Negócios Ltda.: entity held by Doctor Luciano Flávio Freitas de Almeida, member of Instituto de Endocrinologia e Medicina Nuclear do Recife Ltda. – CERPE, which renders services to the Company, providing advisory services on business management of medical companies, with market know-how, relationship with local physicians, and recognition of potential professionals and customers in healthcare field.

Notes to Quarterly Information

Amar Administradora de Bens Próprios Ltda.: a company owned by M.D. Alcione Moya Aprilante and his wife, Melania Angelieri Cunha Aprilante. M.D. Alcione is a member of Previlab (a Company's subsidiary), which is the lessor of properties owned by AMAR, which belonged to Melania Angelieri Cunha Aprilante.

César Antonio Biazio Sanches: shareholder of Análises Clínicas Ltda., owner of the property leased by Previlab, which is an entity controlled by the Company, located at Rua Alferes Franco, nº 408 - Limeira, SP.

A e C Consultores Ltda.: an entity held by Cezar Antonio Biázio Sanches, shareholder of Previlab Análises Clínicas Ltda., which is a Company controlled by DASA. It provides business advisory and support services in the Previlab business area, as well as advisory, coaching, training and assessment of Previlab's employees and service providers.

Pesmed – Pesquisas e Serviços Médicos Ltda.: a Company controlled by Mr. Emerson Leandro Gasparetto, our radiology and graphical methods officer (elected March 26, 2012) and his wife, also a medical professional, Dr. Taisa Pallu Davaus Gasparetto, for consulting services in the form of medical research and surveys for subsidiaries: CDPI – Clínica de Diagnósticos por Imagem Ltda, CRMI – Clínica de Ressonância e Multi Imagem Ltda. The amounts are calculated based on the number of reports actually prepared by Pesmed, with due regard for the amount corresponding to each type of report, as per the list prepared by Company, using the same system adopted for the other providers of services for the Company.

RMR Ressonância Magnética Ltda: a Company with shareholders jointly holding 33.24% of its capital who are the brothers of Mr. Romeu Cortês Domingues, chairman of the board of directors of the Company (elected April 26, 2011) , which provides medical services in the field of magnetic resonance imaging for these subsidiaries: CDPI – Clínica de Diagnósticos por Imagem Ltda; CRMI – Clínica de Ressonância e Multi Imagem Ltda; and Clínica de Ressonância e Multi-Imagem Caxias Ltda. Amounts are calculated based on revenue from magnetic resonance imaging services and numbers of exams produced by RMR, recognizing the corresponding charge for each type of report, as per the list prepared by the Company and using the same system adopted for the other providers of services for the Company.

Ultrascan Serviços de Imagem Ltda: Company owned by Eduardo Luiz Primo de Siqueira, who holds 7.5% of Clinica de Ressonância Multi-Imagem Petrópolis Ltda, which provides medical services in the imaging area for the controlled Company Clinica de Ressonância Multi-Imagem Petropolis Ltda. The amounts are calculated based on the imaging service revenue and the number of reports prepared by Ultrascan, subject to the amount corresponding to each report type, according to the subsidiary's table, and they should further comply with the same system adopted for the other service providers of subsidiary.

Notes to Quarterly Information

DMG Laboratório Médico Ltda: a franchise of the controlled Company Laboratórios Médicos Dr. Sérgio Franco Ltda., whose managing partner is Neusa de Godoy Bueno Joaquim, mother-in-law of the regional chief financial officer of the controlled Company Laboratórios Médicos Dr. Sérgio Franco Ltda., Carlos Fabio Ferreira Xavier. The franchise commission is calculated based on DMG's service revenue, subject to the same system adopted for the other franchisees.

Lâmina Laboratório de Patologia Prevenção de Câncer Ltda: an entity whose partner is Adilia Jane de Alcantara Segura, non-statutory medical officer of the Company, for clinical pathology services. The amounts are calculated based on the number of examinations effectively made by Lâmina, subject to the amount corresponding to each examination type, according to the Company table and pursuant to the same system adopted for the other services providers.

ECRD – Serviços Médicos de Radiologia Ltda: The Company's partner is Mr. Roberto Cortes Domingues, brother of Mr. Romeu Cortês Domingues, chairman of the Board of Directors (appointed on April 26, 2011), which provides medical services referring to MRI and radiology for subsidiaries CDPI – Clínica de Diagnósticos por Imagem Ltda., CRMI – Clínica de Ressonância e Multi Imagem Ltda. and Clínica de Ressonância e Multi-Imagem Caxias Ltda. and Clínica de Ressonância e Multi-Imagem Petropolis Ltda.

Amil Group (Amil International; Amico and Dix): Mr. Edson Godoy Bueno, together with Dulce Pugliese de Godoy Bueno, is the Company's controlling shareholder and also Chief Executive Officer of the Amil Group, to which the Company and its subsidiaries provide medical diagnosis services. The Company and its subsidiaries also engaged the Amil Group to provide employees' health plan management services.

Amil Impar / Amil Par: Mr. Edson Godoy Bueno and Dulce Pugliese de Godoy Bueno, controlling shareholders of the Company and also of Amil Impar and Amil Par, holding equity interest in hospitals in which the Company and its subsidiaries provide medical diagnosis services.

EGB 01 Empreendimentos e Participações Ltda.: Mr. Edson Godoy Bueno and Dulce Pugliese de Godoy Bueno, controlling shareholders of the Company and also of EGB, which has leased properties to the Company and its subsidiaries.

Notes to Quarterly Information

The amount of such transactions with related parties is as follows:

	Assets/ (Liabilities) 3/31/2014			Assets/ (Liabilities) 12/31/2013		
	Services	**Rents**	**Healthcare**	**Services**	**Rents**	**Healthcare**
- Link Consult. em Medicina Diag. Ltda	(16)	-	-	(15)	-	-
- Medparts Particip. e Negócios Ltda.	-	-	-	-	-	-
- Amar Admin. de Bens Próprios Ltda.	-	-	-	-	-	-
- César Antonio Biazio Sanches	-	(7)		-	(6)	-
- A e C Consultores Ltda.	(35)	-	-	(5)	-	-
- Pesmed – Pesquisas e Serv. Médicos Ltda.	-	-	-	-	-	-
- RMR Ressonância Magnética Ltda.	-	-	-	-	-	-
- Ultrascan Serviços de imagem Ltda.	-	-	-	-	-	-
- DMG Laboratório Médico Ltda.	-	-	-	(18)	-	-
- Lâmina Lab.de Patologia Prev.de Câncer Ltda.	-	-	-	-	-	-
- ECRD – Serviços Médicos de Radiologia Ltda.	-	-	-	-	-	-
- Grupo AMIL (AMIL Internacional; Amico e Dix) **(a)**	74,156	-	(1,864)	56,281	-	(27)
- AMIL Impar / AMIL Par **(a)**	19,190	-	-	17,643	-	-
- EGB 01 Empreend. e Participações Ltda.	-	(635)	-	-	(184)	-

(a) informed asset balances for services rendered by the Company and its subsidiaries are net of provision for disallowance.

	Income / (Expenses) 3/31/2014			Income / (Expenses) 3/31/2013		
	Services	**Rents**	**Healthcare**	**Services**	**Rents**	**Healthcare**
- Link Consult. em Medicina Diag. Ltda	(47)	-	-	(47)	-	-
- Medparts Particip. e Negócios Ltda.	(67)	-	-	(61)	-	-
- Amar Admin. de Bens Próprios Ltda.	-	(76)	-	-	(73)	-
- César Antonio Biazio Sanches	-	(33)	-	-	(21)	-
- A e C Consultores Ltda.	(104)	-	-	(99)	-	-
- Pesmed – Pesquisas e Serv. Médicos Ltda.	(66)	-	-	(99)	-	-
- RMR Ressonância Magnética Ltda.	(416)	-	-	(913)	-	-
- Ultrascan Serviços de imagem Ltda.	(46)	-	-	(41)	-	-
- DMG Laboratório Médico Ltda.	(257)	-	-	(238)	-	-
- Lâmina Lab.de Patologia Prev.de Câncer Ltda.	-	-	-	(53)	-	-
- ECRD – Serviços Médicos de Radiologia Ltda.	(443)	-	-	-	-	-
- Grupo AMIL (AMIL Internacional; Amico e Dix)	105,943	-	(7,047)	99,898	-	(3,594)
- AMIL Impar / AMIL Par	25,007	-	-	20,292	-	-
- EGB 01 Empreend. e Participações Ltda.	-	(1,426)	-	-	(1,274)	-

Notes to Quarterly Information

28. Financial and operating lease

Local currency leases

The Company leases goods recorded in property and equipment, with purchase option, with no renewal option, and contingent payment, with no covenants referring to dividends and interest on equity or additional debt. These contracts total an amount payable of R$ 9,420 until 2015 for the consolidated, given that the sum of R$ 7,835 of this amount is recorded in current liabilities and R$ 1,585 in noncurrent liabilities.

The average term of the contracts is 36 months and these are remunerated at interest rate varying from CDI + 1.53% p.a. to CDI + 2.00% p.a.

Future minimum payments under loans and financing (see Note 16) are segregated as follows:

	3/31/14					
	Company			Consolidated		
	Present value of minimum Lease Payments	Interest	Future minimum payments	Future minimum payments Future	Interest	Future minimum payments
Up to one year	**-**	**-**	**-**	**7,835**	**164**	**7,999**
One to five years	**-**	**-**	**-**	**1,585**	**33**	**1,618**
	-	**-**	**-**	**9,420**	**197**	**9,617**

	12/31/13					
	Company			Consolidated		
	Present value of minimum lease payments	Interest	Future minimum payments	Future minimum payments Future	Interest	Future minimum payments
Up to one year	2	-	2	8,028	171	8,199
One to five years	-	-	-	3,073	65	3,138
	2	-	2	11,101	236	11,337

Domestic finance lease agreements are included in property and equipment under devices and equipment, amounting to R$ 14,771 (R$ 15,236 at December 31, 2013) in Consolidated.

Notes to Quarterly Information

Foreign currency financial leases

The Company leases equipment used to provide services, according to lease agreements with purchase option, with no renewal option, and contingent payment, with no covenants referring to dividends and interest on equity or additional debt. The payment term is 84 months and for the first installment of a shortage of 6 months for the settlement was established, and the remaining payments on a quarterly and semiannually. The quarterly and semi-annual installments in U.S. dollars are translated into reais at the market exchange rate effective on the payment date, plus interest from 7.20% per annum to 8.35% per annum, the balance payable totaling R$6,454 by 2016, R$5,503 thereof being recorded under current liabilities and R$951 under noncurrent liabilities.

Future minimum payments are segregated as follows:

	3/31/2014					
	Company			Consolidated		
	Present value of minimum lease payments	Interest	Future minimum payments	Present value of minimum lease payments	Interest	Minimum Future payments
Up to one year	**4,284**	**241**	**4,525**	**5,503**	**310**	**5,813**
One to five years	**926**	**53**	**979**	**951**	**54**	**1,005**
	5,210	**294**	**5,504**	**6,454**	**364**	**6,818**

	12/31/2013					
	Company			Consolidated		
	Present value of minimum Lease payments	Interest	Future minimum payments	Present value of minimum lease payments	Interest	Minimum future payments
Up to one year	6,626	403	7,029	7,893	480	8,373
One to five years	1,803	109	1,912	2,140	130	2,270
	8,429	512	8,941	10,033	610	10,643

The international finance lease agreements are included in property and equipment as machinery and equipment, totaling R$7,601 (R$8,002 at December 31, 2013) - Company and R$8,226 (R$8,687 at December 31, 2013) - consolidated.

Notes to Quarterly Information

Operating lease

Future minimum property rent payable on operating leases not subject to cancellation in consolidated are the following:

	3/31/2014			12/31/2013		
	Fixed-income agreements	**Variable income agreements**	**Total**	**Fixed-income agreements**	**Variable income agreements**	**Total**
Within one year	**112,006**	**5,159**	**117,165**	100,046	4,123	104,169
More than one year, but less than five years	**192,136**	**8,849**	**200,985**	177,826	7,329	185,155
More than five years	**99,690**	**317**	**100,007**	98,812	270	99,082
	403,832	**14,325**	**418,157**	376,684	11,722	388,406

29. Net revenue

Reconciliation between gross revenues for tax purposes and net revenues and discounts stated in the income statements is as follows:

	Company		Consolidated	
	3/31/2014	**12/31/2013**	**3/31/2014**	**12/31/2013**
Gross revenue	**523,551**	457,436	**733,041**	640,412
Deductions:				
Taxes	**(30,177)**	(26,165)	**(41,614)**	(35,870)
Provision for and losses due to disallowance and default	**(18,416)**	(16,901)	**(27,345)**	(20,535)
Discounts	**(1,395)**	(2,168)	**(1,937)**	(2,420)
	473,563	412,202	**662,145**	581,587

Notes to Quarterly Information

30. Financial income

	Company		Consolidated	
	3/31/2014	12/31/2013	3/31/2014	12/31/2013
Financial expenses				
Interest	**(37,572)**	(21,587)	**(38,863)**	(24,562)
Monetary and exchange variation losses	**(702)**	(1,302)	**(1,058)**	(1,160)
Other	**(2,117)**	(2,042)	**(4,312)**	(3,325)
	(40,391)	(24,931)	**(44,233)**	(29,047)
Financial income				
Interest	**14,203**	3,641	**18,136**	5,258
Monetary and exchange variation losses	**932**	1,408	**1,202**	1,746
Other	**240**	127	**253**	1,049
	15,375	5,176	**19,591**	8,053
	(25,016)	(19,755)	**(24,642)**	(20,994)

* * * *

Dickson Esteves Tangerino
CEO

Márcio Ramos Fernandes
Financial Director and Vice-President

Carlos Elder Maciel de Aquino
Chief Accounting Officer and Infrastructure

Paulo Bokel Catta-Preta
Investor Relations Director and CFO

Daniel Vendramini da Silva
TC-CRC 1SP125812/O-1

Other Information Considered Relevant by the Company

Shareholding structure

Controlling shareholders, managing officers and outstanding shares

	Position at March 31, 2014			
Shareholders	**Common shares (unit)**	**%**	**Total shares (unit)**	**%**
Controllers	224,308,396	71.94%	224,308,396	71.94%
Board of directors	7,449,953	2.39%	7,449,953	2.39%
Staff of officers	69,866	0.02%	69,866	0.02%
Statutory Audit Committee	1	0.00%	1	0.00%
Treasury stock	1,159,035	0.37%	1,159,035	0.37%
Outstanding shares	78,815,764	25.28%	78,815,764	25.28%
Total of shares	**311,803,015**	**100.00%**	**311,803,015**	**100.00%**

	Position at December 31, 2013			
Shareholders	**Common shares (unit)**	**%**	**Total shares (unit)**	**%**
Board of directors	7,470,957	2.40%	7,470,957	2.40%
Staff of officers	61,066	0.02%	61,066	0.02%
Treasury stock	1,159,035	0.37%	1,159,035	0.37%
Outstanding shares	303,111,957	97.21%	303,111,957	97.21%
Total of shares	**311,803,015**	**100.00%**	**311,803,015**	**100.00%**

At March 31, 2014 and 2013, the Company did not have a Supervisory Board.

Arbitration clause

The Company is bound to arbitration by the Market Arbitration Chamber, pursuant to the arbitration clause provided for in its articles of incorporation.

Independent auditor's review report on quarterly information

A free translation from Portuguese into English of Independent Auditor's Review Report on individual quarterly financial information in accordance with Accounting Pronouncement CPC 21 (R1) - Interim Financial Reporting and consolidated interim quarterly financial information in accordance with CPC 21 (R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB)

INDEPENDENT AUDITOR'S REVIEW REPORT ON QUARTERLY FINANCIAL INFORMATION

The Shareholders, Board of Directors and Officers
Diagnósticos da América S.A.
São Paulo – SP

Introduction

We have reviewed the individual and consolidated interim financial information of Diagnósticos da America S.A. and subsidiaries (the "Company"), contained in the Quarterly Information Form (ITR) for the quarter ended March 31, 2014, which comprises the balance sheet as at March 31, 2014 and the related statements of income, statements of comprehensive income, statements of changes in equity and statements of cash flow for the three-month period then ended, including accompanying notes.

Management is responsible for the preparation of the individual interim financial information in accordance with Accounting Pronouncement CPC 21 (R1) - Interim Financial Reporting, and consolidated interim financial information in accordance with CPC 21 (R1) and IAS 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), as well as for the fair presentation of this information in conformity with the standards issued by the Brazilian Securities and Exchange Commission (CVM) applicable to the preparation of Quarterly Financial Information (ITR). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with Brazilian and International Standards on Review Engagements (NBC TR 2410 and ISRE 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity, respectively). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independent auditor's review report on quarterly information

Conclusion on the individual interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the individual interim financial information included in the quarterly financial information referred to above is not prepared, in all material respects, in accordance with CPC 21 (R1) applicable to the preparation of Quarterly Information (ITR), and presented consistently with the standards issued by the Brazilian Securities and Exchange Commission (CVM).

Conclusion on the consolidated interim financial information

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information included in the quarterly financial information referred to above is not prepared, in all material respects, in accordance with CPC 21 (R1) and IAS 34 applicable to the preparation of Quarterly Information (ITR), and presented consistently with the standards issued by the Brazilian Securities and Exchange Commission (CVM).

Other matters

Statements of value added

We also reviewed the individual and consolidated statements of value added (SVA), for the three-month period ended March 31, 2014, prepared under the responsibility of Company management, whose presentation in the interim financial information is required by the standards issued by the Brazilian Securities and Exchange Commission (CVM), applicable to preparation of Quarterly Information (ITR) and considered supplementary information under IFRS, which do not require SVA presentation. These statements were submitted to the same review procedures previously described and, based on our review, nothing has come to our attention that would make us believe that they were not prepared, in all material respects, consistent with the overall individual and consolidated interim financial information.

São Paulo, May 12, 2014.

ERNST & YOUNG
Auditores Independentes S.S.
CRC-2SP015199/O-6

Antonio Carlos Fioravante
Accountant CRC-1SP184973/O-0

Rita de C. S. de Freitas
Accountant CRC-1SP214160/O-5

Opinions and Statements/Statement of Officers on the Quarterly Information

Observing the provision of article 25 of Ruling No. 480/09 of December 7, 2009, the Board represents that it has reviewed, discussed and agreed with the Quarterly information (Company and Consolidated) for period ended March 31, 2014.

Barueri, May 12, 2014.

CEO - Dickson Esteves Tangerino

Financial Director and Vice-President – Márcio Ramos Fernandes

Investor Relations Officer and Financial and CFO - Paulo Bokel Catta-Preta

Chief Accounting Officer and Infrastructure - Carlos Elder Maciel de Aquino

Opinions and Declarations/Statement of Officers on the Independent Auditors Report

In compliance with the provisions of article 25, Instruction # 480/09, of December 7, 2009, the Staff of Officers represents that it has reviewed, discussed and agreed with the opinion expressed in the Independent Auditors' Review Report, dated May 12, 2014, related to the quarterly information (Company and Consolidated) for the period ended on March 31, 2014.

Barueri, May 12, 2014.

CEO - Dickson Esteves Tangerino

Financial Director and Vice-President – Márcio Ramos Fernandes

Investor Relations Officer and Financial and CFO - Paulo Bokel Catta-Preta

Chief Accounting Officer and Infrastructure - Carlos Elder Maciel de Aquino